



20th August 2026

Corporate Relations Department,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Fort, Mumbai - 400 001
Scrip Code: 505242

Listing Department,
National Stock Exchange of India Limited
"Exchange Plaza", Bandra-Kurla Complex,
Bandra East, Mumbai 400 051.
Scrip Code: DYNAMATECH

Dear Sir/Madam,

Sub: Annual General Meeting - Annual Report 2025-26

This is to inform you that the 51st (Fifty-first) Annual General Meeting ("AGM") of the Company will be convened on Tuesday, 15th September 2026, at 2:30 p.m. (IST), through Video Conference ("VC") / Other Audio Visual Means ("OAVM").

Pursuant to Regulation 34(1) and 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Notice of AGM and Annual Report of the Company along with the Business Responsibility and Sustainability Report for FY 2025-26, which is being sent in electronic mode to the Members.

Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members of the Company will remain closed from 9th September 2026 to 15th September 2026 (both dates inclusive) for the purpose of 51st AGM.

The Annual Report containing the Notice of AGM is also uploaded on the Company's website www.dynamatics.com.

The Board of Directors of the Company, vide meeting dated 19th May 2026, had recommended a dividend of Rs. 5/- per equity share of face value of Rs. 10/- each (50%) for approval of shareholders at the 51st AGM. The dividend, if approved, will be paid on or after 17th September 2026, subject to deduction of tax, to those shareholders whose names appear in the Register of Members, as applicable, as at the closure of business hours on 28th August 2026.

Registered Office
Dynamatic Technologies Limited
JKM Plaza - Dynamatic Aerotropolis
55 - KIADB Aerospace Park
Bangalore 562 149 - India
Tel +91 80 2111 1223 +91 80 2204 0535

www.dynamatics.com

Corporate Identity Number: L72200KA1973PLC002308



We kindly request you to take this letter along with the enclosures on record.

Thanking you,

Yours faithfully,
For **Dynamatic Technologies Limited**

Shivaram V
Chief Legal Officer and Company Secretary
Membership No.: ACS 19173

Enclosure: as above

CC:

National Securities Depository Limited 3 rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400 051	Central Depository Services (India) Limited Marathon Futurex, A- Wing, 25 th floor, NM Joshi Marg, Lower Parel, Mumbai, Maharashtra - 400 013	Mr. Ratan Babu, KFin Technologies Limited Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana - 500 032
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DYNAMATIC TECHNOLOGIES LIMITED



BREAKOUT
INNOVATION IN MOTION

ANNUAL REPORT 
2025-2026 





*Coming together is a beginning. Keeping together is progress.
Working together is success.*

- Henry Ford

Dear Fellow Shareholder,

On behalf of the Board of Directors of Dynamatic Technologies Limited and its subsidiaries, I take pleasure in presenting you with the Audited Financial Statements for the year 2025-26.

During the year under review, your Company recorded Consolidated Net Revenue of ₹16,213 million with Consolidated EBITDA of ₹1,827 million & Profit After Tax of ₹324 million.

During the year under review, your Company demonstrated sustained operational resilience, advancing our capabilities across all core domains while anchoring India's emergence as a globally competitive aerospace and defence manufacturing hub. Throughout FY 2025-26, we accelerated our technological evolution, expanded critical OEM partnerships, and deepened our alignment with the *Make in India* and *Atmanirbhar Bharat* vision.

The past financial year has been a period of purposeful transformation, structural execution, and profound expansion across our core growth engines. As the world redefines supply chains, defence sovereignty, and aerospace precision, Dynamatic has established itself not merely as a participant, but as a critical, single-source global partner.

Our mission remains sharp: to build complex, ultra-precision engineering solutions at scale, anchored in technological innovation and operational discipline.

AEROSPACE: DRIVING GROWTH, AI INNOVATION, AND STRATEGIC POSITIONING

Our Aerospace segment remained the primary engine of Dynamatic's revenues and

profitability throughout FY 2025-26, consistently delivering superior margins and reaffirming its position as the cornerstone of our business. We witnessed stable volume growth across leading commercial platforms, including the Airbus A320 family and A330 programs, aided by a normalising global supply chain that significantly improved delivery timelines. Concurrently, long-standing programs such as the Boeing P-8 and F-15 continued at a steady, reliable pace.

Milestone Delivery on Airbus A220: A defining achievement of our commercial aerospace journey this year was the successful industrialisation and delivery readiness of the first complete ship-set of all eight Airbus A220 doors from our Bangalore facility - completed ahead of schedule. Covering passenger, service, cargo, and over-wing emergency exit doors, this accomplishment validates our precision engineering and scalable execution.



AI-Enhanced FAI of Airbus A220 Aft Service Door in presence of the Board of Directors, Airbus SE

Global First in AI Manufacturing: Dynamatic achieved a historic industry first by launching AI-enabled First Article Inspection (FAI) for the Airbus A220 Aft Service Door - marking us as the first aerostructure manufacturer globally to integrate Artificial Intelligence directly into the industrialisation process.

Historic Airbus Board Visit: Our strategic relationship with Airbus continues to expand in scope and scale. During the year, we had the distinct privilege of hosting the Airbus SE Board of Directors and Senior Leadership Team at Dynamatic Aerotropolis - a landmark occasion. With Airbus planning to deliver over 1,000 aircraft to Indian carriers in the coming years, our collaborative footprint ensures we remain ready to support the global aerospace ecosystem.

GLOBAL OEM PARTNERSHIPS & STRATEGIC ALLIANCES

Dassault Aviation: We entered into a strategic agreement to manufacture and assemble the complete rear fuselage (Section 5) for Dassault's latest advanced business jet, the Falcon 6X, building upon our successful commercial delivery of the rear fuel tank assembly.



Strategic agreement for the manufacturing & assembly of the complete rear fuselage (Section 5) for Dassault's latest business jet

Deutsche Aircraft: Rear Fuselage Assembly Jigs and the assembly line for the 40-seater D328eco® regional turboprop are nearing completion at Dynamatic Aerotropolis, further strengthening Indo-European aerospace collaboration.



Rear Fuselage Assembly Jigs and assembly line

Advanced Composites & Raw Materials:

We established a strategic Memorandum of Agreement (MoA) with Hutchinson to expand our capabilities across next-generation aerospace composites for commercial and defence platforms, while engaging in high-level strategic alignment with visiting leadership from ThyssenKrupp, DMG Mori, and Airbus Metallic Raw Material & Procurement teams.



Hutchinson and Dynamatic Technologies sign an MoA to advance aerospace innovation and manufacturing in India.

Two years after commencing operations, Dynamatic Manufacturing Limited has established a strong foundation for sustained growth. We have successfully scaled production to support major OEM's including Airbus, Dassault, Bell Textron and other global partners. The company has scaled to manufacture over 250,000 detail parts annually. The order book for the business looks positive and in process of expanding steadily.

STRENGTHENING INDIA'S DEFENCE CAPABILITIES AND UNMANNED SYSTEMS

In alignment with our nation's drive toward strategic self-reliance, Dynamatic achieved a major defence milestone this year by being selected as the exclusive partner for the L&T-BEL consortium's **5th-Generation Advanced Medium Combat Aircraft (AMCA)** project. This alliance highlights our engineering prowess and positions Dynamatic at the vanguard of India's next-generation military aviation ecosystem. We also anticipate that pro-growth policy



L&T, BEL, and Dynamatic Technologies collaborate to accelerate India's 5th Gen fighter aircraft program.

measures, specifically customs duty exemptions and increased defence allocations, will provide a significant tailwind for our domestic manufacturing expansion.

HYDRAULICS: DOMESTIC RESILIENCE AND STRATEGIC OPTIMISATION

The Hydraulics segment delivered a stable and robust performance, supported by strong domestic demand from tractor OEMs, industrial channels, and aftermarket networks. Our Indian operations benefited from improving farm mechanisation trends and sustained national infrastructure activity, enabling us to expand capacity and achieve higher volume deliveries of hydraulic pumps.

With demand for agricultural tractors at an



all-time high, Dynamatic Hydraulics continues to strengthen its position as a leading manufacturer of gear pumps. We are making significant investments in advanced capabilities and automation to meet evolving customer requirements and support sustainable growth.

In parallel, we took decisive steps to address macroeconomic headwinds across European markets. In September 2025, UK management initiated a comprehensive restructuring program at our Swindon facility to streamline the product portfolio and optimize the workforce. While these rationalisation measures temporarily impacted near-term profitability, they are already strengthening supply chain integration between Bengaluru and Swindon, improving operational efficiency, and creating a leaner operating structure for the long term.

METALLURGY: STRATEGIC DIVERSIFICATION AMID EUROPEAN HEADWINDS

Our Metallurgy segment continued to navigate a challenging European industrial environment impacted by weakness in the German automotive sector, elevated energy costs, and broader geopolitical uncertainties. Despite these external pressures, the business maintained strict cost discipline.

Most importantly, we are aggressively accelerating our strategic shift away from traditional automotive dependence toward specialized aerospace and defence engineering applications. While this transformation is gradual given the technical complexity involved, this sectoral pivot will safeguard our long-term competitiveness.

PEOPLE, CULTURE & PARTNERSHIPS: THE ENGINE OF SPEED AND SCALE

In ultra-precision engineering, quality cannot be inspected into a product at the final stage; it must be built into the culture from day one. Aerospace and defence programs require years of industrialisation, compliance verification, and process stabilisation. The rapid scaling we are experiencing across our plants is the direct result of sustained investments in technical training, systems-engineering discipline, talent



It's technology married with liberal arts, married with the humanities, that yields us the results that make our heart sing.

- Steve Jobs

retention, and shop-floor leadership.

Our engineers, technicians, and program directors carry deep institutional memory. This team maturity enables us to absorb complex technology transfers, shorten learning curves, and ramp up output without compromising on zero-defect quality. As global OEMs seek speed and resilience, our mature team serves as our core pillar of strength.

To reinforce our governance framework with deep domain expertise, we welcomed **Air Chief Marshal V.R. Chaudhari (Retd.)** and **Ms. Shyamala Venkatachalam** to our Board of Directors - bringing invaluable strategic insight as we expand our national and global footprint.

LOOKING AHEAD

Dynauton Systems®, a startup incubated by your company continued to spearhead India's strategic autonomy in unmanned aerial systems (UAS) through IP-led and serial manufacturing. Built by a specialized team of experts from premier Indian institutions, Dynauton® advanced its operational portfolio, including:

Kaatil® loitering munition: We enhanced mission software, refined modular payload interfaces and completed extensive user trials that demonstrated precision strike profiles and flexible mission roles, including expendable-target variants for training.





Assembly of Gimbal at Dynauton® Lab

Kavaa® surveillance UAS: Iterative field testing and sensor integration (optical, IR, LiDAR) have closed critical capability gaps, improving target detection, tracking and situational awareness in contested environments.

Cheel® VTOL ISR: Endurance, payload integration and mission planning software were advanced to support sustained ISR missions across military, civil security and law enforcement deployments.

Patang® tethered UAS: Quick swap payload architecture and on-station reliability were refined to deliver persistent oversight for critical infrastructure and force protection.

Counter drone portfolio: We progressed RF direction-finding, detection radars and electro optic sensors, and continued development of complementary loitering munitions to address emerging aerial threats.

We intensified our efforts to localize critical subsystems and strengthen systems integration across the product line. Key achievements include continued maturation of our proprietary autopilot and Ground Vehicle Processing Unit (GVPU), which now deliver improved flight/drive stability, faster sensor fusion, and more robust mission-autonomy capabilities. We also made targeted enhancements to the Battery Management System (BMS) and Power Distribution Unit (PDU) that increase endurance and operational

safety through better cell balancing, thermal monitoring, redundant protection logic, and optimized power routing for peak-efficiency profiles.

On the software and operator side, we expanded Ground Control Station functionality with advanced terrain mapping, integrated LiDAR analytics, automated artillery correction workflows, and hardened secure-communications features. These additions improve situational awareness, shorten sensor-to-shooter timelines, and protect command links against interception or tampering.

Taken together, these advances reduce dependence on imported components by moving design, firmware, and production in-house; raise product quality through tighter integration and manufacturing control; and increase scalability by enabling repeatable production processes and modular subsystem upgrades. We also expanded our international defence presence by presenting Dynauton's UAS platforms - highlighting Australian content - to an official Australian Army and Defence Industry delegation.



Australian Army & Defence Industry delegation at Dynamatic Aerotropolis

OPERATIONS, MANUFACTURING AND SUPPLY CHAIN

To ensure timely delivery and operational availability, we invested in test infrastructure, simulation environments and production readiness. We formalized supplier partnerships, improved quality processes, and scaled assembly and integration lines - steps that shorten the path from qualification to sustained deliveries. We also expanded field-

support capabilities, focusing on training, logistics, and in-theatre sustainment to ensure high system availability for users.

PEOPLE AND PARTNERSHIPS

Our progress rests on a committed team drawn from premier institutions and relevant industry backgrounds. Their systems engineering discipline, manufacturing rigor and user centric design approach have been critical to meeting demanding operational requirements. We deepened collaboration with strategic partners, end-users and research organisations to validate concepts under operational conditions and to prioritise features that matter most to the field.

STRATEGIC PRIORITIES AHEAD

Operationalize validated systems: Transition priority platforms into operational contracts and scale initial deployments with close user feedback.

Accelerate indigenisation: Increase domestic content in avionics, sensors, propulsion and ground systems to strengthen supply resilience.

Enhance sustainment and training: Build field support networks and training programs to guarantee mission readiness and lifecycle support.

Advance next gen capabilities: Invest in autonomy, sensor fusion, secure communications and EW resilience to stay ahead of evolving threats.

Responsible scaling: Expand manufacturing capacity while adhering to the highest standards of safety, compliance and ethical use.

The year's progress reaffirms **Dynauton Systems®** commitment to delivering reliable, mission ready unmanned systems that enhance national defence and public safety.

As we look ahead, the company is well positioned to expand capacity and broaden our customer base. The momentum we have built gives us confidence in delivering continued operational excellence and value for our stakeholders. I thank our employees, partners, and customers for their support and remain committed to driving responsible growth and long-term success.

Once again, I would like to express my gratitude for your continued support as we navigate through these challenging times. With our diversified business segments and strategic initiatives, I am confident that Dynamatic will prosper in the future.

I thank you for your continued support.

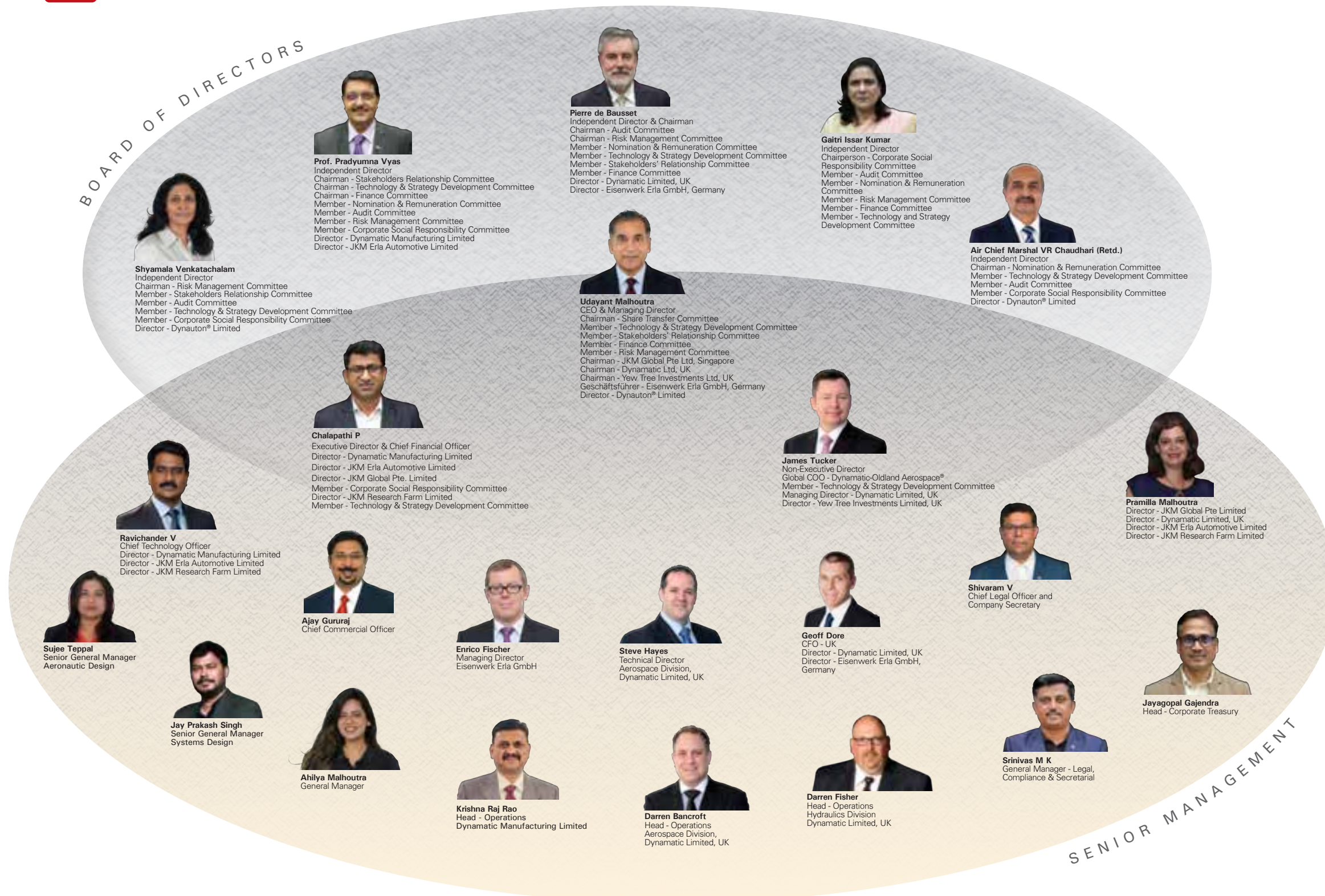
Sincerely,

Udayant Malhoutra

Chief Executive Officer & Managing Director



C O R P O R A T E S T R U C T U R E



DIRECTORSHIPS AND AUDITOR DETAILS IN SUBSIDIARIES

DYNAMATIC LIMITED, UK

Chairman
Dr. Udayant Malhoutra

Director
Mr. Michael John Handley

Director
Mr. Geoff Dore

Director
Mrs. Pramilla Malhoutra

Director
Mr. Pierre de Bausset

Managing Director
Mr. James Tucker

Technical Director
Mr. Steve Hayes

Auditors
TC Group, UK

JKM ERLA AUTOMOTIVE LIMITED

Director
Prof. Pradyumna Vyas

Director
Mrs. Pramilla Malhoutra

Director
Mr. Chalapathi P

Director
Mr. Ravichander V

Auditors
Deloitte Haskins & Sells LLP
Chartered Accountants
Bangalore

YEW TREE INVESTMENTS LIMITED, UK

Chairman
Dr. Udayant Malhoutra

Director
Mr. James Tucker

Auditors
TC Group, UK

DYNAMATIC MANUFACTURING LIMITED

Director
Prof. Pradyumna Vyas

Director
Mr. Chalapathi P

Director
Mr. Ravichander V

Auditors
Deloitte Haskins & Sells LLP
Chartered Accountants
Bangalore

EISENWERK ERLA GmbH, GERMANY

Chairman
Dr. Udayant Malhoutra

Director
Mr. Pierre de Bausset

Managing Director
Mr. Enrico Fischer

Director
Mr. Geoff Dore

Auditors
Deloitte GmbH, Germany

JKM RESEARCH FARM LIMITED

Director
Mr. Chalapathi P

Director
Mr. Ravichander V

Director
Mrs. Pramilla Malhoutra

Auditors
Prasad & Kumar
Chartered Accountants
Bangalore

JKM GLOBAL PTE LIMITED, SINGAPORE

Chairman
Dr. Udayant Malhoutra

Director
Mrs. Pramilla Malhoutra

Director
Mr. Chan Boon Kwang
Thamas

Director
Mr. Chalapathi P

Auditors
IR Practice
Singapore

DYNAUTON® LIMITED

Director
Dr. Udayant Malhoutra

Director
Air Chief Marshal VR
Chaudhari (Retd.)

Director
Ms. Shyamala
Venkatachalam

Your Company's Organisational Structure is based on a network of highly talented people who have been empowered to deliver results. A concerted effort has been made to remove hierarchy in everything we do.





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Dynamatic Limited, UK	
Eisenwerk Erla GmbH, Germany	
Dynamatic Manufacturing Limited, India	
JKM Research Farm Limited, India	



Board of Directors

Mr. Pierre de Bausset

Chairman of the Board and Independent Director

Prof. Pradyumna Vyas

Independent Director

Ms. Gaitri Issar Kumar

Independent Director

Air Chief Marshal V.R. Chaudhari (Retd.)

Independent Director

Ms. Shyamala Venkatachalam

Independent Director

Mr. James Tucker

Non-Executive and Non-Independent Director

Dr. Udayant Malhoutra

Chief Executive Officer & Managing Director

Mr. Chalapathi P

Executive Director & Chief Financial Officer

Key Managerial Personnel

Dr. Udayant Malhoutra

Chief Executive Officer & Managing Director

Mr. Chalapathi P

Executive Director & Chief Financial Officer

Mr. Shivaram V

Chief Legal Officer & Company Secretary

Auditors

M/s. Deloitte Haskins & Sells LLP

(ICAI Firm Registration No. 117366W/W-100018)

Chartered Accountants, Bangalore

Bankers

Axis Bank Limited

Axis Finance Limited

Commerzbank AG

Export-Import Bank of India

Federal Bank Limited

Hypovereinsbank/ Unicredit

ICICI Bank Limited

IndusInd Bank Limited

Kotak Mahindra Bank Limited

Royal Bank of Scotland

Societe Generale

Registered & Corporate Office

Dynamatic Technologies Limited

JKM Plaza, Dynamatic Aerotropolis,

55 KIADB Aerospace Park,

Bangalore - 562149

Tel : +91 80 2111 1223/ + 91 80 2204 0535

Fax : +91 80 2839 5823

Email : investor.relations@dynamatics.net

CIN : L72200KA1973PLC002308

Website : www.dynamatics.com

Registrar & Transfer Agents

KFin Technologies Limited

Selenium Tower B, Plot 31 & 32,

Financial District, Nanakramguda,

Serilingampally Mandal,

Hyderabad - 500 032, Telangana.

Toll free Number: 1-800-309-4001

Email: einward.ris@kfintech.com

Website: www.kfintech.com

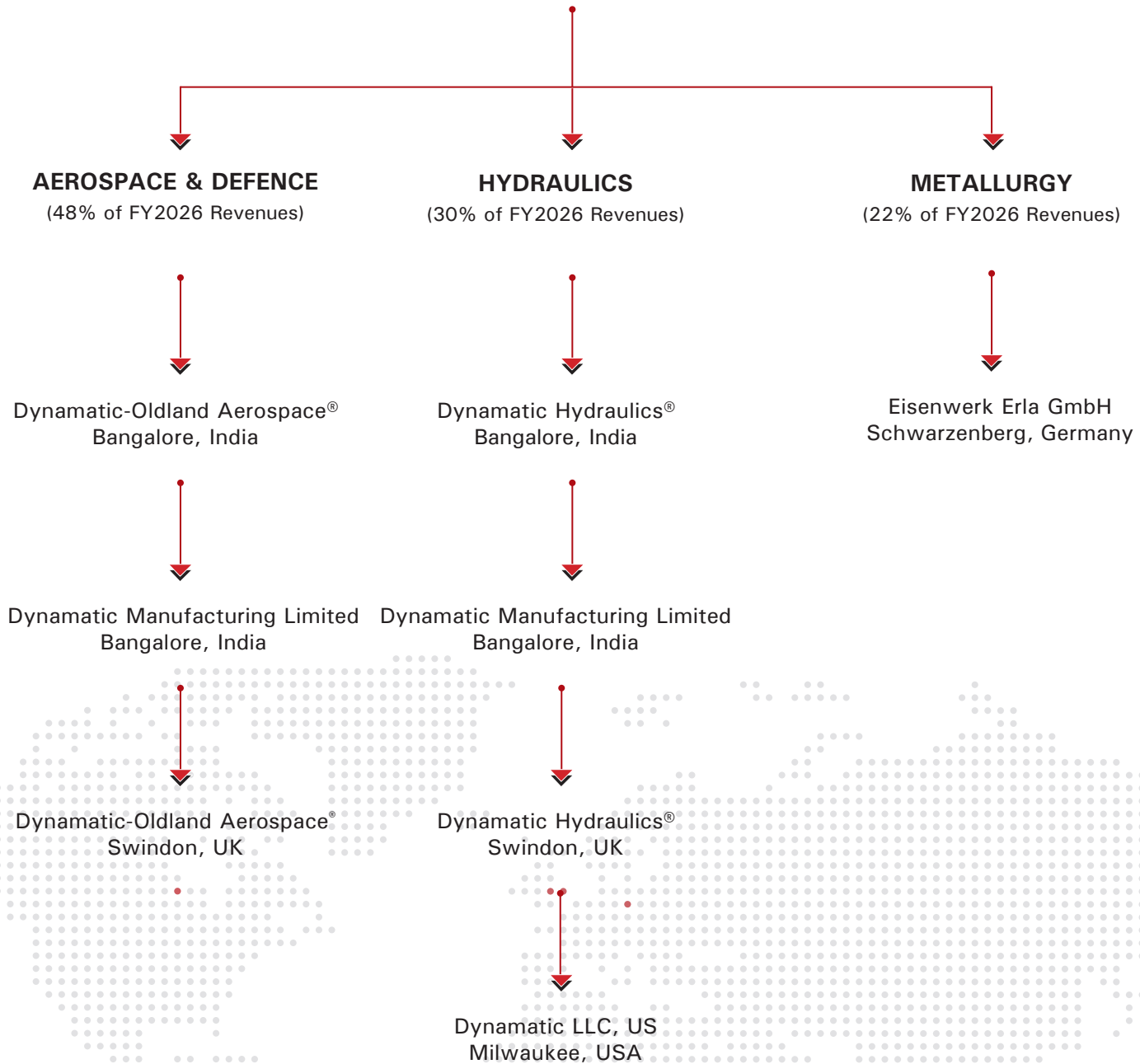


ORGANISATION STRUCTURE



DYNAMATIC TECHNOLOGIES LIMITED

INDIA





Mr. Pierre de Bausset

Independent Director and Chairman

Mr. Pierre de Bausset has 40 years of broad international experience, in Europe, Asia and North America. His career in Corporate Finance covers Forex and Money Market, Asset Financing, Mergers and Acquisition and Investor Relations. As a governance expert, he has taken part in major Shareholder Transitions, Management Turnover, and Governance Enhancements on boards of Publicly Traded Companies, including in times of crisis; his experience spans Appointment & Induction of Key Talents, Stakeholder Advocacy, Mediation and Strategic Transactions Management.

He joined Airbus in 1989 and held various important Management Roles, including President and Managing Director of Airbus Group India and General Secretary of the Airbus. Prior to joining Airbus, he worked with Banque Indosuez, in Beijing and in Paris.

Besides, Pierre de Bausset acted as General Secretary of the Haut Comité du Gouvernement d'Entreprise, the Standard board for compliance of French Publicly Traded Companies with the country's Corporate Governance Code, through 2019. He is also an investor with an interest in tech companies.

He holds an MBA from I.N.S.E.A.D. and a Licence & Diplome Supérieur (Chinese language) from the Institut National des Langues et Civilisations Orientales (The National Institute of Oriental Languages and Civilizations) in Paris.

Mr. Pierre de Bausset is a Knight of the Legion of Honor, a French government award for services to his country.



Prof. Pradyumna Vyas

Independent Director

Prof. Pradyumna Vyas is the current President-elect for the World Design Organisation, after having served as a Board Member for the last two terms. He is the Senior Advisor of Design Promotion and Innovation at Confederation of Indian Industry (CII). He was the former Director of National Institute of Design (NID), India's premier design institute. He was also a former Member Secretary - India Design Council (IDC).

Prof. Vyas acquired a Masters in Industrial Design from the Indian Institute of Technology, Bombay and was awarded an 'Honorary Master of Arts' degree in 2010 from the University for the Creative Arts in Farnham, United Kingdom.

With more than 36 years of professional and teaching experience in different spheres of design, Prof. Vyas had been associated with NID for 30 years, first as a faculty member and later on as the Director of the Institute (2009 - 2019).

Prof. Vyas has been at the helm of design affairs and his illustrious career has been marked with several national and international milestones and accolades. His contribution in the formation of India Design Council, 2009, was marked by Prof. Vyas being nominated as its first Member Secretary by the Ministry of Commerce & Industry, Government of India, a post he had retained until his retirement from NID in 2019. During his tenure as Director, NID received the status of Institute of National Importance by the Act of Parliament. He assisted the Government of India during the setting up of four new NIDs across the length and breadth of the country. Through India Design Council, he launched India Design Mark in association with Japan Institute of Design Promotion (JDP) on the line of G-Mark.

He has been conferred with multiple awards in recognition for his contributions to design education and promotion, to name a few, World Education Congress, 2015, awarded him for his 'Outstanding Contribution to Education'; he was awarded a 'Lifetime Achievement Award' by Times Education Icons 2017 along with being a jury member for the special awards screening panel at Good Design Award (G- Mark) by the Japan Institute of Design Promotion, Japan consequently in 2012, 2013, 2014 and 2016.

In 2019, he has been awarded the honor of 'Good Design Fellow', by the Japan Institute of Design Promotion (JDP), Tokyo.

Prof. Vyas was appointed as a 'Distinguished Professor' of Shanghai Academy of Fine Arts, China, at the Shanghai Global Design Summit, 2019.



Smt. Gaitri Issar Kumar

Independent Director

Smt. Gaitri Issar Kumar has had a distinguished career in the Indian Foreign Service - where she served from 1986 till her superannuation in June 2022.

Smt. Gaitri Issar Kumar was High Commissioner of India to the United Kingdom and before that Ambassador of India to the European Union, Belgium and Luxembourg. As envoy of India she focused on deepening India's political as well as trade and economic ties with these key players on the global stage.

She has also served as Deputy Chief of Mission at the Indian Embassy in Paris and Counsellor (Disarmament) at the Permanent Mission of India in Geneva. Her early diplomatic assignments were in Portugal and Nepal.

At the Ministry of External Affairs in New Delhi, she headed the Territorial Division concerned with bilateral relations with the US and Canada at a time of widening and deepening of bilateral cooperation across the sectors including in advanced technology and civil nuclear energy.

She has also served in key positions such as Additional Secretary to the President of India and Director (Finance) in the Ministry of External Affairs.

A graduate from Bangalore University where Smt. Gaitri studied History, Economics and Political Science, she holds a Master's Degree in Political Science and is proficient in German and Portuguese languages, with a working knowledge of French and Nepali.



Independent Director

The Air Officer has flown various types of aircraft and has extensive experience on the MiG-21, MiG-23MF, and MiG-29. He has flown over 3,850 hours and was a member of the IAF's first aerobatic team on the Kiran aircraft. He is a Category A (CAT A) Qualified Flying Instructor and an Instrument Rating Instructor and Examiner. Air Chief Marshal Chaudhari has rich and varied flying experience, including several operational missions during Operation Meghdoot and Operation Safed Sagar.

During his illustrious career, he has held numerous field and staff appointments. He has served as an Air Force Examiner on several types of fighter and trainer aircraft and has commanded a fighter squadron and two frontline air bases.

He has served as an Instructor at the Defence Services Staff College, Wellington, as well as at the Defence Services Command and Staff College, Zambia. As Deputy Chief of the Air Staff, Air Chief Marshal Chaudhari was instrumental in formulating capability development plans for the IAF. He played a key role in the induction of the Pilatus PC-7, C-295, and Rafale aircraft. He has headed operations of the Eastern Air Command as the Senior Air Staff Officer and served as the Air Officer Commanding-in-Chief of the Western Air Command. He was the Vice Chief of the Air Staff prior to assuming office as the 27th Chief of the Air Staff on 30 September 2021, a position he held until 30 September 2024.

In recognition of his exceptionally distinguished and meritorious service, he was awarded the Vayu Sena Medal in January 2004, the Ati Vishisht Seva Medal in January 2015, and the Param Vishisht Seva Medal in January 2021.



Ms. Shyamala Venkatachalam

Independent Director

Ms. Shyamala Venkatachalam is a highly accomplished Corporate Law and Regulatory Affairs specialist with over 30 years of progressive experience, including over two decades in senior leadership roles within the Media & Entertainment (M&E) sector. Proven expertise in negotiating complex business contracts, pioneering new business models, driving policy research and advocacy, and managing high-stakes litigations.

Possessing a unique career perspective-from the onset of India's economic liberalization with Dynamatic Technologies Ltd. to leading legal and regulatory strategy for global and domestic media giants like Disney-Star, Sony Pictures Network, Zee Network, and Discovery Communication. Expert in navigating massive technological shifts, jointly shaping regulatory roadmaps, and developing commercially viable solutions in evolving industry landscapes, including the adaptation to the digital world powered by AI.

Her areas of expertise include strategic legal counsel, regulatory adaptation and future-proofing, complex contract negotiation, intellectual property, finance, and taxation, risk and compliance management, as well as litigation and arbitration.

In recognition of her professional excellence and influence, she was featured among the "Top 100 General Counsels of India" in 2022 and the "Top 100 Influential Women in Law" in 2023 by the BusinessWorld Group.

She holds a Master of Arts in Media Specialization from Bournemouth University, a Bachelor of Commerce in Economics and Business from the University of Calcutta, and is an Associate Member of the Institute of Company Secretaries of India with specialization in Corporate Law and Compliance. She has further strengthened her academic credentials through certificate courses in Intellectual Property from the WIPO Academy, Switzerland, and Copyright Law from Harvard Law School.



Mr. James Tucker

Non-Executive and Non-Independent Director

Mr. James is the Global Chief Operating Officer for the Aerospace Division, is responsible for overseeing operations within Dynamatic Technologies Limited in Bangalore and Dynamatic Limited in the UK, located in Swindon and Bristol. He became a part of Dynamatic in 2006 when his family business was acquired by the company.

He also actively serves on the Board of both Dynamatic Technologies and Dynamatic Limited in the UK. Mr. James has worked in the Aerospace sector for over 35 years, covering various roles such as tool maker, CNC machine programmer and operator, quality engineer, shop floor manager, aircraft repair engineer, procurement, general manager, project management, sales and marketing, and Director.

Before joining Dynamatic Technologies Limited, James ran his family business, Oldland Aerospace, which grew from a small company to a successful business with long-term contracts supplying Tier 1 companies in the UK & USA. As part of Dynamatic Technologies, James has led major investment projects, including the deployment of advanced 5-axis machine tools and automated material handling systems at factories in the UK and India. His professional certifications include City and Guilds levels 1, 2, and 3, HNC CNC Programming & Mechanical Engineering, aircraft repairs training, quality & metrology, lean manufacturing, and being an audit signatory.



Dr. Udayant Malhoutra

Chief Executive Officer & Managing Director

Dr. Malhoutra is the CEO and Managing Director of Dynamatic Technologies Limited and has been associated with the Company for over three decades. He is credited with building and nurturing a world class management team and transforming the Company into a knowledge-based organisation with global operations.

He has served as the Chairman of the National Sector Skills Council for Strategic Manufacturing, and Chairman of the National Institute of Design, Amravati. He is a member of CII National Council and has chaired the CII National Committees on Design and Technology. He has also served on the Board of Governors, IIT Kanpur, and is a past President, Fluid Power Society of India. He is an active member of the Young Presidents' Organization (YPO), having served as Chairman, India & South Asian Area and as a member of the International Board of Directors.

He has been conferred the degree of Doctor of Engineering & Technology (Honoris-Causa) from University of Engineering and Management, Kolkata, in recognition of his outstanding contribution in the field of Technology & Innovation and his dedicated service to the nation.



Mr. Chalapathi P

Executive Director & Chief Financial Officer

Mr. Chalapathi P is a Chartered Accountant and Postgraduate in Commerce with over two decades of experience in finance, strategic planning, business transformation and corporate governance. He has been with Dynamatic Technologies Limited since 2009, having led Finance & Accounts, Controlling, Taxation, Audits and Project Costing. Prior to DTL, he worked with Interplex Electronics India Pvt. Ltd., Bengaluru, a US-based manufacturing multinational backed by Blackstone.

As Executive Director & CFO, he works closely as a team player in overseeing the Company's financial and business priorities, with a focus on capital discipline, governance and controls, and investment, treasury and growth decisions. He handles regulatory and financial matters spanning taxation, investor relations, M&A, SEBI, FEMA and RBI compliance.

He has led the Company's financial and governance framework through several phases of transformation, including business realignment, the integration of acquired businesses, and software transition and digitisation - driving process harmonisation and aligning systems and controls across the Group.

He received the CFO Next100 Award for three consecutive years (2015, 2016 and 2017), recognising emerging finance leaders with high-impact potential, and the CFO100 Award in 2020, which honours India's top 100 CFOs for excellence in financial leadership and strategic contribution to their organisations.



Mr. Shivaram V

Chief Legal Officer and Company Secretary

Mr. Shivaram is a qualified Company Secretary and a Law Graduate with over twenty years of experience in Company Secretarial and Legal matters. He has worked across various industries including Power, Pharmaceutical, Plantations, and Manufacturing. He also holds Post Graduate Diploma in Business Administration from Symbiosis University, and a PG Diploma in Foreign Trade. His expertise encompasses Mergers and Acquisitions, Equity Issues, FEMA & SEBI Compliances, Corporate Governance, Compliance, Risk Management, Board Management, Contract Negotiation and Management, Litigation, Regulatory Affairs, Policy Development, Intellectual Property and Patent Strategy, Industrial Relations as well as settlement and trial strategies.

Prior to joining the Company, Mr. Shivaram held a senior position in the Secretarial and Legal department of a Tata Group Company. Before that, he served as the Company Secretary at one of the Manipal Group companies.

COMPANY OVERVIEW

Incorporated in 1973, Dynamatic Technologies Limited ('Dynamatic Technologies' or the 'Company') is a manufacturer of highly engineered, mission critical products for the Aerospace, Hydraulic and Metallurgy industries. With futuristic design, engineering and manufacturing facilities in Europe and India, Dynamatic Technologies serves customers across six continents.

The Company is one of the world's largest manufacturers of hydraulic gear pumps and has held the leadership position in hydraulic gear pumps market for over 50 years. Dynamatic Hydraulics has approximately 80% share of the Indian OEM tractor market and about 38% of the global tractor market. Dynamatic Technologies is a pioneer and leader, amongst the private sector, in both India and the UK, for the manufacture of precision flight critical, and complex airframe structures and aerospace components. It is a Tier-I supplier to the global aerospace OEMs and Primes such as Airbus, Boeing, Bell Helicopters, Dassault Aviation, Deutsche Aircraft Group, Hutchinson Group, Thales, Hindustan Aeronautics Limited (HAL), and Bharat Electronics Limited (BEL). The Company also manufactures high precision, complex metallurgical ferrous for performance critical components such as turbochargers and exhaust manifolds and has advanced capabilities to support the OEM needs.

Dynamatic Technologies' facilities located in India (Bangalore), United Kingdom (Swindon & Bristol) and Germany (Schwarzenberg), are Environmentally sensitive – Green, lean, clean and aligned to our vision of CARE. The Company is vertically integrated, with its own alloy-making, casting and forging capabilities as well as its own captive green energy sources.

HYDRAULICS

Dynamatic Hydraulics® is one of the world's largest manufacturers of Hydraulic Gear pumps & Valves in the world with three state-of-art manufacturing facilities located in India (Bangalore) and in UK (Swindon). The Company has technology leadership in the hydraulics segment globally with the finest in-house engineering laboratories and rapid prototyping capabilities both in India and in the UK. Both India and the UK manufacturing facilities are ISO 9001: 2015 certified with Indian facilities also certified for ISO 14001: 2015 & ISO 45001: 2018.

INDIA

Dynamatic Hydraulics® India manufactures hydraulic gear pumps & geared motors and other hydraulic solutions. It is supported by experienced application engineering team, advanced research and development team and rapid prototyping capabilities offering lowest time to market for the fluid power industry.

Dynamatic has three manufacturing plants in Bangalore and produces nearly one million pumps every year. The heat treatment of gears is done in-house in sealed quench furnaces and has established metallurgy and metrology laboratories attached and a well-equipped validation & endurance testing facility.

Dynamatic supplies customers both Aluminium body pumps and Cast- iron body pumps depending upon the end application. The pumps produced are available in four frame sizes giving displacement from 1.23 cc/rev to 151 cc /rev. Pumps are also available in tandem configurations and company specialises in supplying units to special order instructions including multiple section pumps.

KEY CUSTOMERS

M&M

ITL

JOHN DEERE

HAL

ESCORTS

SAME DEUTZ FAHR

JCB

CUMMINS

CNH

TAFE

WIRTGEN

ACE

MTPF



The Company has the capability to build customized solutions for any application ranging from:

- Farm Mechanisation – Agricultural Tractors and Harvesters,
- Off-Highway Vehicles,
- Construction Equipment,
- Metal Cutting & Metal Forming,
- Material Handling and Mining Equipment.

These capabilities complimented by a robust production system has enabled us to achieve and sustain over 80% market share for pumps on Agricultural Tractors produced in India and 38% share of agricultural tractors produced globally.

Dynomatic Hydraulics® India also designs and builds complete hydraulic solutions including Axial Piston Pumps, specialized Hitch Control Valves, Distributor Valves, rock shaft assemblies including 3-point linkages and a wide range of pressure and flow control valves including steering control valve for the agricultural tractors.

The Company owns the IP rights of the pumps designed and the entire design and development process is managed on Windchill platform. The engineering data is well protected in digital form.

Dynomatic Hydraulics® produces a wide range of custom-tailored hydraulic solutions extending from simple hydraulic pumping units to complex marine power packs and aircraft

ground support systems to turnkey industrial installations. The Company also supplies India's Defence Forces with the hydraulic transmission system including steering control system, turret control system and brake actuating system for the battle tank.

Dynomatic also manufactures very high flow scavenging lube oil pumps for off-highway vehicles and marine and offshore equipment for global OEMs, power steering units for agri and construction equipment and variable delivery axial piston pumps. The Company also designs and builds customised hydraulics solutions extending from simple hydraulic pumping units to complex marine power packs and aircraft ground support systems to turnkey industrial installations.

KEY CUSTOMERS WORLDWIDE

JOHN DEERE

TEREX

ALEXANDER DENNIS

MacDon

CUMMINS



Dynomatic Hydraulics® Leadership Team, India



UNITED KINGDOM



Dynatomic Hydraulics® facility in Swindon, UK, has over six decades of experience in the design and manufacture of gear pumps, gear motors and piston pumps. It supplies products to agricultural, construction and off-highway vehicle manufacturers in UK, Europe and the USA. The facility houses state-of-art product testing and validation including burst test, calibration test, high temperature tests and noise study.

The product portfolio includes aluminium body, hydraulic gear pumps & motors from low to very high-pressure ratings, integrated gear & piston pump packages designed for energy saving and overall equipment, heavy duty yet compact cast iron gear pumps, fan drive motors with integrated control valves and a wide range of valves for pressure and flow controls for use on integrated hydraulic packages.

The Company has an extensive marketing network, with marketing sales and servicing branches in all key cities across the world.

Looking forward, 2026 continues to have inflationary challenges. The company is doing its very best to off-set inflationary pressures by continuing to pivot a large percentage of its supply chain to India.

AEROSPACE & DEFENCE

Dynamatic-Oldland Aerospace® (DOA) continues to be a leading player in the Indian private sector and the UK for the manufacture of Flight Critical Airframe Structures and High Precision Class 1 Parts. The Company has large infrastructure to cater to the needs of OEMs like Airbus, Boeing, BELL, Deutsche Aircraft, Dassault Aviation Group, Hutchinson Group, Thales, Hindustan Aeronautics Limited (HAL), Bharat Electronics Limited (BEL)., as a Tier-I supplier.

The Company has built a strong continuous improvement culture with deployment of Advanced Product Quality Planning (APQP) and Production Part Approval Process (PPAP) which has been cross deployed from the Automotive Business. We are one of the first companies globally in Aerospace to adopt to this approach and has been appreciated by all the major OEMs including Boeing, Airbus, Bell, Deutsche Aircraft, Dassault Aviation Group, Hutchinson Group, and Thales.

Dynamatic Aerotropolis Hosts Senior ThyssenKrupp Leadership Led by CEO Patrick Marous

Dynamatic Aerotropolis had the pleasure of welcoming a high-level delegation from ThyssenKrupp today. The visiting leadership group was led by Mr. Patrick Marous, CEO of BU Solutions and Board Member MX, alongside Mr. Gopi Hanumanthappa, Managing Director of ThyssenKrupp Aerospace India. The visit facilitated productive discussions between the two organizations, reinforcing the strategic importance of our ongoing engagement within the global aerospace and industrial solutions sectors.



Airbus Chief Procurement Officer Nils Witt and Senior Delegation Visit Dynamatic Manufacturing Facilities

A pleasure hosting Nils Witt (Chief Procurement Officer, Airbus Aerostructures), and Stefan Smolik (HO PS Procurement PAI) and Andreas Schwab (HO Procurement, Airbus India & South Asia) at Dynamatic Manufacturing Limited and Dynamatic Aerotropolis.





It was an incredible honour for Dynamics to host the Airbus SE Board of Directors and their Senior Leadership Team at our facility. This landmark occasion marked the first time the Airbus Board has held a meeting in India. This milestone visit underscores the strategic importance of India's role in the global aerospace landscape and serves to highlight the strengthening partnership between Dynamics and Airbus, reaffirming our mutual commitment to the 'Make in India' initiative.



Dynamic Aeropolis Hosts Australian Army Delegation: Strengthening Indo-Australian Defence Collaboration with Dynauton UAS Showcase

Honoured to host Australian Army officers and representatives from Australian High Commission, Australian Consulate to India & Austrade at Dynamic Aeropolis. As part of the Australian Command & Staff Course Defence Industry Global Tour, we showcased the Dynauton Systems UAS, which features strategic Australian content. A strong sign of defence collaboration!



L&T-BEL's 5th Gen Fighter Aircraft Alliance onboards Dynamatic Technologies as Exclusive Partner

The consortium of L&T and Bharat Electronics Ltd (BEL), which is pursuing India's 5th Generation Fighter Aircraft (AMCA), is pleased to announce the onboarding of Dynamatic Technologies Ltd (DTL), as an exclusive partner for the programme.

This collaboration will combine DTL's global expertise in complex aerostructures and sub-systems manufacture for leading aerospace original equipment manufacturers, with L&T's engineering excellence and BEL's cutting-edge electronics expertise. This synergy brings unique strength to AMCA's development and boosts domestic capabilities in advanced aerospace manufacturing.

Commenting on the development, Mr Arun Ramchandani, Senior Vice President & Head, L&T Precision Engineering & Systems, said: *"Adding Dynamatic Technologies as an exclusive partner to this consortium brings unmatched agility and precision to our mission. This partnership is as much about building a next-gen fighter jet as it is about redefining the Indian Aerospace industrial ecosystem".*

Dr. Udayant Malhoutra, CEO & Managing Director, Dynamatic Technologies Ltd, said: *"We have been at the forefront of building supersonic aircraft structures for the past three decades. Our pioneering legacy, combined with advanced engineering expertise of Larsen & Toubro, brings together a unique partnership with the capabilities required to deliver India's fifth-generation fighter aircraft".*

Senior Airbus Team Witnesses Ahead-Of-Schedule A220 Door Industrialisation

Underscoring a strong continued partnership, senior executives from Airbus visited the Dynamatic Aerotropolis to witness a significant production achievement: the industrialization of all eight Airbus A220 doors ahead of schedule. The delegation, led by Olivier Cauquil, SVP of Aerostructures Procurement, toured the facility to review the engineering excellence deployed across all Airbus programs. This milestone reflects Dynamatic's capability to execute complex projects within record timeframes and solidifies our standing as a key partner in delivering premier aerostructure solutions from India.



Dynamatic and Dassault sign an agreement to build the complete Rear Fuselage of their latest business jet Falcon 6X

Dynamatic Technologies Limited and Dassault Aviation have entered into a strategic agreement for the manufacturing and assembly of the complete rear fuselage (Section 5) for Dassault's latest business jet, the Falcon 6X. This milestone follows the successful industrialisation of the rear fuel tank, whose commercial production has already commenced with deliveries made to Dassault Aviation.

Building on the long-term collaboration established in January 2024, under which Dynamatic undertook the manufacturing of flight-critical aero structures for the Falcon 6X, this new agreement marks an expansion of Dynamatic's role to now include the complete rear fuselage assembly. This development reinforces Dynamatic's position as a trusted supplier in the aerospace sector and further supports India's Make in India initiative by promoting indigenous aerospace manufacturing capabilities.



Dr. Udayant Malhoutra, CEO and Managing Director of Dynamatic Technologies Limited, said, *"We are proud to deepen our partnership with Dassault Aviation through this agreement to manufacture the complete rear fuselage for the Falcon 6X. The successful industrialisation and commercial production of flight critical structures are testaments to our commitment to quality and precision engineering. We look forward to delivering exceptional product that contribute to the Falcon 6X's reputation as a world-class business jet." The Falcon 6X is recognized globally for its exceptional range, comfort, and advanced technology. Dassault Aviation's ongoing efforts to collaborate with premier suppliers like Dynamatic underscore its dedication to innovation and manufacturing excellence.*

Mr. Bruno Coiffier, Senior Executive Vice President of Dassault Aviation, commented, *"Dynamatic Technologies has proven to be a valuable partner, enabling us to maintain high standards in our manufacturing processes. With the commencement of rear fuel tank deliveries and the new rear fuselage agreement, we are confident in the continued success of the Falcon 6X program and the mutual benefits of this partnership within the context of Make in India."*

Dynamatic Technologies sets new benchmark for 'Make in India': delivers complete set of Airbus A220 doors in record time

In a landmark achievement for the Indian aerospace sector, Dynamatic Technologies Limited today announced the readiness for delivery of the first complete ship-set of all eight doors comprising of main passenger doors, service doors, cargo doors and over-wing emergency exit doors for the Airbus A220 aircraft. The readiness for delivery, marks a significant milestone in the "Make in India" initiative and underscores the country's rising capabilities in complex aerostructure manufacturing.

The handover ceremony was held at Dynamatic's facility in Bengaluru, presided over by Shri Samir Kumar Sinha, Civil Aviation Secretary of India; Shri Piyush Srivastava, Senior Economic Advisor; Mr. Jürgen Westermeier, President and Managing Director, Airbus India and South Asia; and Dr. Udayant Malhoutra, CEO & Managing Director, Dynamatic Technologies Limited in the presence of Airbus MFT and Dynamatic team.

Speaking at the event, Shri Samir Kumar Sinha said,

"It's a pleasure to be here at Dynamatic Aerotropolis in Bengaluru on a truly significant occasion. Today, marks the delivery of the first complete ship-set of all eight doors for the Airbus A220 aircraft, completed ahead of schedule. This is a proud moment for Dynamatic, for Airbus and for India's aerospace sector. This is a feat which is made in India, made for the world. On behalf of Government of India, I offer congratulations to the entire Dynamatic team and to Airbus."

Dr. Udayant Malhoutra, CEO & MD of Dynamatic Technologies Limited, said,

"The A220 represents the pinnacle of modern commercial aviation, and Dynamatic is proud to have successfully industrialised all door variants for this aircraft right here in India. By collaborating with Airbus and our domestic partner-suppliers, we have achieved over 99% indigenous value-added content for these high-technology aerostructures – a testament to the extraordinary teamwork of our people and the Government of India in delivering world-class manufacturing in record time. This delivery firmly positions India as a vital hub in Airbus' global supply chain. By bringing together an extensive network of Indian aerospace players, we are not just creating jobs and fostering advanced capabilities; we are reinforcing the 'Make in India' vision by establishing the largest aerospace export program in our country's history."



Dynamics Welcomes Global Leadership from DMG Mori to Dynamic Aerotropolis

Dynamics recently had the distinct privilege of hosting the senior leadership team from DMG Mori, the world's premier machine-tool corporation, at the Dynamic Aerotropolis. The visiting delegation included distinguished executives Mr. Katsuaki Tamaki (Chief Sales & Service Officer, DMG MORI Asia), Dr. Eng. Kotaro Mori (Senior Deputy Director), and Mr. Sunil Rao (Managing Director, DMG Mori India). This high-profile visit underscores the importance of our collaborative relationship with global industry leaders.



Dynamic Welcomes High-Level Airbus Executive Delegation

Dynamic recently had the distinct privilege of hosting a senior executive delegation from Airbus at our facilities. The distinguished visiting team included Nicolas Chretien, Executive Vice President and Head of Strategy for Airbus Commercial Aircraft; Bruno Fichet, Senior Vice President of Future Programmes; Guillaume Pellegrino, Vice President of Procurement Strategy & Sustainability; and Andreas Schwab, Vice President of Regional Procurement for Airbus India & South Asia. This landmark visit highlights the strengthening partnership between Dynamic and Airbus, underscoring our shared commitment to advancing aerospace manufacturing, strategic procurement, and future aviation programs.



Dynamics Showcases A220 Assemblies at the King's Birthday Celebration, Highlighting UK-India Manufacturing Synergy



Dynamics Technologies recently had the distinct honor of participating in the King's Birthday Party, a prestigious event hosted by the British Deputy High Commission in Bengaluru. The evening provided an excellent platform to exhibit our advanced engineering capabilities, featuring a showcase of our state-of-the-art A220 Doors and Flap-Track Assembly. Our participation at this milestone event underscores our dedication to aerospace excellence and proudly highlights the enduring strength and continued success of UK-India collaborative manufacturing.



Hutchinson and Dynamatic Technologies join forces to support the rise of India's Aerospace Industry

Hutchinson and Dynamatic Technologies Limited have signed a Memorandum of Agreement (MoA) to address the fast-growing aerospace market in India. This strategic collaboration combines Hutchinson's advanced composite and multi-material systems expertise with Dynamatic's strong industrial capabilities in metallic aero-structures and assemblies, positioning both companies as leading partners for global OEMs operating in the region.

Hutchinson develops and manufactures advanced composite solutions and integrated systems, from design to serial production, supporting OEMs in meeting demanding requirements in performance, weight reduction, sustainability, and competitiveness. Dynamatic Technologies brings proven expertise in metallic aerostructures and class 1 assemblies, showcasing India's aerospace manufacturing capabilities on a global stage.

By combining Dynamatic's industrial footprint for complex metallic structures with Hutchinson's world-class materials and systems know-how, this collaboration aims to support the ramp-up of aircraft programs, address the needs of India's rapidly expanding aerospace market, and prepare for the next generation of aircraft. Within this framework, Dynamatic will award Hutchinson its first composite parts work package, while Hutchinson will award Dynamatic a first multi-year metallic parts contract, marking a strong initial step in the collaboration.

"This collaboration reflects a shared commitment to supporting the long-term development of India's aerospace ecosystem, particularly for complex work packages and high-rate programs", said Hélène Moreau – Leroy, Chairman and CEO of Hutchinson. "India, where Hutchinson is already well established through its automotive activities, represents a fast-growing and highly promising aerospace market. This cooperation will bring strong industrial competitiveness and a high level of expertise to global OEMs. It also demonstrates our ability to deliver complex, innovative and competitive solutions globally, and close to our customers".

Dynamatic Technologies also emphasized the mutual benefits of the agreement: *"This strategic cooperation represents a transformative shift for the global aerospace supply chain combining the best of both worlds in metallics and composites. The collaboration enables OEMs to unlock new opportunities from India through value engineering, accelerated product development, and scalable manufacturing volumes"* said Dr. Udayant Malhoutra, CEO and Managing Director of Dynamatic Technologies Limited.





Dynamatic-Oldland Aerospace® Leadership Team, India

METALLURGY

Dynatomic Technologies produces complex components for global customers at its plant in Germany. Cast iron alloys, from high strength grades to high alloy materials that are resistant to wear or high temperatures, are used. In addition to special GJS alloys, Nihard, SiMo, and austenitic alloys are cast in the nodular cast iron and steel sectors. The foundry works with state-of-the-art technology to produce castings and is highly automated in mechanical processing. Highly motivated and trained employees work at the plant. Specialists in the field of design and foundry technology ensure the technological development of the company.

Eisenwerk Erla supplies the agricultural machinery sector, the truck industry, engines for shipbuilding and stationary applications, high-voltage technology, road construction vehicles, engines for sport and leisure and the automotive industry worldwide.

The company's nearly 630-year history bears witness to its stable management and continuous development in the fields of engineering, technology and product development. The plant is one of the most modern foundries in Europe and is constantly involved in the latest machine and process developments. Only in this way is it possible to remain a reliable partner for international customers in the wide field of complex components made of modern materials.

The Company is currently in the process of transformation from an automotive/foundry-focus to the defence and aerospace business.

US political shifts are changing the game for Ukraine war funding and have temporarily delayed offtake of Erla's shell production. Meanwhile, with potential reductions in American aid, Germany and EU are stepping up, accelerating their own defence spending to ensure security, encouraging German companies to increase defence production.

Notwithstanding the above, the economic environment should improve after a transformation process from the automotive sector into general industry, defence business and aerospace sector.



KEY CUSTOMERS

BMW, GERMANY AND AUSTRIA

MAN, GERMANY

ROTAX, AUSTRIA

AGCO- FENDT, GERMANY

ROLLS ROYCE, GERMANY AND USA

INNIO JENBACHER, AUSTRIA

VÖGELE, GERMANY

**BORG WARNER TURBO EMISSION
SYSTEMS**

LIEBHERR GROUP, GERMANY

DAIMLER TRUCK, GERMANY

AUDI, GERMANY



MEDICAL

Your Health is Our Concern – A Commitment to Diagnostic Excellence

Dynatomic Technologies is proud to highlight the achievements of our in-house Dynatomic Biosecurity Laboratory, established during the COVID-19 pandemic as a proactive initiative to ensure the health and safety of our employees. Since its inception, the lab has consistently supported not only our internal stakeholders but also served external clients with high-quality diagnostic services.

A State-of-the-Art Diagnostic Facility

Strategically located at No. 55, JKM Plaza, Dynatomic Aerotropolis, KIADB Aerospace Park, Bengaluru, the Dynatomic Biosecurity Laboratory is **NABL-accredited (ISO 15189:2022)**, ensuring adherence to the highest international standards of quality and accuracy. You can rest assured of consistent quality delivery at all times. We actively participate in External Quality Assurance Schemes conducted by **AIIMS Delhi and CMC-Vellore** to maintain consistent and reliable results, setting us apart from our competitors.



Dynatomic Biosecurity Laboratory achieved a significant milestone with the grant of accreditation from the National Accreditation Board for Testing and Calibration Laboratories under the **ISO 15189:2022** on 31 May 2025. The laboratory has been awarded Certificate Number: **MC-7404**, reaffirming its commitment to maintaining the highest standards of quality, accuracy, and reliability in medical diagnostics.

The accreditation covers four key diagnostic disciplines:

Clinical Biochemistry: Providing comprehensive biochemical testing including metabolic, liver, renal, and lipid profile analyses to support diagnosis and disease monitoring.

Clinical Pathology: Focused exclusively on urine analysis, including physical, chemical, and microscopic examination for the assessment of renal function, urinary tract infections, and other related conditions.

Hematology: Offering a wide range of blood-related investigations including complete blood counts, coagulation studies, and peripheral smear evaluations for diagnosing hematological conditions.

Molecular Testing: Delivering advanced diagnostic capabilities using molecular techniques such as RT-PCR along with rapid platforms like the Abbott ID NOW. These technologies enable accurate and timely detection of infectious diseases including COVID-19 and other pathogens.

Under this accreditation, the laboratory is approved for several parameters, ensuring all diagnostic services are performed in accordance with stringent quality standards, validated methodologies, and robust quality control systems.

Our infrastructure includes advanced, fully automated systems and is operated by a team of highly qualified microbiologists, research scientists, and certified laboratory technicians. This accomplishment highlights Dynatomic Biosecurity Laboratory's continued focus on excellence, regulatory compliance, and its commitment to delivering reliable and timely diagnostic services to all stakeholders.

Health Checks

For prompt intervention and health transformation, we provide corporates with complete health check programs that are integrated with clinical analytics. Employee health checks foster a culture of wellbeing by promoting the company's principles on the health and welfare of its employees. Additionally, it guarantees that workers receive the best treatment possible and have the knowledge they need to make decisions quickly. Our team successfully completed on time annual health checkup for all the employees.

Health Check Model incorporates:

Hybrid Delivery

Home sampling clinical intervention diagnosis and consultations, off-site care, and B2B Services.

Customer Experience

Care coordination and handholding, a strong NPS feedback system, and a personalized communication plan according to the age, gender, and health status of the staff.

Non-Pathological services

Onsite Camps (PFT, ECG, Audiometry, Eye Chest, X Ray, Vertigo Test).

Advanced Equipment and Technology

Dynamatic Biosecurity Laboratory is equipped with instruments from leading global manufacturers.

The lab strictly complies with Good Laboratory Practices (GLP) and is actively enrolled in national External Quality Assurance Schemes (EQAS) for benchmarking and continuous quality improvement.

Leadership and Team

The lab is led by Dr. Kumkum Kumari, Ph.D., a seasoned expert in Molecular Biotechnology, Microbiology, and Cell Biology. She is supported by a skilled team including MD Pathologists, MD Microbiologists, MTech professionals in Biotechnology, and DMLT-certified technicians. Together, they ensure seamless operations, from sample collection to result reporting.

Innovation and Research Development

Dynamatic Medical is focused on developing next-generation in-vitro diagnostic (IVD) products under CDSCO-authorized R&D licenses, including:

1. HCV Rapid Antibody Test Kit
2. Viral RNA Isolation Kit
3. DNA Extraction Kit

These innovations reflect our dedication to transforming healthcare through precise, accessible, and high-quality diagnostic solutions. We are also pursuing licenses for Dengue, and Malaria IVD kits, further expanding our portfolio to address pressing global health challenges.

FY 2025–26 Highlights

The laboratory has demonstrated significant reach within the current fiscal year:

Metric	Achievement
Clients Served	08
Diagnostic Camps Conducted	36
Individuals Diagnosed	3,743

Clients

We extend our sincere gratitude to our esteemed clients who have shown their trust in our services.

Dynamatic Biosecurity Laboratory has established a long-term service contract with Compass India Food Services Private Limited, under which we have been consistently providing health care support for food handlers across multiple client locations. These services are delivered to a diverse portfolio of reputed organizations and sites below:

Sector	Client Organizations / Sites
Technology & Software	NVIDIA, Intel, Palo Alto Networks, Salesforce, Atlassian, Microsoft, SAP, Dell Technologies, Zebra Technologies
Semiconductors	Qualcomm, Texas Instruments, NXP Semiconductors
Automotive & R&D	Mercedes-Benz & Mercedes-Benz R&D Center, Daimler Truck Innovation Center India, Daimler Truck (NXT and WP), Toyota
Financial Services	JPMorgan Chase, HSBC (B4 & B7), London Stock Exchange Group (DSTP & RMZ), Fidelity Investments (including EGL), BlackRock
Energy & Engineering	Shell, Chevron, Boeing, Honeywell
Healthcare & Pharma	Eli Lilly
Business Parks & Units	Argila Eco World (including 154N), CPU 3 BLR – Stripe Unit, AMT

Through this partnership, the laboratory has ensured consistent, high-quality diagnostic services, supporting health and hygiene compliance for food handlers across all serviced locations.

Delivering Excellence in Patient Care

Our mission is defined by the delivery of high-integrity diagnostic services that prioritize accuracy and speed. Through a culture of relentless improvement and technological innovation, Dynamatic Biosecurity Laboratory is driving measurable advancements in clinical outcomes and community health standards.



AWARDS AND ACCOLADES

For nearly four decades, the Quality Circle Forum of India (QCFI) has played a pivotal role in fostering skill development across multiple sectors. Through structured education, training, awareness initiatives, hands-on demonstrations, and implementation support, QCFI promotes the widespread adoption of quality concepts across manufacturing, maintenance, services, education, healthcare, rural development, and community-based initiatives. Teams from Dynamatic Technologies Limited (DTL) have consistently excelled at QCFI-organized competitions at the chapter, national levels. In 2025, our teams delivered exceptional performances, earning several prestigious recognitions, as outlined below.

Dynamatic Technologies Triumphs at 39th NCQC 2025 with 'Par Excellence' and 'Excellence' Awards

Dynamatic Technologies is proud to announce that our dedicated teams have been recognized with prestigious 'Par Excellence' and 'Excellence' awards at the 39th National Convention on Quality Concepts (NCQC 2025). Perfectly embodying this year's theme, "Quality Concepts for ATMA NIRBHAR VIKSIT BHARAT," our representatives showcased industry-leading innovation through impactful Kaizen, Poka-Yoke, and detailed case study presentations. This achievement underscores our organization's commitment to continuous improvement and operational superiority. We extend our sincere congratulations to the winning teams, leaders, and facilitators for their steadfast support and outstanding performance.



Celebrating Excellence at the 34th Chapter Convention on Quality Concepts:

Dynamatic Technologies Limited also takes pride in the exceptional performance of its teams at the 34th Chapter Convention on Quality Concepts, organized by QCFI and hosted by the Bangalore Chapter on September 14, 2025.

Aligned with the theme "Quality Concepts for ATMA NIRBHAR VIKSIT BHARAT", all eight teams from the DOA division—representing projects across Airbus A330, A220, Dassault, Boeing, Spirit A321, and A320 RD—presented Kaizen and Poka Yoke case studies. Each team was awarded a Gold Award for excellence.

Among more than 2,500 participants and 500 case studies representing 98 organizations, this recognition reflects the exceptional innovation, collaboration, and quality mindset demonstrated by our teams.



Quality Month-2025:

Quality Month is observed annually to promote the principles of continual improvement and to recognise contributions that strengthen quality systems across organisations, institutions, and communities worldwide. The initiative encourages the sharing of best practices, innovative approaches, and success stories that demonstrate the effective application of quality principles.

In alignment with this objective, Dynamatic Technologies Limited (DTL) commemorated World Quality Month in November 2025 by conducting a structured series of employee centric initiatives aimed at reinforcing the culture of continuous improvement and employee engagement. Key activities undertaken during the month included leadership interactions on the theme “Quality: Think Differently”, a Boeing led webinar, administration of the Quality Oath, poster design competitions, rapid fire quizzes, and campus level drama activities. These initiatives were designed to enhance awareness, encourage participation, and reinforce quality-focused thinking across both organisations.

Participants and teams demonstrating notable performance were recognised during the observance period. The Quality Month Champion Trophy was awarded to the project team that delivered the most consistent and impactful contribution throughout the month. These initiatives reflect the company’s ongoing commitment to quality excellence, employee involvement, and systematic improvement across operations.



Dynamatic Technologies Honoured with “Uttama Suraksha Puraskara” for Workplace Safety Excellence

Dynamatic Technologies is proud to announce that it has been awarded the prestigious “Uttama Suraksha Puraskara” by the National Safety Council – Karnataka Chapter. This significant honour recognizes The company’s unwavering commitment to the highest standards of workplace safety and its excellence in Health, Safety, and Environment (HSE) practices. This achievement is a testament to the dedicated, safety-first mindset of the entire Dynamatic team.



ENGINEERING & DESIGN

Dynatomic Technologies is a knowledge-based organization, and Research & Development continues to be at the core of the company's growth strategy. The integrated engineering team at Dynatomic Technologies focuses on new product development and introduction, using the APQP (Advanced Product Quality Planning) process. It works closely with OEM customers to anticipate their future product needs.

The company's R&D personnel conceive, design, develop, and manufacture new proprietary hydraulic components and systems. They also work to improve existing products and production processes to align with the rapidly evolving industry landscape. Dynatomic Technologies believes that its strong commitment to R&D will enable it to remain a leading technology provider and a preferred partner to global OEMs.

The Company employs around 90 scientists and 650 engineers with expertise in Mechanical Engineering, Advanced Computer Aided Engineering, Materials & Metallurgical Engineering, Fluid Dynamics and Defence & Aerospace Research.



The Research center at JKM Plaza in Bangalore, India, houses the Dynatomic Technologies Engineering, Research & Development Center, which is engaged in:

1. Design and Prototyping of new products
2. Improvement of existing designs
3. Continuous improvement of existing processes
4. Ongoing testing of products and materials

The Dynatomic Technologies Research & Development Center is fully electronic, utilizing state-of-the-art parametric 3D design software and knowledge-based expert systems.

The world-class design center, capable of complete product and system design, possesses advanced capabilities in structural, thermal, and dynamic engineering for design validation, analysis, and optimization.

The center aims to provide its clients with a competitive advantage by reducing development cycle times and accelerating time-to-market. It strategically combines mechanical engineering expertise with deep software application knowledge to deliver world-class engineering services to companies worldwide-offering optimal, high-quality, and cost-effective design solutions.

The Dynatomic-Oldland Aerospace® (DOA) Research & Development is engaged in state-of-the-art 3D designs using software such as CATIA V5, Unigraphics NX, and Mastercam for their design and development activities meeting global OEM standards. The Company has been successful in bringing value addition in reducing cycle time, concession reduction, technology absorption, indigenisation of technological products, and developing special manufacturing processes.

A notable achievement includes the indigenisation of the Foldable Strut for HAL ALH Dhruv Helicopter. This mechanism facilitates the opening and closing of helicopter doors under rugged environmental conditions. DOA is the sole supplier of this product to HAL (Hindustan Aeronautics Limited). The sub-assembly incorporates specialised aerospace alloys and undergoes rigorous manufacturing and testing processes compliant with aerospace standards, secured CEMILAC approval for series production. Furthermore, the DOA team has obtained a patent for the development of the foldable strut, underscoring their innovation and technical expertise in aerospace engineering.

Development of Complex Machined Beams and Frames for Bharat Electronics Limited: Designed and developed a high-precision solution for complex machined beams, along with a test rig for high-pressure leak and pressure testing. This engagement marks a key milestone for Dynatomic's DOA in supporting the Make in India initiative and the indigenisation efforts undertaken by Indian companies.

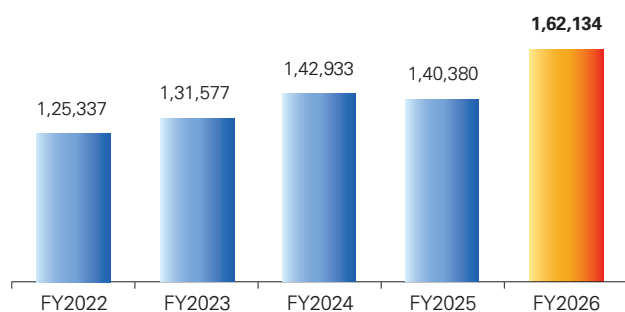
Airbus A330 Flap Track Beam NC Drilling: Designed and developed a state-of-the-art machining fixture-support frame for NC drilling of flap track beams, aimed at reducing non-conformances. The deployment of this support frame has significantly improved accuracy and enhanced production deliveries.

Design & Development of A320 Flap Track Beam: Over 9,000 A320 flap track beams have been supplied to Airbus through Spirit AeroSystems over the past several years. Airbus has re-designed the A320 flap track beam to reduce the number of components in the assembly and shorten the production cycle time. This new design is already in series production and has been implemented in over 1,000 aircraft. In collaboration with Airbus, DOA has been actively involved in the development of a single, monolithic beam by incorporating the latest machining technologies. The DOA team has played a key role in developing the tooling and assembly processes for this new flap track beam.

CONSOLIDATED FINANCIAL HIGHLIGHTS

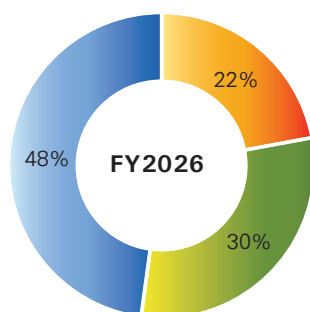
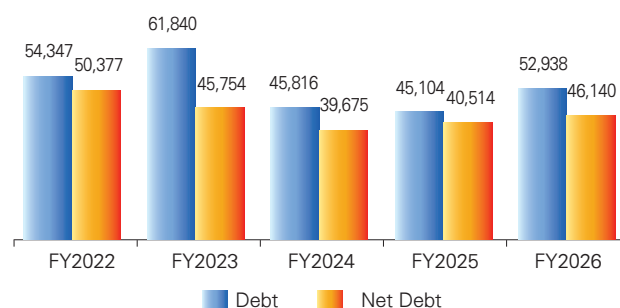
REVENUE BREAK UP

(INR in Lakhs)

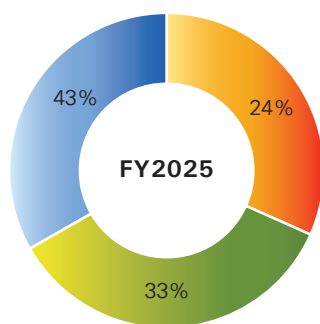
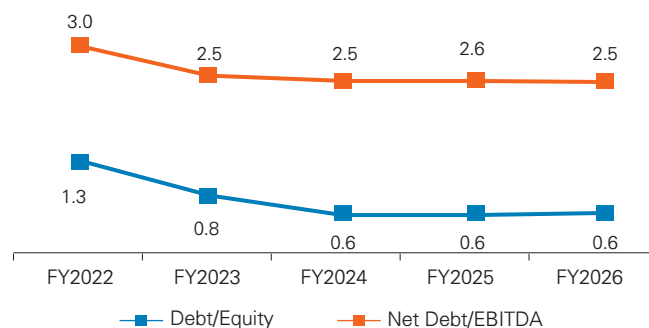


DEBT & LEVERAGE RATIOS

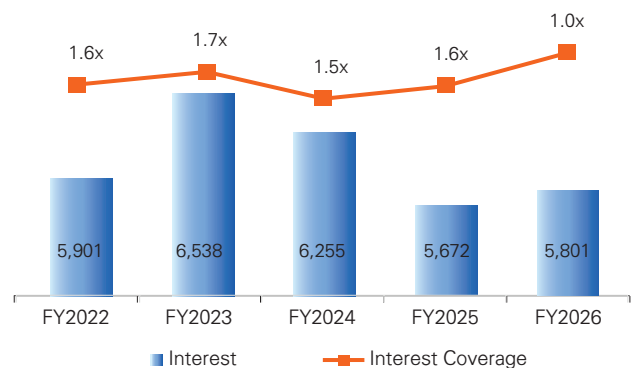
(INR in Lakhs)



Metallurgy Hydraulics Aerospace & Defence



Metallurgy Hydraulics Aerospace & Defence



DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: JKM Plaza, Dynamatic Aerotropolis

55, KIADB Aerospace Park, Bangalore 562149, India

Corporate Identity Number: L72200KA1973PLC002308

Phone Number: +91 80 2111 1223 / +91 80 2204 0535

Email ID: investor.relations@dynamatics.net; **website:** www.dynamatics.com



Invitation to attend the 51st Annual General Meeting on Tuesday, 15th September 2026.

Dear Members,

You are cordially invited to attend the 51st Annual General Meeting (AGM) of the Members of Dynamatic Technologies Limited ("the Company") to be held on Tuesday, 15th September 2026, at 2:30 P.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

The Notice of the Meeting, containing the businesses to be transacted thereat, is enclosed herewith. As per Section 108 of Companies Act, 2013, read with applicable rules thereunder and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company is pleased to provide its Members the facility to cast their vote by electronic means on all resolutions set forth in the Notice.

The following are the key details regarding the meeting in accordance with SEBI Listing Regulations for your ease of reference:

Sl.No	Particulars	Details
1.	Link for participating AGM through VC/OAVM:	https://emeetings.kfintech.com
2.	Link to access Annual Report and AGM Notice:	https://www.dynamatics.com/annual-reports
3.	Helpline number for VC participation and e-voting:	1800 309 4001
4.	Email IDs for any assistance or support for VC participation and e-voting:	einward.ris@kfintech.com evoting@kfintech.com
5.	Record date for the purpose of dividend	Friday, 28 th August 2026
6.	Cut-off date for e-voting:	Tuesday, 8 th September 2026
7.	Date of Book Closure:	Wednesday, 9 th September 2026 to Tuesday, 15 th September 2026 (both days inclusive)
8.	Dividend payment date	On or after 17 th September 2026
9.	E-voting start date and time:	Saturday, 12 th September 2026, at 09:00 A.M.
10.	E-voting end date and time:	Monday, 14 th September 2026, at 05:00 P.M.
11.	E-Voting website:	https://evoting.kfintech.com
12.	Speaker Registration for AGM:	Please visit https://emeetings.kfintech.com and click on Speaker Registration. Registration shall be open from Thursday, 10 th September 2026 at 09.00 AM (IST) till Sunday, 13 th September 2026 at 5.00 PM (IST).
13.	Details of Registrar and Transfer Agent:	Mr. Ratan Babu, Asst. Vice-President, KFin Technologies Ltd. Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana. Email Id: einward.ris@kfintech.com Contact No. 1800 309 4001
14.	Company contact details:	E-mail: investor.relations@dynamatics.net Phone no: +91 80 2111 1223 / +91 80 2204 0535

For **Dynamatic Technologies Limited**

Shivaram V

Chief Legal Officer and Company Secretary

DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: JKM Plaza, Dynamatic Aerotropolis
55, KIADB Aerospace Park, Bangalore 562149, India
Corporate Identity Number: L72200KA1973PLC002308
Phone Number: +91 80 2111 1223 / +91 80 2204 0535
Email ID: investor.relations@dynamatics.net; **website:** www.dynamatics.com



:::::: NOTICE CALLING THE 51ST ANNUAL GENERAL MEETING :::::

Notice is hereby given that the **51st (Fifty first) Annual General Meeting ('AGM')** of the Members of Dynamatic Technologies Limited (the 'Company') will be held on **Tuesday, 15th September 2026 at 2:30 PM IST, through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM')** to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Financial Statements for the Financial Year ended 31st March 2026:

- to receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2026, together with the Reports of the Board of Directors and Auditor's thereon.
- to receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2026, together with the Report of the Auditor's thereon.

2. Appointment of Mr. James Tucker (DIN: 07093258) as Director liable to retire by rotation:

To appoint a director in place of Mr. James Tucker (DIN: 07093258), who retires by rotation and being eligible, offers himself for re-appointment.

3. Declaration of Dividend:

To declare Final Dividend of Rs. 5/- per Equity Share of face value of Rs. 10/- each for the financial year ended 31st March 2026.

SPECIAL BUSINESS:

4. Re-appointment of Dr. Udayant Malhoutra (DIN: 00053714) as CEO and Managing Director for a term of 5 (Five) years:

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

RESOLVED THAT based on the recommendation of Nomination and Remuneration Committee and the Board of Directors of the Company and in accordance with the provisions of Section 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013, SEBI (LODR) Regulations 2015, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other applicable provisions, including any

statutory modifications or re-enactments thereof, for the time being in force and subject to such other consents, approvals and permission, if any, as may be required, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Dr. Udayant Malhoutra (DIN: 00053714) as the CEO & Managing Director of the Company for a further period of 5 (Five) years i.e., with effect from 1st October 2026 to 30th September 2031, on the following terms as under:

SALARY:

Salary: Rs. 13,44,000/- per month within the scale of Rs. 5,00,000 to Rs. 25,00,000.

PERQUISITES:

In addition to the salary referred to above, the CEO & Managing Director shall be entitled to:

Category A:

Housing: The Company will provide unfurnished accommodation, subject to the condition that expenditure by the Company on hiring such accommodation will not exceed one month's Basic salary.

Medical Reimbursement: Medical expenses will be paid by the Company for Dr. Udayant Malhoutra and his family, viz. wife, dependent children and dependent parents, subject to a ceiling of one month's Basic Salary in a year.

Leave Travel Concession: Dr. Udayant Malhoutra will be paid the expenses incurred on actual basis, subject to a ceiling of one month's Basic Salary in a year, in accordance with the rules of the Company, for himself, his wife, dependent children and dependent parents.

Company's Car: Dr. Udayant Malhoutra shall be entitled to use of the company's car, all the expenses for maintenance and running of the same including insurance and salary of the driver to be borne by the company.

Club Fees: Club fees will be paid, which will not include admission and life membership fees.

Category B:

Provident Fund (PF): He shall be entitled to Company's contributions to PF as per prevailing rules.

Gratuity: He shall be paid as per provisions of the Payment of Gratuity Act.

Category C:

Telephone & Cell phone: He will be provided with a telephone at his residence and cell phone for the purpose of Company's business.

RESOLVED FURTHER THAT in accordance with Articles of Association of the Company, Dr. Udayant Malhoutra, CEO & Managing Director, shall not be liable to retire by rotation during his tenure as CEO & Managing Director.

RESOLVED FURTHER THAT notwithstanding anything herein above stated wherein, in any financial year closing on or after 31st March 2026, during the tenure of Dr. Udayant Malhoutra as CEO & Managing Director of the Company, if the Company's profits are inadequate or it incurs a loss, the Company shall pay to Dr. Udayant Malhoutra the above remuneration by the way of salary, bonus and other allowances as minimum remuneration as specified under Schedule V of the Companies Act, 2013 or such other limits as may be prescribed by the Central Government from time to time.

RESOLVED FURTHER THAT any further alteration, variation and modification of the terms of the said appointment/ remuneration including the salary, allowances and perquisites, without further reference to the members, shall be in such a manner as may be agreed to between the Board of Directors (which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution) and Dr. Udayant Malhoutra within the above mentioned scale of salary, in such manner as the Board may in its absolute discretion deem fit from time to time.

RESOLVED FURTHER THAT any of the Directors of the Company and Mr. Shivaram V, Chief Legal Officer and Company Secretary of the Company be and are hereby severally authorised to take such steps as may be necessary for obtaining approvals – whether statutory or otherwise, in relation to the above and to settle all or any matters arising out of and incidental thereto and sign and execute all applications, documents and writing that may be required to be executed on behalf of the Company and generally to do all or any acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution”.

5. Ratification of Cost Auditor's Remuneration:

To consider and, if thought fit, to pass the following Resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], the Company hereby ratifies the remuneration of Rs. 6,50,000/-, plus applicable taxes thereon and reimbursement of out-of pocket expenses at actuals, payable to M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No.000065), who

are appointed by the Board of Directors of the Company on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, for the financial year ending 31st March 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors

Shivaram V

Chief Legal Officer and
Company Secretary

Membership No. ACS 19173

Date: 19th May 2026

Place: Bangalore

Registered Office:

Dynatomic Technologies Limited

JKM Plaza, Dynatomic Aeropolis
55, KIADB Aerospace Park, Bangalore 562 149, India

Email ID: investor.relations@dynamatics.net

Website: www.dynamatics.com

CIN: L72200KA1973PLC002308

NOTES:

1. The Ministry of Corporate Affairs ('MCA') has, vide its General Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, along with subsequent circulars issued in this regard and the latest dated September 22, 2025 (collectively referred to as 'MCA Circulars'), permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') facility/Other Audio Visual Means ('OAVM') without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), and MCA Circulars, the 51st AGM of the Company is being held through VC/OAVM on Tuesday, 15th September 2026 at 2:30 p.m. (IST). The deemed venue of the 51st AGM shall be the Registered Office of the Company.
2. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, the requirement of physical attendance of Members has been dispensed with. The facility for appointment of proxies by Members will not be available for this AGM and hence, the proxy form, attendance slip and route map of AGM are not annexed to this Notice.
3. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.
5. The Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, ("the Act") in respect of special businesses setting out material facts in respect of item No. 4 & 5 (special business) is annexed hereto. Additional information pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India in respect of the Director seeking re-appointment at this AGM is furnished as Annexure to this Notice.
6. The Record date fixed for determining the entitlement of Members to dividend for the financial year ended 31st March 2026, if approved at the AGM is, Friday, 28th August 2026. The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 9th September 2026 to Tuesday, 15th September 2026 (both dates inclusive).
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, and relevant documents referred to in the Notice of this AGM and explanatory statement will be available electronically for inspection by the Members during the AGM. Members who wish to inspect such documents can send their requests to the Company

at investor.relations@dynamics.net by mentioning their name and Folio number/DP ID and Client ID.

8. Dividend:

The dividend, as recommended by the Board of Directors, if approved at this AGM, will be paid on or after Thursday, 17th September 2026, subject to deduction of tax at source (TDS), only through electronic mode as under:

- (i) Shares held in electronic form: To all Beneficial Owners as per the details made available by the Depositories, as of close of business hours on Friday, 28th August 2026; and
- (ii) Shares held in physical form: To all Members after giving effect to valid transmission or transposition requests lodged with the Company, if any, as of close of business hours on Friday, 28th August 2026.

Mandatory Electronic Payment of Dividend: With effect from November 18, 2025, dividends shall be processed only in electronic mode, and payment through dividend warrants or cheques has been discontinued. The payment of Dividend shall be subject to the following:

a. Dividend to Members holding shares in physical form:

Folios of Members should be KYC compliant to receive the dividends directly in their bank accounts through National Automated Clearing System or any other electronic mode of remittance. Members are requested to send the following documents to the Company's RTA at KFin Technologies Limited, Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, on or before the record date i.e. Friday, 28th August 2026:

- (i) Form ISR-1 duly filled and signed by the holders stating their name, contact details, folio number, complete address with PIN code and the bank account details;
- (ii) Original copy of cheque bearing the name of the Member or first holder, in case shares are held jointly;
- (iii) Self-attested copy of the PAN Card of all holders;
- (iv) Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company;
- (v) Form ISR-2 duly filled and signed. The signature of holders should be attested by the Banker;
- (vi) Form SH-13 – Nomination Form or Form ISR-3 – to opt out from Nomination.

The above Investor Service Request Forms (ISR) are available on the Company's website at <https://www.dynamics.com/shareholders> or RTA's website at <https://ris.kfintech.com/clientservices/isc/default.aspx>.

- b. Dividend to Members holding shares in electronic form:

Members may please note that their bank details as furnished by the respective Depository Participants ("DPs") to the Company will be considered for remittance of dividends as per the applicable regulations and the Company will not be able to accede to any direct request for change/addition/deletion of such bank details.

Accordingly, the Members are requested to ensure that correct/latest complete bank details are updated against their demat account with their respective DPs.

Instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

9. Tax Deducted at Source ("TDS") on dividend:

Dividend income is taxable in the hands of Members w.e.f. April 01, 2020, in accordance with Finance Act, 2020, and the Company is required to deduct TDS from the dividend to be paid to the Members as per rates prescribed under the Income Tax Act, 2025 ("IT Act").

Members are requested to update their Residential Status, PAN details and Category with:

- the DP (if shares are held in electronic form) or
- the Company/RTA (if shares are held in physical form)

Please send the documents mentioned below to einward.ris@kfintech.com on or before Friday, 28th August 2026, to enable the Company to determine the appropriate TDS/withholding tax rate and provide exemption, if applicable.

Key Documents to be Submitted/Uploaded as per Income Tax Rules, 2026:

Category of Shareholder	Document(s) to be submitted/uploaded
Resident individual shareholders with PAN* and whose income does not exceed maximum amount not chargeable to tax or who is not liable to pay income tax	i. Form 121 (erstwhile Form No. 15G or Form No. 15H)
Non-resident shareholders [including Foreign Portfolio Investors (FPIs)] who can avail beneficial rates under tax treaty between India and their country of tax residence	i. No Permanent Establishment Declaration ii. Beneficial Ownership Declaration iii. Tax Residency Certificate iv. Copy of electronically filed Form 41 (erstwhile Form 10F) v. Any other document which may be required

**If PAN is incorrect/invalid/inoperative, then tax will be deducted at higher rates and credit of TDS will not be available. (Section 397 of the Income Tax Act, 2025)*

10. The listed companies are mandated to issue securities in dematerialised form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at <https://www.dynamatics.com/shareholders> and RTA's website at <https://ris.kfintech.com/clientservices/isc/default.aspx>. It may be noted that any service request can be processed only after the folio is KYC compliant.

Further, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or the RTA for assistance in this regard.

11. Members are requested to address all correspondence, including dividend-related matters, to RTA, KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032, Unit: Dynamatic Technologies Limited, JKM Plaza, Dynamatic Aerotropolis 55, KIADB Aerospace Park, Bangalore, Karnataka 562149.
12. The Members are encouraged to furnish / update their PAN, KYC details including contact details & bank account details, Nomination and specimen signature with the RTA/the Company in specified forms. The SEBI has mandated members holding shares in physical mode to furnish their PAN, KYC details including contact details & bank account details, Nomination and specimen signature with the RTA/the Company.

Please note that unless the above details are updated with the RTA/the Company, Members would not be able to receive any correspondence(s)/information/intimation from the RTA/the Company.

Please note that it is also mandatory to link PAN with Aadhaar number. Investors who are yet to link the PAN with Aadhaar number are requested to complete the same. Securities held in physical folios which have no PAN registered/have invalid PAN registered/no PAN linked with their Aadhaar numbers in the records of the RTA/Company shall be considered inoperative/inactive/incomplete. The formats for nomination and updation of KYC details in accordance with the SEBI circular are available on the Company's website at <https://www.dynamatics.com/Investors/Shareholder-Information/>.

Effective January 01, 2022, Grievance Redressal / Service Requests can be availed with the RTA only after the required documents / complete data as mandated are furnished for physical folios.

The duly filled-in Forms along with supporting documents may be sent to the RTA at their address: KFin Technologies Limited, Selenium Tower B, Plot 31

& 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Members may submit the duly filled complete set of scanned documents with e-sign* through e-mail. Please note that documents received only from the registered e-mail address of the shareholders will be considered. The documents received from the e-mail addresses of brokers and third parties will not be entertained. Alternatively, Members may upload the documents on the website of the RTA.

*e-Sign is an integrated service which facilitates issuing a Digital Signature Certificate and performing signing of requested data by e-sign user. You may approach any of the empanelled e-sign Service providers available on <https://cca.gov.in/> for the purpose of obtaining e-sign.

13. We urge Members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses, are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Limited at einward.ris@kfintech.com or by registering with the first holder PAN at <https://kprism.kfintech.com/signup>, to receive copies of the Integrated Annual Report 2025-26 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report and update of bank account details for the receipt of dividend.

Members who are desirous of obtaining hard copy of the Annual Report should send a request to the Company's email ID viz., investor.relations@dynamatics.net clearly mentioning their Folio number/DP ID and Client ID.

A copy of the Notice of this AGM along with integrated Annual Report for the FY 2025-26 is available on the website of the Company at www.dynamatics.com, website of the stock exchanges where the shares of the Company are listed i.e., BSE Limited and NSE Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFin at <https://evoting.kfintech.com/>.

14. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter, etc. pursuant to Section 113 of the Companies Act, 2013 together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: csratishtagde@gmail.com with a copy to email id: evoting@kfintech.com.

The scanned image of the above-mentioned documents should be in the naming format "Corporate Name EVENT NO."

15. Transfer of Unclaimed/ Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) consecutive years from the date of transfer to the Company's Unpaid Dividend Account shall be

transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members whose unclaimed dividends and/or shares have been transferred to IEPF may write to the Company/RTA and submit the required documents for issue of Entitlement Letter. The Members may then make an application to the IEPF Authority in web Form IEPF-5 (available on www.iepf.gov.in) by attaching the Entitlement Letter and other requisite documents. For further details, please refer to Corporate Governance Report, which forms part of the Integrated Annual Report, and the Company's website at <https://www.dynamatics.com/annual-reports>.

It is in Members' interest to claim any un-encashed dividends and in the future, opt for Electronic Clearing Service (ECS), so that dividends paid by the Company are credited to Members' account on time.

Members are requested to contact the Company's Registrar and Share Transfer Agent to claim the unclaimed/unpaid dividends thereon at the following address:

KFin Technologies Ltd.
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad - 500 032, Telangana.

16. Details of Members: Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the RTA/ Company in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting documents.

Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market. To prevent fraudulent transactions, Members are advised (i) to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible (ii) not to leave their demat account(s) dormant for long and (iii) to obtain periodic statement of holdings from the concerned DPs and verify from time to time.

17. Nomination Facility: The facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form SH-13.

If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the requisite application in Form ISR-3 or Form SH-14, as the case may be, to the Company/RTA.

The said forms can be downloaded from the Company's/ RTA's website at <https://www.dynamics.com/shareholders> or <https://ris.kfintech.com/clientservices/isc/default.aspx>.

Members are requested to submit the said form to their DPs, in case the shares are held in electronic form, quoting their DP ID/Client ID and to the RTA, in case the shares are held in physical form, quoting their folio no(s).

18. Members who have not yet exchanged their shares of Dynamatic Hydraulics Limited, with the Share Certificates of Dynamatic Technologies Limited, are requested to surrender their Share Certificate(s) for exchange. Such Members are requested to contact the Company's Registrar and Share Transfer Agent- KFin, in this regard.

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

20. Special window for re-lodgement of physical share transfer requests:

Pursuant to SEBI Circular dated HO/38/13/11(2)2026-MIRSDPOD/ I/3750/2026 dated January 30, 2026, members who have executed transfer deed(s) in respect of physical securities sold/ purchased prior to April 1, 2019, and where the original security certificate is available, including cases of fresh lodgement or where earlier requests were rejected, returned or not attended due to deficiencies, have been provided a special window till February 4, 2027, to lodge/re-lodge their transfer requests.

Transfers would be approved if all the requisite documents are in place. Transfer under this window will be credited only in dematerialised form and will carry a one-year lock-in period from the date of transfer registration. Members can contact the Company or the RTA, for assistance in this regard.

The Company has communicated the opening of this special window through newspaper advertisements and stock exchanges.

21. Simplification of Procedure for Issuance of Duplicate Share Certificates:

SEBI has simplified the process for issuing duplicate share certificates. The documentation requirements have been standardised as below:

Value	Required Documents
Up to Rs. 10,000	Undertaking on plain paper (no notarisation required)
Above Rs. 10,000 and up to Rs. 10 lakh	Single Affidavit-cum-Indemnity Bond on a non-judicial stamp paper of appropriate value
Above Rs. 10 lakh	Affidavit-cum-Indemnity Bond along with FIR/Police Complaint

Members are informed that with effect from April 2, 2026, SEBI has dispensed with the requirement of issuance of a Letter of Confirmation (LOC) by the Company/RTA while processing investor service requests. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of valid demat account details along with the latest Client Master List. Members must provide a Client Master List, not older than 2 months, attested by their DP, for getting the securities credited directly in their demat account.

22. SEBI has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian securities market. Pursuant to this, post exhausting the option to resolve their grievance with the Company's Registrar & Transfer Agent ('Registrar' or 'RTA')/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the company's website at <https://www.dynamics.com/shareholders>.

23. In case of any grievances connected with facility for e-voting, please contact:

Mr. Ratan Babu,
Asst. Vice-President,
Contact No. 1800 309 4001,
KFin Technologies Ltd.
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032, Telangana.

24. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date being Tuesday, 8th September 2026.

25. The Company has appointed Mr. Ratish Tagde (FCS Membership No. 6162, Certificate of Practice No. 22018), Proprietor, Ratish Tagde & Associates, Practicing Company Secretaries, as the Scrutinizer, and Mr. Pramod S.M. (FCS Membership No. 7834 and Certificate of Practice No.13784), Partner, BMP & Co., LLP, Practicing Company Secretaries as an alternate Scrutinizer to Mr. Ratish Tagde to scrutinize the voting process and remote e-voting process (electronically or otherwise) in a fair and transparent manner.

26. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
27. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the Results of the voting. The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company www.dynamics.com and KFin website <https://evoting.kfintech.com/> and the communication will be sent to BSE Limited and the National Stock Exchange of India Limited.
28. Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of AGM shall be deemed to be passed on Tuesday, 15th September 2026.
29. PROCEDURE FOR REMOTE E-VOTING AND ATTENDING E-AGM:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, the General Circular No. 03/2025 dated September 22, 2025 issued by the Ministry of Corporate Affairs and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide Members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting ('AGM') by electronic means (by using the electronic voting system provided by NSDL) either by:
 - a. remote e-Voting prior to the AGM; or
 - b. e-Voting during the AGM.
 - II. However, pursuant to SEBI circular no. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9th December 2020, on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
 - III. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- IV. The remote e-Voting period commences from 09:00 A.M. (IST) on Saturday, 12th September 2026 and ends at 05:00 P.M. (IST) on Monday, 14th September 2026. During this period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Tuesday, 8th September 2026, may cast their vote electronically in the manner and process set out hereunder. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast a vote again.
- V. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- VI. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he/she is already registered with KFin for remote e-Voting, then he/she can use his/her existing User ID and password for casting the vote.
- VII. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting for Individual shareholders holding securities in demat mode."
- VIII. A person who is not a Member as on the cut-off date, should treat this Notice for information purposes only.
- IX. The details of the process and manner for remote e-Voting and for attending the e-Annual General Meeting (e-AGM) are set out below:

Step 1: Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Step 2: Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

Step 3: Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC / OAVM and e-Voting during the meeting.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Members holding securities in demat mode with NSDL	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client ID, PAN No., Verification code and generate OTP. Enter the OTP received on registered email ID/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on the company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. Existing Internet-based Demat Account Statement ("IDeAS") facility Users: - Visit the e-services website of NSDL https://eservices.nsdl.com either on a personal computer or on a mobile. - On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user ID and password. - After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed. - Click on company name i.e. 'Dynamatic Technologies Limited' or ESP i.e. KFin. - Members will be re-directed to KFin's website for casting their vote during the remote e-voting period. 3. Those not registered under IDeAS: - Visit https://eservices.nsdl.com for registering. - Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. - Visit the e-voting website of NSDL https://www.evoting.nsdl.com. - Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section. A new screen will open. - Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen. - After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page. - Click on company name i.e Dynamatic Technologies Limited or ESP name i.e KFin after which the Member will be redirected to ESP website for casting their vote during the remote e-voting period. - Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  

Individual Members holding securities in demat mode with CDSL	- Existing users who have opted for Electronic Access To Securities Information ("Easi/ Easiest") facility: - Visit https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com. - Click on New System Myeasi. - Login to Myeasi option under quick login. - Login with the registered user ID and password. - Members will be able to view the e-voting Menu. - The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication. - User not registered for Easi/ Easiest - Visit https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration for registering. - Proceed to complete registration using the DP ID, Client ID (BO ID), etc. - After successful registration, please follow the steps given in point no. 1 above to cast your vote.
	- Alternatively, by directly accessing the e-voting website of CDSL - Visit www.cdslindia.com. - Provide demat account number and PAN. - System will authenticate user by sending OTP on registered mobile number and email ID as recorded in the demat account. - After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. 'Dynamatic Technologies Limited' or select KFin. - Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.
Individual Members login through their demat accounts / website of DPs	- Members can also login using the login credentials of their demat account through their DPs registered with the Depositories for e-voting facility. - Once logged-in, Members will be able to view e-voting option. - Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature. - Click on options available against company name or 'KFin'. - Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- (A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFin which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:
- Launch internet browser by typing the URL: <https://evoting.kfintech.com>
 - Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting the vote.
 - After entering these details appropriately, click on "LOGIN".

- IV. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- V. You need to login again with the new credentials.
- VI. On successful login, the system will prompt you to select the "EVEN" i.e., "Dynamatic Technologies Limited - AGM" and click on "Submit"
- VII. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- VIII. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat account.
- IX. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- X. You may then cast your vote by selecting an appropriate option and clicking on "Submit".
- XI. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can log in any number of times till they have voted on the Resolution(s).
- XII. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ID csratistagde@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name EVEN No."
- (B) Members whose e-mail IDs are not registered with the Company/Depository Participant(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced.

Details on Step 3 are mentioned below:

III) Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC / OAVM and e-Voting during the meeting.

- i) Members will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com> by using the e-Voting login credentials provided in the e-mail received from the Company / KFintech. After logging in, click on the Video Conference tab and select the EVEN of the company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii) Facility for joining AGM through VC / OAVM shall open at least 30 minutes before the commencement of the Meeting.
- iii) Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv) Members will be required to grant access to the webcam to enable VC/OAVM. Further, Members connecting from Mobile Devices or Tablets or through laptop connecting via mobile hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use stable WiFi or LAN connection to mitigate any kind of aforesaid glitches.
- v) As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, e-mail ID, mobile number at e-mail ID investor.relations@dynamatics.net. Questions / queries received by the Company till 13th September 2026 at 5.00 PM (IST) shall only be considered and responded during the AGM.
- vi) Members who have not cast their vote through remote e-Voting shall be eligible to cast their vote through e-Voting system available during the AGM. e-Voting during the AGM is integrated with the VC / OAVM platform. The members may click on the voting icon displayed on the screen to cast their votes.
- vii) A member can opt for only single mode of voting i.e., through Remote e-Voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-Voting shall prevail and vote at the AGM shall be treated as invalid.

- viii) Facility of joining the AGM through VC / OAVM shall be available for at least 2,000 members on first come first served basis.
- ix) Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

OTHER INSTRUCTIONS:

- I. Speaker Registration: The members who wish to speak during the meeting may register themselves as speakers for the e-AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user ID and password provided in the mail received from KFinTech. On successful login, select 'Speaker Registration' which will be open from Thursday, 10th September 2026 at 09.00 AM (IST) till Sunday, 13th September 2026 at 5.00 PM (IST). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the e-AGM to only those members who have registered themselves, depending on the availability of time for the e-AGM.
- ii) Post your Question: The members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user ID and password provided in the mail received from KFinTech. On successful login, select 'Post Your Question' option which will be opened from Thursday, 10th September 2026 at 09.00 AM (IST) till Sunday, 13th September 2026 at 5.00 PM (IST).
- iii) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the download section of <https://evoting.kfintech.com> (KFinTech Website) or contact Mr. Ratan Babu, Asst. Vice President, KFinTech at evoting@kfintech.com or call KFinTech's toll free No. 1-800-309-4001 for any further clarifications.
- iv) In case a person has become a member of the Company after dispatch of AGM Notice but on or before the cutoff date for e-Voting, he/she may obtain the User ID and Password in the manner as mentioned below:
 - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD e-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 - Example for NSDL: MYEPWD IN12345612345678
 - Example for CDSL: MYEPWD 1402345612345678
 - Example for Physical: MYEPWD XXXX1234567890
 - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFinTech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

- v) Procedure for Registration of e-mail and Mobile: (securities in physical mode)

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD1/P/ CIR/2023/37, dated March 16, 2023. All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile numbers. Moreover, to avail online services, the security holders can register e-mail ID. Holders can register/update their contact details through submitting the requisite ISR - 1 form along with the supporting documents.

ISR-1 Form can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- a) Through In Person Verification ('IPV'): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFin Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032

- c) Through electronic mode with e-sign by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

- vi) Application(s) by our RTA – KFinTECH

Members are requested to note that as an ongoing endeavor to enhance shareholders' experience and leverage new technology, KFinTech has developed the following applications for shareholders

- a) Online application for Investor Query:

Members are hereby notified that our RTA, KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), based on the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/72) dated June 08, 2023, have launched an online application which can be accessed at <https://ris.kfintech.com> > Investor Services > Investor Support.

Members are requested to register / sign up, using the Name, PAN, Mobile and email ID. Post registration, user can log in via OTP and execute activities like,

raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>.

b) Senior Citizens - Investor Support

As part of the initiative, our RTA, in order to enhance the investor experience for Senior Citizens, a Senior Citizens investor cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints and queries. The special cell closely monitors the complaints coming from Senior Citizens through this channel and handholds them at every stage of the service request till closure of the grievance.

Senior Citizens wishing to avail this service can send the communication with the below details to the email id, senior.citizen@kfintech.com. Senior Citizens (above 60 years of age) have to provide the following details :

1. ID proof showing Date of Birth
2. Folio Number
3. Company Name
4. Nature of Grievance

A dedicated Toll-free number for Senior Citizens can also be accessed at 1-800-309-4006 for any queries or information.

c) KPRISM Mobile App:

Mobile application for all users to review their portfolio being managed by KFinTECH is available in Play store and App Store. User are requested to download the application and register with the PAN number. Post verification, users can use functionalities like – Check portfolio / holding, check IPO status / Demat / Remat, Track general meeting schedules, download ISR forms, view the live streaming of AGM and contact the RTA with service request, grievance, and query.



<https://ris.kfintech.com/>

KFinTECH | eMeetings

<https://kprism.kfintech.com/>

30. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

EXPLANATORY STATEMENT:

(Pursuant to Section 102 (1) of the Companies Act, 2013)

Item No. 4

Re-appointment of Dr. Udayant Malhoutra:

Pursuant to provisions of Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, Dr. Udayant Malhoutra (DIN: 00053714), was re-appointed as the CEO & Managing Director of the Company for a period of three years with effect from 1st October 2023, as approved by the Members at their Annual General Meeting held on 22nd September 2023, and the said term is due to end on 30th September 2026, and it is now proposed to re-appoint him for a further term of 5 years with effect from 1st October 2026.

Dr. Udayant Malhoutra has been conferred the degree of Doctor of Engineering & Technology (Honoris-Causa) from University of Engineering and Management, Kolkata, in recognition of his outstanding contribution in the field of Technology & Innovation and his dedicated service to the nation.

Dr. Udayant Malhoutra has played a pivotal role in the transformation of the Company into a multi-national Company and has been spearheading the development of the business of Dynamatic group, in India and outside by developing a strong leadership team to manage the businesses in a sustainable manner.

Over the years, the Company has grown across multiple geographies and has diversified into multiple businesses with the long-term vision of securing market leadership, technological competence and enhancing its brand equity as a global leader.

The multiple businesses of the Company include the Hydraulics business in India and UK, the Aerospace & Defence business in India and UK and the Metallurgy business in Germany. This growth has enabled your Company to adopt the best technologies and skill sets at its state-of-art facilities to deliver the best products and services to its customers.

Dr. Udayant Malhoutra has rich and varied experience in the industry and has been involved in the operation of the Company over long period of time. Considering his role in the Company's global business development, the Board strongly recommends the re-appointment of Dr. Udayant Malhoutra as the CEO & Managing Director of the Company and remuneration payable to him. The detailed terms of reappointment and remuneration proposed to be paid to Dr. Udayant Malhoutra have already been provided in item number 4 of the resolution.

Other terms and conditions of re-appointment:

- The Managing Director & CEO shall be entitled to leave in accordance with the Rules of the Company.
- Minimum Remuneration: Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of the Appointee, the Company has no profits or its profits are inadequate, the Company will pay to the Appointee, remuneration by way of Salary, Benefits, Perquisites and Allowances, as specified in the resolution.
- The terms and conditions of the appointment of the Appointee as stated above can be altered or varied from time to time by the Board of Directors at its discretion, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Appointee subject to such approvals as may be required.
- The appointment is subject to the provisions of Sections 167 (1) of the Companies Act, 2013.

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

The Board of Directors recommends the Special Resolution set out at Item No. 4 of the Notice, for approval of Members.

Appended below, is the information as required to be furnished under sub-clause (iv) of clause B of part II of Schedule V to the Companies Act, 2013 for Dr. Udayant Malhoutra.

I	General Information:																								
1	Nature of Industry	Incorporated in 1973, Dynamatic Technologies Limited ('DTL', 'Dynamatic Technologies' or the 'Company') is a manufacturer of highly engineered, mission critical products for the Aerospace, Hydraulic and Metallurgy industries. With futuristic design, engineering and manufacturing facilities in Europe and India, Dynamatic Technologies serves customers across six continents. The Company is one of the world's largest manufacturers of hydraulic gear pumps and has held the leadership position in hydraulic gear pumps market for over 50 years. Dynamatic Hydraulics has approximately 80% share of the Indian OEM tractor market and about 38% of the global tractor market. Dynamatic Technologies is a pioneer and leader, amongst the private sector, in both India and the UK, for the manufacture of precision flight critical, and complex airframe structures and aerospace components. It is a Tier-I supplier to the global aerospace OEMs and Primes such as Airbus, Boeing, Bell Textron, Dassault Aviation, Deutsche Aircraft Group, Hutchinson Group, Thales, Hindustan Aeronautics Limited (HAL), and Bharat Electronics Limited (BEL). The Company also manufactures high precision, complex metallurgical ferrous for performance critical components such as turbochargers and exhaust manifolds and has advanced capabilities to support the OEM needs. The Company's facilities located in India (Bangalore & Coimbatore), United Kingdom (Swindon & Bristol) and Germany (Schwarzenberg), are Environmentally sensitive – Green, lean, clean and aligned to our vision of CARE. The Company is vertically integrated, with its own alloy-making, casting and forging capabilities as well as its own captive green energy sources. The Company operates in three business segments: Aerospace & Defence, Hydraulics, and Metallurgy.																							
2	Date or expected date of commencement of commercial Production	The Company commenced its commercial production in the year 1973.																							
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable																							
4	Standalone Financial performance based on given indicators (From continued business)	(Rs. in lakhs) <table><tr><th>Financial Year</th><th>Net Revenue</th><th>Profits before tax & exceptional item</th><th>Net Profits after tax</th><th>EBITDA</th></tr><tr><td>2023-24</td><td>58,186</td><td>5,498</td><td>9,449</td><td>11,104</td></tr><tr><td>2024-25</td><td>63,918</td><td>5,431</td><td>5,066</td><td>10,588</td></tr><tr><td>2025-26</td><td>78,393</td><td>7,123</td><td>4,447</td><td>11,255</td></tr></table>				Financial Year	Net Revenue	Profits before tax & exceptional item	Net Profits after tax	EBITDA	2023-24	58,186	5,498	9,449	11,104	2024-25	63,918	5,431	5,066	10,588	2025-26	78,393	7,123	4,447	11,255
Financial Year	Net Revenue	Profits before tax & exceptional item	Net Profits after tax	EBITDA																					
2023-24	58,186	5,498	9,449	11,104																					
2024-25	63,918	5,431	5,066	10,588																					
2025-26	78,393	7,123	4,447	11,255																					
5	Foreign investments or collaborations, if any.	The Company has not entered into any foreign collaboration.																							

II Information about the appointee:		
1	Name and Designation of the Director	Dr. Udayant Malhoutra, CEO & Managing Director
2	Background details	Dr. Udayant Malhoutra has been associated with the Company since 1989 as the CEO & Managing Director. During this period, he has globalised and scaled the company's Original Hydraulic business, and founded the Company's Aerospace and Metallurgy businesses. He is credited with building and nurturing a world class management team, and transforming the Company into a knowledge based organisation with global operations. He is the Chairman of the National Sector Skills Council for Strategic Manufacturing, and Chairman of the new National Institute of Design, Amravathi. He is a member of CII National Council and has chaired the CII National Committees on Design and Technology. He has also served on the Board of Governors, IIT Kanpur. He is an active member of the Young Presidents' Organization (YPO), having served as Chairman, India & South Asian Area and as a member of the International Board of Directors.
3	Past remuneration	During the year 2025-2026, Dr. Udayant Malhoutra was paid Rs. 1,52,64,000/-
4	Recognition or awards	The Company has received various awards and recognition during his tenure as a CEO & Managing Director of the Company, including the Boeing Global Supplier of the Year Award and the Airbus First Global Sustainability Award.
5	Job profile and suitability	Dr. Udayant Malhoutra is an industrialist with over 40 years of experience in the field of Engineering, contribution in the field of Technology and Innovation and his dedicated service to the nation. His vast experience and expert knowledge in the field of Engineering, Technology and Innovation coupled with his strong resources management capability, makes him fully suitable for the position. He is the Promoter of the Company, CEO and Managing Director of the Company and has successfully transformed the company into a Rs.1,600 crores revenue generating business with focus on diverse sectors including aerospace, defence, hydraulics UAV's & drones, metallurgy, alongside securing market leadership, technological competence and brand equity.
6	Remuneration proposed	Details of proposed remuneration is presented above in the resolution.
7	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Given the size complexity, uniqueness, nature of business of the Company and also the profile of the position of Dr. Udayant Malhoutra as given above, the proposed remuneration is in line with the remuneration prevalent in the industry. His profile also requires expertise for appropriate fund allocation, optimum utilization of various resources in the business. Considering the fact that precise and manufacturing of mission critical products for the Aerospace, Automotive and Hydraulics industries is a highly specialized branch, it is difficult to establish or obtain comparative details of similar professional in other companies. However, keeping in mind his specialization and expertise in the field of engineering, technology & innovation and the onerous responsibilities of Dr. Udayant Malhoutra, the Board of Directors considers that the remuneration proposed to be paid to him is justified and commensurate with other organisations of the similar type, size and nature in Aerospace & Defence, and Hydraulics industry.
8	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Dr. Udayant Malhoutra is the promoter, CEO & Managing Director and a major shareholder of the Company. Apart from the remuneration he has ongoing transactions with other entities where he and/or his relatives are interested. These are disclosed under Related Party Transactions forming part of the Financial Statements. Except for this, he has no other pecuniary relationship directly with the Company or relationship with the any other managerial personnel.
III Other information:		
1	Reason of loss or inadequate profits	The company is currently having adequate profits, and the Company proposes to obtain approval of the members as an abundant caution in case the standalone profits are insufficient to pay the managerial remuneration.
2	Steps taken or proposed to be taken for improvement	Not applicable since the company has adequate profits.
3	Expected increase in productivity and profits in measurable terms	Not applicable since the company has adequate profits.
IV Disclosure:		
1	The information, as required, is provided under Corporate Governance Section of the Annual Report 2025-2026.	
2	The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel.	

Item No. 5

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company is required to maintain Cost Audit records and have the same audited by a Cost Accountant in practice.

Based on the recommendations of the Audit Committee, the Board of Directors at its meeting held on 19th May 2026, appointed M/s. Rao, Murthy & Associates, as Cost Auditor for conducting the Cost Audit for the Financial Year ending 31st March 2027, at a remuneration within the range of Rs. 6,50,000/- plus applicable service tax and reimbursement of out-of-pocket expenses at actual.

Rule 14 of Companies (Audit and Auditors) Rules, 2014 as amended, requires that the remuneration payable to the Cost Auditor be ratified by the Members. Hence, the resolution at Item No. 5 of the Notice.

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

The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the Notice, for approval of Members.

ANNEXURE TO THE NOTICE

Additional information of Director seeking appointment/re-appointment as required under Regulation 36(3) of SEBI (LODR) Regulation, 2015 and applicable Secretarial Standards:

Name of Directors	Mr. James Tucker	Dr. Udayant Malhoutra
DIN	07093258	00053714
Designation	Non-Executive & Non-Independent Director	CEO & Managing Director
Date of Birth / Age	9 th May 1972	19 th October 1965
Date of first Appointment on the Board	25 th May 2015	1 st October 1989
Qualifications	Graduation	Doctor of Engineering & Technology (Honoris-Causa) from University of Engineering and Management, Kolkata
Relationship between Directors, Manager & KMP	None	None
Expertise in specific functional area	Mr. James Tucker has rich Technical and Operational experience in Aeronautical Manufacturing as well as excellent customer liaison skills, having managed Global Aerospace majors like Boeing, Airbus, GKN Aerospace, G.E Aerospace & Leonardo.	More than four decades of rich overall experience in Business Management including functional expertise in Sales, Marketing and Corporate Management
Directorships held in Public Companies	NIL	M/s. Centrust Financial Limited M/s. Greenarth Biotechnologies Limited M/s. Centum Electronics Limited
Names of the listed entities from which the person has resigned in the past three years	NIL	Nil
Memberships / Chairmanships of Committees of other Companies	NIL	<u>M/s. Centum Electronics Limited:</u> - Stakeholders Relationship Committee – Chairman - Nomination And Remuneration Committee - Member
No. of shares held in the Company	NIL	5,23,460
Terms and conditions of Appointment/Re-appointment	As per Resolution at Item No. 2 of the accompanying notice of AGM read with Explanatory Statement thereto.	As per Resolution at Item No. 4 of the accompanying notice of AGM read with Explanatory Statement thereto.

Last drawn remuneration	NIL	Forms part of Corporate Governance Report
Number of meetings of the board attended during the year	Forms part of Corporate Governance Report	Forms part of Corporate Governance Report
Brief resume of the director	Forms part of the Annual Report	Forms part of the Annual Report

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the corporate governance report which is a part of this Annual Report.

By Order of the Board of Directors

Shivaram V

Chief Legal Officer and
Company Secretary
Membership No. ACS 19173

Date: 19th May 2026

Place: Bangalore

Registered Office:

Dynatomic Technologies Limited

JKM Plaza, Dynatomic Aerotropolis
55, KIADB Aerospace Park, Bangalore 562 149, India

Email ID: investor.relations@dynamatics.net

Website: www.dynamatics.com

CIN: L72200KA1973PLC002308

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GROWTH

YOY TREND



ROI

MONTHLY SALES



Jan

Feb

Mar

Apr

May

Jun

Jul

Aug

Sep

Oct

Nov

Dec

ROI

ROI

BOARD'S REPORT TO SHAREHOLDERS



BOARD'S REPORT TO SHAREHOLDERS



Your directors are pleased to present herewith the 51st (Fifty first) Annual Report of Dynamatic Technologies Limited (the 'Company') along with the Audited Financial Statements for the financial year ended 31st March 2026.

FINANCIAL RESULTS OF OUR OPERATIONS AND STATE OF AFFAIRS:

The Financial Results of the Company for the year ended 31st March 2026, were as follows:

(Rs in Lakhs)

Particulars	Consolidated		Standalone	
	Year Ended 31 st March 2026	Year Ended 31 st March 2025	Year Ended 31 st March 2026	Year Ended 31 st March 2025
Revenue from Operations	1,62,134	1,40,380	78,393	63,918
Less: Cost of material and changes in inventories	81,373	65,359	43,868	31,811
Less: Employee benefit expenses	32,796	31,997	10,960	10,346
Less: Other Expenses	29,697	27,192	12,310	11,173
EBITDA	18,268	15,832	11,255	10,588
EBITDA Margin	11.27%	11.28%	14.36%	16.56%
Add: Other Income	2,971	2,280	3,001	1,661
Less: Finance Charges	5,801	5,672	4,412	4,269
Less: Depreciation and Amortisation Expenses	7,662	6,929	2,721	2,549
Profit before tax & Exceptional items	7,776	5,511	7,123	5,431
Profit before tax margin	4.80%	3.93%	9.09%	8.50%
Less: Exceptional items	2,757	-	1,095	-
Less: Tax expenses	1,778	1,207	1,581	365
Profit after tax	3,241	4,304	4,447	5,066
Profit after tax margin	2.00%	3.07%	5.67%	7.93%
Add: Other Comprehensive Income/(Losses)	4,701	1,147	31	(271)
Total comprehensive income, carried to Balance Sheet	7,942	5,451	4,478	4,795

COMPANY PERFORMANCE:

The Consolidated net sales for FY2026 were Rs. 1,62,134 lakhs, increased by 15.5% as compared to Rs. 1,40,380 lakhs in FY2025. Consolidated EBITDA for FY2026 was reported as Rs. 18,268 lakhs as compared to Rs. 15,832 lakhs in FY2025. EBITDA margin for the year under review was 11.27% compared to 11.28% in FY2025.

The Aerospace continued to be the primary growth driver, with revenue increasing by 27.6% for the full year, driven by resilient performance and execution of commercial order books. While revenue momentum remains robust, profitability was broadly stable and grew moderately during the year, indicating some margin normalization amid growth investments and project mix.

The Hydraulics segment reported 6.4% year-on-year growth, led by strong performance in India Hydraulics driven by robust OEM and aftermarket demand. However, UK Hydraulics revenue declined due to reduced OEM demand and planned operational rationalization on transfer of technology and product lines to improve profitability.

The Metallurgy segment recorded a year-over-year growth of 6.9% in INR terms. However, the business continued to operate under challenging market conditions and navigating a complex transition amid structural shifts, high energy costs, and fierce global competition in Germany.

SEGMENT PERFORMANCE:

AEROSPACE & DEFENCE: The Aerospace segment represents increasingly the most important strategic area for the Group; it remained the Company's largest contributor to revenue and profitability in FY2026. It grew 27.6% y-o-y in FY2026, recording Revenue of Rs. 77,561 lakhs compared to Rs. 60,785 lakhs in FY2025. Segment EBITDA for the year was Rs. 17,755 lakhs, against Rs. 15,783 lakhs in FY2025. While revenue momentum remains robust, profitability was broadly stable and grew moderately during the year, indicating some margin normalization amid growth investments and project mix.

The segment remains well positioned for strong growth, supported by strong demand across commercial and defence aerospace programs, increasing India's growing role in the global aerospace supply chain. Ongoing customer programs and new strategic partnerships are expected to support long-term business visibility and growth.

Favourable global context: Global Aerospace and Defence demand remains robust, supporting sustained segment growth and long-term program visibility. As OEMs diversify and deepen global supply chains, India is becoming an increasingly important aerospace manufacturing and localisation hub, placing our Group at the forefront of the beneficiaries from this movement.

Engineering capabilities and manufacturing excellence: The Group is strengthening its position through advanced manufacturing, precision engineering and execution of complex aerostructure programs. The readiness of the first complete shipset of all eight Airbus A220 doors from Bangalore ahead-of-schedule demonstrated our strong execution capability and growing manufacturing sophistication. The Group invests in next-generation aerospace, progress along the value chain, supply chain integration, and exacting quality standards. It views disciplined programme ramp-up and long-term execution excellence as the keys to enhancing competitiveness, margins and return on capital employed.

Besides, the Group is well advanced in the development of Dynauton, the UAV internal startup it has recently incorporated, and its purely indigenous technological capabilities, product line and industrial capacity.

Solid customers, diversified programmes: Growth is underpinned by long-term programmes with major OEMs including Airbus, Boeing, Bell Textron, Dassault Aviation and Deutsche Aircraft. Key platforms include the Airbus A220, Airbus A330, Dassault Falcon 6X and D328eco, with a strong order book expected to support continued revenue growth in the coming years.

Our focus remains on scaling complex aerostructure programs, deepening relationships with global OEMs and strengthening advanced manufacturing and engineering capabilities. We continue to invest in next-generation commercial and security applications to enhance long-term competitiveness, margins and execution capabilities.

HYDRAULICS: The Hydraulics segment grew 6.4% y-o-y, recording a revenue of Rs. 48,738 lakhs compared to Rs. 45,804 lakhs in FY2025. Segment EBITDA for the year was Rs. 3,587 lakhs, against Rs. 2,415 lakhs in FY2025. The Indian Hydraulics business grew by 22.5%, while the UK business declined 25.5% due to product rationalisation and ongoing restructuring initiatives. However, UK Hydraulics revenue declined due to reduced OEM demand and planned operational rationalization on transfer of technology and product lines to improve profitability.

Segment is expected to witness gradual improvement in margins supported by stable domestic demand, increasing farm mechanization and infrastructure activity in India. UK restructuring initiatives are expected to aid margin recovery over the medium term.

Macro Trends: The Hydraulics business is benefiting from structural growth drivers in India, including rising farm mechanisation, infrastructure-led economic development and supportive government policies for agricultural and construction equipment. Domestic demand remains resilient across OEM, industrial and aftermarket channels.

Business Positioning & Capabilities: The company continues to position itself as a global leader in gear pump manufacturing. Management is focused on improving long-term profitability through supply chain integration, manufacturing efficiency, cost optimisation and restructuring initiatives. The returns from coordination and integrated operations between the Indian and UK operations having substantially diminished, the Group completed the transfer of relevant manufacturing activities and capacity and reorganisation of manufacturing to Bangalore. This and the reprioritising inside the product line is intended to create a leaner and more competitive operating model, enhancing throughput, delivery responsiveness and operational agility, while rationalising capital employment.

Customers, End Markets & Outlook: Performance was supported by steady demand from domestic OEMs, industrial customers and aftermarket channels, particularly in agriculture and construction equipment. Improving mechanisation trends and infrastructure activity in India are expected to support gradual growth, while expansion of the aftermarket and industrial businesses are meant to improve resilience, margin profile and capital efficiency over time. The Company continues to prioritize cost optimization, manufacturing efficiency and expansion of its aftermarket and industrial presence to improve long-term profitability and competitiveness.

METALLURGY: The Metallurgy segment grew 6.9% in INR terms y-o-y, recording a revenue of Rs. 35,810 lakhs compared to same period last year Rs. 33,483 lakhs. Segment EBITDA was Rs. 283 lakhs compared to Rs. 1,004 lakhs in FY2025. However, the business continued to operate under challenging market conditions and navigating a complex transition amid structural shifts, high energy costs, and fierce global competition in Germany.

The segment continues to face a cautious demand environment in Europe, particularly across automotive-linked industrial markets. However, gradual demand stabilisation, easing inflationary pressures and increasing opportunities in specialised engineering and defence applications are expected to support the business over medium to long term.

Macro Trends: The Metallurgy segment continues to operate in a difficult European environment, impacted by weakness in the German automotive sector, elevated energy costs and broader geopolitical uncertainty. Commercial demand is driven by caution, although easing inflation has provided a glimmer of light. A growing German defence budget and new security priorities offer new opportunities and may provide a support to pivot towards promising product diversification and regional industrial stability.

Business Positioning & Capabilities: The company is responding through very strict cost discipline, operational efficiency measures and a strategic shift toward higher-value applications. Management is actively seeking new markets where its capabilities are relevant, particularly in defence. Longer term, it may consider capabilities in aerospace castings, forgings and specialised engineering to create long-term resilience and enhance margins, but with a strong focus on capital employment.

Customers, End Markets & Outlook: Near-term performance will remain influenced by raw material availability, commodity input costs, and financing conditions for end customers. Over time, increased exposure to defence is necessary to reduce dependence on the weaker automotive industry and support future profitable growth.

However, our focus remains on cost discipline, operational efficiency and improving the product mix toward higher-value added. The Company continues to advance diversification into aerospace, defence and specialised engineering segments to strengthen margins, reduce dependence on traditional automotive demand cycles and improve long-term business resilience.

For more information on Performance and state of affairs for the Company and its subsidiaries, please refer to the Management Discussion and Analysis Report.

CAPITAL ALLOCATION AND DEBT MANAGEMENT:

The Company continued to invest in strategic growth initiatives and operational capabilities during the year. Over the last decade, the Group has undertaken a series of portfolio rationalisation, refinancing and non-core asset divestment initiatives, including the monetisation of selected real estate and infrastructure assets, with the objective of strengthening the balance sheet while continuing to invest in long-term Aerospace and Advanced Engineering capabilities. The Board and management remain focused on disciplined capital allocation and prudent leverage management in support of sustainable long-term industrial development and optimal capital efficiency.

DIVIDEND:

The interim dividend declared by the Board of Directors of Rs. 5/- per share was paid by the Company during the year in accordance with Section 123 of the Companies Act, 2013 ("Act") as applicable.

Further, the Board of Directors of the Company vide its meeting held on 19th May 2026, has proposed final dividend of Rs. 5/- per share for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

The total dividend outgo amounts to Rs. 6,79,14,430/- out of which Rs 3,39,57,215/- was paid as interim dividend.

The Register of Members and Share Transfer Books of the Company will remain closed from 9th September 2026 to 15th September 2026 (both days inclusive) for ascertainment of shareholders eligible to receive dividend for the financial year ended 31st March 2026.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Dividend Distribution Policy, which outlines the parameters and guiding principles that the Board considers while determining dividend declarations or deciding to retain profits for future growth initiatives. The said policy is hosted on the website of the Company under the 'Investors' section at www.dynamatics.com.

SHARE CAPITAL:

As of 31st March 2026, the Company had an authorized share capital of Rs. 2,500 lakhs, divided into 2,00,00,000 equity shares of Rs. 10/- each and Rs. 500 lakhs divided into 5,00,000 redeemable cumulative preference shares of Rs. 100/- each.

The Issued, subscribed and paid-up Equity Share Capital of the Company as of 31st March 2026 was Rs. 679.14 lakhs, comprising 67,91,443 equity shares of Rs. 10/- each.

TRANSFER TO RESERVES AND SURPLUS/RETAINED EARNINGS:

The movements in reserves and surplus/retained earnings are available in the Statement of Changes in Equity, which forms part of the financial statements.

CAPITAL EXPENDITURE:

During the year under review, the Group incurred capital expenditure of Rs. 5,998 lakhs for physical infrastructure and Rs. 2,464 lakhs for procurement and development of intangible assets. Significant investments have been made in plant and machinery, building, data security, information systems, design and development activities, for the future benefits of the Group.

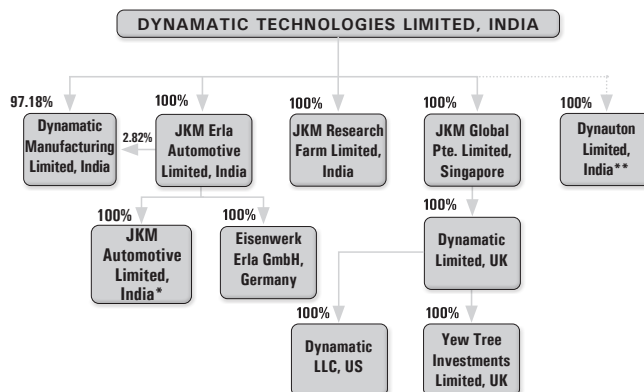
CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Company and its subsidiaries are prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'). The Audited Consolidated Financial Statements together with the Auditor's Report thereon form part of this Integrated Annual Report.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI Listing Regulations. The Policy, as approved by the Board is uploaded on the Company's website at www.dynamatics.com.

SUBSIDIARIES:

As on 31st March 2026, the Company has eight subsidiaries. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act. There has been no material change in the nature of the business of the subsidiaries. The structure of Dynamatic Technologies Limited (DTL) and its subsidiaries is appended hereunder:



* JKM Automotive Limited (JAL), a step-down subsidiary of DTL, was struck off effective 27th June 2025 from the Register of Companies maintained by the Ministry of Corporate Affairs (MCA), since it remained a dormant company.

**Dynauton Limited (DL), a wholly owned subsidiary of DTL, was incorporated on 10th April 2026.

INDIAN SUBSIDIARIES:

Dynamatic Manufacturing Limited, India (DML) is a wholly owned subsidiary of the Company. DML serves as a Centre of Excellence for detail parts and is engaged in the engineering, manufacturing, and delivery of components for various aircraft parts. Its capabilities include fabrication, precision machining, sheet metal work, forming technology, stretch forming, rubber press operations, Amada CNC bending, AWS-certified welding (American Welding Society), special processes, heat treatment, and aerospace fabrication. During the year, DML started its operations into the Hydraulics business and commenced the manufacturing and supply of hydraulic pumps.

JKM Erla Automotive Limited, India (JEAL) continues to be a wholly owned subsidiary of the Company and is a non operating company.

JKM Research Farm Limited, India (JRFL) is a wholly owned subsidiary of the Company. It continues to be the Research & Development facilitator to the Company. It supports the Hydraulics & Dynauton Division of Dynamatic Technologies Limited (DTL) in the areas of design concept, functional prototype testing, and technical information.

JKM Automotive Limited (JAL), a wholly owned subsidiary of JKM Erla Automotive Limited (JEAL) and a step-down subsidiary of DTL, was struck off by the Ministry of Corporate Affairs (MCA), effective 27th June 2025, pursuant to an application for strike-off filed with the MCA on 11th April 2025, as it had not commenced operations or generated any revenue since incorporation and remained a dormant company.

Dynauton Limited (DL), a wholly owned subsidiary of the Company, was incorporated on 10th April 2026 with the objective of designing and manufacturing advanced Unmanned Aerial Vehicles (UAVs) and critical subsystems, including gimbals, autopilots, radars, propulsion units, avionics, and software solutions.

OVERSEAS WHOLLY OWNED SUBSIDIARIES:

JKM Global Pte. Limited, Singapore continues to be an investment hub for overseas businesses.

Dynamatic Limited, Swindon, UK, (DLUK) is a wholly owned subsidiary and held through JKM Global Pte. Limited, Singapore.

Dynamatic-Oldland Aerospace®, a division of Dynamatic Limited UK, is located in Swindon, and is a leader in Aeronautical Precision Engineering and is currently manufacturing and supplying high precision and complex machined components for most of the Airbus family of aircraft.

Dynamatic Hydraulics®, a DLUK division in Swindon, UK, manufactures high-performance hydraulic products with over 50 years of gear pump expertise, serving agriculture, construction, and off-highway sectors with pump packages, fan drive systems, and integrated valve solutions.

Yew Tree Investments Limited, Bristol, UK is a wholly owned subsidiary of Dynamatic Limited, UK. Originally Yew Tree Investments Limited and Dynamatic Limited were the

subsidiaries of JKM Global Pte. Limited. Post-merger, DLUK has both its Hydraulics and Aerospace units in Swindon.

Dynamatic LLC, US is a subsidiary of Dynamatic Limited, UK.

Eisenwerk Erla GmbH, Germany, a wholly owned subsidiary held through JEAL, India, has been in business for over 630 years and is a preferred supplier to leading global OEMs, including Audi, BMW, and Volkswagen. Its manufacturing capabilities include high-precision machining of complex metallurgical components for automotive engines and turbochargers. Eisenwerk is currently transitioning from an automotive and foundry focus to the aerospace and defence sector.

PERFORMANCE OF SUBSIDIARIES:

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. **AOC -1** is attached to the financial statements of the Company as **Annexure-1**.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company at www.dynamatics.com.

DIRECTORS' RESPONSIBILITY STATEMENT:

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory, cost and secretarial auditors and external agencies, including audit of internal controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2025-26.

Accordingly, pursuant to Sections 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, for the Financial Year ended 31st March 2026, the applicable accounting standards have been followed and there are no material departures;
- ii. they have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- iv. they have prepared the annual accounts for the Financial Year ended 31st March 2026, on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS:

Your directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Inductions, Re-appointments, Retirements & Resignations:

During the year, the shareholders approved the appointment of Air Chief Marshal V.R. Chaudhari (Retd.) (DIN: 08444323) and Ms. Shyamala Venkatachalam (DIN: 07691824) as Independent Directors of the Company to hold office for a term of five consecutive years i.e., from 23rd December 2025 up to 22nd December 2030.

Mr. Dietmar Hahn (DIN: 06414463) resigned as a Non-Executive and Non-Independent Director on 19th May 2026, owing to his retirement from Eisenwerk Erla, Germany, a foreign subsidiary of the Company.

Pursuant to the provision of Section 152 of the Companies Act, 2013, Mr. James Tucker (DIN: 07093258), Non-Executive Non-Independent Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Brief profile and details of Mr. James Tucker (DIN: 07093258), Non-Executive Non-Independent Director of the Company, proposed to be re-appointed as required under the SEBI Listing Regulations are contained in the Notice convening the ensuing 51st Annual General Meeting of the Company.

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on 19th May 2026, have re-appointed Dr. Udayant Malhoutra (DIN:00053714), CEO & MD, for a period of 5 years, with effect from 1st October 2026 to 30th September 2031, which is subject to the approval of the members by way of a Special Resolution.

Apart from aforesaid changes there are no changes in Directors and Key Managerial Personnel of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March 2026, are:

- Dr. Udayant Malhoutra, CEO & Managing Director
- Mr. Chalapathi P, Executive Director & Chief Financial Officer
- Mr. Shivaram V, Chief Legal Officer & Company Secretary

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164 of the Companies Act, 2013.

During the year under review, the company did not have any pecuniary relationship or transactions with any of its directors, other than payment of remuneration/incentive to the Executive Directors and sitting fees to Non-Executive Directors and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committees of the Company.

INDEPENDENT DIRECTORS:

All the Independent Directors of the Company have submitted the requisite declarations stating that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. The Board reviewed and assessed the veracity of the aforesaid declarations, as required under Regulation 25(9) of the SEBI Listing Regulations. In the opinion of the Board, all the Independent Directors fulfil the said conditions as mentioned in Section 149(6) of the Act and the SEBI Listing Regulations and are independent of the Management. All the Independent Directors of the Company have complied with the provisions of sub rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 with respect to registration with the Indian Institute of Corporate Affairs for the Independent Directors' Database.

There has been no change in the circumstances affecting their status as Independent Directors of the Company. In the opinion of the Board, the Independent Directors possess the requisite integrity, experience, expertise and proficiency required to fulfil their duties as Independent Directors.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

Dynamatic Technologies ensures high corporate governance through appropriate induction and ongoing training for all directors. Each new independent director participates in an induction program designed to provide a comprehensive understanding of the company's businesses, markets, and regulatory environment. This program also familiarizes directors with management and operations, helping them understand their roles and responsibilities to contribute significantly to the company's growth. Directors have full opportunities to interact with senior management and receive all necessary documents to enhance their understanding and effectiveness. Dynamatic Technologies firmly believes that a well-informed and familiarized Board can significantly contribute to effectively discharging its role of trusteeship, thereby fulfilling stakeholders' expectations. To achieve this, directors are continuously updated on corporate and industry developments, including regulatory and economic changes, enabling them to make well-informed and timely decisions.

During the year, the Company has facilitated factory visits for the newly inducted independent directors, providing them with firsthand experience and brief overview of the Company's operations at Aerotropolis campus alongside Hangar visits, wherein the independent directors had an immersive review of the deep tech eco system developed for autonomous systems.

The details of the familiarisation programme are uploaded under the Investors Desk section on the Company's corporate website www.dynamatics.com.

BOARD MEETINGS AND ANNUAL GENERAL MEETING:

The Board meetings are convened regularly to review and determine the Company's business policies and strategies, alongside other key governance matters. It maintains robust operational oversight with quarterly meetings featuring comprehensive presentations. Board and Committee meetings are scheduled in advance, and a tentative annual calendar is shared with Directors well ahead of time, enabling them to plan their schedules effectively and participate meaningfully in discussions. Only in case of special and urgent business matters, if the need arises, Board's or Committee's approval is taken by passing resolutions through circulation or by calling the Board / Committee meetings at a shorter notice, in accordance with the applicable law.

The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed to enable the Directors to make an informed decision.

During the year under review, 6 (Six) meetings of the Board of Directors were held, and details thereof have been provided in the Corporate Governance Report. The intervening gap between meetings were not more than 120 days as required under the Act and SEBI Listing Regulations.

The Board has accepted the recommendations made by the Committees of Board of Directors during the year under review, with no instances where recommendations of the Audit Committee were not accepted by the Board.

The 50th Annual General Meeting (AGM) of the Company was held on 30th September 2025.

REMUNERATION POLICY:

The Company has adopted a Remuneration Policy for the Directors, KMP and other employees, pursuant to the provisions of the Act and the SEBI Listing Regulations.

The remuneration philosophy at the Company centers on fostering a culture of leadership built on trust. The company aims to offer opportunities that reinforce its performance-driven culture. Adhering to globally accepted governance practices, the remuneration policy is designed to attract, motivate, and retain talent while enhancing productivity. This policy creates a supportive work environment, encourages personal growth and teamwork, and provides competitive remuneration packages. Additionally, the policy is market-responsive, tailored to attract and retain quality talent, and leverage performance across different business sectors.

The copy of Nomination and Remuneration policy can be accessed at the Company's website at <https://www.dynamics.com/shareholders>.

DIVERSITY IN THE BOARD:

In line with the core strategy, the Company understands the importance of maintaining board diversity. Ensuring optimal mix of varied perspectives, skills, expertise, industry experience, age, gender, ethnicity, and cultural background is critical to foster innovation and helps us to retain our competitive advantage. The Board has adopted the policy on appointment, continuation and cessation of Directors which sets out the approach to diversity in the composition of the Board. The Company has an optimum mix of executive and non-executive independent directors and women directors.

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

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the SEBI Listing Regulations.

- a. **Qualifications** - A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the NRC considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.
- b. **Positive Attributes** - In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behaviour, strong interpersonal and communication skills and soundness of judgement. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.
- c. **Independence** - In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/she meets the criteria for Independence as laid down in the Act and Rules framed thereunder, as amended and Regulation 16(1)(b) of the SEBI Listing Regulations.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS:

In compliance with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, the Company undertook the annual performance evaluation of the Board for the financial year 2025-26. The evaluation framework was designed in line with the provisions of the Companies Act, 2013, the SEBI Listing Regulations, and the Guidance Note on Board Evaluation issued by SEBI in January 2019.

The evaluation process was conducted through a structured questionnaire covering qualitative and quantitative parameters, along with feedback based on a rating mechanism. The evaluation covered:

- (i) the performance of the Board as a whole;
- (ii) the performance of each Director on an individual basis;
- (iii) the performance of the Chairperson of the Board; and
- (iv) the performance of all Board committees.

The Board evaluation focused on parameters such as the composition and role of the Board, the quality and effectiveness of communication and relationships, the functioning of Board committees, review of performance and compensation of Executive Directors, succession planning, strategic guidance, Board culture, governance standards, and the discharge of specific duties and obligations.

The evaluation of individual Directors was based on parameters including participation and contribution at Board and committee meetings, representation of shareholder interests and enhancement of shareholder value, the ability to provide strategic guidance and governance oversight, understanding of the Company's strategy and risk environment, independence of judgment, and safeguarding the interests of the Company and its minority shareholders. Separate evaluations were carried out for the Chairperson, Executive Directors, Non-Executive Directors, and Independent Directors.

The evaluation of committees considered factors such as the adequacy of their independence, the frequency and effectiveness of meetings, the quality of discussions, and the effectiveness of their recommendations and advice to the Board.

Throughout the year, the Board and its committees had multiple opportunities for interaction, both collectively and in smaller groups, including dedicated meetings of Independent Directors and one-on-one discussions with the Chairperson. These deliberations provided valuable insights, enhancing the quality of governance and collective decision-making.

Discussions during the evaluation process also focused on identifying ways to further strengthen the effectiveness of the Board and its committees, particularly in the context of the evolving business environment and regulatory landscape. The Board reviewed the structure, composition, functioning, and interaction with management, and identified actionable areas for continuous improvement.

The Nomination and Remuneration Committee, through its chairman, led the evaluation process and presented the findings to the Board. The overall assessment concluded that the Board, its committees, and individual Directors function cohesively and effectively, with periodic reporting by committees to the Board ensuring transparency and alignment.

The Annual Performance Evaluation is conducted in a paperless manner, with documents securely uploaded and accessed electronically. This approach has led to significant benefits, including paper conservation, reduced cycle time for the evaluation process, and enhanced confidentiality of information.

The Board acknowledged and appreciated the significant contributions of the Chairperson, Executive Directors, Non-Executive Directors, and Independent Directors towards the Company's growth and governance practices.

INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY:

The Company has established robust internal control systems by instituting adequate policies and procedures covering all financial and operating functions. These controls have been developed and designed in a manner consistent with the maintenance of accounting records for ensuring the reliability of financial information, monitoring of operations, protecting assets from unauthorised use or losses and compliance with regulatory requirements. The Company has digitised key process controls through the ERP systems to maximise automation, enable expeditious management reporting and reduce the risk of fraudulent transactions. The internal audit team reviews these controls through a risk-based audit plan.

The Company has an audit charter which defines the internal audit plan and methodology for executing the reviews. The scope of audits comprises reviews and reporting on key process risks, adherence to operating guidelines and statutory compliances. The progress of the audit plan and the findings and recommendations are placed before the Audit Committee which monitors the adequacy and reliability of financial reporting, internal controls and risk management processes.

Additionally, a CEO & CFO Certificate, included in the Corporate Governance Report, confirms the existence and effectiveness of internal controls and underscores their responsibility to report deficiencies to the Audit Committee and rectify them. Throughout the year, these controls were thoroughly tested, and no material weaknesses in design or operation were reported.

REPORTING OF FRAUDS:

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

a) Transfer of Unclaimed Dividend and corresponding Shares to Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividends, if not claimed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Further, all the shares in respect of which dividend has remained unclaimed for seven (7) consecutive years or more from the date of transfer to unpaid dividend account, shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of shares. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in newspapers and details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at www.dynamatics.com.

The details regarding remittance of Unclaimed Dividend to Investors' Education & Protection Fund (IEPF) for financial year 2018-19 and thereafter in terms of Section 125 of the Act and are provided in the Corporate Governance Report forming part of the Annual Report.

b) DEMAT Suspense Account for Unclaimed Shares:

As on 31st March 2026, there are 10 members, holding 835 Equity Shares of Rs.10/- each, lying in the escrow

account due to non-availability of their correct particulars. A detailed note in this regard is provided in the Corporate Governance Section under "Suspense Account for the unclaimed shares". The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

RELATED PARTY TRANSACTIONS:

The Company has formulated a Policy on Related Party Transactions in accordance with the Act and the SEBI Listing Regulations including any amendments thereto for identifying, reviewing, approving and monitoring of Related Party Transactions ('RPTs'). The said Policy is available on the Company's website at www.dynamics.com

All RPTs are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is obtained on periodic basis for the transactions which are planned/repetitive in nature. A statement giving details of all RPTs entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. All the RPTs under Ind AS-24 have been disclosed in Note no. 47 to the Standalone Financial Statements forming part of this Integrated Annual Report.

The RPTs entered into during the year under review were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act read with the rules framed thereunder and the SEBI Listing Regulations. Further, the Company did not enter into any contracts or arrangements with related parties in terms of Section 188(1) of the Act and no material related party transactions were entered into during the year under review. Accordingly, the disclosure of RPTs as required under Section 134(3)(h) of the Act in Form No. AOC-2 is not applicable to the Company for FY 2025-26 and hence does not form part of this Integrated Annual Report.

In terms of Regulation 23 of the SEBI Listing Regulations, the Company submits details of RPTs as per the prescribed format to the stock exchanges on a half-yearly basis.

CORPORATE GOVERNANCE AND CERTIFICATE:

In terms of Regulation 34(3) of the SEBI Listing Regulations, the Corporate Governance Report, Management Discussion & Analysis Report, and the Auditors' Certificate regarding Compliance with the Corporate Governance requirements form part of this report. M/s. Ratish Tagde & Associates, Company Secretary in Practice, had conducted the Corporate Governance audit for the year under review. A certificate from M/s. Ratish Tagde & Associates, regarding compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations is presented in a separate section forming part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Pursuant to Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT:

In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility & Sustainability

Report (BRSR) is presented in a separate section and is an integral part of this Integrated Annual Report.

AUDITORS:

Statutory Auditors:

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells LLP, (ICAI Firm Registration No. 117366W/W-100018), were appointed as Statutory Auditors of the Company for a term of 5 years, to hold office from the conclusion of 49th Annual General Meeting held on September 5, 2024 until the conclusion of 54th Annual General Meeting to be held in 2029.

The Auditor's Report for the FY 2025-26 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the Financial Statements in this Annual Report.

Cost Auditors:

During the year under review, in accordance with Section 148(1) of the Act, the Company has maintained the accounts and cost records, as specified by the Central Government.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065) as Cost Auditors to audit the cost accounts of the Company for the FY 2026-27 under section 148 of the Act. M/s. Rao, Murthy & Associates have confirmed that their appointment is within the limits of section 141(3)(g) of the Act and have also certified that they are free from any disqualifications specified under section 141(3) and proviso to section 148(3) read with section 141(4) of the Act. The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company. As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditors is included in the Notice convening the Annual General Meeting.

Internal Auditors:

The Internal Audit function is responsible for assisting the Audit Committee & Risk Management Committee on an independent basis with a full status of the risk assessments and management. M/s. KPMG Assurance & Consulting Services LLP was appointed as Internal Auditors of the Company to undertake Internal Audit for the FY 2026-27.

Secretarial Auditor:

Pursuant to the provisions of section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI Listing Regulations, the Company had appointed M/s. Ratish Tagde & Associates, Company Secretary in practice (CP No. 22018) to undertake the Secretarial Audit of the Company for (five) years from Financial Year 1st April 2025 to 31st March 2030. The Secretarial Audit Report for the financial year ended 31st March 2026, as required under Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations, is appended

as **Annexure 2** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

As per regulation 24A(1) of SEBI Listing Regulations, the Company is required to annex the Secretarial Audit report of its material unlisted subsidiary to its Annual Report. JKM Erla Automotive Limited (JEAL) has been identified as Material Unlisted Subsidiary of the Company for FY 2025-26 and accordingly Secretarial Audit Report of JEAL is annexed as **Annexure - 2A**.

Annual Secretarial Compliance Report: The Company has undertaken an audit for the Financial Year ended 31st March 2026 for all applicable compliances as per SEBI Listing Regulations and Circulars/ Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by M/s. Ratish Tagde & Associates, Company Secretary in Practice, has been submitted to the Stock Exchanges.

Tax Auditors:

M/s. BVS & Associates, Chartered Accountants Firm, are the Tax Auditors of the Company.

RISK MANAGEMENT POLICY:

The growth and evolving business mix of the Group, including the increasing contribution of Aerospace and Defence activities, requires continued focus on program execution, customer requirements, operational scalability, supply-chain resilience and capital efficiency. The growth of the Group also requires monitoring the efficacy of corporate support functions, as well as areas such as cybersecurity.

The Board and management have established a Risk Management Policy, including recurring processes to identify and categorise various risks, implement mitigation measures and capture opportunities for these risks. These entail periodic reviews of enterprise risks, capital allocation mechanisms, and operations as part of the Group's governance framework.

Further details on the Risk Management Framework is provided in the Corporate Governance Report and Management's Discussion and Analysis Report, forming part of the Annual Report.

The said policy has been uploaded on Company's website at <https://www.dynamatics.com/shareholders>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this Annual Report.

DEPOSITS:

During the year under review, the Company has neither accepted nor renewed any deposits from the public and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In line with Section 135 of the Companies Act, 2013 read with applicable rules made thereunder, Corporate Social

Responsibility (CSR) Committee has been constituted for the purposes of recommending and monitoring the CSR initiatives of the Company.

The Board, based on the recommendation of the CSR Committee, has formulated and adopted a CSR Policy, in line with Section 135 of the Companies Act, 2013 read with the applicable rules made thereunder, which is available on the website of the Company at <https://www.dynamatics.com/shareholders>.

The CSR objectives are designed to serve societal, local and national goals in the locations we operate, create a significant and sustained impact on local communities and provide opportunities for our employees to contribute to these efforts through volunteering.

The Annual Report on the CSR initiatives undertaken by the Company as per the Companies (Corporate Social Responsibilities Policy) Rules, 2014 (as amended) including the reasons for not utilising the complete amount for CSR as approved by the CSR Committee, is annexed as **Annexure - 3**. The details relating to the composition of the CSR Committee is provided in the Corporate Governance Report, forming part of the Annual Report.

ANNUAL RETURN:

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the Annual Return for FY 2025-26 is uploaded on the website of the Company and the same is available at <https://www.dynamatics.com/annual-reports>.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. As required under law, the Company has constituted an Internal Complaints Committee for conducting inquiry into the sexual harassment complaints at the workplace and for taking such actions as stipulated under the said act.

Any complaint pertaining to sexual harassment is diligently reviewed, investigated and treated with great sensitivity. The Internal Complaints Committee members have been trained in handling and resolving complaints and have also designed an online POSH e-learning awareness module, for its employees.

As a proactive step towards promoting awareness and understanding of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, Dynamic Technologies organizes training sessions conducted by legal experts specifically tailored for women employees. These sessions aim to educate employees about their rights and the procedures for reporting and addressing instances of sexual harassment.

During the FY 2025-26, there were no complaints received on sexual harassment.

COMPLIANCE WITH THE MATERNITY BENEFIT ACT:

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

WHISTLE BLOWER POLICY AND VIGIL MECHANISM:

The Company has adopted a Vigil Mechanism Policy through which all stakeholders including Directors and employees may report unethical behaviour, malpractices, actual or suspected fraud, wrongful conduct, and violation of the Company's code of conduct without fear of reprisal. Details of complaints received, and the action taken are reviewed by the Audit Committee.

During the year under review, the Company / Committee has not received any such complaint. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time.

This Policy provides for adequate safeguards against victimization of employees who avail of this mechanism. The Policy also provides for direct access to the Chairman of the Audit Committee to best manage such events and to enable integrity of information. It is affirmed that no personnel of the Company will be denied access to the Audit Committee. The policy on vigil mechanism may be accessed on the Company's website at <https://www.dynamatics.com/shareholders>.

PARTICULARS OF REMUNERATION OF DIRECTORS, KMP AND EMPLOYEES:

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is attached which forms part of this report. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure - 4**, which forms part of this report.

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

The information relating to conservation of energy, technology absorption, Research & Development and Foreign Currency is appended as **Annexure - 5**.

PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the Financial Year under review, neither any application nor any proceeding is initiated against the Company under the Insolvency and Bankruptcy Code, 2016.

OTHER DISCLOSURES:

- Events Subsequent to the Date of the Financial Statements:

There have been no material changes / commitments affecting the financial performance of the Company which occurred between the end of the Financial Year of

the Company to which the Financial Statements relate and the date of this Report.

- There was no instance of one-time settlement with any bank or financial institution.
- There were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Change in the Nature of Business, if any:

The Company continues to focus on its key business segments and looks for selective growth / expansion opportunities. There has been no change in the nature of business of the Company as on the date of this Report.

Significant & Material Orders Passed by the Regulators:

During the year under review, no significant / material orders were passed by the regulators or the Courts or the Tribunals impacting the going concern status and the Company's operations in future.

Partnerships and Collaborations:

Dynamatic Technologies has forged significant partnerships with esteemed academic and defense research institutions to advance indigenous product development for India's defense and paramilitary sectors, aligning with the vision of Atmanirbhar Bharat, as advocated by our Prime Minister.

The consortium of Larsen & Toubro and Bharat Electronics Limited, pursuing India's AMCA (Advanced Medium Combat Aircraft) program, has onboarded Dynamatic Technologies Ltd (DTL) as an exclusive partner. DTL brings global expertise in complex aerostructures and sub-systems manufacturing, complementing L&T's engineering strength and BEL's advanced electronics. The collaboration enhances indigenous capabilities and strengthens India's push toward self-reliance in 5th-generation fighter aircraft development.

Further, Aerodata AG, an established German provider of specialised solutions for aviation, and Dynauton Systems®, a division of Dynamatic Technologies Limited focusing on the development and manufacture of unmanned systems, announce the signing of a Memorandum of Understanding (MoU). The agreement establishes the framework for a strategic collaboration to develop a new unmanned, airborne surveillance and reconnaissance solution for the Indian region.

Hutchinson and Dynamatic Technologies Limited have signed a Memorandum of Agreement (MoA) to address the fast-growing aerospace market in India. This strategic collaboration combines Hutchinson's advanced composite and multi-material systems expertise with Dynamatic's strong industrial capabilities in metallic aero-structures and assemblies, positioning both companies as leading partners for global OEMs operating in the region.

Through these strategic partnerships, Dynamatic Technologies is at the forefront of fostering indigenous innovation and technology development, contributing to the nation's self-reliance aspirations in defense and security domains.

Credit Rating:

During the year under review, the Company's debt facilities were rated by India Ratings and Research. The instrument wise ratings are as below:

Instrument Type Rating	Outlook
Term loan	IND A / Stable
Fund / Non-fund based working capital limit	IND A / Stable / IND A1

Listing with Stock Exchanges:

The Company confirms that it has paid the Annual Listing Fees for the FY2025-26 to NSE (DYNAMATECH) and BSE (505242) where the Company's Shares are listed.

Promoters:

The list of the promoters is disclosed for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Dr. Udayant Malhoutra is the promoter of the Company within the definition of 'Promoter' for the purpose of regulation 2(1)(s) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Details of the promoter group are appended as under:**No. Name of the entity / person:**

1. JKM Holdings Private Limited
2. Udayant Malhoutra and Company Private Limited
3. JKM Offshore India Private Limited
4. Christine Hoden (India) Private Limited
5. Greeneearth Biotechnologies Limited
6. Mrs. Barota Malhoutra
7. Primella Sanitary Products Private Limited
8. Vita Private Limited
9. Wavell Investments Private Limited

GREEN INITIATIVES:

In alignment with its commitment to green initiatives and sustainable practices, Dynamatic Technologies has taken a proactive step by opting for electronic distribution of the Notice of the 51st Annual General Meeting (AGM) of the Company, along with the Annual Report for the fiscal year 2025-26. This initiative involves sending electronic copies of these documents to all members whose email addresses are registered with the Company or Depository Participants.

By transitioning to electronic communication for AGM notices and annual reports, Dynamatic Technologies aims to minimize paper usage and reduce its environmental footprint. This eco-friendly approach not only supports the company's sustainability goals but also reflects its dedication to responsible corporate citizenship.

APPRECIATION:

The Board of Directors extends its heartfelt gratitude to the employees, customers, vendors, investors, lenders and communities associated with Dynamatic Technologies for their unwavering cooperation and invaluable support throughout the year. Their dedication and partnership have been instrumental in the company's achievements and successes.

Furthermore, the Board expresses gratitude to the Government of India, Government of Karnataka, and various State governments, as well as government departments and agencies, for their collaboration and support.

The contributions of every member of the Dynamatic family are deeply appreciated and valued, reflecting the collective effort and commitment towards the company's mission and goals.

Finally, the Board acknowledges and thanks all the company's customers for their continued trust and patronage. Their support has been pivotal in shaping Dynamatic's journey and success.

For and on behalf of the Board of Directors

UDAYANT MALHOUTRA

Chief Executive Officer &
Managing Director

DIN : 00053714

CHALAPATHI P

Executive Director &
Chief Financial Officer

DIN : 08087615

Place: Bangalore

Date: 19th May 2026

ANNEXURE - 1

FORM AOC-1 (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

(Rs. in Lakhs)

Sr No	Name of the Subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities [excl. (2) & (3)]	Investments			% of Holding	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (incl. dividend tax)
						Long-term	Current	Total						
1		2	3	4	5	6	7	8	9	10	11	12	13	14
Foreign Subsidiaries (Reporting currency reference mentioned against each Subsidiary)														
1	Dynamatic Limited UK (a)	10,367	14,742	64,840	39,732	899	-	899	100%	41,337	1,874	464	1,410	-
2	Yew Tree Investments Ltd, UK (a)	0.12	2,700	3,024	324	-	-	-	100%	-	94	30	64	-
3	Dynamatic US, LLC (c)	-	(1,449)	191	-	-	-	-	100%	3	(104)	-	(104)	-
4	Eisenwerk Erla GmbH (d)	1,731	11,338	26,793	13,724	-	-	-	100%	35,810	(1,272)	(307)	(964)	-
5	JKM Global Pte Limited, Singapore (b)	16,381	(289)	26,148	10,056	15,895	-	15,895	100%	-	169	3	167	-
Indian Subsidiaries														
6	JKM Erla Automotive Limited	10,791	1,621	12,511	99	12,502	-	12,502	100%	-	(8)	-	(8)	-
7	Dynamatic Manufacturing Limited (formerly known as JKM Ferrotech Limited)	3,750	(552)	14,892	11,694	33	-	33	100%	12,090	423	-	423	-
8	JKM Research Farm Limited	500	2,173	2,679	6	-	-	-	100%	-	23	8	15	-

Details of reporting currency and the rate used for converting.

Reporting Currency Reference	For Conversion	
	Currency	Average Rate (in ₹)
a	GBP	118.52
b	SGD	68.61
c	USD	88.44
d	EURO	102.54

UDAYANT MALHOUTRA
Chief Executive Officer & Managing Director
DIN : 00053714

CHALAPATHI P
Executive Director & Chief Financial Officer
DIN : 08087615

SHIVARAM V
Chief Legal Officer & Company Secretary

Place: Bangalore
Date: 19th May 2026

Names of subsidiaries which are yet to commence operations: JKM Erla Automotive Limited

Names of subsidiaries which have been liquidated or sold during the year: JKM Automotive Limited (JAL), a step-down subsidiary of DTL, was struck off effective 27th June 2025 from the Register of Companies maintained by the Ministry of Corporate Affairs (MCA), since it remained a dormant company.

ANNEXURE - 2

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026.

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

To,
The Members of
Dynamatic Technologies Limited
CIN: L72200KA1973PLC002308
JKM Plaza, Dynamatic Aerotropolis,
55 KIADB, Aerospace Park,
Bangalore 562149

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dynamatic Technologies Limited ("the Company"). Secretarial Audit was conducted in manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended 31st March 2026, complied with the statutory provisions listed hereunder and also that the Company has adopted a proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2026, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made hereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. 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 (Not Applicable to the Company during the Audit Period);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not Applicable to the Company during the Audit Period);
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - f) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements), Regulations, 2015;
 - g) The Securities and Exchange Board of India (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period);
 - h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Company during the Audit Period);
 - i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the Audit Period);
 - j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period); and

k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

I have also examined compliance with the applicable clauses of the following Secretarial Standards issued by the Institute of Company Secretaries of India:

- a) Meetings of the Board of Directors (SS-1); and
- b) General Meetings (SS-2)
- c) Dividends (SS-3)
- d) Report of Board of Director (SS-4)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above, except for an inadvertent delay by a day in the prior intimation of the Board Meeting for the quarter ended 30th June 2025 owing to a technical glitch.

I have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and

Regulations to the Company. The major head/groups of Acts, Laws and Regulations as applicable to the Company are:

- i. Industrial Laws;
- ii. Labour Laws;
- iii. Environmental and prevention of pollution Laws;
- iv. Tax Laws;
- v. Economic and Commercial Laws;
- vi. Legal Metrology Act, 2009 and
- vii. Shops and Establishment Act.

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

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

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

For Ratish Tagde & Associates.
(Company Secretaries)

Mr. Ratish Tagde

(Proprietor)

CP.NO. 22018

FCS NO. 6162

UDIN: F006162H000401843

Place: Mumbai

Date: 19th May 2026

To,
The Members of
Dynatomic Technologies Limited
CIN: L72200KA1973PLC002308
JKM Plaza, Dynatomic Aerotropolis
55 KIADB, Aerospace Park,
Bangalore 562149

My Secretarial Audit Report date is to be read along with this letter. I have conducted the Secretarial Audit relying on the information and records made available to me.

1. Maintenance of secretarial record, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively are the responsibilities of the management of the Company. My responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on audit.
2. I 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 virtual basis and on test basis to ensure the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management's 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 are the responsibility of management. My examination was limited to the verification of procedures on test basis.
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.

For Ratish Tagde & Associates.
(Company Secretaries)

Place: Mumbai
Date: 19th May 2026

Mr. Ratish Tagde
(Proprietor)
CP.NO. 22018
FCS NO. 6162
UDIN: F006162H000401843

ANNEXURE - 2A

FORM NO. MR - 3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]

To,
The Members,
JKM Erla Automotive Limited
CIN: U35122KA2011PLC056973
C/o. Dynamatic Hydraulics, Plot No.1A/1,
1st Main Road, 2nd Phase, 1st Stage,
Peenya Industrial Estate, Bangalore - 560058, Karnataka, India.

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026, according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iii. 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;
- iv. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder: to the extent of its applicability to an unlisted Company;
- v. The Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992('SEBI Act'): to the extent applicable;
- vi. As represented by the management, since the Company is presently non-operational, no sector-specific laws are applicable to the Company;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: - to the extent applicable to an unlisted Company which is a subsidiary of a listed Company.
- iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: - to the extent applicable to an unlisted Company which is a subsidiary of a listed Company.

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

We further report that: -

- The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent out in compliance with the provisions of Secretarial Standards, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- We further report that based on review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and
- As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

There are no other specific events/actions in pursuance to the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's Affairs.

For BMP & Co. LLP
(Company Secretaries)

Date: 18th May 2026
Place: Bangalore

Subhashri K
Partner
Membership No: A62771
CP No: 27534
PR No: 6093/2024
UDIN: A062771H000389812

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

'Annexure A'

To,
The Members,
JKM Erla Automotive Limited
CIN: U35122KA2011PLC056973
C/o. Dynamatic Hydraulics, Plot No.1A/1,
1st Main Road, 2nd Phase, 1st Stage,
Peenya Industrial Estate, Bangalore - 560058, Karnataka, India

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
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 management. Our examination was limited to the verification of procedures on test basis.
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.
7. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial auditors and other designated professionals.

For BMP & Co. LLP
(Company Secretaries)

Subhashri K

Partner

Membership No: A62771

CP No: 27534

PR No: 6093/2024

UDIN: A062771H000389812

Date: 18th May 2026
Place: Bangalore

ANNEXURE - 3

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Dynamic CSR Policy has identified programs such as - Promoting Education, Ensuring Environmental Sustainability and Promoting Healthcare.

Having identified the CSR Policy and Programs, our mission is to deploy our CSR team and concerned employees to participate in our CSR initiatives in a structured manner. Our objectives are to embed CSR in the overall strategy of the Company and implement CSR activities which build trust with stakeholders and create long term sustainability value with measurable outcome.

Through our CSR programme focused on promoting education, we provide essential amenities to underserved communities and empower rural youth with technical and shop-floor skills through the Aerospace Skill Development Center (ASDC) at ITI, Devanahalli.

Under the theme of 'Promoting Healthcare & Safety,' the Company supports local safety and community development initiatives, particularly benefiting women employees working in and around the KIADB Aerospace Park, by constructing a police chowki and providing a patrol car and motorcycles to Bagalur Police Station, Bangalore, while also partnering with the Dr. Sandhya Health Foundation to promote girl-child empowerment, healthcare, skill development, and career guidance.

Apart from the above, as a part of Promoting Education, Ensuring Environmental Sustainability and Promoting Healthcare, the company has identified the following programmes for the forthcoming Financial Year:

- Adoption of Government Higher Primary School, Mylanahalli, Bangalore to enhance infrastructure development, learning improvement, student support and maintenance.
- To develop and maintain infrastructure at ITI, Devanahalli, for the Aeronautical Structure and Equipment Fitter ITI (Craftsman Training Scheme) and promote vocational skills - especially for children, women, and differently abled individuals - to enhance employment and livelihoods
- Development and maintenance of the dedicated parking area and Green Strip (Miyawaki Park) at the Hi-Tech Defence & Aerospace Park, along with ecological balance; protection of flora and fauna; animal welfare; agroforestry; conservation of natural resources; and maintenance of soil, air, and water quality.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation Nature Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Gaitri Issar Kumar	Chairperson	1	1
2	Prof. Pradyumna Vyas	Member	1	1
3	Air Chief Marshal V.R. Chaudhari (Retd.)*	Member	1	-
4	Mr. Chalapathi P	Member	1	1

* Air Chief Marshal V. R. Chaudhari (Retd.) was inducted w.e.f. 9th February 2026.

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: <https://www.dynamics.com/shareholders>.
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 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable
5.
 - a) Average net profit of the Company as per sub-section (5) of section 135: Rs. 4,790 Lakhs
 - b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 95.79 Lakhs
 - c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
 - d) Amount required to be set off for the financial year, if any: Nil
 - e) Total CSR obligation for the financial year (b+c-d): Rs. 95.79 Lakhs
6.
 - a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Projects): Rs. 39.68 Lakhs
 - b) Amount spent in Administrative Overheads: Nil
 - c) Amount spent on Impact Assessment, if applicable: Not Applicable
 - d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 39.68 Lakhs

e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (in Rs Lakhs)	Amount Unspent (in Rs. Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (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
39.68	56.11	28/04/2026	Nil	Nil	Nil

f) Excess amount for set off, if any

Sl.No	Particular	Amount (in Rs)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	95.79
(ii)	Total amount spent for the Financial Year	39.68
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years	0

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs. Lakhs)	Balance Amount in Unspent CSR Account under Section 135 (6) (in Rs. Lakhs)	Amount spent in the Financial Year (in Rs. Lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135 (5), if any		Amount remaining to be spent in succeeding financial years. (in Rs. Lakhs)	Deficiency, if any
					Amount (in Rs. Lakhs)	Date of transfer		
1.	2022-23	-	-	-	-	-	-	-
2.	2023-24	-	-	-	-	-	-	-
3.	2024-25	44.02	-	44.02	-	-	-	-
	Total	44.02	-	44.02	-	-	-	-

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

If Yes, enter the number of Capital assets created/acquired: 3

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility:

Sl. No.	Short particulars of the property or asset (s) including complete address and location of the property	Pin code of the property or assets	Date of creation	Amount of CSR amount spent (in Rs lakhs)	Details of entity/ authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1.	Police Chowki constructed at KIADB Aerospace Park for safety of woman workers.	562149	March 2026	42.06	NA	Police Station, Bagalur	Bagalur Colony, BEML Layout, Razack Palya, Bangalore, Karnataka
2.	Patrolling EV Car for safety of woman workers at KIADB Aerospace Park.	562149	March 2026	16.25	NA	Police Station, Bagalur	Bagalur Colony, BEML Layout, Razack Palya, Bangalore, Karnataka
3.	Two Bikes for patrolling and safety of woman workers at KIADB Aerospace Park.	562149	March 2026	2.33	NA	Police Station, Bagalur	Bagalur Colony, BEML Layout, Razack Palya, Bangalore, Karnataka

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.

With reference to 6 (e) of Annual CSR report, Rs. 56.11 Lakhs is transferred to unspent account towards the multi-year ongoing projects as approved by the CSR committee and in accordance with the rules under section 135 of Companies Act.

Amount has been set aside as per the terms of three of the projects taken up in the year. The details of the unspent CSR amount relating to the following CSR projects are provided below:

1. Adoption of Government Higher Primary School, Mylanahalli, Bangalore: Rs. 15.00 Lakhs
2. To develop and maintain infrastructure at ITI, Devanahalli: Rs. 6.11 Lakhs
3. Developing and maintaining the parking area and Green Strip (Miyawaki Park) at KIADB Aerospace Park: Rs. 35.00 Lakhs

Place: Bangalore

Date: 19th May 2026

Udayant Malhoutra
Chief Executive Officer &
Managing Director
DIN : 00053714

Chalapathi P
Executive Director &
Chief Financial Officer
DIN : 08087615

ANNEXURE - 4

DETAILS OF REMUNERATION (CTC) OF KEY MANAGERIAL PERSONNEL AND OTHER DIRECTORS:

- Details / Disclosures of Ratio of Remuneration of each Director to the median remuneration of the employees of the Company (Ratio) for the financial year 2024-25 and the percentage increase in remuneration of Directors and Key Managerial Personnel (KMP) (%) during the Financial Year 2025-26:

Sl No	Name & Designation	Category	FY 2024-25	FY 2025-26	Increase / (Decrease)	Ratio	% Increase / (Decrease)*
1	Dr. Udayant Malhoutra CEO & Managing Director	Director & KMP	1,44,00,000	1,52,64,000	8,64,000	1:18	6%
2	Mr. Chalapathi P Executive Director & CFO	Director & KMP	1,20,00,000	1,27,20,000	7,20,000	1:15	6%
3	Mr. Shivaram V Chief Legal Officer & Company Secretary	KMP	78,00,000	82,68,013	4,68,013	1:10	6%

Employer's contribution to Provident Fund is included in the CTC for FY 2024-25 & FY 2025-26.

*During FY 2025-26, the annual increment percentage to KMP's was fixed at 12%. However, the effect of the increment was from 1st October 2025, owing to which the effective payout percentage remained at 6%.

Name of the Director	Sitting Fees (Rs.)
Mr. Pierre de Bausset	21,00,000
Prof. Pradyumna Vyas	22,00,000
Ms. Gaitri Issar Kumar	18,00,000
Air Chief Marshal V.R. Chaudhari (Retd.)*	3,00,000
Ms. Shyamala Venkatachalam*	5,00,000

*Air Chief Marshal V.R. Chaudhari (Retd.) and Ms. Shyamala Venkatachalam were inducted w.e.f. 23.12.2025

- The percentage increase in the median remuneration of employees in this financial year: 12.33%
- The number of permanent employees on the rolls of company as on 31st March 2026: 860
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase in the salaries of employees other than the managerial personnel is :17.64%

The average percentage increase in the managerial remuneration: 12%
- Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.
- Details of the employees drawing remuneration of Rs. 8.50 lakhs per month or Rs. 1.02 crores per annum:

Name	Designation	Grade	Monthly CTC (Rs.)	Performance Linked Pay - Monthly (Rs.)	Total Monthly CTC (Rs.)
Dr. Udayant Malhoutra	CEO & Managing Director	C1	13,44,000	-	13,44,000
Mr. Chalapathi P	Executive Director & CFO	C3	10,67,000	53,000	11,20,000
Mr. Ravichander V	Chief Technology Officer	C3	10,67,000	53,000	11,20,000

ANNEXURE - 5

Details on Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

All our facilities in India and abroad are built with the environment in mind and the processes are designed for efficiency in usage of resources, energy conservation and to ensure that no waste is transmitted into the environment. The industrial complexes are highly energy efficient and completely non-polluting. This has been made systematic and quantifiable through the implementation of ISO 14001.

Towards Sustainability with Rooftop Solar Energy:

Aimed at utilizing renewable green power by generating electricity through solar panels. This initiative helps reduce CO₂ emissions, lowers energy costs, and supports sustainable operations.

Water conservation techniques for optimum utilization of water:

1. Conventional water taps and foam-type faucets in the plant have been replaced with aerator-equipped taps. These aerators mix air with water, reducing overall water flow without compromising pressure, thereby significantly lowering water consumption and enhancing water-use efficiency across the facility.
2. Conventional manual flush taps in all urinals have been replaced with automatic sensor-operated flush systems. These sensor-based flushes optimize water usage by ensuring flushing occurs only when necessary, reducing water wastage and promoting efficient water management throughout the facility.

DG Set Emission Upgrade: RECD Installation to Reduce Air Pollution: Installation of a Retrofit Emission Control Device (RECD) on the DG set to cut particulate matter (PM) and oxidize CO and hydrocarbons (HC) into CO₂ and H₂O, have been undertaken to reduce air pollution.

Upgradation of Air Conditioning System from R22 to R32/R410A (Eco-friendly Refrigerants): Upgradation of existing air conditioning units from R22 refrigerant to eco-friendly refrigerants R32 and R410A, have been undertaken to ensuring compliance with environmental norms and improved energy efficiency.

B. TECHNOLOGY ABSORPTION

1) The efforts made towards technology absorption.

Research & Development plays a vital role in developing and implementing new technologies to enhance our operational efficiency. Dynamatic Hydraulics designs and builds bespoke geared products for farm mechanization, construction, forestry, mining, material handling, and industrial machines. Most products are developed using simulations of actual operating conditions, followed

by extensive user trials. The company uses advanced software like Creo-III, SolidWorks, Ansys, and AMESim, with rapid prototyping and validation labs in India and the UK. The company is engaged in state-of-the-art 3D designs using software such as CATIA V5, Unigraphics NX, and Mastercam for their design and development activities meeting global OEM standards. Holding several patents, the R&D team in both countries comprises experts in application engineering, product design and validation, process design, material science, and integrated system design. Engineering teams collaborate closely with leading government and private research institutes in India, the UK, and the US, including DSIO, IIT Kanpur, IISc, Bath University, and MSOE. Aerospace and Hydraulics units in India and the UK, along with Automotive units in Germany, work together to develop solutions and enhance synergy across the group.

The Company has adopted an enhanced AI-first article inspection tool for the Airbus A220 all doors project to supplement quality inspection workflows (e.g., FTB inspection of aircraft parts) through secure image/video capture, cloud-based processing, and defect visualization, while enforcing an aerospace-grade federated security model in which all business data remains within a DTL-controlled cloud environment.

The Company's Research & Development is overseen by the Board-level Technology & Strategy Development Committee, which guides R&D strategy and addresses key technology issues. The Committee regularly reviews and updates required skills, competencies, structure, and processes to ensure R&D initiatives support the Company's sustained long-term growth.

- 2) Some of the benefits derived are product improvement, cost reduction, new product development or import substitution.

R&D and innovation remain integral to the Company's growth, profitability, sustainability, and contribution to nation-building.

- 3) Imported technology (imported during the last three years reckoned from the beginning of the financial year): Dynamatic Technologies has in-house design and engineering teams in India, the UK, and Germany, leveraging their expertise to develop world-class products and solutions globally. We focus on import substitution and Make in India initiatives through localisation and indigenization rather than importing technologies.
- 4) Expenditure incurred on Research and Development (Rs. in Lakhs)

Particulars	31 st March 2026	31 st March 2025
a. Capital	2,690	725
b. Revenue	754	670
Total	3,444	1,395

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of foreign exchange earnings and outgo are as follows:

(Rs. in Lakhs)

Particulars	31 st March 2026	31 st March 2025
a. Foreign Exchange Earned :		
Sale of goods and services	39,271	33,137
Interest income on inter-company loan	843	765
Total Foreign Exchange Earned	40,114	33,902
b. Foreign Exchange Used :		
Import of materials, components, stores & spares, etc	19,902	11,051
Foreign Travels	200	255
Capital Expenditure	409	-
Lease Rent	363	395
Finance Cost	73	89
Investment in Subsidiary	-	1,993
Total Foreign Exchange Used	20,947	13,783

Place: Bangalore

Date: 19th May 2026

Udayant Malhoutra
Chief Executive Officer &
Managing Director
DIN : 00053714

Chalapathi P
Executive Director &
Chief Financial Officer
DIN : 08087615

CEO / CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the
Financial Year ended 31st March 2026)

To,
The Board of Directors
Dynamatic Technologies Limited

We, Udayant Malhoutra, Chief Executive Officer & Managing Director and Chalapathi P, Executive Director & Chief Financial Officer of Dynamatic Technologies Limited, have reviewed the Financial Statements for the financial year ended 31st March 2026, and we hereby certify and confirm to the best of our knowledge and belief the following:

- a. The Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b. The Financial Statements together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;
- c. There are no transactions entered into by the Company during the year ended 31st March 2026, which are fraudulent, illegal or violative of Company's Code of Conduct;
- d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same;
- e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the Financial Year 2025-26.

Place: Bangalore

Date: 19th May 2026

Udayant Malhoutra
Chief Executive Officer &
Managing Director
DIN : 00053714

Chalapathi P
Executive Director &
Chief Financial Officer
DIN : 08087615

Declaration by the CEO under Regulation 26(3) of the SEBI (Listing Obligation and disclosure requirements) Regulation, 2015 regarding adherence to the Code of Conduct

Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the senior management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the financial year ended 31st March 2026.

Place: Bangalore

Date: 19th May 2026

Udayant Malhoutra
Chief Executive Officer &
Managing Director
DIN : 00053714

BUSINESS OVERVIEW

Incorporated in 1973, Dynamatic Technologies Limited ('Dynamatic Technologies' or the 'Company') is a manufacturer of highly engineered, mission critical products for the Aerospace, Hydraulics and Metallurgy industries. With futuristic design, engineering and manufacturing facilities in Europe and India, Dynamatic Technologies serves customers across six continents.

The Company is one of the world's largest manufacturers of hydraulic gear pumps and automotive turbochargers, having held the leadership position in the hydraulic gear pumps market for 50 years. Dynamatic Hydraulics commands approximately 80% of the Indian OEM tractor market and about 38% of the global tractor market. Dynamatic Technologies is a pioneer and leader in the private sector, both in India and the UK, in the manufacture of precision flight-critical and complex airframe structures and aerospace components. It serves as a Tier-1 supplier to global aerospace OEMs and primes such as Airbus, Boeing, Bell Helicopters, Dassault Aviation, Deutsche Aircraft Group, Hutchinson Group, Bharat Electronics Limited (BEL), Hindustan Aeronautics Limited (HAL) and Thales. The Company also produces high-precision, complex metallurgical ferrous components for performance-critical applications like turbochargers and exhaust manifolds, with advanced design and development capabilities to meet OEM needs.

Dynamatic Technologies' facilities located in India (Bangalore & Coimbatore), United Kingdom (Bristol & Swindon) and Germany (Schwarzenberg), are environmentally sensitive - green, lean, clean and aligned to our vision of CARE. The Company is vertically integrated, with its own alloy-making and casting capabilities as well as its own captive green energy sources.

Dynamatic Technologies operates in three business segments: Aerospace & Defence (of which UAVs & Drones), Hydraulics, Metallurgy.

Aerospace & Defence: Dynamatic-Oldland Aerospace® (DOA) is a pioneer and leader in the Indian private sector for the manufacture of high-precision airframe and aerospace components. The Company boasts best-in-class infrastructure to meet the needs of global OEMs such as Airbus, Boeing, Bell Helicopters, Dassault Aviation, Deutsche Aircraft Group. It has also embarked on industrial partnerships with domestic or foreign suppliers, such as with the Hutchinson Group. Domestically, it collaborates with defence sector PSUs like HAL and BEL.

The major products of the Aerospace & Defence segment include control surfaces such as wings, ailerons, and wing flaps, fuselages subassemblies, doors, and other key flight-critical airframe structures like flap track beams. Over time, the Aerospace division has developed excellent capabilities in automated robotic machining and the production of five-axis components in aluminium, steel, and titanium. Additionally, the Company has expertise in advanced tooling capabilities.

Recently, the Group has incorporated Dynauton Systems®, a wholly owned next-generation Indian technology start-up housed within Dynamatic Technologies Limited. Dynauton

focuses on the design and manufacture of sovereign and independent advanced Unmanned Aerial Systems and critical subsystems.

Hydraulics: Dynamatic Technologies is one of the largest manufacturers of hydraulic gear products in the world, with state-of-the-art manufacturing facilities in India, and the United Kingdom. This business unit designs and manufactures hydraulic gear pumps in both aluminium and cast iron, available in multiple frame sizes. The product range includes high-efficiency gear pumps, low noise pumps, high-pressure pumps, axial piston pumps, low torque highspeed hydraulic motors, plunger hand pumps, hitch control valves, rock shaft assemblies, power steering valves, and mobile control valves for global OEMs.

The business unit also manufactures bespoke, high-flow scavenging pumps, lube oil pumps, and water pumps for high-horsepower engines, which are used in off-highway vehicles, marine, and offshore equipment. Additionally, the Company designs and builds customized hydraulic solutions, from simple hydraulic pumping units to complex marine power packs, construction segment, aircraft ground support systems, and turnkey industrial installations.

Equipped with advanced innovation and development centres in Bangalore (India) and Swindon (UK), Dynamatic Technologies holds several patents and has a wealth of experience in application engineering and rapid prototyping capabilities. This allows Dynamatic Hydraulics to develop bespoke solutions for OEMs efficiently and effectively.

Metallurgy: The Metallurgy division supplies highly complex parts to customers worldwide, producing intricate iron castings in sophisticated alloys for various industries. Operating one of the most modern foundries in Europe, the company develops and manufactures components used globally. By leveraging a high level of specialist education and the strategic advantages of its location, the company creates significant added value for its international customers.

RESEARCH & DEVELOPMENT

With three design laboratories spanning India and Europe, Dynamatic Technologies stands as a leading private R&D organization, boasting numerous inventions and patents. The Company has established a robust Intellectual Property (IP) strategy aimed at constructing an effective portfolio for future monetization, collaboration, and risk mitigation, with a keen focus on emerging technologies.

The Company holds various patents across countries such as India, the USA, the UK, Germany, and other European nations. In addition to these patents, the Company has registered 39 trademarks and has applied for multiple others in various jurisdictions including India, the USA, the UK, and other European countries. Dynamatic Technologies boasts a talented workforce comprising over 90 scientists and 650 engineers and technicians.

These experts bring their skills in Product Design and Validation, Simulation, Application Engineering, Mechanical Engineering, Advanced Computer-Aided Engineering, Computer-Aided

Manufacture, Materials & Metallurgical Engineering, Fluid Dynamics, and Defence & Aerospace Research. The state-of-the-art center serves as a hub, integrating Design Engineering, Development, Prototyping, Metallurgical, and Manufacturing Infrastructure. This cohesive setup empowers the Company to comprehensively address the diverse needs of its global clientele.

Dynamatic Technologies integrated engineering organisation focuses on new product development, new product introduction with the overlaid APQP process works closely with its OEM customers anticipating their future product needs.

GLOBAL ECONOMIC SCENARIO

The global economy in 2025 continued to navigate a complex environment shaped by geopolitical developments and evolving trade conditions. According to the International Monetary Fund, the global growth was approximately 3.4% for 2025 supported by fiscal policies, technology-driven investments and accommodative financial conditions in key regions.

The U.S. economy saw positive momentum, with real GDP growth estimated at 2.1% for 2025, driven by strong technology sector investment and consumer spending, although growth in employment showed signs of slowing. The Eurozone's growth was 1.4%, impacted by structural constraints and softer industrial activity, particularly in Germany. Emerging markets, particularly in Asia, continued to drive global growth, with China's economy expanding by 5.0% in 2025, due to stronger export performance and steady government support for the domestic economy.

Global trade activity remained strong, with the technology sector, including digital products and semiconductors, continuing to play a leading role. While geopolitical tensions persisted, global trade shifted towards regional agreements, helping maintain trade flows.

Global inflation was 4.1% in 2025, continuing its gradual decline. In the U.S., inflation remained higher at 3.6%, but core inflation showed signs of moderation. Central banks kept interest rates stable through the year, taking a cautious approach to monetary policy.

OUTLOOK

The global economic outlook for the near term has been significantly impacted by the ongoing conflict in the Middle East. According to the IMF, the global growth is projected at 3.1% in 2026 and 3.2% in 2027. This is a downward revision from the pre-conflict forecast of 3.4%, reflecting the impact of geopolitical developments, including disruptions in energy markets, and continued structural challenges.

Inflation is expected to remain influenced by commodity price movements in the near term, with global inflation projected to increase to around 4.4% in 2026 before easing to approximately 3.7% in 2027 as supply conditions stabilise and monetary measures take effect.

Downside risks remain significant. If the conflict continues or worsens, global growth could slow to 2.5% under more adverse conditions. Uncertainty around trade policies, high public debt, and the potential for inflation expectations to

become unanchored add complexity. However, there are opportunities for growth, particularly through continued productivity improvements driven by AI, structural reforms, and further easing of trade tensions.

Source: <https://www.imf.org/-/media/files/publications/weo/2026/april/english/text.pdf>

INDIAN ECONOMY

India's economic performance in FY 2025-26 remained strong despite a challenging global environment marked by geopolitical tensions and trade fragmentation. As per the First Advance Estimates, real GDP growth is estimated at 7.4%, with Gross Value-Added growing at 7.3%, maintaining India's position as one of the fastest-growing major economies. Growth was supported by steady domestic demand, with Private Final Consumption Expenditure increasing by 7.0% and contributing 61.5% to GDP, reflecting improved purchasing power aided by low inflation and stable employment.

Investment activity also improved, with Gross Fixed Capital Formation rising by 7.8% and maintaining a 30% share of GDP, supported by continued government capital expenditure and a pickup in private investments. On the supply side, services remained the key growth driver, with GVA growth of 9.1% for the year, supported by expansion across financial, professional, and digital services.

Inflation moderated significantly, with headline CPI averaging 1.7% during April–December 2025, driven by easing food and fuel prices. The external sector remained stable, supported by record services exports of USD 387.6 billion, remittances of USD 135.4 billion and foreign exchange reserves of USD 701.4 billion, providing strong import cover.

The banking sector showed improved asset quality, with GNPA levels declining to 2.2%, while credit growth strengthened. Continued progress in infrastructure, manufacturing and financial inclusion further supported broad-based economic activity across sectors.

OUTLOOK

India's economic outlook remains stable, with real GDP growth projected in the range of 6.8% to 7.2% for FY 2026-27, supported by strong domestic fundamentals and sustained policy support. Continued focus on public capital expenditure, infrastructure development and manufacturing initiatives such as the Production-Linked Incentive scheme is expected to support investment activity and enhance industrial capacity.

Inflation is expected to increase, with CPI inflation projected at around 4.3% and WPI inflation at 3.5%, driven by higher global commodity prices, particularly crude oil, which is assumed at an average of USD 85 per barrel. In this environment, the Reserve Bank of India is expected to maintain a pause on policy rates while managing liquidity conditions.

On the fiscal front, the government's fiscal deficit is estimated at around 4.5% of GDP, with potential pressure arising from higher subsidy requirements and lower tax collections linked to elevated energy prices. The external sector is expected to remain manageable, although the current account deficit may widen to around 1.7% of GDP due to a higher oil import bill.

Despite near-term global uncertainties, continued government capital expenditure, policy support, and steady consumption are expected to support medium-term growth.

Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219907®=3&lang=2>

<https://www.icra.in/Research/ViewResearchReport/icra-s-outlook-for-fy2027/6876>

INDUSTRY OVERVIEW AND SEGMENT DISCUSSION:

AEROSPACE & DEFENCE INDUSTRY OVERVIEW AND OUTLOOK:

DEFENCE AEROSPACE:

India's defence aerospace segment continues to grow, supported by higher budget allocations, increased domestic production and expanding export opportunities. The Union Budget 2026–27 allocated Rs. 7.85 lakh crore to the Ministry of Defence, up 15.19% over the previous year, with a strong focus on modernisation, advanced platform procurement and domestic manufacturing, including Rs. 1.39 lakh crore earmarked for procurement from local industries.

Furthermore, the government has set a target of Rs. 3,00,000 crore in defence manufacturing by FY2029, supported by policy initiatives focused on indigenisation and increased private sector participation. The sector is also benefiting from innovation-led initiatives, including iDEX, which has engaged over 600 startups and MSMEs and resulted in more than 400 contracts, strengthening technology development across defence applications.

Defence exports have recorded strong growth, reaching Rs. 38,424 crore in FY2026, an increase of over 60% compared to the previous year. Indian defence products are now exported to more than 80 countries, indicating wider global acceptance and strengthening India's position in international defence markets. Both public sector undertakings and private players are contributing to this growth, reflecting a balanced and expanding industrial base.

The sector continues to benefit from increased investment in research and development, with DRDO allocation rising to Rs. 29,100 crores in FY2026–27 to support advanced aerospace, surveillance and next-generation defence technologies, alongside satellite deployment and greater global collaboration. Globally, defence spending reached USD 2.89 trillion in 2025 amid geopolitical uncertainties, supporting sustained demand for defence equipment, aerospace systems and advanced technologies, and creating long-term growth opportunities for the sector.

Overall, India's defence aerospace segment is evolving with higher investments, increasing self-reliance, and growing participation from private players, positioning the country as an emerging hub for defence manufacturing and exports.

Sources:

<https://theprint.in/defence/indias-defence-exports-rocket-to-rs-38424-cr-in-fy26-up-by-63-us-remains-top-destination/2894738/>

<https://www.ibef.org/industry/defence-manufacturing-presentation>

https://www.ibef.org/download/1770361153_Defence-Manufacturing-November-2025.pdf

<https://www.sipri.org/media/press-release/2026/global-military-spending-rise-continues-european-and-asian-expenditures-surge>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222601®=3&lang=2>

COMMERCIAL AEROSPACE:

India's commercial aerospace sector continues to grow strongly, supported by rising domestic demand, strategic investments in aviation infrastructure and government initiatives such as the UDAN scheme to improve regional connectivity. With India projected to become the world's third-largest aviation market by 2030, passenger traffic reached 237.42 million during FY26 (April–October 2025), while the UDAN scheme has enabled the operationalisation of 649 routes and 93 aerodromes, including 12 airports in the North-East region.

The expansion of India's airport network remains a key factor in supporting the growing demand for air travel. The number of operational airports has increased from 74 in 2014 to 163 as of October 2025. Moreover, the aviation infrastructure received over Rs. 96,000 crore (USD 11.2 billion) in capital expenditure between FY20 and FY25, contributing to the modernization and expansion of airport facilities.

Passenger demand continues to exceed supply, with the domestic passenger market expected to grow at 7-10% year-on-year in FY26, reaching 175–181 million passengers. In response to this growing demand, the Indian airline fleet is expected to expand significantly, with projections indicating 1,100 aircraft by 2027.

The airline sector has witnessed strong growth in freight traffic, which reached 2.28 million metric tonnes during FY26 (April–October 2025), driven by rising imports and exports and the increasing role of air cargo in global supply chains. At the same time, India is emerging as a regional hub for Maintenance, Repair and Overhaul (MRO) services, supported by government initiatives such as uniform GST rates for aircraft parts and expansion of MRO facilities, which are expected to help triple domestic MRO revenues by FY28 alongside a growing aircraft fleet.

Growth in the commercial aerospace sector is also being supported by government measures to liberalise air transport services, encourage foreign participation and improve investment inflows. Cumulative FDI inflows into India's air transport sector reached Rs. 45,913 crore (USD 5.36 billion) between April 2000 and June 2025, while the policy permitting 100% FDI in scheduled air transport services continues to strengthen the sector's long-term growth prospects.

Going ahead, India's aerospace sector is well-positioned to capitalize on its expanding domestic market, increased government investment and strategic infrastructure developments. As the country continues to modernize its aviation industry, the commercial aerospace sector is expected to play a pivotal role in driving India's economic growth in the coming decades.

Sources:

<https://www.ibef.org/industry/indian-aviation>

https://www.ibef.org/download/1770372773_Aviation-November-PPT-2025.pdf

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2181865&lang=2®=3>

SEGMENT OVERVIEW:

Dynatomic-Oldland Aerospace® is a pioneer and a recognized leader in the Indian private sector for the development of complex aero-structures, systems and manufacturer of aircraft parts and accessories. The Company is also vertically integrated to manufacture machined and sheet metal components, with soft and hard tooling, assembly jig manufacturing along with comprehensive engineering capabilities. The Aerospace & Defence Division has the largest infrastructure in the Indian private sector for the manufacture of complex aero structures and systems. QMS is AS9100 approved, NADCAP approved for heat treatment, spotwelding, non-destructive testing and metrology, the Company is also approved by major OEMs like Airbus, Boeing, Bell Helicopters, Deutsche Aircraft and Dassault Aviation. Further, it also caters to domestic requirements from major OEMs like Bharat Electronics Limited (BEL) & Hindustan Aeronautics Limited (HAL).

The Company's modern and state-of-the-art manufacturing facilities in India and the UK deliver high value to its customers, by seamless integration of highly skilled workforce for assemblies and sheet metal detail parts requiring artisanal capabilities and low cost of capital for manufacturing at the UK. The Company launched 'DOET – Dynatomic Operational Excellence and Transformation' and 'DTL 2.0' as change programmes for sustainable growth and increased value to the customers and shareholders.

The Company has delivered over 9,000 aircraft sets of Single Aisle Flap Track Beams till date. Dynatomic Technologies is a Tier-1 Global Single Source manufacturer of Airbus A330 Flap Track Beams, the long-range aircraft variant. The Company is the largest single source manufacturer of flap track beams in the world for Airbus. The Company is producing doors, large aero-structural assemblies and systems.

Operational Performance

(Rs in lakhs)

Particulars	FY2026	FY2025	Change (%)
Revenue	77,561	60,785	27.60%
EBITDA	17,755	15,783	12.49%
Margin%	22.9%	26.0%	

During the FY2026, the Aerospace & Defence segment recorded a revenue of Rs. 77,561 lakhs compared to Rs. 60,785 lakhs in FY2025. Segment EBITDA for the year was Rs. 17,755 lakhs, reported alongside Rs. 15,783 lakhs in FY2025. The Aerospace segment reported a growth of 27.60 % y-o-y driven by resilient performance of air transport industry. Commercial deliveries, industrialisation of Airbus A220 all doors, and ramp-up of Dassault 6X Rear Fuel Tank has contributed to top line and new business opportunities. A strong order book by major aircraft producers will drive both defence and commercial demand once global supply chain issues are resolved.

India's defence aerospace segment continues to expand, supported by higher budget allocations, rising domestic production and growing export opportunities. The Union Budget 2026–27 allocated Rs. 7.85 lakh crore to the Ministry of Defence, up 15.19% year-on-year, with a strong focus on modernisation and procurement of advanced platforms, including next-generation aircraft, unmanned systems and

weapons, along with Rs. 1.39 lakh crore earmarked for domestic procurement to support local manufacturing.

AWARDS & ACCOLADES:

In FY2025–26, Dynatomic Technologies Limited continued to earn industry-wide recognition, securing several notable awards:

September 2025:

- Eight DOA (Design Office of Aeronautics) teams presented improvement case studies and won eight Gold Awards at the Chapter Convention on Quality Concepts (CCQC 2025), organised by the Quality Circle Forum of India (QCFI).
- Dynatomic Technologies Limited (DML) was conferred the "Uttama Suraksha Puraskar Award" by the National Safety Council, Karnataka Chapter, in recognition of exemplary workplace safety performance and commitment to occupational health and safety standards.
- DML teams secured Gold Awards for improvement case studies at the Chapter Convention on Quality Concepts (CCQC 2025), organised by the Quality Circle Forum of India (QCFI), Bangalore.

December 2025:

- DOA teams participated in the 39th National Convention on Quality Concepts (NCQC 2025), achieving Par Excellence and Excellence Awards, thereby qualifying for the International Convention on Quality Control Circles (ICQCC) 2026.
- DML teams participated in the 39th National Convention on Quality Concepts (NCQC 2025) at Greater Noida, Uttar Pradesh, and earned Excellence Awards.
- DML team participated in the 50th International Convention on Quality Control Circles (ICQCC 2025) in Taipei, Taiwan and received a prestigious award.

Dynauton Systems® - Revolutionizing Defence Operations

Dynauton Systems® is a next-generation Indian technology start-up and is wholly owned and housed within Dynatomic Technologies Limited. Dynauton focuses on the design and manufacture of advanced Unmanned Aerial Systems and critical subsystems such as gimbals, autopilots, radars, propulsion units, avionics, and integrated software solutions with full Indian sovereignty and independence from unreliable or untrustworthy sources. Our current focus is on building a comprehensive UAV portfolio serving military operational capabilities and strategic intelligence, providing advanced surveillance and loitering munition solutions. The company is also developing cutting-edge anti-drone technologies including radio-frequency directional finders, drone detection radars, and relevant electro-optic systems.

With a highly experienced team drawn from premier Indian institutions and multinational organizations, Dynauton is dedicated to delivering world-class engineering and manufacturing excellence and to become a trusted partner in defence and strategic technology across core domains of unmanned systems in India. Its mission includes building up its assets and organisation to maintain strategic focus,

operational flexibility, long-term rapid technology development capability, profitability and access to capital on a stand-alone basis, while maintaining appropriate alignment with the Group's overall strategic direction.

HYDRAULICS:

Dynamatic Hydraulics® stands as one of the global leaders in hydraulic geared products manufacturing, boasting cutting edge facilities in India and the UK. The extensive product line encompasses a diverse array of solutions, including hydraulic gear pumps in aluminium and cast iron, axial piston pumps, motors, valves, and complete hydraulic systems. With a commitment to bespoke design tailored to each application, they cater to both domestic and international markets, offering unparalleled versatility and reliability. This comprehensive approach, coupled with a dedication to innovation and quality, solidifies Dynamatic Hydraulics® as a premier provider in the hydraulic industry, serving a multitude of sectors worldwide.

INDUSTRY OVERVIEW AND OUTLOOK:

FARM MECHANISATION:

The Indian agricultural machinery market continues to expand, with the market size estimated at USD 19.65 billion in 2026 and projected to reach USD 29.27 billion by 2031, reflecting a CAGR of 8.28%. This growth is supported by government incentives and increasing use of digital technologies across the agricultural ecosystem.

Farm mechanisation in India has improved to around 47%, though it remains below global benchmarks such as China and Brazil. Adoption levels vary across activities, with higher mechanisation in land preparation and lower adoption in sowing, weeding and harvesting, indicating significant scope for further productivity gains through increased use of equipment and technology.

The market continues to be driven by tractors, which accounted for around 40% of the total market in 2025, owing to their multi-purpose use and financing availability. At the same time, demand is gradually shifting towards irrigation systems, harvesting machinery and precision implements, with irrigation equipment expected to grow faster due to water management needs and government support programs.

Labour shortages caused by rural-to-urban migration, particularly during peak agricultural seasons, continue to drive mechanisation adoption, while increasing participation of women in farming and the need to reduce physical effort in activities such as harvesting and transplantation are further supporting demand. Government initiatives, including Sub-Mission on Agricultural Mechanisation (SMAM), promotion of custom hiring centres and digital agriculture programs, along with growing use of digital credit platforms and farmer databases, are also improving access to machinery and financing for small and marginal farmers.

However, certain structural challenges continue to limit faster adoption. High equipment costs and small landholdings reduce the economic viability of owning machinery for many farmers, leading to increased reliance on shared access models such as custom hiring centres. Addressing these challenges, along with improving last-mile access and awareness, will be important for accelerating mechanisation levels in the country.

Overall, with continued policy support, improving access to finance, and increasing need for productivity enhancement, farm mechanisation is expected to remain a key driver of agricultural efficiency in India over the coming years.

Sources:

<https://www.mordorintelligence.com/industry-reports/india-agricultural-machinery-market>

<https://www.grantthornton.in/insights/articles/what-budget-2026-must-change-to-modernise-indias-farm-machinery-market/>

<https://www.aem.org/getmedia/f0135b21-5373-4a5c-8a2e-a02157b29b63/INDIA-Country-Report-2025.pdf>

CONSTRUCTION AND MATERIAL HANDLING:

The Indian construction and material handling equipment market continues to show steady growth, supported by strong infrastructure spending and increasing mechanisation. The market size is estimated at USD 9.24 billion in 2026, up from USD 8.55 billion in 2025 and is projected to reach USD 13.61 billion by 2031, growing at a CAGR of about 8.05%.

Growth in the sector is largely driven by the National Infrastructure Pipeline and other government-led initiatives focused on roads, railways, urban development, and energy projects. The Union Budget 2026–27 has allocated Rs. 12.2 lakh crore marking a 9% increase from previous year towards infrastructure, including higher spending on highways, rail modernisation and urban development, which is expected to support demand for construction equipment across segments.

Urbanisation in Tier II and III cities is also contributing to demand, particularly for compact and versatile equipment suited for dense construction environments. At the same time, mining sector reforms and increased participation from private players are driving demand for high-capacity equipment. The growing use of rental platforms is improving access to equipment for small and medium contractors, supporting broader market participation.

From a segment perspective, earthmoving equipment accounts for about 57% of the market, making it the largest category. Infrastructure projects remain the key end-user segment, contributing about 43% of total demand, followed by real estate and mining. Diesel-powered equipment continues to dominate with around 95% share, while electric and hybrid equipment, though currently small, is growing at a faster pace of 16% CAGR.

However, certain challenges remain. Fluctuations in steel prices and higher input costs continue to impact equipment pricing. The implementation of stricter emission norms is also increasing equipment costs. In addition, delays in land acquisition and limited charging infrastructure for electric equipment may affect project timelines and equipment utilisation.

Overall, the outlook for the construction and material handling equipment sector remains positive, supported by sustained infrastructure investments, increasing equipment adoption, and continued policy support.

Sources:

<https://www.mordorintelligence.com/industry-reports/india-construction-equipment-market>

https://www.constructionbriefing.com/news/indias-construction-boom/8062156.article?zeph_sso_ott=XSle6M

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222521®=3&lang=1>

SEGMENT OVERVIEW:

Dynumatic Hydraulics manufactures high precision hydraulic products and solutions for tractors, construction equipment, material handling and machine tool industries. The Company has three state-of-art manufacturing facilities at Bangalore for geared products- pumps and motors, Integrated Hydraulic solutions like hitch control valves, rockshaft assemblies and power units for defence applications. This manufacturing facility is supported by a very advanced design, R&D center and a rapid prototyping laboratory.

Dynumatic Hydraulics commands approximately 80% of the Indian OEM tractor market and about 38% of the global tractor market. It also designs and builds complete hydraulic solutions including hydraulic hitch control valve with draft control and complete rockshaft assembly for the agricultural tractors.

The Indian agricultural machinery market continues to expand, with the market size estimated at USD 19.65 billion in 2026 and projected to reach USD 29.27 billion by 2031, reflecting a CAGR of 8.28%. This growth is supported by government incentives and increasing use of digital technologies across the agricultural ecosystem.

The Indian construction and material handling equipment market continues to show steady growth, supported by strong infrastructure spending and increasing mechanisation. The market size is estimated at USD 9.24 billion in 2026, up from USD 8.55 billion in 2025 and is projected to reach USD 13.61 billion by 2031, growing at a CAGR of about 8.05%.

Furthermore, with given growth potential in the construction equipment sector, Dynumatic is investing in the development of high pressure, heavy-duty cast iron pumps to cater to the construction equipment sector. These products are in various stages of development and testing, which will cater to the global OEMs. Some of these products will undergo production phase in coming years, with supplies to global OEMs and aftermarket.

Operational Performance

(Rs in lakhs)

Particulars	FY2026	FY2025	Change (%)
Revenue	48,738	45,804	6.41%
EBITDA	3,587	2,415	48.53%
Margin %	7.4%	5.3%	

The revenues for this segment increased to Rs. 48,738 lakhs compared to Rs. 45,804 lakhs in the period last year. EBITDA for FY2026 was Rs. 3,587 lakhs and Rs. 2,415 lakhs during last year. This segment reported an increase in topline in FY2026, driven by the growing need to enhance farm productivity and operational efficiency amid rising agricultural output and evolving cultivation practices. Growth was further supported by government incentives, increasing adoption of digital technologies and rising demand for irrigation systems, harvesting machinery and precision implements.

AWARDS & ACCOLADES:

Dynumatic Hydraulics® has successfully completed the 2nd surveillance audits by ULDQS India, to ISO: 9001-2015

for Quality Management System, ISO:14001-2015 for Environmental Management System and ISO 45001-2018 for occupational health and safety management systems.

The store facility was shifted from existing stores to Unit 2 facility as a central store and same has been reflected and considered in ISO audit and certified.

METALLURGY:

INDUSTRY OVERVIEW AND OUTLOOK

Germany's economy recorded marginal growth in 2025, supported by higher household consumption and increased government spending, while investment levels remained subdued. Machinery and equipment investment declined, and exports continued to face pressure due to factors such as tariffs, currency movements and rising competition from global markets.

Germany continues to be one of the world's largest economies, with a GDP of €4,470 billion in 2025, supported by a strong export-oriented industrial base. However, growth expectations for 2026 have been moderated, with forecasts ranging between 0.6% and 1.2%, reflecting ongoing geopolitical developments, higher energy prices, and cautious business sentiment.

The German automotive sector remains an important contributor to the industrial economy but continues to operate under challenging conditions. Industry data indicates only a limited recovery in 2026, with passenger car registrations expected to grow by around 2% to 2.9 million units, still significantly below pre-pandemic levels. Domestic vehicle production is projected to decline marginally to around 4.1 million units, while exports are expected to reduce slightly to 3.2 million units.

Electric mobility continues to gain traction, with new electric passenger car registrations expected to reach approximately 9,79,000 units in 2026, reflecting a growth of around 17% over the previous year. Battery electric vehicles are projected to grow by about 30% to 6,93,000 units, while plug-in hybrid vehicles are expected to decline by around 5% to 2,86,000 units. At the same time, overall vehicle production is expected to grow by around 5%, driven largely by higher electric vehicle output.

The sector continues to face structural challenges, including high energy costs and increasing regulatory requirements. Profitability across major German automotive companies declined significantly in 2025, with combined earnings of leading manufacturers falling to about €24.9 billion, reflecting lower demand and restructuring costs.

Despite these near-term challenges, Germany retains a strong industrial base supported by advanced engineering capabilities and continued investments in research and development. The automotive industry is expected to remain focused on technology development, global market expansion, and efficiency improvements, while adapting to evolving market conditions.

Within this environment, Dynumatic Technologies' German subsidiary, Eisenwerk Erla GmbH (EEG), continues to align

its operations with evolving industry requirements. The company remains focused on improving its product mix and strengthening its presence in high-value segments, while gradually reducing its exposure to traditional automotive-driven demand cycles.

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SEGMENT OVERVIEW:

Eisenwerk Erla GmbH, Germany (EEG), a subsidiary of Dynamatic Technologies, is a preferred supplier of complicated and sophisticated castings to leading global OEMs. The company's most important customers in this segment are AGCO-FENDT, BMW, Rolls Royce, MAN, LIEBHERR, Vögele, Borg Warner Turbo Emission Systems, Daimler Truck, Continental Aerospace Technologies and Rotax.

Eisenwerk Erla is expanding production of castings for agricultural and road construction vehicles, as well as stationary and sports engines, as part of its evolving business model. With significant investments and a strong R&D base, it has become one of Europe's leading iron foundries, producing complex iron and steel castings using advanced materials. Its fully automated facilities and access to latest technologies and global markets ensure high competitiveness and continued development as a modern foundry.

Operational Performance

(Rs in lakhs)

Particulars	FY2026	FY2025	Change (%)
Revenue	35,810	33,483	6.95%
EBITDA	283	1,004	(71.81) %
Margin%	0.8%	3.0%	

Turnover for FY2026 is €34.92 Mn was lower compared to the previous financial year due to weak demands from an industrial sector because of ongoing Ukraine conflict, which had triggered inflation, supply chain disruptions for OEMs and unpredictable surge in gas and electricity costs for corporations across Europe, particularly in Germany. However, turnover in INR increased on account of favourable average exchange rate.

In FY2026, the entire industry in Germany was severely affected by continuing inflation and instability in Europe, the ongoing Russia-Ukraine conflict and outbreak of conflict in the Middle East which triggered supply chain disruption for OEMs and unpredictable surge in gas and electricity and material costs. German SMEs are particularly hard hit in this regard and are generally unable to pass on the sharp rise in costs in full to the end customer.

EEG is expanding the machining shop, the automation of cutting and grinding process in the foundry and also implementing its transition plan to build up and focus activities on the defence & aerospace business at the EEG site in addition to the existing production.

TECHNOLOGY & QUALITY:

Dynamatic Technologies being a Tier-1 supplier for OEMs has continuously invested in technology to make the business more cost effective and world class. The Company's best practices include implementing lean manufacturing and continuous improvement programs. Dynamatic Technologies practices QSP – Quality, Safety & Productivity and DOET – Dynamatic Operational Excellence and Transformation, as its new business initiative to emphasise these aspects to the customer.

The Company has state-of-the-art inspection equipment like CMM and laser tracker, and high accuracy 5-axis machines which are one of the largest giga milling machines in the country. This giga milling machine is equipped with a special probing software system complying to Industry 4.0.

Dynamatic Technologies continues to maintain skill and competency of its direct and indirect work force using a software called CATI (Competency Assessment & Training Identification). The software is designed to map each of the employees' skill level and training needs and enables the management to provide employee development programs that are necessary for the business growth and sustainability.

The Company has adopted an enhanced AI-first article inspection tool for the Airbus A220 all doors project to supplement quality inspection workflows (e.g., FTB inspection of aircraft parts) through secure image/video capture, cloud-based processing, and defect visualization, while enforcing an aerospace-grade federated security model in which all business data remains within a DTL-controlled cloud environment.

The Company has also established an in-house Skill Development Center to train and mentor new recruits. Having adopted a Government ITI under PPP, Dynamatic Technologies provides training to the students, preparing them to serve in any Aerospace and Defence industry in order to make the 'Make In India' drive a great success.

During FY2024, Boeing Defence awarded the Company with 'Global Supplier of the year award as a recognition of its services in delivering the products with highest on time delivery and quality performance and continue to remain as the best supplier till date.

Dynamatic-Oldland Aerospace®, UK is a demonstrated leader in the development of exacting airframe structures and precision aerospace components. It has a unique state-of-the-art facility at Swindon, possessing complex 5 axis with robotic machining capabilities for the manufacture of aerospace components and tooling. Dynamatic-Oldland Aerospace®, UK specializes in reverse engineering, re-engineering, fixture design and manufacturing. This division is a certified supplier to Airbus UK, GKN Aerospace Europe & USA, Boeing, Magellan Aerospace, GE Aviation Systems and Leonardo. It is compliant with AS 9100 Rev D standards.

In addition, Dynamatic Technologies maintains accreditation for Environmental Management System (EMS) certification under ISO14001, Occupational Health and Safety Management System (OHSAS) certification under ISO45001

Information Security Management System certification under ISO/IEC 27001 and NABL-Competence of Testing & Calibration Lab accreditation to ISO/IEC17025.

Dynatomic Technologies offers its customers a comprehensive solution of high complex, highly skilled multi-axis machining from the UK and high value added, highly skilled sheet metal detail parts alongside assembly from India. This provides customers with offset credits and best value from two cost models.

ANALYSIS OF KEY RATIOS:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios.

An analysis of key ratios for the period under review is as follows:

(Rs in Lakhs)

Particulars	FY2026	FY2025	Change %	Comments
EBITDA	18,268	15,832	15.39%	Net profit for the year impacted due to one time exceptional items of INR 2,757 Lakhs.
EBITDA Margins	11.27%	11.28%		
Net Profit	3,241	4,304	-24.70%	
Net Profit Margins	2.0%	3.1%		

Particulars	FY2026	FY2025	Change %	Comments
Debt Equity	0.80	0.80	0.97%	-
Current Ratio	1.38	1.28	7.64%	
Interest Coverage Ratio	1.83	1.57	16.48%	

Particulars	FY2026	FY2025	Change %	Comments
Return of Net worth	4.1%	6.0%	-31.91%	Ratios impacted due to one time exceptional items of INR 2,757 Lakhs charged to Statement of profit and loss.
Return on Assets	1.8%	3.0%	-32.81%	
Return on Capital Employed	7.4%	7.0%	7.28%	

Particulars	FY2026	FY2025	Change %	Comments
Creditors Turnover	3.3	3.1	8.05%	-
Debtors Turnover	5.3	4.8	11.15%	
Inventory Turnover	2.1	2.0	7.29%	

FINANCIAL CONDITION:

Share Capital

(Rs in Lakhs)

Particulars	FY2026	FY2025	Change (%)
Share Capital	679	679	-
Reserves & Surplus	78,673	71,071	10.70%

As of 31st March 2026, the Company has an authorized share capital of Rs 2,500 lakhs, divided into 2,00,00,000 equity shares of Rs10/- each and Rs 500 lakhs divided into 5,00,000 redeemable cumulative preference shares of Rs 100/- each. The Company's issued, subscribed and paid-up equity share capital is Rs 679 lakhs.

The Reserves and Surplus were Rs. 78,673 lakhs as on 31st March 2026, an increase amounting to Rs. 7,602 lakhs compared to 31st March 2025.

The change is attributable to:

(Rs in Lakhs)

Particulars	FY2026
Profit for the year	3,241
Other Comprehensive Income/ (Loss)	(50)
Credit balance arising on consolidation	4,751
Net Comprehensive Income for the year	7,942
Dividend Distribution	(340)
Total	7,602

Borrowings:

(Rs in Lakhs)

Particulars	FY2026	FY2025	Change(%)
Long term borrowings	24,936	17,524	42.30%
Short term borrowings	28,002	27,580	1.53%
Total borrowings	52,938	45,104	17.37%
Lease Liability	10,851	12,021	-9.73%
Total	63,789	57,125	11.67%

Fixed Assets:

Particulars	FY 2026	FY 2025	Change (%)
Property plant and equipment	64,010	58,541	9.3%
Right-of-use assets	7,513	9,172	-18.1%
Capital work in progress	716	1,816	-60.6%
Goodwill	10,499	9,802	7.1%
Other intangible assets	2,426	2,568	-5.5%
Intangible assets under development	3,536	1,071	230.2%
Total	88,700	82,970	

CAPITAL EXPENDITURE

During the year under review, the Company incurred capital expenditure of Rs. 5,998 lakhs for physical infrastructure and Rs. 2,464 lakhs for procurement and development of intangible assets. Significant investments have been made in plant and machinery, building, data security, information systems, design and development activities, for the future benefits of the Group. Management, in line with the Board's focus, remains focused on disciplined capital allocation and the ongoing optimisation of return on capital employed.

INVENTORIES:

The inventories of the Company mainly comprise of raw materials of Rs. 17,433 lakhs. Work in progress of Rs. 18,878 lakhs finished goods of Rs. 3,003 lakhs and stores and spares of Rs. 1,870 lakhs. Management remains focused on the continuous optimisation of working capital and of cash conversion.

OPPORTUNITIES & THREATS:**Aerospace and Defence Sector Growth:**

The Indian Aerospace and Defence sector continues to grow, supported by a strong policy focus on modernisation, indigenisation and domestic manufacturing. The Government's initiatives under 'Aatmanirbhar Bharat' and 'Make in India' aim to reduce import dependence and strengthen local capabilities across production, research, and technology development. Increasing participation from private players and startups is also contributing to the expansion of the domestic ecosystem.

The Union Budget for FY 2026-27 allocated Rs. 7.85 lakh crore to the Ministry of Defence, reflecting a 15.19% increase over the previous year. A significant portion of this allocation is directed towards capital expenditure, including procurement of advanced platforms such as aircraft, unmanned systems, and next-generation technologies. Additionally, Rs. 1.39 lakh crore has been earmarked for procurement from domestic industries, supporting local manufacturing and value addition.

The sector is further supported by increased investments in research and development, with DRDO allocation rising to Rs. 29,100 crores. Defence exports have also recorded strong growth, reaching Rs. 38,424 crores in FY2026, indicating improving global acceptance of Indian defence products.

While growth prospects remain favourable, challenges such as geopolitical uncertainties and supply chain constraints continue to require focus on innovation and capability development.

Focus on Civil Aviation:

India's civil aviation sector continues to expand, supported by rising income levels, increasing urbanisation and improved regional connectivity. India remains one of the fastest-growing aviation markets globally, with long-term demand expected to support a fleet size of over 2,200 aircraft by 2042. Passenger traffic growth remains a key driver, supported by steady growth in both domestic and international travel.

The sector is supported by ongoing infrastructure development, with the government focusing on expanding airport capacity and improving connectivity across regions. Increasing private sector participation and continued investment in aviation infrastructure are expected to support long-term growth.

The Maintenance, Repair and Overhaul (MRO) segment continues to offer growth opportunities, supported by policy measures such as reduced tax rates on aircraft parts and regulatory support aimed at promoting domestic capabilities.

Air cargo volumes are also expected to grow, supported by increasing trade and e-commerce activity. However, challenges such as fuel price volatility, infrastructure constraints and regulatory requirements continue to impact the sector. Increasing competition and the need for capacity expansion will require continued investment and operational efficiency.

Overall, the sector remains well positioned to benefit from favourable demand trends and policy support.

Support from Government and Industry:

Government and industry initiatives continue to support the growth of India's manufacturing and aerospace ecosystem. The Union Budget 2026-27 has maintained a strong focus on infrastructure and industrial development, with public capital expenditure increased to Rs. 12.2 lakh crore for FY2027, compared to Rs. 11.2 lakh crore in the previous year. In addition, a Rs. 10,000 crore SME Growth Fund has been proposed to create globally competitive enterprises, while dedicated schemes have been introduced to strengthen capital goods manufacturing, including support for high-precision components and advanced equipment.

On the industry side, global aerospace manufacturers continue to deepen their engagement with India. Airbus currently sources over \$1.4 billion worth of components annually from more than 100 Indian suppliers, with plans to scale this further. The growing role of Indian suppliers is also supported by strong global demand, with aircraft order backlogs exceeding 15,000 units, indicating long-term production visibility for OEMs and their supply chains.

Collaborations between global OEMs and Indian stakeholders are also expanding. Recent engagements between the Government of India and Airbus have focused on increasing investments, manufacturing partnerships, and capability development. At the same time, large aircraft orders by Indian airlines, including a 500-aircraft order by IndiGo and additional orders by Air India, are expected to drive long-term demand for components, maintenance, and training infrastructure within the country.

These combined efforts from the government and industry are supporting capacity expansion, supply chain integration, and India's role in the global aerospace manufacturing ecosystem.

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Growing demand for agricultural machinery and equipment:

The demand for agricultural machinery and equipment in India continues to increase, supported by the need to improve farm productivity and manage rising operational challenges. The use of machinery can improve farm productivity by up to 30% while reducing input costs by nearly 20%, encouraging wider adoption across different crop segments.

India remains one of the largest markets for agricultural equipment, with tractors forming a significant part of the mechanisation base. At the same time, there is increasing demand for crop-specific machinery and implements, particularly in activities such as sowing, weeding, and harvesting, where mechanisation levels remain relatively lower. This creates opportunities for growth in specialised equipment beyond traditional tractor-led demand.

Rising agricultural output is also contributing to equipment demand. As production volumes increase, there is a greater

need for timely farm operations and post-harvest handling, which supports the adoption of modern machinery.

In addition, India's agricultural sector continues to benefit from favourable conditions such as a large cultivable area, diverse crop base, and increasing export demand. These factors support the need for higher efficiency and scalability in farm operations, which in turn drives the demand for agricultural machinery and equipment.

Investment in R&D:

India's investment in research and development continues to increase, supported by policy focus and targeted funding mechanisms. Gross Expenditure on Research and Development (GERD) has more than doubled over the past decade, rising from Rs. 60,196 crores in 2010-11 to Rs. 1.27 lakh crore in 2020-21. However, R&D spending as a percentage of GDP remains in the range of 0.6%-0.7%, indicating scope for further expansion.

To strengthen private sector participation, the Government has introduced a Rs. 1 lakh crore Research, Development and Innovation (RDI) Scheme aimed at supporting industry-led innovation. This initiative is expected to improve the current funding mix, where private sector contribution remains around 36% of total R&D expenditure.

Institutional support for research is also being expanded. The Anusandhan National Research Foundation (ANRF), with a proposed funding pool of Rs. 50,000 crores during 2023-28, aims to strengthen collaboration between academia and industry and support high-impact research programmes aligned with national priorities.

The Union Budget 2026-27 has also introduced sector-specific programmes such as the Rs. 10,000 crore Biopharma Shakti initiative to strengthen domestic research and manufacturing capabilities.

These measures continue to support the development of a stronger research ecosystem, with increasing focus on technology development, industry participation, and long-term innovation capabilities.

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Diverse Product Portfolio and End Market Segments:

Dynamatic Technologies continues to operate with a diversified product portfolio across its three core segments Aerospace & Defence, Hydraulics, and Metallurgy, serving multiple end-use industries and geographies. This multi-segment presence helps reduce dependence on any single sector and provides a balanced revenue mix. The Company remains focused on improving its manufacturing capabilities and aligning its portfolio towards high-value and precision-led applications, particularly in aerospace and defence.

The Aerospace segment continues to benefit from a healthy global demand environment, supported by strong order backlogs from major OEMs. The Company is expanding its participation in complex aerostructures and precision

components, which is expected to support revenue visibility over the medium term. In Hydraulics, demand is linked to sectors such as agriculture, construction, and industrial equipment, where mechanisation and infrastructure development continue to support growth.

The Metallurgy segment is undergoing a gradual shift in focus towards specialised and higher-margin applications, with increasing alignment to aerospace and defence requirements. This transition is expected to improve the overall product mix, although it may impact volumes in legacy segments in the near term.

At the same time, the Company continues to face certain operational challenges. Variability in raw material prices, supply chain constraints, and evolving customer requirements may impact cost structures and delivery timelines. In addition, execution of large and complex aerospace programs requires strict adherence to quality and timelines. The Company remains focused on improving operational efficiency and maintaining flexibility to manage these factors across its business segments.

Regulatory changes:

Increasing regulatory focus on environmental and safety standards continues to raise compliance requirements across manufacturing sectors. Dynamatic Technologies is aligning its operations through process improvements and technology-led manufacturing to meet evolving norms. At the same time, government initiatives in infrastructure, manufacturing, and agriculture are supporting demand across its key segments. While compliance may increase costs in the near term, it also supports efficiency improvements and long-term competitiveness.

RISKS & CONCERNS:

Global Economic Uncertainty:

Global economic conditions in 2026 remain uncertain, influenced by geopolitical developments and evolving trade dynamics. The outbreak of conflict in the Middle East has disrupted energy markets and supply chains, leading to higher commodity prices and renewed inflationary pressures. Growth is expected to moderate compared to recent trends, while inflationary pressures are likely to remain elevated. Uncertainty continues to be high, with risks from further escalation in geopolitical tensions, trade disruptions, and tighter financial conditions, which may impact demand, input costs, and capital flows across markets. Dynamatic Technologies remains exposed to these external factors, which could affect business performance and investment decisions.

Intense Competitive Landscape:

The Company operates in a highly competitive environment across its key segments, where customers continue to focus on cost efficiency, product quality, and delivery performance. Competition remains strong from global and regional suppliers, with OEMs typically maintaining multiple sourcing partners to ensure flexibility and risk diversification, increasing the need for continuous improvement in technology, manufacturing processes, and supply chain efficiency. Customer expectations are also evolving, with greater emphasis on precision, reliability, and adherence to timelines, particularly in aerospace and industrial applications, and any gaps in meeting

these requirements may impact business opportunities and long-term relationships. Dynamatic Technologies continues to focus on strengthening customer engagement, improving operational efficiency, and aligning its offerings with changing requirements to maintain its position across key markets.

Technological Evolution:

Rapid technological advancements continue to shape the aerospace and defence industry, with increasing use of digital systems and automation. While these developments improve efficiency, they also increase exposure to cybersecurity risks, making data protection critical. Companies need to continuously upgrade their technological capabilities to meet evolving standards and customer expectations. Any delay in adopting new technologies or strengthening cybersecurity measures may impact competitiveness and operations. Dynamatic Technologies remains focused on enhancing its capabilities and safeguarding its systems.

Foreign Currency Fluctuations:

Dynamatic Technologies operates across multiple geographies and is exposed to foreign exchange fluctuations, which may impact its financial performance. Movements in key currencies can affect revenues, costs, and profitability, particularly in export-driven businesses. The Company follows a structured approach to manage this risk through hedging strategies and natural offsets within its global operations. Continuous monitoring of currency movements and efforts to align revenues and costs in the same currency help reduce the impact of volatility and support stability in financial outcomes.

Besides these systemic risks weighing on the Group, management is lending particular attention to the following company specific risks:

Metallurgy:

The Metallurgy business operates in a challenging market environment because of slumping European automotive demand, energy cost pressures, geopolitical uncertainty and competitive intensity. Management is seeking a product portfolio expansion to reduce dependency on the automotive industry and foray into relevant defence applications; it has undertaken a scaling down of operations to meet reduced demand, and to promote optimal capital allocation and operational efficiency for the Metallurgy business. There is no assurance that the sought after market opportunities will materialise and that efforts to rebalance the business will prove successful.

Working capital and execution risk:

The Company continues to invest in manufacturing infrastructure, systems and capabilities, in support of its growing backlog and increasing demand. Advanced Engineering businesses, particularly in Aerospace and defence, involve long-cycle manufacturing programs requiring significant coordination across inventory planning, customer schedules, qualification processes and supplier ecosystems. Hence management continues to focus on operational integration, process efficiency, with particular emphasis on working capital discipline and cash conversion. There is no certainty that efforts to minimise working capital, maximise cash conversion and return on capital employed will suffice to stay within the Board and the management's tight balance sheet leverage objectives.

RISK MANAGEMENT:

Effective risk management is fundamental to the business activities of the group. The evolving business mix of the Group, including the increasing contribution of Aerospace and Defence activities, requires continued focus on program execution, customer requirements, operational scalability, supply-chain resilience and capital efficiency. While we remain committed to increasing shareholder value by developing and growing our business within our board-determined risk tolerance, we are mindful of achieving this objective in line with the interests of all stakeholders.

The Company emphasizes achieving the corporate strategic objectives by following best practices in Risk Management. It has formulated a risk management policy; the Board, through the Risk Management Committee and management periodically review enterprise risks and opportunities, and minimization procedures, to ensure that executive management controls risk by means of a properly designed framework.

The policy is based on the following principles:

- The Board of Directors, Risk Management Committee and Management are responsible for monitoring internal risk management
- Effective risk management and internal monitoring will reduce the likelihood of errors, wrong decisions and surprises due to unforeseen circumstances.
- In order to thrive, an enterprise must take risks. The Management Board is responsible for determining the limits of what is acceptable (referred to as 'risk appetite').
- Line managers are responsible for the implementation of risk management for the processes for which they are responsible.

This mechanism is implemented as an integral part of our business processes across the Dynamatic Group Companies and includes recording, monitoring, and controlling internal enterprise business risks and appropriate actions are immediately taken to mitigate such risks.

QUALITY MANAGEMENT SYSTEM (QMS)

Dynamatic Technologies is always focused on achieving international quality standards for its products and services. In pursuit of this goal, Dynamatic Technologies has established a comprehensive QMS which encompasses all aspects of the business with a focus on establishing a quality assurance ecosystem that is designed to consistently deliver quality products and superior service.

To achieve product quality assurance, the Company focuses on excellence in-house production processes while ensuring that sub-tiers consistently produce components as per specifications.

Aerospace:

Dynamatic Technologies successfully has completed the surveillance and re-certification audits to ISO: 14001:2015 standard for its Environmental Management System, Information Security Management System (ISO/IEC 27001:2022) and Occupational Health and Safety Management System (OHSAS) certification to ISO45001:2018. Your Company's QMS which is compliant to ISO: 9001 and AS9100

standards since 2006, has evolved and matured and is highly system driven and was audited by DQS and Novostar, India with ZERO major non-conformances.

Dynamatic Technologies is NADCAP accredited (accreditation for special processes in the aerospace and defence industry) for special processes like heat treatment, spot welding, non-destructive testing, measurement & inspection, and chemical conversion.

Hydraulics:

Dynamatic Hydraulics® has successfully completed the re-certification audits by UL DQS India, to ISO: 9001 specifications for Quality Management System and also to ISO:14001 specifications for its Environmental Management System. The Company has also successfully completed ISO 45001 AUDIT for occupational health and safety management systems OHSAS.

Metallurgy:

Dynamatic Technologies has successfully confirmed again the level of AS9100 standards at the Eisenwerk Erla GmbH plant. The company successfully completed the recertification process in November 2025.

The Dynamatic Quality Management System (DQMS) addresses the quality requirements set out by the global OEM's. DQMS utilizes some of the best tools such as 5S, 8D, FMEA, APQP, Ishikawa, Business Process Reengineering, Overall Equipment Effectiveness, Root Cause Analysis, Six Sigma, Statistical Process Control, Total Productive Maintenance, Visual Control, Learning-by-Doing and Employee Participation Program (EPP).

Lean Management concepts together with quality tools are being used on the shop floor by management to increase the overall equipment effectiveness (OEE) of the operations. This is achieved by reducing rejections, set-ups, cycle time and through effective material management. The EPP has resulted in the participation of employees in innovative activities and their contributions have resulted in continual improvements to work and work processes.

INFORMATION SECURITY MANAGEMENT SYSTEM (ISMS):

Dynamatic Technologies Limited has a robust ISO/IEC 27001-certified Information Security Management System (ISMS), initially certified in 2018 and recertified in 2022 for Dynamatic-Oldland Aerospace and Dynamatic Manufacturing Limited. The ISMS secures critical business information, meets global cybersecurity standards, and aligns with customer requirements from Airbus, Boeing, Bell, and HAL.

In FY2025, the company completed all internal and customer ISMS audits, conducted a Cyber Security Gap Assessment, and implemented yearly VAPT to identify and resolve vulnerabilities. The upgraded data center with virtual servers has enhanced performance and reliability. Immutable backups and advanced email security protect against ransomware and sophisticated attacks. AI/ML-based Next-Gen Antivirus and Firewalls with IPS/IDS ensure comprehensive endpoint and network protection. Mobile Device Management (MDM) solution was also implemented to enhance mobile security, protect corporate data, and enable secure access to company applications on mobile devices.

The SAP infrastructure is now cloud-based for secure remote access. Encryption, secure file transfers, and continuous employee training reinforce data protection. Separate virtual servers are maintained for each customer, and IP rights are strictly protected. Dynamatic Technologies continuously strengthens its cybersecurity posture to meet evolving threats and customer expectations.

DIGITAL TRANSFORMATION: Dynamatic Technologies extended its SAP implementation to Human Resources & Payroll, enabling digital transformation and standardizing HR processes across India. SuccessFactors was integrated with Microsoft 365 Active Directory for single sign-on (SSO). Power BI dashboards for Revenue, Procurement, Inventory, and HR Costing were developed and seamlessly integrated with SAP for enhanced MIS reporting.

Salesforce CRM was implemented, improving customer relationships, data management, sales productivity, and collaboration. AI tools were also introduced to automate repetitive tasks and accelerate data processing, freeing up resources for higher-value work. Ongoing automation and continuous improvement projects aim to boost operational and cost efficiencies across the group.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal controls and systems serve multiple needs in any organisation. Well- designed internal control systems lay down the framework for day-to-day operations and provide guidelines for employees and most importantly, provide a certain level of security against the risks. The primary responsibility for the development and maintenance of internal control rests with an organization's management. Internal control evaluation involves everything management does to control the organization in the effort to achieve its objectives. Your Company's control system and procedures are regularly reviewed for relevance and effectiveness.

SUPPLY CHAIN MANAGEMENT (SCM) AND PRODUCTIVITY:

Dynamatic Technologies supply chain has a vision to provide flexible, sustainable and an efficient services and products lines delivered at right quality, right quantity, right place and on time to the Customers. Supply Chain evolves in each of the processes through continuous improvement and innovations thereby providing competitive advantage in the entire cycle of Operations.

At Dynamatic Technologies there is a continuous emphasis on digitisation of key processes thereby reducing dependencies and efforts in performing repetitive activities. Flexibility, reliability, compliance, and cost efficiency are the key drivers for our Supply Chain Management practices. In the process of achieving a matured Supply Chain the skillsets at each individual levels are being enhanced by providing opportunities to an individual to lead and meet or exceed business objectives. During the year, focus was laid on stabilisation of operations within the S/4 HANA ERP Systems developed.

- Supply Chain has supported multiple work transfers from Customer into your Company.
- Identified and enabled suppliers enhancing their scope of activities in the pursuit of achieving end to end supply chain for new projects, helping to reduce internal logistics and enhancing efficiency.

- Indigenisation of some outsourced activities for new projects done to reduce lead time and cost.
- Alternate sourcing strategy adopted to mitigate risks of higher cost, uncertainty and delays in the delivery for some of the critical time bound projects.
- Enhancements deployed in ERP system in pursuit of digitisation of the processes.
- New opportunities being explored by adopting AI based software to increase efficiency.
- Standardisation of some processes being implemented across divisions, benchmarking best practices internally to improve efficiency and productivity.
- Inventory optimisation by effective scheduling of delivery and collaboration with suppliers.
- Supply Chain are designing processes to have a proactive approach for challenges foreseen.
- Speed to market management tools like Just in Time (JIT) manufacturing and distribution, vendor managed inventory (VMI) of detail parts and efficient customer response.
- Improving quality and productivity within operational areas such as warehousing, logistics, inventory management and packaging
- Value Addition & Value Engineering (VAVE) involvement with suppliers to drive the cost down
- Supplier rating linked scheduling
- Supplier audits and onsite training
- Global tax minimization including transfer pricing & custom duties
- Integrated customer services cell

The Company's initiatives to leverage information technology in supply chain activities have resulted in improved efficiency through real-time information exchanges and processing. Dynamatic-Oldland Aerospace® has a 3-tier approach – Strategic, Tactical and Operational to ensure that the Supply Chain Management is operating efficiently and generating highest level of customer satisfaction at optimum cost. These measures have helped your Company improve cost and efficiency in a year, which was otherwise faced with global macroeconomic challenges.

ENVIRONMENT:

Dynamatic Technologies Limited is committed to sustainable industrial practices through a robust Environmental Management System (EMS), reflecting our responsibility towards the environment and the communities we serve. Key initiatives include:

- 100% Compliance & Periodic Review: We ensure full compliance with all applicable environmental laws and regulations through regular monitoring and systematic reviews of legal requirements, keeping our operations aligned with evolving statutory obligations.
- Rainwater Harvesting: Our rainwater harvesting system is designed to collect rainwater from surrounding areas, helping recharge local groundwater resources and reduce dependence on external water supplies.

- Adoption of environmentally friendly processes to minimize pollution and reduce ecological impact.
- Solar Energy utilization through rooftop solar panel installations, contributing to renewable energy use and carbon footprint reduction.
- Continuous efforts in reducing water consumption through process optimization and conservation techniques.
- Zero Non-Conformances: Achievement of Zero Non-Conformance in all external audits related to EMS (ISO14001), reflecting our commitment to excellence and continuous improvement.
- Tree Plantation Across the Campus: Extensive tree plantation drives across our campuses have enhanced local biodiversity, improved air quality, and contributed to carbon sequestration efforts.
- Paper Recycling Initiatives: Implementation of paper recycling practices has helped reduce waste sent to landfills, conserve natural resources, and lower the company's overall environmental footprint. Dynamatic Technologies jointly worked with "Karnataka Gramodyoga" to recycle the paper waste stored at premises for long time and benefited to the organization in terms of Paper envelopes, paper carry bags.
- Retrofit Installation to DG Sets: Retrofitting diesel generators with emission control devices has significantly reduced air pollution, supporting cleaner operations and improved environmental performance.
- Elimination of Single-use Plastics: Single-use plastic bottles are one of the largest contributors to global plastic pollution. By eliminating them, Dynamatic Technologies significantly reduced its waste generation. A strict policy to eliminate single-use plastics has been implemented across all facilities, reducing plastic waste and promoting eco-friendly alternatives.
- Reducing dependence on Fossil fuel: By promoting EV usage, Dynamatic Technologies is helping to decrease reliance on fossil fuels like petroleum. The shift to electric transportation contributes to energy diversification and helps reduce the global demand for oil, which is a major contributor to environmental degradation, including air and water pollution.
- Conventional water taps and foam-type faucets in the plant have been replaced with aerator-equipped taps. These aerators mix air with water, reducing overall water flow without compromising pressure, thereby significantly lowering water consumption and enhancing water-use efficiency across the facility.
- Conventional manual flush taps in all urinals have been replaced with automatic sensor-operated flush systems. These sensor-based flushes optimize water usage by ensuring flushing occurs only when necessary, reducing water wastage and promoting efficient water management throughout the facility.
- Upgradation of existing air conditioning units from R22 refrigerant to eco-friendly refrigerants R32 and R410A, ensuring compliance with environmental norms and improved energy efficiency.

SAFETY AND HEALTH:

Dynamatic Technologies continues to uphold employee safety, health, and environmental stewardship as its highest priorities, ensuring full compliance with all applicable statutory and regulatory requirements. The Company's comprehensive Corporate Safety Manual remains a cornerstone of employee induction, clearly defining the roles and responsibilities of both management and employees in maintaining a safe workplace.

During the year, the organization further strengthened its safety culture through structured training programs, regular awareness sessions, and continuous engagement led by qualified safety officers and HR teams. Periodic internal reviews and external audits of industrial safety, health, and welfare reaffirmed the robustness and effectiveness of the Company's systems and practices.

With a sustained focus on achieving a zero-incident workplace, Dynamatic Technologies has enhanced its safety protocols through risk-based assessments, preventive training initiatives, and advanced on-site fool-proofing mechanisms. The integration of improved engineering controls and digital monitoring systems has further minimized operational risks and strengthened hazard identification and mitigation processes.

The Company continues to prioritize employee well-being through regular health check-ups, wellness initiatives, and targeted awareness programs conducted across all locations. These efforts aim to foster a healthy, safe, and engaged workforce.

The observance of National Safety week during the year saw enthusiastic participation across locations, with a range of activities aimed at enhancing safety awareness both within the workplace and in the community. The Safety Committee remains actively engaged in driving continuous improvements, conducting regular reviews, and implementing proactive measures to sustain a safe and resilient working environment.

The centralization of the Environment, Health & Safety (EHS) system across Dynamatic Technologies in India integrates all key units - Dynamatic Oldland Aerospace, Dynamatic Manufacturing Limited, and Dynamatic Hydraulics - under a unified framework to ensure consistent safety, health, and environmental practices across the organization; this approach establishes common policies, standardized procedures, centralized digital monitoring, uniform training systems, and integrated audit and compliance mechanisms, enabling better risk management, regulatory adherence, resource optimization, and continuous improvement while fostering a strong safety culture and enhancing operational efficiency, all driven by the vision of ONE DTL – ONE EHS System, which reflects a collective commitment to safeguarding employees, protecting the environment, and achieving excellence in EHS performance across all plants.

INDUSTRIAL RELATIONS:

Dynamatic Technologies continues to maintain harmonious and stable industrial relations across all its operations, supported by a strong focus on employee well-being, engagement, and development. The Company has strengthened workplace practices through enhanced safety measures, regular training programs, and comprehensive health initiatives, including annual health check-ups, medical insurance coverage, and tie-ups with nearby hospitals for emergency support.

During the year, the organization further advanced its digital HR systems through SAP, enabling efficient and secure management of employee data and real-time tracking of attendance and leave. Employee engagement remained a key priority, with various initiatives fostering a positive and inclusive work environment.

Recognition programs, including long service awards, continued to acknowledge employee contributions and commitment. Additionally, leadership engagement initiatives such as outbound programs helped align teams with the Company's strategic goals.

Industrial relations remained cordial and satisfactory during the year. The Company extends its heartfelt appreciation to all employees for their commitment and contributions.

WORK CULTURE:

At Dynamatic Technologies, the Human Resources function continues to serve as a key enabler of organizational growth by aligning people strategies with business objectives. The Company takes pride in its committed and experienced workforce, which actively contributes to the organization's success and remains closely connected to its vision and values.

A strong emphasis is placed on fostering a positive and collaborative work environment through open communication and continuous engagement between employees and management. The Company has strengthened its HR development initiatives to support career progression, enhance employee capabilities, and build a deeper sense of purpose across the workforce.

Structured learning and development programs, skill enhancement initiatives, and equal opportunity practices remain integral to the Company's people strategy. Efforts are consistently made to nurture a workplace culture that encourages mutual respect, inclusivity, and strong labour-management relations.

HR policies and practices are periodically reviewed and refined to ensure they remain relevant, employee-friendly, and aligned with evolving organizational needs. The Company remains focused on attracting, developing, and retaining talent while enhancing overall productivity and driving sustainable growth.

The HR team continues to promote a culture of meritocracy by recognizing performance and encouraging excellence across all levels. Through initiatives that emphasize transparency, trust, and shared values, the organization strives to build a strong sense of belonging and engagement among employees.

Integrated Visitor Management System (VMS) & Employee Transport Request (ETR)

During FY 2025–26, an integrated Visitor Management System (VMS) and Employee Transport Request (ETR) platform was successfully implemented to enhance operational efficiency, security, and user experience. The digital solution streamlines visitor handling through automated check-in/check-out, real-time tracking, and improved front-desk management, replacing manual processes.

The transport module enables employees to seamlessly raise and manage transportation requests, ensuring better coordination and efficient utilization of resources. The integrated platform provides centralized data visibility, strengthens security through audit trails and identity verification, and supports informed decision-making through analytics and reporting.

The system was rolled out across key locations-Aerotropolis (28th July 2025), and Hydraulics Division (1st August 2025)-marking a significant step in the digital transformation journey.

Highlights for the Year:

International Yoga Day

On the occasion of International Yoga Day, DOA organized a wellness session at JKM Plaza, conducted by external trainer. The session saw enthusiastic participation from around 150 employees. The trainer emphasized the importance of yoga in enhancing physical health, mental clarity, and overall well-being, encouraging employees to incorporate it into their daily routines.

Christmas Celebration

The Christmas celebration was organized to mark the festive season, strengthen team spirit, and appreciate employees for their contributions throughout the year. The workplace was adorned with a Christmas tree, decorative lights, and festive ornaments, creating a joyful and engaging atmosphere for all employees.

Deepavali Celebration

On the auspicious occasion of Deepavali, Lakshmi and Saraswathi Pooja was organized at the DOA by the Finance Department. The ceremony was conducted with devotion, seeking blessings for prosperity, financial stability, knowledge, and wisdom. Employees across departments participated with enthusiasm, fostering a sense of unity and cultural harmony. The celebration concluded with the distribution of sweets, spreading festive cheer and reinforcing the spirit of togetherness.

Ayudha Pooja Celebration

Ayudha Pooja was observed with great devotion and unity across Indian operation, paying tribute to the tools, technology, and resources that contribute to everyday operations and collective achievements. The ceremony was conducted in a spiritually uplifting atmosphere, bringing employees together in a spirit of gratitude and respect for tradition. The celebration was followed by a gathering at the canteen, where sweets were shared among all, fostering team spirit and unity. The occasion beautifully reflected cultural values while strengthening bonds across the company, making it a memorable and meaningful event for everyone involved.

Crane Operators Certification Program

The Crane Operators Certification Program was conducted to strengthen safety standards and enhance the operational competency of crane operators across the organization. The program focused on equipping operators with the necessary technical knowledge, practical skills, and safety awareness required for efficient and risk-free lifting operations.

The training covered key aspects such as safe handling of equipment, load management, hazard identification, emergency response, and compliance with statutory regulations and industry best practices. Both theoretical sessions and practical assessments were included to ensure a comprehensive understanding of crane operations.

Women's Day Celebration

International Women's Day was celebrated to recognize and appreciate the contributions of women employees. The event included engaging activities and interactive sessions that highlighted the importance of gender diversity, inclusion, and empowerment in the workplace. Employees participated enthusiastically, making the occasion meaningful and inspiring.

SAFE HARBOUR STATEMENT

Statements in this Management Discussion and Analysis contains "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Dynamatic Technologies' future business developments and economic performance. While these forward-looking statements indicate the Company's assessment and future expectations concerning the development of business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from expectations. These factors include, but are not

limited to, general market, macro-economic, governmental, and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with the Company, legislative developments, and other key factors that could affect the business and financial performance. Dynamatic Technologies undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with the Company, legislative developments, and other key factors that could affect the business and financial performance. Dynamatic Technologies undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.



The following section discusses various dimensions of our risk management. The risk-related information outlined in this section is not exhaustive and is for information purposes only. The discussion may contain statements, which may be forward looking in nature. Our business model is subject to uncertainties that could cause actual results to differ materially from those reflected in the forward looking statements. Readers are advised to refer to the detailed discussion of risk factors and related disclosures in our regulatory filings and exercise their own judgment in assessing risks associated with the Company.

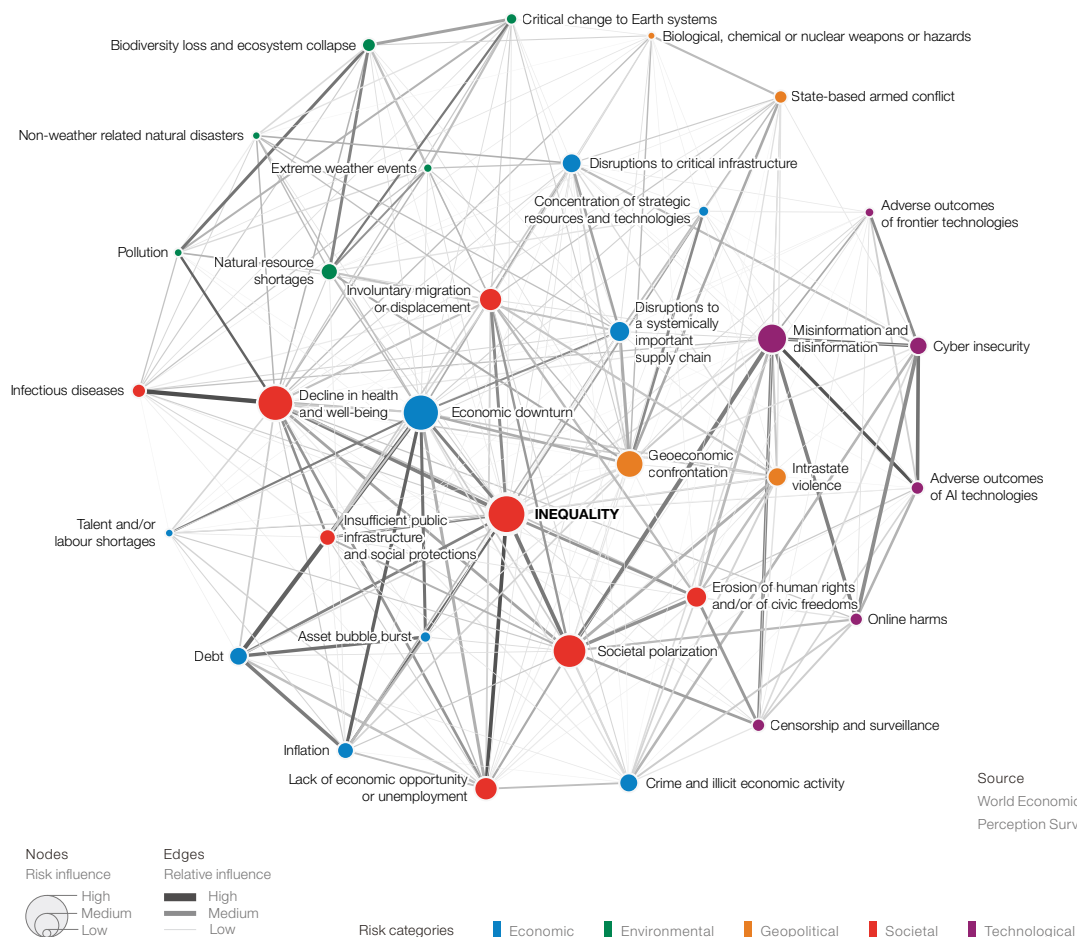
Overview

Risk management is a continuous process that is accomplished throughout the life cycle of a Company. It is an organized methodology for continuously identifying and measuring the unknowns; developing mitigation options; selecting, planning, and implementing appropriate risk mitigations; and tracking the implementation to ensure successful risk reduction. Effective risk management depends on risk management planning; early identification and analyses of risks; early implementation of corrective actions; continuous monitoring and reassessment; and communication, documentation, and coordination.

The Company has a well-defined Risk Management Policy which has been developed after taking cognizance of the relevant statutory guidelines, Company's internal guidelines, empirical evidences and stakeholder feedback. Dynamatic Technologies believes that Risk Management is the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects within the Company's environment. Our business plans articulate the key business objectives of the Company through a set of specific goals that have to be achieved in the short-term and strategic goals aimed at achieving our aspirations in the medium term. Several risks can impact the achievement of a business objective. Similarly, a single risk can impact the achievement of several business objectives. Our risk management practices seek to sustain and enhance the long-term competitive advantage of the Company. Our core values and ethics provide the platform for our risk management practices.

The risk scenarios for businesses are changing. As per the World Economic Forum's Global Risks Report 2026, the following are the major risks identified:

Global risks landscape: an interconnections map



Allianz Risk Barometer 2026: Top concerns around the world

[View all country, regional and industry risk data here](#)

The graphics show the top three risks in **selected countries** and whether each risk is considered to be more or less important than 12 months ago.



(Source: Allianz Risk report)

The ranking of top 10 major risks considering the short term (2 years) and long term (10 Years) prospective is as under.

Short term (2 years)

1. Geoeconomic confrontation
2. Misinformation and disinformation
3. Societal polarization
4. Extreme weather events
5. State-based armed conflict
6. Cyber insecurity
7. Inequality
8. Erosion of human rights and/or of civic freedoms
9. Pollution
10. Involuntary migration or displacement

Long term (10 years)

1. Extreme weather events
2. Biodiversity loss and ecosystem collapse
3. Critical change to Earth systems
4. Misinformation and disinformation
5. Adverse outcomes of AI technologies
6. Natural resource shortages
7. Inequality
8. Cyber insecurity
9. Societal polarization
10. Pollution

Source

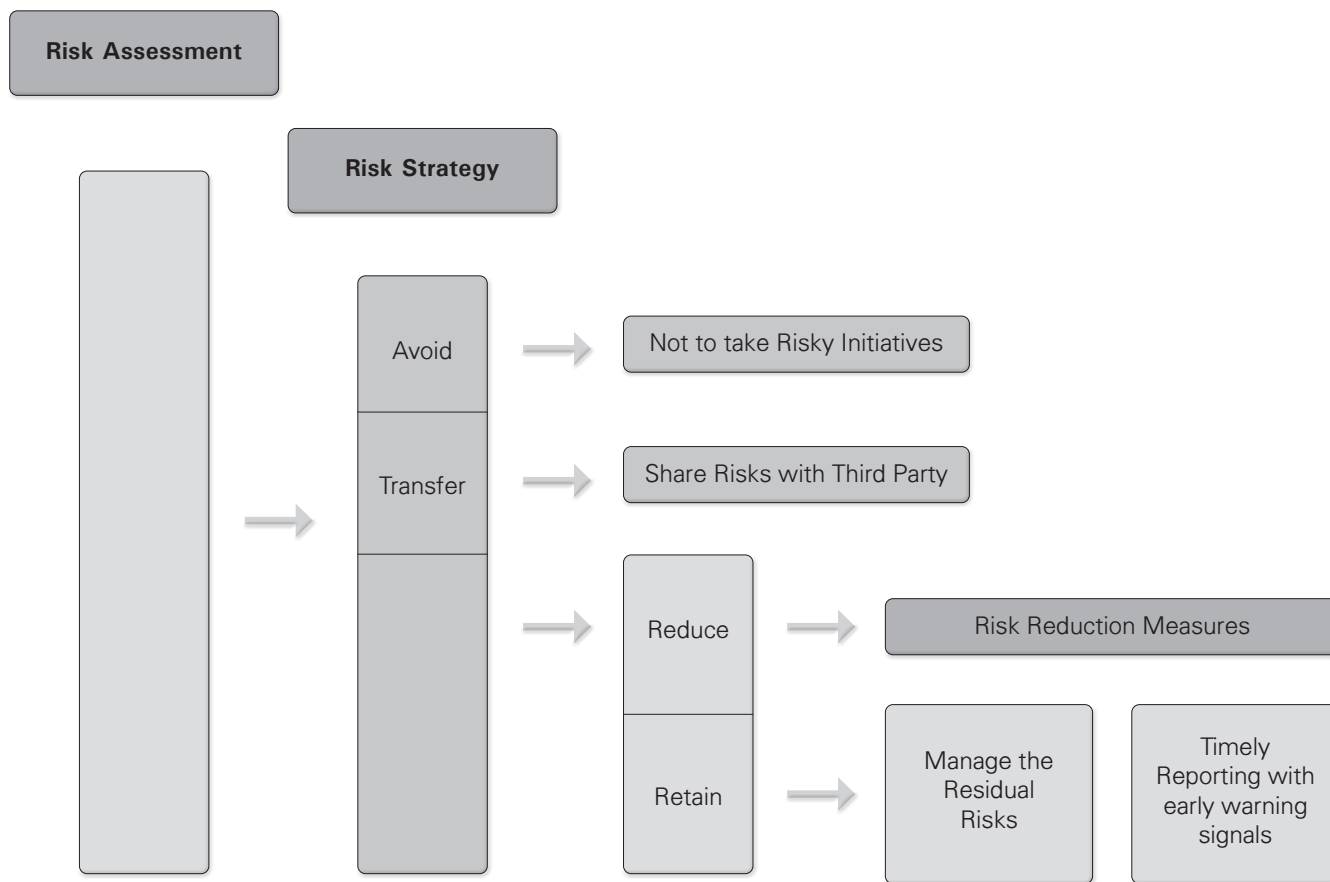
World Economic Forum Global Risks Perception Survey
2025-2026

Risk categories

■ Economic
 ■ Environmental
 ■ Geopolitical
 ■ Societal
 ■ Technological

Dynatomic Technologies Limited Risk Management Framework

The Following framework shall be used for the implementation of the Risk Strategy



Key Business Objectives

We have a business planning process, and we quarterly review the business objectives of the Company. The corporate performance is measured, monitored and managed on an ongoing basis. The focus of risk management is to assess risks to the achievement of these business objectives and to deploy mitigation measures. This is done through periodic review meetings of the Risk Management Committee.

Risk categories

The risk landscape in the current business environment is changing dynamically with the dimensions of Cybersecurity, Information Security & Business Continuity, Adverse outcomes of AI technologies, Geopolitical & Defence Spending, Changes in legislation, Supply Chain Disruptions and Data Privacy figuring prominently in the risk charts of most organizations. To effectively mitigate these risks, we have deployed a risk management framework which helps proactively identify, prioritize and mitigate risks. The framework is based on principles laid out in the four globally recognized standards.



The following broad categories of risks to the business objectives have been considered in our risk management framework:

Strategic: An organization implements strategies in order to reach their goals. Each strategy has related risks that must be managed in order to meet these goals. Risks to the successful execution of the Company's articulated strategies. These originate from the choices we make on markets, business mix, resources and delivery models that can potentially impact our competitive advantage in the medium and long-term.

Operational: Risks inherent to business operations including those relating to quality, delivery, cost competition.

Compliance: Risks emanating out of the policies and procedures. This also includes regulatory compliances covering various federal, state, local and foreign laws relating to various aspects of the business operations are complex and non-compliances can result in substantial fines, sanctions etc.

Governance: The current corporate governance models usually cater to the financial sector. Thus, current corporate governance principles haven't proved to be reliable during serious financial crises. We feel that there is a need to place a heavier focus on identifying, monitoring and managing catastrophic risks, irrespective of the chance of such risks actually occurring. This also includes the reputational risk.

Reporting: We encourage employees to report risk concerns to managers, who would communicate and coordinate information to be addressed by the appropriate parties.

Key Risk Management Practices

The key risk management practices include those relating to identifying key risks to our business objectives, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring, and integration with strategy and business planning.

Risk identification and impact assessment: Risk register and internal audit findings also provide inputs for risk identification and assessment. Risk survey of executives across units, functions and subsidiaries is conducted on an annual basis to seek inputs on key risks. Operational risks are assessed primarily on three dimensions, namely, strength of underlying controls, compliance to policies and procedures and business process effectiveness.

Risk Evaluation: Risk evaluation is carried out to decide the significance of risks to the Company.

Risk Reporting and Disclosure: Risks to the achievement of key business objectives through the maintenance of Risk register are reported and discussed with the Risk Management Committee.

Risk mitigation and monitoring: Risk mitigation is done based on risk score which is based on risk impact and risk probability. Risks are transferred, treated or tolerated based on Risk scores.

Integration with strategy and business planning: Identified risks to the business objectives in the near term, medium-term and long-term are used as one of the key inputs for the development of strategy and annual business plan. Key strategic initiatives are identified to mitigate specific risks.

Risk Management Highlights for the Year

This year has brought a completely different perspective to the risk management and we as an organization have endeavoured to remain abreast with these highly volatile risk scenarios.

Our robust and dynamic risk management processes have continued to improve during this fiscal year with the key focus being on consolidation and harmonization within the group thereby increasing the synergies at the group level.

Management remained closely involved in important risk management initiatives, which have focused particularly on preserving appropriate levels of liquidity and capital, and effectively managing the risk portfolios.

With the advent of the current scenarios, we are working towards strengthening our risk transfer and looking at a more robust framework in view of the emerging risks in the industry.

BUSINESS RESPONSIBILITY ::
& SUSTAINABILITY REPORT ::

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Company	L72200KA1973PLC002308
2	Name of the Company	Dynamatic Technologies Limited
3	Year of Incorporation	1973
4	Registered office address	JKM Plaza, Dynamatic Aerotropolis, 55, KIADB Aerospace Park, Bangalore 562149
5	Corporate office address	JKM Plaza, Dynamatic Aerotropolis, 55, KIADB Aerospace Park, Bangalore 562149
6	E-mail ID	investor.relations@dynamatics.net
7	Telephone	+91 80 2111 1223/ +91 80 2204 0535
8	Website	www.dynamatics.com
9	Financial year for which reporting is being done	1 st April 2025 to 31 st March 2026
10	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange Limited National Stock Exchange of India Limited
11	Paid-up capital	INR 6,79,14,430
12	Name and contact details of the person who may be contacted incase of any queries on the BRSR report	1. DIN Number (if applicable): NA 2. Name: Mr. Shivaram V 3. Designation: Chief Legal Officer & Company Secretary 4. Telephone number: + 91 80 2111 1223/ +91 80 2204 0535 5. E-mail ID: investor.relations@dynamatics.net
13	Reporting Boundary	The disclosures under this report are made on standalone basis.
14	Name of assurance provider	NA
15	Type of assurance obtained	NA

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing and Engineering Services	Aerospace & Defence and Hydraulics	100%

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

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Boeing P8 Power & Mission Cabinets, Airbus Flap Track Beams for A320, A321 & A330 family of aircrafts and Aircraft doors for A220, Dassault Falcon 6X Rear Fuel Tank, Deutsche D328eco rear fuselage.	3030	50.39%
2	Hydraulic Gear Pumps, Motors Rock Shaft Assembly, Hitch Control Valves, Lube Oil & Water Pumps	2813	49.57%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	5	6	11
International	3	5	8

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	PAN India
International (No. of countries)	DTL exports to countries across Asia, Europe, and US

b. What is the contribution of exports as a percentage of the total turnover of the entity : 50.10%

c. A brief on types of customers

As part of its diverse operations, Dynamatic Technologies Limited (DTL) caters to a wide spectrum of domestic and international customers across its Aerospace and Hydraulics segments.

Aerospace:

Dynamatic-Oldland Aerospace® (DOA) is a pioneer and leader in the Indian private sector for the manufacture of high precision airframe and aerospace components. The Company has best in class infrastructure for catering to the needs of global OEMs such as Airbus, Boeing, Bell Textron, Dassault Aviation, Deutsche Aircraft Group, Hutchinson Group and Thales. Domestically, the Company is working with the defence sector PSU's such as HAL and BEL. The major products of the Aerospace & Defence segment are control surfaces such as wing, ailerons and wing flaps, fuselages, doors and other key flight critical airframe structures such as flap track beams. Over the period, the Aerospace division has developed excellent capabilities in automated robotic machining, five axis components in aluminium, steel, and titanium. The Company has also expertise in tooling capabilities.

Hydraulics:

The Dynamatic Hydraulics® facility has over 50 years of experience in the design and manufacture of gear pumps and supplies products to Agricultural, Construction and Off-Highway vehicle manufacturers. It designs and manufactures hydraulic gear pumps in both aluminium and cast iron, available in multiple frame sizes. The product range includes high-efficiency gear pumps, low noise pumps, high-pressure pumps, axial piston pumps, low torque high-speed hydraulic motors, plunger hand pumps, hitch control valves, rock shaft assemblies, power steering valves, and mobile control valves for global OEMs. The business unit also manufactures bespoke, high-flow scavenging pumps, lube oil pumps, and water pumps for high-horsepower engines, which are used in off-highway vehicles, marine, and offshore equipment. Additionally, the Company designs and builds customized hydraulic solutions, from simple hydraulic pumping units to complex marine power packs, aircraft ground support systems, and turnkey industrial installations. The key customers include global OEMs such as Mahindra & Mahindra, John Deere, JCB, TAFE, Cummins, Alexander Dennis, MacDon, ACE.

IV. Employees

20. Details as on 31st March 2026

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1	Permanent (D)	560	512	91%	48	9%
2	Other than Permanent (E)	20	18	90%	2	10%
3	Total employees (D+E)	580	530	91%	50	9%
WORKERS						
1	Permanent (F)	300	298	99%	2	1%
2	Other than Permanent (G)	864	814	94%	50	6%
3	Total workers (F+G)	1164	1112	96%	52	4%

b. Differently abled Employees and workers:

Sl. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	1	1	100%	0	0%
2	Other than Permanent (E)	0	0	0%	0	0%
3	Total differently abled employees (D+E)	1	1	100%	0	0%
DIFFERENTLY ABLED WORKERS						
1	Permanent (F)	0	0	0%	0	0%
2	Other than Permanent (G)	1	0	0%	1	100%
3	Total differently abled workers (F+G)	1	0	0%	1	100%

21. Participation/inclusion/representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	2	22%
Key Management Personnel	3	0	0%

22. Turnover rate for permanent employees and workers

Particulars	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13%	33%	15%	15%	38%	11%	25%	39%	26%
Permanent Workers	2%	50%	2%	3%	29%	3%	31%	0%	31%

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

23.(a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of Holding/Subsidiary/ Associate Companies/Joint Venture (A)	Indicate whether Holding/ Subsidiary/ Associate/Joint Venture	% Of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of listed entity? (Yes/No)
Subsidiaries				
1	JKM Erla Automotive Limited, India	Subsidiary	99.99%	No
2	JKM Research Farm Limited, India	Subsidiary	99.99%	No
3	JKM Global Pte Limited, Singapore	Subsidiary	100.00%	No
4	Dynamatic Manufacturing Limited, India	Subsidiary	99.99%	No
5	Dynamatic Limited, UK	Subsidiary	100.00%	No
6	Yew Tree Investments Limited, UK	Subsidiary	100.00%	No
7	Dynamatic LLC, US	Subsidiary	100.00%	No
8	Eisenwerk Erla GmbH, Germany	Subsidiary	100.00%	No

VI. CSR Details

24.

- i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes
- ii. Turnover (in Rs.) – 78,393 Lakhs
- iii. Net worth (in Rs.) – 68,502 Lakhs

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	1	0	Closed	0	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	0	0	-	0	0	-
Value Chain Partners	Yes	0	0	-	0	0	-
Other (please specify)	-	-	-	-	-	-	-

- 1) The policies governing the Company, including the grievance redressal mechanism, are available on the Company's website at: <https://www.dynamics.com/Investors/Shareholder-Information/>
- 2) The company has appointed Kfintech, SEBI registered Registrar & Transfer Agents to provide share registration and related services to shareholders and investors. During FY 2025-26, there were no investor complaints pending for resolution at the end of the year.
- 3) The grievance redressal mechanism consists of immediate reporting manager, representatives of recognised Union, Dedicated Industrial Relations Managers and HR Business Partners at each factory locations.
- 4) Escalation mechanisms are defined in individual client contracts and addressed as per DTL quality policy.

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Stakeholder engagement	Opportunity	Stakeholder engagement is a key opportunity for the company, enabling the company to align with stakeholder expectations, drive innovation, and improve environmental and social outcomes. By engaging transparently with clients, employees, suppliers, and regulators, DTL can enhance trust, ensure regulatory compliance, and strengthen its position as a responsible and reliable global partner.	-	Positive

2	Carbon reduction	Opportunity	Carbon reduction presents an opportunity for companies to improve resource efficiency, lower emissions, and align with global climate goals. At DTL, renewable energy already forms a significant part of its energy mix, supporting the adoption of low-carbon technologies. This reduces long-term operational costs, enhances supply chain credibility, and prepares the business for future regulatory and market shifts related to climate action.	-	Positive
3	Operations environment	Opportunity	Improving operational environmental performance offers DTL the opportunity to conserve resources, reduce waste, and lower costs. The use of solar power across facilities further supports energy efficiency and emissions reduction. These efforts also mitigate regulatory risks, enhance process efficiency, and reinforce DTL's commitment to sustainable and responsible manufacturing.	-	Positive
4	Products Solutions and Services	Opportunity	Developing sustainable products and solutions drives innovation, boosts customer satisfaction, and strengthens differentiation in global markets. By incorporating energy efficiency, resource conservation, and climate-conscious design, DTL can deliver long-term value, minimise lifecycle impacts, and effectively meet the evolving expectations of investors, customers, and the market.	-	Positive
5	Human Rights & labour	Risk	Human and labour rights risks can emerge when safe working conditions are not adequately maintained across its operations and global supply chain. Such lapses may lead to legal penalties, reputational damage, lower ESG ratings and operational disruptions. Given the company's presence in sectors like aerospace and automotive manufacturing, where labour standards and safety are critical, proactive management of these risks is essential to safeguard stakeholder trust and ensure sustainable growth.	DTL enforces a strong Whistleblower Policy and Vigil Mechanism to safeguard ethical conduct and labour rights. Complaints related to misconduct or policy breaches are handled confidentially, with outcomes reviewed quarterly by the Audit Committee and Board. This ensures accountability, swift action, and reinforces the company's commitment to safe and fair working conditions.	Negative
6	Health and Safety	Risk	Managing health and safety is a core business responsibility for DTL. Failure to identify and control workplace hazards through proper risk assessments can lead to accidents, regulatory non-compliance, and reputational damage. These risks not only disrupt operations but also compromise employee well-being and erode stakeholder trust.	DTL addresses health and safety risks through a structured approach outlined in its Risk Management Policy. This includes systematic risk identification, categorisation, description, estimation and the use of a risk matrix to assess impact and likelihood. A dedicated Risk Management Committee oversees this process, ensuring that appropriate controls are in place to protect employees, maintain regulatory compliance, and uphold stakeholder confidence.	Negative

7	Diversity and Inclusion	Opportunity	The company is powered by diverse perspectives; skill sets and life experiences of their employees. To tap into the full potential of human diversity, the company looks at diversity and creates an inclusive working culture underpinned by a fundamental sense of belonging, fairness and equity, enabling people to bring their 'full self' to work and achieve operational efficiency.	-	Positive
8	Data privacy and cyber security	Risk	Data privacy and cybersecurity pose potential challenges for DTL as digital reliance grows across operations and supply chains. Inadequate safeguards may lead to data breaches, loss of stakeholder trust, and compliance issues. Strengthening cybersecurity frameworks helps protect sensitive information, ensure operational continuity, and maintain customer and partner confidence.	To mitigate cybersecurity risks, DTL has implemented a robust information security management system aligned with ISO 27001 standards. This includes regular risk assessments, firewalls, intrusion detection systems, and endpoint protection	Negative
9	Environmental Footprint – Water management	Risk	Water scarcity poses a risk to DTL by potentially disrupting manufacturing operations. Inadequate water management can lead to increased operational costs, regulatory challenges, and reputational concerns. Proactive water conservation and reuse measures are essential to ensure long-term business continuity and environmental compliance.	To mitigate water-related risks, DTL promotes employee awareness on water conservation, implements rainwater harvesting systems, and encourages the recycling and reuse of wastewater across its facilities. Additionally, the Company adopts efficient water usage practices on campuses and monitors consumption to ensure sustainable and responsible water management.	Negative
10	Social Responsibility – Alignment with local communities	Risk	Misalignment with local community interests can lead to reputational damage, operational disruptions, and social unrest. For DTL, maintaining strong community relationships is essential to ensure business continuity, build trust, and support long-term value creation through local employment, skill development, and active engagement in community well-being.	To mitigate risks related to community engagement, DTL focuses on implementing strong local relationships through job creation, skill development initiatives, and active involvement in community welfare. The Company also supports local relief efforts during crises, maintains transparent communication, and ensures timely tax contributions, reinforcing its role as a responsible corporate citizen.	Negative
11	Corporate & sustainability governance	Opportunity	Addressing sustainability & governance is an opportunity to move ahead in the sustainability maturity model with cost saving and benefits as it demands responsible corporate behavior.	-	Positive

12	Responsible sourcing	Risk	As inadequate oversight across the supply chain can lead to environmental violations, human rights concerns, and safety issues. Such lapses may result in regulatory non-compliance, reputational damage, and supply disruptions, impacting operational continuity and stakeholder confidence in the Company's ethical standards.	Established detailed frameworks (including supplier's Code of Conducts) along with processes to evaluate the supplier's adherence to DTL's supplier Code of Conduct and ESG requirements and supporting the suppliers to further enhance their ESG performance to move towards creating a sustainable supply chain base.	Negative
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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
POLICY AND MANAGEMENT PROCESSES									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web link of the policies, if available	https://www.dynamatics.com/shareholders								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name the national and international codes/ certifications/ labels/ standards	- ISO 9001:2015 - GRI standards - UNGC principles - United Nations SDGs	- AS 9100:2016 - NADCAP Accreditation - GRI standards - United Nations SDGs	- ISO 45001:2018 - GRI standards - UNGC principles - United Nations SDGs	- GRI standards - UNGC principles - United Nations SDGs	- GRI standards - United Nations SDGs	- ISO 14001:2015 - Science Based Targets initiative (SBTi) GRI standards - UNGC principles - United Nations SDGs	- GRI standards - United Nations SDGs	- GRI standards - United Nations SDGs	- ISO 27001:2022 - GRI standards - United Nations SDGs
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5. Specific commitments, goals and targets set by the entity with defined timelines, if any	The Company is committed to reducing emissions and waste, increasing the use of renewable energy, enhancing product responsibility, ensuring occupational health and safety, advancing diversity, equity, and inclusion, fostering a sustainable supply chain, attaining ISO 27001 certification across all plants, providing comprehensive ethics and compliance training, and deploying a robust ESG data management system.
6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.	Long term Sustainability Goals/ Targets have been identified and the action plan for achieving the same is tracked on a year-on-year basis. Performance of such principles is also reviewed periodically by the Senior Management. Action plans include ongoing implementation of an ESG data management system to enhance reporting and transparency across operations. DTL has sourced 100% of its energy from renewable sources through effective energy management practices, contributing to its commitment to reduce environmental impact.
Governance, leadership and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).	Dynatomic Technologies Limited is committed to building a sustainable and socially responsible business that aligns with evolving global expectations. Our ESG roadmap focuses on strengthening governance, cultivating a diverse and inclusive workforce, and minimising the environmental footprint of our operations. To support this commitment, DTL has implemented a comprehensive ESG policy that ensures alignment with applicable local, national, and international regulations. The company has constituted dedicated CSR and Risk Management Committees at the Board level to guide strategic decision-making and oversee the achievement of defined sustainability targets. Key focus areas include reducing emissions, adopting eco-efficient practices, minimising waste, and expanding community development programs. While challenges such as regulatory changes, resource efficiency, and stakeholder expectations require continuous attention, the Company remains focused on meeting its targets through structured action plans and continuous improvement. Through these initiatives, DTL aims to strengthen its long-term resilience, uphold the highest standards of governance, and contribute meaningfully to the communities in which it operates.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy.	Name: Dr. Udayant Malhoutra Designation: CEO & Managing Director DIN: 00053714
9. Does the entity have a specified committee of the board/director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	Yes, Corporate Social Responsibility Committee (CSR Committee). For composition of CSR Committee, please refer Corporate Governance Report which forms part of this Annual Report.

10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee										Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9		
Performance against above policies & follow up action	Yes										Annually by the Board									
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes										Quarterly by the Board									

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency: No

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

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

PRINCIPLE 1- BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training audits impact	% of persons in respective category covered by the awareness programmes*
Board of Directors	4	Code of Conduct, ESG, ethics and governance , legal and regulatory updates	100%
Key Managerial Personnel (KMP)	4	Code of Conduct, Anti-Bribery and Anti-Corruption, Prevention of Sexual Harassment at Workplace, Integrity Straight Talks, Integrity e-learning, Anti-trust	100%
Employees other than BoD and KMPs	72	Communication & Time Management First Aiders Training, Prevention of Sexual Harassment at workplace, Cyber Security Awareness, Induction Programme, Financial Management	100%
Workers	104	Waste Management, Disposal and Segregation Training, Electrical Safety, Awareness on EHS Policy, Awareness on AS9100D, Chemical handling and Safety PPEs Usage	100%

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

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Monetary					
Penalty/ Fine	NA	Nil	Nil	NA	No
Settlement	NA	Nil	Nil	NA	No
Compounding fee	NA	Nil	Nil	NA	No
Non-monetary					
Imprisonment	NA	Nil	Nil	NA	No
Punishment	NA	Nil	Nil	NA	No

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

Case Details	Name of regulatory/ enforcement agencies/ judicial institutions
-	-

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

The company promotes a strong culture of ethics, integrity, and transparency through its Code of Conduct for Board of Directors and Senior Management Personnel. This Code reflects the company's commitment to conducting its operations in compliance with applicable laws and the highest standards of ethical behaviour.

The code, formulated in accordance with SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, outlines expectations around responsible conduct and explicitly addresses situations that could lead to conflicts of interest or unethical practices. Key provisions include::

- Prohibition of accepting bribes, kickbacks, or any form of improper payment in the course of business
- Guidelines on avoiding situations where personal interests could interfere with professional duties
- Restrictions on accepting gifts intended to influence business decisions or create a perception of bias
- Standards to ensure fair dealings with suppliers, customers, and other stakeholders.

Through these provisions, the company upholds a robust framework for preventing bribery and corruption across all levels of leadership and governance.

Weblink: <https://www.dynamatics.com/shareholders>

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

	FY 2025-26	FY 2024-25
Directors	NA	NA
KMPs	NA	NA
Employees	NA	NA
Workers	NA	NA

6. Details of complaints about conflict of interest.

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

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

NA

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

No. of days of accounts payables	FY 2025-26	FY 2024-25
	127	164

9. Open-ness of business

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of sales	a. Sales to dealers / distributors as % of total sales	5.94%	7.57%
	b. Number of dealers / distributors to whom sales are made	42	48
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	54.6%	54.4%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	3.71%	10.28%
	b. Sales (Sales to related parties / Total Sales)	1.57%	1.06%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	90%	78%
	d. Investments (Investments in related parties / Total Investments made)	0%	100%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
13	1. Production Part Approval Process 2. Engineering Material Control Manual 3. Raw Material Interpretation 4. Special Process 5. Prevention of FOD 6. Counterfeit Parts 7. Drawing Interpretations 8. Measurement System Analysis 9. Root Cause & Corrective Action 10. Quality Management System 11. Measurement Technik Sheets 12. Net Inspect - First' Article Inspection 13. Embracing Innovations	95%

2. Does the entity have processes in place to avoid / manage conflicts of interest involving members of the Board? (Yes / No) If yes, provide details of the same.

Yes. The company has established a well-defined process to identify, avoid, and manage conflicts of interest involving members of the Board. The Code of Conduct, which applies to all Directors, includes specific provisions on the principles of Conflict of Interest.

To uphold the highest standards of transparency and integrity, the Code requires all Directors to disclose any potential conflicts arising from personal, social, professional, financial, political, or other interests, relationships, or activities that could reasonably be perceived to conflict with the company's interests, affect their judgment, or create an appearance of impropriety.

PRINCIPLE 2 - BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

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

DTL has been investing in building green campuses. All of this, along with greater use of renewable energy has helped DTL bring down its carbon footprint

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impact
R&D	0	0	-
Capex	0	0	-

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

Yes. Responsible sourcing has been a key area of focus for the company, supported by well-defined policies and structured programs aimed at strengthening performance and fostering long-term partnerships within the supply chain.

The company collaborates closely with its business associates to build strong supplier relationships. Its Integrated Supply Chain and Strategic Sourcing team focuses on emerging technology and new commodities to optimise costs, enhance capacity and ensure consistent adherence to quality standards. The company is progressing towards establishing a "Resilient Supply chain and Strategic Sourcing Organisation".

All engagements with Business Associates are governed by the company's Supply Chain Policy, which outlines expectations around ethical conduct, safety, environmental compliance, and adherence to applicable laws and regulations.

As part of the supplier selection and contract award process, the company evaluates Business Associates' alignment with its supply chain management principles. This includes their commitment to environmental responsibility, human rights, occupational safety, and ethical business practices. Compliance with labour laws and related principles is a mandatory requirement for qualification. Additionally, supplier evaluation covers work methods, service performance, and technical capabilities, while safety assessments are integrated into both the qualification and online vendor registration processes.

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

100%

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) Plastics (including packaging):

Damaged product packaging is reclaimed at the depots and returned to the respective factories for repacking. Further, the expired products are sent for incineration to an authorised agency in accordance with the Hazardous Waste Management Rules, 2016 ('herein referred to as the Rules')

(b) E-waste:

A pan India based agency authorised by the Pollution Control Board is selected to ensure safe disposal of e-waste with minimal environmental impact

(c) Hazardous waste:

Hazardous waste is categorised as per the Rules and is sent to the authorised end users for utilising the same and converting it into useful products. The remaining hazardous waste is sent for proper disposal at the Pollution Control Board's authorised facilities.

(d) Other waste:

Non-hazardous waste

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

Yes. Plastic waste generated from end products is disposed off under EPR with the help of an agency authorised by the Central Pollution Control Board (CPCB).

Leadership Indicators

- 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Nil	Nil	Nil	Nil	Nil	Nil

- 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
No	No	No

- 3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
Nil	Nil	Nil

- 4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Type of Waste	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed (Metric Tonnes)	Re-Used	Recycled	Safely Disposed (Metric Tonnes)
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste (used oil & battery)	NA	NA	NA	NA	NA	NA
Other waste (wood)	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA

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

Essential Indicators

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

% of employees covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	512	512	100%	512	100%	0	0	512	100%	0	0%
Female	48	48	100%	48	100%	48	100%	0	0%	48	100%
Total	560	560	100%	560	100%	48	8.57%	512	91.43%	48	8.57%
Other than Permanent employees											
Male	18	18	100%	18	100%	0	0%	18	100%	0	0%
Female	2	2	100%	2	100%	2	100%	0	0%	2	100%
Total	20	20	100%	20	100%	2	10%	18	90%	2	10%

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

% of Workers covered by											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	298	298	100%	298	100%	0	0%	298	100%	0	0%
Female	2	2	100%	2	100%	2	100%	0	0%	0	0%
Total	300	300	100%	300	100%	2	0.67%	298	99.33%	0	0.67%
Other than Permanent Workers											
Male	814	814	100%	814	100%	0	0%	814	100%	0	0%
Female	50	50	100%	50	100%	50	100%	0	0%	50	100%
Total	864	864	100%	864	100%	50	5.79%	814	94.21%	50	5.79%

c. Spend on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the Company	0.93%	1.38%

2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered (as a % of total employee)	No. of workers covered (as a % of total workers)	Deducted & deposited with the authority (Yes/No/N.A)	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted and deposited with the authority (Yes/No/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI*	6.07%	0	Y	8.21%	0	Y

*As per the ESI regulation, 100% of the eligible employees have been covered under the benefits.

3. Accessibility of workplaces

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

Yes

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

DTL's facilities are accessible to differently abled employees with lifts, ramps, and wheelchair provision.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	NA	100%	NA
Total	100%	100%	100%	100%

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

Particulars	Yes/No (if yes, then give details of mechanism in brief)
Permanent Workers	Yes, the company has implemented an open-door approach for every employee, regardless of their position. The company offers various platforms to its employees for sharing their grievances and concerns, including Ethics Speak Up, HR Helpdesk and e-mails to their supervisors. Further, the company follows the 'DTL Code of Conduct', encouraging employees to raise concerns about bribery and corruption, harassment and human rights issues, and insider trading, among others.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees in association(s) or unions recognised by the listed entity:

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	560	0	0	560	0	0
Male	512	0	0	505	0	0
Female	48	0	0	55	0	0
Total Permanent Workers	300	300	100%	309	309	100%
Male	298	298	100%	306	306	100%
Female	2	2	100%	3	3	100%

8. Details of training given to employees and workers

Category	FY 2025-26					FY 2024-25				
	Total (A)	On health & safety/wellness measures		On skill upgradation		Total (D)	On health and safety measures/ wellness		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
Employees										
Male	512	512	100%	483	94.34%	505	468	92.67%	468	92.67%
Female	48	48	100%	38	79.17%	55	48	87.27%	48	87.27%
Total	560	560	100%	521	93.04%	560	516	92.14%	516	92.14%
Workers										
Male	298	298	100%	11	3.69%	306	199	65.03%	67	21.9%
Female	2	2	100%	0	0.00%	3	3	100%	0	0
Total	300	300	100%	11	3.67%	309	202	65.37%	67	21.68%

Note: Only permanent employees/workers included

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	512	331	64.65%	505	235	46.53%
Female	48	24	50.00%	55	13	23.64%
Total	560	355	63.39%	560	248	44.29%
Workers*						
Male	298	0	0	306	0	0
Female	2	0	0	3	0	0
Total	300	0	0	309	0	0

** Workers are not covered under formal career development reviews, and their wage revisions are governed by Long-Term Settlements generally negotiated every three years.*

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

Yes. Safety is a core value over which no business objective can have a higher priority. The Safety & Health Management system covers activities across all manufacturing locations, offices, research laboratories and supply chain partners and ensures the protection of environment, health & safety of its employees, contractors, visitors and all other relevant stakeholders including ISO 45001:2018 requirement

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

The company has a process for Risk Management which is essential for preventing incidents, injuries, occupational disease, emergency preparedness and business continuity. There is a structured Risk Assessment & Management process which is regularly reviewed, and mitigation plans are put in place to reduce the risk.

For all activities including routine or non-routine, hazards are identified by a trained cross functional team and risk assessment is done through Standard Operating Procedures (SOP) which is referred to before starting any activity. Identified hazards and associated risks are addressed through operational control measures using a hierarchy of control approach.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes. A process for incident management exists including incident reporting, investigation, and implementation of appropriate corrective measures. Employees, contractual staff, and visitors are all expected to report incidents including near-miss and potential hazards in addition to accidents.

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

Yes. All the sites have access to non-occupational medical and healthcare services either on-site or through tie-ups with reputed medical entities in proximity.

11. Details of safety related incidents

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

At DTL, a culture of safety is encouraged across hierarchies by promoting behavior-based safety, process safety and road safety as key focus areas among its workforce. DTL is taking various measures to further strengthen its process safety through enhancing automation in processes and unit operations. Safety Audit conducted at all manufacturing sites by corporate safety to identify and rectify the gaps in workplace safety.

The company reviews and monitors the safety, health, environmental and sustainability practices, processes, standards, and activities to ensure compliance with appropriate laws and legislation. This also provides valuable direction and guidance to the Management to ensure that Safety and Sustainability implications are duly and timely addressed. All the incidents are reported to the Risk Management Committee and are investigated and analysed to avoid any recurrence.

13. Number of complaints on working conditions and health and safety made by employees and workers.

Category	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessments for the year

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

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

We have a robust system of handling safety-related incidents, by conducting regularly audits, awareness and inspections. There were no significant risks/concerns arising from the health & safety practices and working conditions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Employees	Yes
Workers	Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company monitors and tracks the compliance related to statutory dues by contractors supplying third party resources as a part of regular checks while processing the invoices. Periodic audits are also conducted to ensure compliance.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment*	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety practices	Please refer to point number 6
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The Company conducts EHS system & regulatory audits of third parties, their warehouses and of suppliers at regular intervals to ensure compliance of various processes. Regular follow ups are being done to ensure implementation of suggested corrective / preventive actions.

PRINCIPLE 4- BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

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

The Company identifies and engages with various stakeholders with the intention of understanding and addressing their expectations and developing short, medium, and long-term strategies of the Company. The internal and external groups of key stakeholders identified based on their immediate impact on the operations and working of the Company include Customers, Suppliers, Investors, Employees, Competitors, Regulators, Trade bodies, Local Communities & Trade Unions.

The Company also engages with the analysts and news media from time to time.

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

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual reports, earnings calls, newspaper advertisement/notices, the Company's website, annual general meetings, and press releases.	Quarterly/yearly	Providing information and update on the Company's performance
Employees	No	Code of Conduct, trainings, workshops, employee touch base and grievance mechanisms	Need-based, quarterly	Rewards, training and development, wellness and safety measures
Customers	No	Meetings at the customer premises, events, conferences, trade shows, leadership meetings, programme reviews and satisfaction surveys	Need-based	Product/service information, customer feedback
Academic institutions	No	MoUs, technology meetings, conferences, and seminars	Ongoing basis	Capability development and research
Suppliers, Vendors and Partners	No	Supplier code of conduct, contracts, training & awareness, and appraisals	Ongoing and need based	Supplier sustainability
Communities	Yes	CSR policy, volunteering programmes.	Quarterly and annually	Community development
Trade Union	No	Right of all personnel to form and join trade unions of their choice and bargain collectively	Need-based	Long-term settlement discussions and training & development
Competitors	No	Through industry bodies, associations, seminars, exhibitions, and events	Ongoing and need based	representing before statutory authorities Industry
Regulatory Bodies	No	Statutes and regulations	Need-based	Statutory and regulatory compliances

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company's management regularly interacts with key stakeholders i.e. investors, customers, suppliers, employees etc. The Company has Risk Management and CSR Committees that update the progress of actions in respect to economic, environmental and social topics to the Board and takes inputs on a regular basis.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Consultation with stakeholders on Environment, Social & Governance (ESG) topics are delegated to the departments within the organization who are also responsible for engaging with stakeholders continually. Within the domains of E, S and G, we are constantly thinking about the most important issues and preparing for them through these consultations.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

Local Community members including but not limited to women, the elderly, adolescents, youth, children, and persons with disabilities, are some of key vulnerable group identified as they experience the highest degree of socio-economic marginalization. These groups have limited capacities and opportunities to cope and adapt and hence the company has priority to address these groups, especially rural children and gives them priority assistance under the company's CSR policy.

PRINCIPLE 5 - BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicator

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
EMPLOYEES						
Permanent	560	560	100%	560	560	100%
Other than Permanent	20	20	100%	17	17	100%
Total employees	580	580	100%	577	577	100%
WORKERS						
Permanent	300	300	100%	309	309	100%
Other than Permanent	864	864	100%	804	804	100%
Total workers	1164	1164	100%	1113	1113	100%

2. **Details of minimum wages paid to employees and workers:**

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wages		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	512	0	0	512	100%	505	0	0	505	100%
Female	48	0	0	48	100%	55	0	0	55	100%
Non-permanent										
Male	18	0	0	18	100%	14	0	0	14	100%
Female	2	0	0	2	100%	3	0	0	3	100%
Workers										
Permanent										
Male	298	0	0	298	100%	306	0	0	306	100%
Female	2	0	0	2	100%	3	0	0	3	100%
Non-permanent										
Male	814	0	0	814	100%	781	0	0	781	100%
Female	50	0	0	50	100%	23	0	0	23	100%

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in INR)	Number	Median remuneration/ salary/ wages of respective category (in INR)
Board of Directors (BoD)*	3	46,00,000	2	23,00,000
KMP (other than BoD)**	3	3,46,41,036	-	-
Employees other than BoD & KMP***	509	7,29,924	48	4,71,2723
Workers	298	10,86,770	2	10,68,696

*Sitting fees paid to Independent directors. However, no sitting fees is paid to Non-Executive & Non- Independent directors

** Salaries paid to CEO & MD, ED & CFO, CLO & CS

*** The employee numbers are calculated based on the total employees during the year.

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	5.56%	6.71%

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

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

DTL is committed to fairness in all its operations and interactions. The company strongly opposes any violations of human rights, including the use of forced or child labor, both within its own activities and those of its business partners. It aligns with internationally recognized human rights standards and ensures these principles are respected across its workforce and value chain.

The company promotes a work environment where individuals are treated with respect and dignity. The company values diversity and ensures equal treatment for all employees, with clear policies against discrimination and harassment.

To support these commitments, DTL has established a well-defined grievance resolution mechanism. This system operates based on the principles of natural justice, confidentiality, sensitivity, non-retaliation, and fairness. All reported concerns are handled with care, and timely action is taken. The investigation process ensures that every party has an opportunity to present relevant information, helping maintain transparency and accountability throughout.

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

Category	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced / Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

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

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

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

- I. An independent Internal Committee (IC) drawn from cross functional/location employees, follows the process/guidelines as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- II. The whistleblower policy ensures that no unfair treatment will be meted out to a whistleblower by virtue of his/her having reported a protected disclosure under the policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization, or any other unfair employment practice being adopted against whistleblowers. Complete protection will, therefore, be given to whistleblowers against any unfair practices like retaliation, threat, or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure.

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

Yes, human rights are part of the integrity clauses both sales and buy side. The company's code of conduct requires suppliers to uphold human rights in their businesses, privatising the absence of child and forced labour and upholding the laws of the land relating to human rights related aspects.

10. Assessments for the year:

	% of offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% by External Auditor
Forced/ involuntary labour	100% by External Auditor
Sexual harassment	100% by External Auditor
Discrimination at workplace	100% by External Auditor
Wages	100% by External Auditor

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

DTL undertakes periodic human rights risk assessments to evaluate actual and potential impacts at the entity level and identify its salient human rights issues. Based on these assessments, the company implements appropriate measures to prevent, mitigate, and manage adverse human rights impacts across its value chain.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

DTL is committed to creating an inclusive workplace by incorporating accessibility into the design of workstations, restrooms, common areas, and movement spaces. Beyond complying with legal requirements, these initiatives help build a supportive environment where employees feel respected and included, while also strengthening workplace equality, diversity, and mutual understanding.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, most of the locations are accessible to differently abled persons.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0
Discrimination at workplace	0
Child Labour	0
Forces Labour/ Involuntary Labour	0
Wages	0
Others – please specify	0

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessment at Question 4 above.

NA

PRINCIPLE 6- BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

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

Parameter	FY 2025-26	FY 2024-25
From renewable sources (GJ)		
Total electricity consumption (A)	2,526.16	1,139.98
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	2,526.16	1,139.98
From non-renewable sources (GJ)		
Total electricity consumption (D)	29,140.65	24,989.50
Total fuel consumption (E)	2157.15	1,014.37
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	31,297.80	26,004.00
Total energy consumed (A+B+C+D+E+F)	33,823.96	27,144.00
Energy intensity per rupee of revenue from operations (Total energy consumption/ revenue from operations in Millions)	0.0000043	0.0000042
Energy intensity per rupee of revenue from operations adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.000087	0.000087
Energy intensity in terms of physical output	6.07	12.65

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

No

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

NA

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Ground Water	-	-
(iii) Third Party Water	23,765.19	22,753.41
(iv) Seawater/Desalinated Water	-	-
(v) Others	-	-
Total volume of water withdrawal (in million kilolitres) (i+ii+iii+iv+v)	23,765.19	22,753.41
Total volume of water consumption (in million kilolitres)	23,765.19	22,753.41
Water intensity per rupee of revenue from operations (Water consumed/ revenue from operations)	0.00000303	0.00000355
Water intensity per rupee of revenue from operations adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.0000617	0.000073
Water intensity in terms of physical output	4.26	10.84

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

No

4. Provide the following details related to water discharged.

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
- No treatment	0	0
- With treatment, please specify level of treatment	0	0
(ii) To groundwater		
- No treatment	0	0
- With treatment, please specify level of treatment	0	0
(iii) To seawater		
- No treatment	0	0
- With treatment, please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment, please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment & complying with discharge Quality & Quantity limit based on Consent to Operate	0	0
Total water discharged in kilolitres	0	0

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

No

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

Yes. The company has installed highly efficient wastewater treatment systems (STP & ETPs) across all its manufacturing sites. In line with zero liquid discharge principle, our major units are recycling treated wastewater for irrigation, gardening as well as flushing purpose.

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

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	mg/Nm3	22.05	11.4
SOx	mg/Nm3	7.75	5.6
Particulate matter (PM)	mg/Nm3	16.7	14.3
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others	-	NA	NA

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

No

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	159.39	74.83
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	5717.47	5046.49
Total Scope 1 and Scope 2 emissions per rupee of revenue from operations (Total Scope 1 and Scope 2 emissions/ Revenue from operations)	(MT CO2e/INR)	0.00000075	0.000000799
Total Scope 1 and Scope 2 emissions per rupee of revenue from operations adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / revenue from operations from operations adjusted for (PPP))	(MT CO2e/USD)	0.00001525	0.000016
Total Scope 1 and Scope 2 emission intensity in terms of physical output	(MTCO2e/ Number of units produced)	1.05	2.75

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

Not Applicable

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

As a part of DTL sustainability targets and ESG agenda, the company has set an ambition to enable a low-carbon society where, the company has also committed to partner with its customers and suppliers to reduce emissions and achieve carbon neutrality in its own operations. The company has taken commitment towards renewable energy and cleaner and more efficient technologies to reduce its own emissions. The company has planned to have a clear energy efficiency target with the help of its energy management systems.

To realise the aforesaid commitment, the company has taken various initiatives such as installation of solar systems, green power procurement through third party power purchase agreements (PPAs) and is also strengthening its energy management systems to further reduce energy consumption and enhance the energy efficiency of electrical equipment at its premises.

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

Parameter	FY 2025-26	FY 2024-25
Total waste generated (in metric tonnes)		
Plastic waste (A)-metric tonne	4.83	3.63
E-Waste (B)- metric tonne	3.52	-
Bio-Medical Waste (C)- metric tonne	0.15	0.07
Construction and demolition waste (D)- metric tonne	0	0

Battery Waste (E)- metric tonne	0	0
Radioactive waste (F)- metric tonne	0	0
Other Hazardous waste. Please specify, if any (G)	51.52	31.82
Other Non-hazardous waste generated (H). Please specify, if any.	167.56	113.02
Total (A+B+C+D+E+F+G+H)-million tonnes	227.57	148.53
Waste intensity per rupee of revenue from operations (Total waste generated / revenue from operations)	0.000000029	0.000000023
Waste intensity per rupee of revenue from operations adjusted for Purchasing Power Parity (PPP) (Total waste generated / revenue from operations adjusted for PPP)	0.000000059	0.000000048
Waste intensity in terms of physical output-waste generated/tonne of crude steel	0.04	0.07
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (metric tonnes)		
Category of waste		
(i) Recycled	3.52	0
(ii) Re-used	0	0
(iii) Other recovery operations (safely disposed)	0	0
Total (metric tonnes)	3.52	0
For each category of waste generated, total waste disposed by nature of disposal method (metric tonnes)		
Category of waste		
(i) Incineration	51.52	113.02
(ii) Landfilling	-	0
(iii) Other disposal operations	167.56	31.8
Total (metric tonnes)	219.08	144.82

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

Not Applicable

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

A guideline applicable company-wide ensures that the legal requirements for the transport and disposal of waste are complied with locally. All manufacturing sites have a clearly designated organisational unit responsible for sorting, classifying, and handing over waste to disposal companies. DTL conducts regular audits at the locations where the wastes are disposed to ensure it is treated and disposed in a scientific manner with minimum impact on the environment. Segregation of wastes is ensured at its place of generation. Process changes are also aimed at reducing generation of hazardous wastes. The thrust is on recycling and reuse of hazardous wastes. Those which cannot be reused are disposed in line with statutory requirements.

To offer a green product to the customers and meet various national/international regulations on material management, DTL has established a strong internal material compliance management system to reduce usage of hazardous and toxic chemicals in our products and processes.

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in FY 2025-26.

Name and brief details of project	EIA Notification Number	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web Links
NA					

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

Yes, Dynamatic Technologies has complied with applicable environmental law/regulations/guidelines in India.

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

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilo litres): For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area	Bangalore
(ii) Nature of operations	Manufacturing and Engineering Services

(iii) Water withdrawal, consumption and discharge in the following format

Parameter	FY 2025-26	FY2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	23,765.19	22,753.41
(iv) Seawater/ desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	23,765.19	22,753.41
Total volume of water consumption (in kilolitres)	23,765.19	22,753.41
Water intensity per rupee of turnover (Water consumed/ turnover)	0.00000303	0.00000355
Water intensity (optional) – the relevant metric may be selected by the entity	4.26	10.84
Parameter	FY 2025-26	FY2024-25
Water discharge by destination and level of treatment (in kilolitres)		
i. To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
ii. To Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
iii. To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
iv. Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
v. Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

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

No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Nil	Nil
Total Scope 3 emissions per rupee of turnover	-		
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-		

*This activity is work in progress and shall be implemented in due course.

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

NA

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Solar power panels installation	Enhancement of renewable energy utilization www.dynamatics.com	CO ₂ emission reduction
2	Rainwater harvesting system implementation	The purpose is to capture maximum rainwater for recharge and reuse purposes www.dynamatics.com	Water footprint reduction
3	Single use plastic free premises establishment	Elimination of single use plastic also helped in reducing plastic waste within our premises www.dynamatics.com	Waste reduction

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

DTL has a well-established business continuity and disaster management framework that is fully aligned to ISO 22301:2019, CMMI-SVC and is integrated with other quality management systems for consistent deployment across the organisation. The function is governed by a trained pool of subject matter experts at various levels of the organisation ensuring upkeep of business continuity plans, planning, and executing drills to achieve seamless resumption, in case of any disruption. The entire process is integrated with other business processes through in-house developed tools that support planning and communication with all stakeholders.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

NA

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NA

PRINCIPLE 7- BUSINEESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicator

- 1 a. Number of affiliations with trade and industry chambers/ associations.

10

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

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Chamber of Commerce and Industry (FICCI)	National
3	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
4	MCC Chamber of Commerce & Industry	National
5	Bangalore Chamber of Industry and Commerce (BCIC)	National
6	Aerospace & Aviation Sector Skill Council (AASSC)	National
7	Fluid Power Society of India	National
8	US-India Business Council	International
9	Indo American Chamber of Commerce (IACC)	International
10	Indo-Canadian Business Chamber	International

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

Name of the Authority	Brief of the case	Corrective Action Taken
Nil		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
NA					

PRINCIPLE 8-BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Nil					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs n the FY (In INR)
Nil						

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

The Company has a focused group comprising the senior leadership and the CSR head interacts with the community leaders to understand and address their concerns. Further, the Company also has a whistleblower policy in place for all its stakeholders to file their grievances. Same can be accessed at <https://www.dynamatics.com/Investors/Shareholder-Information/>

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

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	21.84%	19.72%
Directly from within India	NA	NA

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

Location	FY 2025-26	FY 2024-25
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above).

NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

S. No.	State	Aspirational district	Amount spent (in Rs.)
1	Nil	Nil	Nil

3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, a common sourcing policy that is based on attributes, quality, costs, and capability is followed. This policy does not differentiate between sourcing groups and categories.

(b) From which marginalized /vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NA				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

6. Details of beneficiaries of CSR projects

S. No.	CSR Project	No. of persons benefitted from CSR Projects during FY 2024-25	% of beneficiaries from vulnerable and marginalized groups
	The CSR amount spent during the year was towards ensuring Environmental Sustainability, Promoting Education and promoting Health Care. This initiative was benefited by large number of people in the vicinity including vulnerable and marginalised groups, which is difficult to quantify.		

PRINCIPLE 9- BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

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

The Company has a set process for the customer care response process, to address any customer issues with the Company's offering and service portfolio. Each customer concern is addressed with utmost care at all levels. DTL teams acknowledge, analyse the incidents, and develop an action plan to resolve them. The team engages with the customer, to validate the action plan and regularly updates customers about the progress of action taken. Any feedback from the customer is taken positively and action plans are refined to ensure utmost customer satisfaction.

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

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

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

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cybersecurity	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Others-Quality of Products	0	0	Nil	0	0	Nil

4. Details of instances of product recalls on accounts of safety issues.

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

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

Yes. Web link: www.dynamatics.com

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

Nil

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches:

Nil

b. Percentage of data breaches involving personally identifiable information of customer)

Nil

c. Impact, if any, of the data breaches

Nil

Leadership Indicators

1. Channels / platforms where information on products and services of the Company can be accessed

Weblink: <https://www.dynamatics.com>

2. Steps taken to inform and educate consumers, especially vulnerable and marginalised consumers, about safe and responsible usage of products and services.

At DTL, sustainable innovation is a core part of the Company's DNA. The Company continues to work together and with our partners and customers to explore new ways to incorporate sustainable materials across our solutions and bring them to new markets including increased communications.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

Issues are bound to arise in any customer/supplier relationship and therefore DTL maintains continual communication with customers to identify problems before they become serious. This allows both parties to work towards mutually beneficial solutions. The company's teams focus on quality and customer service and continue to strengthen the position DTL as a trusted partner.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

NA

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CORPORATE GOVERNANCE
REPORT



Company's Philosophy on Code of Governance:

The Company is committed to good corporate governance, guided by its values and Code of Conduct, and considers itself a trustee of shareholder interests. It ensures transparency and timely disclosure of business and financial performance, while upholding business ethics. Its governance philosophy focuses on achieving business excellence and enhancing long-term shareholder value, while balancing the interests of all stakeholders.

The Company is following the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Regulations), 2015 (SEBI Listing Regulations), as applicable, regarding corporate governance.

Board of Directors:

The Board of Directors along with its committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. Your Company has an engaged and well-informed Board with qualifications and experience in diverse areas. The composition of the Board of the Company is in compliance with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (Act).

The Board comprises of members having varied skills, experience and knowledge. The Board has an optimum combination of both Independent and Non-independent Directors. As on 31st March 2026, the Company has nine Directors. Out of the nine Directors, seven are Non-Executive Directors out of which five are Independent Directors. The profiles of Directors can be found in the "Directors and the KMP Profile" appearing in the "Overview Section" of this Annual Report.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on 31st March 2026, have been made by the Directors. None of the Directors are related to each other.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they 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. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

Six board meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

27th May 2025, 7th August 2025, 10th November 2025, 23rd December 2025, 9th February 2026 and 23rd March 2026. The necessary quorum was present for all the meetings.

The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31st March 2026, are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/ she is a director. For determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

A. Details of attendance of each Director at the Board Meetings and at the last year Annual General Meeting

Name of the Directors	AGM	Date of Board Meetings						Percentage (%) of attendance
	30 th Sept 2025	27 th May 2025	7 th August 2025	10 th November 2025	23 rd December 2025	9 th February 2026	23 rd March 2026	
Pierre de Bausset DIN:07178878	Y	Y	Y	Y	Y	Y	Y	100 %
Pradyumna Vyas DIN:02359563	Y	Y	Y	Y	Y	Y	Y	100 %
Gaitri Issar Kumar DIN: 10245539	Y	Y	Y	Y	Y	Y	Y	100 %
Air Chief Marshal V. R. Chaudhari (Retd.)* DIN: 08444323	-	-	-	-	Y	-	Y	66.67 %
Shyamala Venkatachalam* DIN: 07691824	-	-	-	-	Y	Y	Y	100 %
Dietmar Hahn** DIN:06414463	-	Y	Y	Y	Y	Y	Y	100 %
James Tucker DIN:07093258	Y	Y	Y	Y	Y	Y	Y	100 %
Udayant Malhoutra DIN:00053714	Y	Y	Y	Y	Y	Y	Y	100 %
Chalapathi P DIN: 08087615	Y	Y	Y	Y	Y	Y	Y	100 %

* Air Chief Marshal V. R. Chaudhari (Retd.) and Ms. Shyamala Venkatachalam were inducted w.e.f. 23rd December 2025.

** Mr. Dietmar Hahn resigned on 19th May 2026.

B. Composition of the Board and Directorships / Shareholdings in the Company / Membership held by Directors during the year 2025-26

Name of the Director	Category	Share holding in Dynamatic	Other Public Companies excluding this Company	Committee Memberships held in public Company (Audit & Stakeholders Relationship Committee Only)		Directorship in other listed entity (Category of Directorship)
				As Chairperson	As Member	
Mr. Pierre de Bausset DIN:07178878	Chairman - Independent and Non- Executive Director	Nil	-	-	-	-
Prof. Pradyumna Vyas DIN:02359563	Independent and Non- Executive Director	Nil	1. Dynamatic Manufacturing Limited	-	-	-
			2. JKM Erla Automotive Limited	-	-	-
			3. Carysil Limited	-	Audit	Non-Executive - Independent Director
			4. Kirloskar Brothers Ltd.	-	Audit	Non-Executive -Independent Director

Ms. Gaitri Issar Kumar DIN:10245539	Independent and Non-Executive Director	Nil	-	-	-	-
Air Chief Marshal V. R. Chaudhari (Retd.)* DIN:08444323	Independent and Non-Executive Director	Nil	-	-	-	-
Ms. Shyamala Venkatachalam* DIN:07691824	Independent and Non-Executive Director	Nil	-	-	-	-
Mr. Dietmar Hahn** DIN:06414463	Non-Executive and Non-Independent Director	Nil	-	-	-	-
Mr. James Tucker DIN:07093258	Non-Executive and Non-Independent Director	Nil	-	-	-	-
Dr. Udayant Malhoutra DIN:00053714	Promoter, CEO and Managing Director	5,23,460	1. Centrust Financial Limited	-	-	-
			2. Greenearth Biotechnologies Limited	-	-	-
			3. SAN Engineering and Locomotive Company Limited (Resigned on 26.06.2025)	-	-	-
			4. Centum Electronics Limited	Stakeholder's Relationship	-	Non-Executive -Independent Director
Mr. Chalapathi P DIN:08087615	Executive Director and Chief Financial Officer	Nil	1. JKM Erla Automotive Limited	-	-	-
			2. JKM Research Farm Limited			
			3. Dynamatic Manufacturing Limited			

* Air Chief Marshal V. R. Chaudhari (Retd.) and Ms. Shyamala Venkatachalam were inducted w.e.f. 23rd December 2025.

** Mr. Dietmar Hahn resigned on 19th May 2026.

Disclosure of relationships between directors inter-se:

None of the Directors are inter-se related to each other.

Familiarisation programme imparted to Independent Directors:

All independent and non-executive directors inducted to the Board are introduced to our Company culture through orientation sessions. Executive Directors and Senior Management provide an overview of operations and familiarize the new directors on matters related to our values and commitments. They are also introduced to the organization structure, services, Group structure and subsidiaries, constitution, Board procedures, matters reserved for the Board, major risks and risk management strategy. The details of the familiarization program are also available on the Company's website at (www.dynamatics.com)

On 8th January 2026, a familiarization session was organised for the newly inducted independent directors at Aerotropolis campus alongside Hangar visits, wherein the independent directors had an immersive review of the deep-tech eco system developed for autonomous systems.

Pursuant to Regulation 46 of the Listing Regulations, details of familiarisation programmes imparted to the Independent Directors are available on the Company's website at [Familiarization-Programmes-for-Independent-Directors.-9567-ShareholderInfo.pdf](#).

Skills / Expertise / Competencies of the Board of Directors:

For effective functioning of the Board, your Company's Board needs to have skills / expertise / competencies in the areas of Business, Finance & Accounting and Governance / Legal. Your Company's Board comprises of people from diverse fields and across globe. Your Company's Directors are qualified and possess the appropriate knowledge, skills, experience, expertise, diversity and independence, covering Business, Finance & Accounting, Administration, Design & Development, Information Technology, Sales & Marketing, Quality, Human Resources & Industrial Relations including Governance and Legal. In the table given below, various skills / expertise / competencies of Board of Directors are given:

The following are the skills as identified by the Board.

Sl. No	Core skills /expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have such skills / expertise / competencies
1	Finance, Law, Management, Administration, Sales & Marketing, Corporate Governance related to the Company's business.	Mr. Pierre de Bausset Ms. Gaitri Issar Kumar Ms. Shyamala Venkatachalam Dr. Udayant Malhoutra Mr. Chalapathi P
2	Technical Operations related to the Company, Design & Development, Information Technology, Knowledge on Production, Processing, Quality and Marketing of Aerospace, Hydraulics and Automobile.	Prof. Pradyumna Vyas Air Chief Marshal V.R. Chaudhari (Retd.) Mr. James Tucker Mr. Dietmar Hahn* Dr. Udayant Malhoutra
3	Management, Strategy, Marketing, Administration, Industrial Relations and Human Resources, Technical Operations related to the Company's business.	Mr. Pierre de Bausset Ms. Gaitri Issar Kumar Air Chief Marshal V.R. Chaudhari (Retd.) Ms. Shyamala Venkatachalam Mr. James Tucker Mr. Dietmar Hahn* Dr. Udayant Malhoutra

* Mr. Dietmar Hahn resigned on 19th May 2026.

As part of its statutory duties under the SEBI Listing Regulations, the Nomination and Remuneration Committee (NRC) conducts due diligence, reference checks, and interviews to evaluate a prospective Director's skills, experience, and industry knowledge before recommending their appointment. Upon identifying a suitable candidate, the NRC proposes the appointment to the Board, which then appoints the individual as an Additional Director and seeks shareholders approval. All Directors are appointed with the approval of both the Board and shareholders and are subject to periodic re-appointment; none hold a perpetual term.

Responsibilities of the Chairman and Executive Directors:

The Company has Mr. Pierre de Bausset, Independent Director as the Chairman of the Board.

Dr. Udayant Malhoutra is the CEO & Managing Director of the Company, who is also a Promoter Director.

Mr. Chalapathi P is the Executive Director & CFO of the Company.

The Executive Directors of the Subsidiary Companies incorporated abroad are part of the Board as Non-Executive and Non-Independent Directors of the Company. There is clear demarcation of responsibilities and authority among these officials.

The Senior Management makes periodic presentations to the Board on the Company performance and business growth of the business units.

Senior Management

Particulars of the Senior Management in compliance with Regulation 16 of the SEBI Listing Regulations, as on March 31, 2026, are as under:

Name of the Senior Management Personnel	Designation
Dr. Udayant Malhoutra	Chief Executive Officer & Managing Director
Mr. Chalapathi P	Executive Director & Chief Financial Officer
Mr. Shivaram V	Chief Legal Officer & Company Secretary
Mr. Ravichander V	Chief Technology Officer
Mr. Ajay Gururaj	Chief Commercial Officer

Independent Directors

As on March 31, 2026, the Board of Dynamatic Technologies Limited comprised of Five (5) Independent Directors, who in the opinion of the Board, fulfil the requirements as stipulated under Section 149 of the Companies Act, 2013 and the provisions of SEBI Listing Regulations and are independent of the Management. The necessary declarations from Independent Directors affirming that they meet the criteria of independence as required under Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations are obtained. The Independent Directors abide by the code of conduct adopted by the Company and as laid out under Schedule IV of the Companies Act, 2013.

Air Chief Marshal V. R. Chaudhari (Retd) (DIN: 08444323) and Ms. Shyamala Venkatachalam (DIN: 07691824) were appointed as Independent Directors to hold office for a term of five years from 23rd December 2025, till 22nd December 2030.

A separate meeting of Independent Directors for the financial year 2025-26 as per Clause VII (1) of Schedule IV under Section 149(8) of the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations was held on 26th May 2025, without the participation of the Non-Independent Directors and management members, wherein the Independent Directors reviewed:

- the performance of the Managing Director, Non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company based on the views received from Directors of the Company; and
- the flow of information between Company management and the Board in terms of quality, timeliness and quantity, in order to ensure that the Board discharges its duty effectively.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors, the Chairman and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity, and timeliness of flow of information between the Company Management and the Board.

Evaluation Mechanism:

The Board's performance is formally evaluated based on guidelines laid down by the NRC, covering aspects such as Board composition, diversity, qualifications, meeting effectiveness, strategic oversight, governance, risk management, and stakeholder engagement. Individual Directors are assessed on their qualifications, experience, integrity, commitment, team contribution, and support to management. The Chairman is additionally evaluated on leadership, impartiality, and effectiveness. Committee evaluations focus on mandate, composition, independence, meeting quality, and contribution to Board decisions. The evaluation process and criteria, including those for determining qualifications and independence under Section 178(3) of the Companies Act and SEBI Listing Regulations, are detailed in the Board's Report. The NRC also promotes gender diversity by emphasizing increased representation of women on the Board.

Board Continuity and Succession Planning:

The NRC of the Board is vested with the responsibility of ensuring continuity in the Board Management by recommending suitable candidates to the Board, beforehand, in place of those retiring.

As mentioned above, the Company's Board is well represented with experts from various realms. While ensuring continuity in the Board Management, the NRC endeavors to fulfil the position of the retiring Director by choosing candidates, ideally, from the same realm as that of the retiring Director to always ensure balanced representation of Directors on the Board.

Name of the Director	Remuneration		Total
	Sitting Fees	Salary	
Mr. Pierre de Bausset	21,00,000	-	21,00,000
Prof. Pradyumna Vyas	22,00,000	-	22,00,000
Ms. Gaitri Issar Kumar	18,00,000	-	18,00,000
Air Chief Marshal V. R. Chaudhari (Retd.)*	3,00,000	-	3,00,000
Ms. Shyamala Venkatachalam*	5,00,000	-	5,00,000
Mr. Dietmar Hahn**	-	-	-
Mr. James Tucker	-	-	-
Dr. Udayant Malhoutra	-	1,52,64,000	1,52,64,000
Mr. Chalapathi P	-	1,27,20,000	1,27,20,000

* Air Chief Marshal V. R. Chaudhari (Retd.) and Ms. Shyamala Venkatachalam were inducted w.e.f. 23rd December 2025.

** Mr. Dietmar Hahn resigned on 19th May 2026.

The terms of appointment of the Executive Directors are governed by the provisions of the law and such appointment is subject to termination by either party by giving three months' notice unless termination at shorter notice is mutually agreed by the Executive Director concerned and the Board of Directors of the Company. As per terms of appointment, none of the Executive Directors are entitled to receive any severance fees. Service Contracts are governed as per the terms set out in the resolution by the Shareholders at the General Meeting while appointing the Director(s).

The Company does not have any scheme for grant of stock options either to Directors or to employees.

BOARD COMMITTEES:

Currently, the Board has Eight (8) Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Risk Management Committee
4. Stakeholders' Relationship Committee
5. Corporate Social Responsibility Committee
6. Technology & Strategy Development Committee
7. Finance Committee and
8. Independent Directors' Committee

Procedure for Committee Meetings:

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as may be practicable. Minutes of the proceedings of the Committee meetings are placed before the Board for perusal and records. The quorum for the board meetings shall be one-third of its total strength or three directors, whichever is higher, including at least one independent director. The participation of the directors by video conferencing or by other audio-visual means shall also be counted for the purposes of such quorum.

AUDIT COMMITTEE:

The Board has established a qualified and independent Audit Committee in accordance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations

Composition:

The Audit Committee of the Board comprises the following 5 (Five) Independent Directors as on 31st March 2026:

- **Mr. Pierre de Bausset, Chairman**
- Prof. Pradyumna Vyas
- Ms. Gaitri Issar Kumar
- Air Chief Marshal V.R. Chaudhari (Retd.) – inducted w.e.f. 9th February 2026
- Ms. Shyamala Venkatachalam – inducted w.e.f. 9th February 2026

The Chairman of the Committee is Mr. Pierre de Bausset, who has expertise in banking, finance, corporate laws, and governance matters. The Members of the Audit Committee have relevant experience in accounting matters and possess related financial management expertise and are considered financially literate as defined in Regulation 18(1)(c) of the SEBI Listing Regulations. The Chairman of the Audit Committee attended the last Annual General Meeting of the Company, to answer the queries of the shareholders. Mr. Shivaram V, Company Secretary is the Secretary to the Audit Committee.

In accordance with the circular dated January 7, 2026 issued by the National Financial Reporting Authority and upon recommendation of the Audit Committee in consultation with the Statutory Auditors, the Board adopted a framework to ensure effective two-way communication between 'Those Charged with Governance' ("TCWG") and the Statutory Auditors.

Attendance at Audit Committee Meetings held during the year 2025-26:

Audit Committee meetings were held on:

- 27th May 2025
- 7th August 2025
- 10th November 2025
- 9th February 2026
- 23rd March 2026

The gap between two Audit Committee Meetings did not exceed 120 days. The requisite quorum was present in above meetings, and the attendance of members was as follows:

Name of the Member	No. of meetings attended
Mr. Pierre de Bausset	5
Prof. Pradyumna Vyas	5
Ms. Gaitri Issar Kumar	5
Air Chief Marshal V.R. Chaudhari (Retd.)*	1
Ms. Shyamala Venkatachalam *	1

* Air Chief Marshal V. R. Chaudhari (Retd.) and Ms. Shyamala Venkatachalam were inducted w.e.f. 9th February 2026.

Terms of reference:

The terms of reference of the Audit Committee covers all the matters specified in the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations.

The terms of reference of the Audit Committee, inter-alia are as follows:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 1. 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.
 2. Changes, if any, in accounting policies and practices and reasons for the same.
 3. Major accounting entries involving estimates based on the exercise of judgment by management.
 4. Significant adjustments made in the financial statements arising out of audit findings.
 5. Compliance with listing and other legal requirements relating to financial statements.
 6. Disclosure of any related party transactions.
 7. Qualifications in the draft audit report, if any.
- v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- vi. 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions of the Company with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Valuation of undertakings or assets of the Company, wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- xiii. 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;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. 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;
- xvi. 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;
- xvii. 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;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rs. 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing;
- xxi. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- xxii. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Mandatory review of information by Audit Committee

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
 - b) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of SEBI Listing Regulations.

The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and to review the report of the Compliance Officer with the provisions of these regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

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

The Internal Auditors, representatives of the Statutory Auditors, Chief Financial Officer and CEO & Managing Director of the Company attend as invitees and participate in the Committee meeting/s to review and discuss financial performance, disclosure practices, internal control systems, internal audit reports, feedback reports of management and financial policies of the Company so that the Committee is able to oversee the financial reporting process, make appropriate financial disclosures and implement the terms of reference as mandated by the Board and the terms of the SEBI Listing Regulations. The Statutory Auditors and Internal Auditors actively participate and recommend the required policies and changes from time to time.

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

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

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee (NRC) has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

Composition:

The Committee comprises the following 4 (Four) Independent Directors as on 31st March 2026:

- **Air Chief Marshal V.R. Chaudhari (Retd.), Chairman** – inducted w.e.f. 9th February 2026
- Mr. Pierre de Bausset
- Prof. Pradyumna Vyas
- Ms. Gaitri Issar Kumar

In terms of Regulation 19 of the SEBI Listing Regulations

read with the provisions of Section 178 of the Companies Act, 2013, all the members of the NRC are independent directors. Prof. Pradyumna Vyas had attended the last Annual General Meeting of the Company in the capacity of Chairman. With effect from 9th February 2026, Air Chief Marshal V.R. Chaudhari (Retd.) was inducted as Chairman of the NRC.

Attendance at the NRC Meetings held during the year 2025-26:

During FY 2025-26, the meetings of the NRC were convened on 26th May 2025, 3rd December 2025, and 23rd December 2025.

The requisite quorum was present in above meetings, and the attendance of members was as follows:

Name of the Member	No. of meetings attended
Air Chief Marshal V.R. Chaudhari (Retd.), Chairman*	-
Mr. Pierre de Bausset	3
Prof. Pradyumna Vyas	3
Ms. Gaitri Issar Kumar	3

* Air Chief Marshal V.R. Chaudhari (Retd.), was inducted w.e.f. 9th February 2026.

Terms of Reference:

The terms of reference of the NRC which covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the SEBI Listing Regulations.

The terms of reference of the NRC, inter-alia are as follows:

1. Formulation of 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. Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every director's performance.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent Directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management and
7. Such other matters as may be prescribed under the Act, SEBI Listing Regulations and or by the Board of Directors of the Company from time to time.

Performance Evaluation criteria for Directors:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the SEBI Listing Regulations, the Annual Performance Evaluation was carried out for the Financial Year 2025 - 26, by the Board in respect of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Risk Management, Stakeholders' Relationship and Corporate Social Responsibility Committees.

A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the Guidance note issued by SEBI. The performance also included inputs from all the directors based on criteria such as the board composition, board processes, information & functioning, Risk Management & Strategy, Corporate Social Responsibility, Organisational performance and structure, effectiveness of board processes, etc.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfilment of key responsibilities, effectiveness of meetings etc. The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.

Remuneration Policy:

The Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for Remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company does not have any Employee Stock Option Scheme.

Remuneration of Directors:

The key principles governing the Company's Remuneration Policy are as follows:

(i) Independent Directors and Non-Independent Non-Executive Directors:

Independent Directors ('ID') are paid sitting fees for attending the Meetings of the Board and of Committees of which they are Members. For Non-Independent and Non-Executive Directors, being employees of overseas subsidiary, no sitting fee is paid.

(ii) Managing Director ('MD')/ Executive Directors ('ED') / Key Managerial Personnel ('KMP')/ rest of the employees:

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the Sector / Industry / Company's Operations and the

Company's capacity to pay, consistent with recognized best practices and aligned to regulatory requirements.

Basic / Fixed Salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits in accordance with terms of the Company policy.

The Remuneration and Nomination Policy are displayed on the Company's website www.dynamics.com

The details of Remuneration/Sitting Fee paid to the Managing Director and Executive Directors along with Independent Directors during the Financial Year 2025-26 is as follows:

- During the year, there was no pecuniary relationship or transactions between the Company and any of its Independent Directors apart from sitting fees.
- Non-Executive Directors' compensation and disclosures.

The Independent Directors (except Non-Executive and Non-Independent) are paid Sitting fees for attending the meetings of the Board and Committees of the Board. The Company also reimburses out of-pocket expenses incurred by the Directors for attending the meetings as on 31st March 2026.

(Amount in Rs)

Directors	Sitting Fees
Mr. Pierre de Bausset (Independent Director)	21,00,000
Prof. Pradyumna Vyas (Independent Director)	22,00,000
Ms. Gaitri Issar Kumar (Women Independent Director)	18,00,000
Air Chief Marshal V.R. Chaudhari (Retd.)* (Independent Director)	3,00,000
Ms. Shyamala Venkatachalam * (Independent Director)	5,00,000
Mr. Dietmar Hahn**(Non-Executive and Non-Independent Director)	Nil
Mr. James Tucker** (Non-Executive and Non-Independent Director)	Nil

*Air Chief Marshal V. R. Chaudhari (Retd.) and Ms. Shyamala Venkatachalam were inducted w.e.f. 23rd December 2025.

**Mr. Dietmar Hahn and Mr. James Tucker are not paid Sitting fees as they are full-time employees of Subsidiaries. No Commission is being paid to the Independent Directors. Mr. Dietmar Hahn resigned on 19th May 2026.

c) (i) & (ii) The Remuneration details of Managing Director / Executive Directors are mentioned below:

(Amount in Rs)

Particulars	Dr. Udayant Malhoutra	Mr. Chalapathi P
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,30,76,160	1,09,09,548
Allowances and perquisites	12,72,000	10,47,252
Performance linked Incentive (One Time)	-	-
Contribution to Retrial Funds	-	-
Stock option	-	-
No. of Shares held	5,23,460	-
Terms of Service Contract	He was appointed for a term of 3 Years with effect from 1 st October 2023 to 30 th September 2026 and the same was approved by the shareholders in the AGM held on 22 nd September 2023.	Appointed as Executive Director w.e.f. 13th November 2024.
Notice period	3 Months	3 Months

(iii) The terms of appointment of the Managing and Executive Directors provide that the appointment may be terminated by either party by giving to the other party three months' notice of such termination or the Company paying three months' remuneration in lieu thereof.

Note: The resolutions appointing these directors do not provide for payment of severance fees.

(iv) **Stock options:** The Company has not granted Stock Option to any of its directors.

(v) **Succession Plan:** The Company believes that sound succession planning for the senior leadership is critical for developing bench strength to ensure growth, stability and a robust future for the Company. The NRC works along with the CEO & MD of the Company for a structured leadership succession plan.

(vi) **Retirement Policy for Directors:** As per the Company's policy.

RISK MANAGEMENT COMMITTEE

Regulation 21 of the SEBI Listing Regulations mandates top 1000 listed entities, determined based on market capitalization as at the end of the immediate previous financial year, to constitute a Risk Management Committee ('RMC'). The primary role of the RMC is that of assisting the Board of Directors in overseeing the Company's risk management processes and controls. The RMC, through Enterprise Risk Management in the Company, seeks to minimize adverse impact on business objectives and enhance stakeholder value. The Risk Management Policy and Terms of Reference of RMC are in line with the SEBI Listing Regulations for the functioning of the RMC.

Composition:

The Committee comprises the following 5 (Five) Directors as on 31st March 2026:

- **Ms. Shyamala Venkatachalam, Chairperson** – inducted w.e.f. 9th February 2026
- Mr. Pierre de Bausset
- Ms. Gaitri Issar Kumar
- Prof. Pradyumna Vyas
- Dr. Udayant Malhoutra

Attendance at the Risk Management Committee Meetings (RMC) held during the year 2025-26:

RMC meetings were held on 6th August 2025 and 9th February 2026. The requisite quorum was present in above meetings, and the attendance of members was as follows:

Name of the Member	No. of meetings attended
Ms. Shyamala Venkatachalam*	1
Mr. Pierre de Bausset	2
Prof. Pradyumna Vyas	2
Ms. Gaitri Issar Kumar	2
Dr. Udayant Malhoutra	2

*Ms. Shyamala Venkatachalam was inducted w.e.f. 9th February 2026.

- The gap between two RMC Meetings did not exceed 210 days. The necessary quorum was present for both the Meetings.
- The Company Secretary acts as the Secretary to the Committee.
- The Company has a well-defined risk management framework in place. Further, details on risk management are given in the Management Discussion & Analysis which forms part of this Integrated Annual Report.

Terms of Reference

The terms of reference of the RMC, as amended, inter alia, include:

1. To formulate a risk management policy for the Company.
2. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
4. To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company.

- To frame, implement and monitor the risk management plan of the Company.
- To monitor and review cyber security in the Company.
- To keep the board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken.
- The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any).

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The constitution and composition of Stakeholders' Relationship Committee (SRC) is in conformation with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

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

Composition:

The SRC comprises the following 4 (Four) Directors as on 31st March 2026. The Chairman is heading the Committee.

- Prof. Pradyumna Vyas, Chairman**
- Mr. Pierre de Bausset
- Dr. Udayant Malhoutra
- Ms. Shyamala Venkatachalam – inducted w.e.f. 9th February 2026

Attendance at the Committee Meetings held during the year 2025-26:

SRC meetings were held on:

- 27th May 2025
- 7th August 2025
- 10th November 2025
- 9th February 2026

The requisite quorum was present in above meetings, and the attendance of members was as follows:

Name of the Member	No. of meetings attended
Prof. Pradyumna Vyas	4
Mr. Pierre de Bausset	4
Dr. Udayant Malhoutra	3
Ms. Shyamala Venkatachalam*	-

*Ms. Shyamala Venkatachalam was inducted w.e.f. 9th February 2026.

Terms of reference:

The terms of reference of the SRC cover the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the SEBI Listing Regulations. The terms of reference of the SRC, inter-alia, are as follows:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report,

non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Any other terms that may be assigned by the Board from time to time.

Compliance Officer:

Mr. Shivaram V, Chief Legal Officer & Company Secretary is the Compliance Officer responsible for complying with the requirements of SEBI Regulations.

Investor Grievance report for the year 2025-26:

Details of complaints received and attended to during the financial year 2025-26 are given below:

Subject	
No. of complaints pending as on 1 st April 2025	Nil
No. of complaints received during the year	1
No. of complaints resolved during the year	1
No. of complaints pending as on 31 st March 2026	Nil

The Company has taken various investor-friendly activities viz. encouraging investors to register their email ids, option for registration of email address for the limited purpose of receiving Annual Report and e-Voting credentials for the AGM.

A communication has also been sent for updating bank account details and other details for payment of dividend and tax deducted at source related activity.

Pursuant to the SEBI Circulars dated November 3, 2021, and December 14, 2021 issued for common and simplified norms for processing investor's service request and norms for furnishing PAN, KYC details and Nomination details, the Company had sent individual letters to its shareholders holding shares in physical form for furnishing the KYC details to comply with the KYC requirements.

Remuneration of Directors:

The Company's Remuneration Policy is aligned with its philosophy for payment of remuneration to Directors, KMPs and all other employees based on the commitment of fostering a culture of leadership with trust.

The principles governing the Company's Remuneration Policy are provided in the Board's Report and the Policy is also uploaded on the website of the Company.

Securities Identification Number (ISIN):

ISIN is the identification number for traded shares, which needs to be quoted in every transaction relating to the dematerialized shares of the Company. The ISIN for Company's equity shares is INE221B01012.

Corporate Identity Number (CIN):

The CIN, allotted by the Ministry of Corporate Affairs, Government of India, is L72200KA1973PLC002308.

Dematerialization of Shares and Liquidity:

The equity shares of the Company are traded in dematerialized form. The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder must open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the RTA. On receipt of the demat request, both physically and electronically, and after verification, the shares are dematerialized, and an electronic credit of shares is given to the account of the Shareholder.

During the Financial Year 2025-26, 22 demat requests for dematerialization comprising 3,550 shares and 9 requests for transmission of share/deletion of name comprising 2,757 shares were received and processed.

Shareholders who are still holding shares in physical form are requested to dematerialize their shares at the earliest, as this will be more advantageous to deal in securities. For queries / clarification / assistance, shareholders are advised to approach the Company's Registrar and Share Transfer Agents.

Transfer of Unclaimed/Unpaid Amounts to the Investor Education and Protection Fund

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividends, if not claimed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Further, all the shares in respect of which dividend has remained unclaimed for seven (7) consecutive years or more from the date of transfer to unpaid dividend account, shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of shares. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in newspapers and details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at www.dynamatics.com

The IEPF Authority launched a 100 day campaign, Saksham Niveshak in July 2025 to enhance investor awareness and expedite resolution of pending matters relating to unclaimed dividends, shares transferred to IEPF and updating of KYC & nomination details. In support of this initiative, the Company published newspaper advertisements urging Shareholders to update their KYC and claim their unclaimed dividend(s). The Company's RTA also conducted a special drive to process unclaimed dividends, enabling payment of multiple outstanding dividend(s) to Shareholders who updated their bank details.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for seven consecutive years. Further,

shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during the FY 2025-26 are as follows:

Financial Year	Amount of unclaimed dividend Transferred (Rs.)	Number of shares transferred
2018-19	1,20,334	13,667

The following table gives information relating to outstanding dividend accounts and the dates when due for transfer to IEPF:

Financial Year Ended	Date of declaration of dividend	Due date of transfer to IEPF
2022-23 (Interim Dividend)	10.08.2022	09.09.2030
2022-23 (Final Dividend)	22.09.2023	21.10.2030
2023-24 (Interim Dividend)	13.02.2024	12.03.2031
2023-24 (Final Dividend)	05.09.2024	04.10.2031
2024-25 (Interim Dividend)	13.11.2024	12.12.2031
2025-26 (Interim Dividend)	09.02.2026	08.03.2033

Shareholders are requested to get in touch with the RTA for encashing the Unclaimed Dividend amount, if any, standing to the credit of their account.

During the Financial Year 2025-26, 13,667 equity shares belonging to shareholders who had not encashed dividends for seven consecutive years were transferred to Investor Education and Protection Fund (IEPF).

Details of shares transferred have been uploaded on the Company's website at www.dynamatics.com.

All requests/communications from Shareholders including request for annual reports, revalidation of dividend warrants, change of address, transmission of shares, deletion of name, Issue of duplicate share certificate, claim of dividend & shares from IEPF authorities etc., are received by KFin Technologies Limited, Hyderabad, Registrars and Share Transfer Agents on behalf of the Company (RTA/KFintech) and all these requests have been addressed to their satisfaction.

Every quarter, the Company reviews various communications received by the RTA. These communications and the replies furnished are made available to the Company through RTA's website <http://karisma.kfintech.com>.

A quarterly report of the same is submitted to the Committee for improving investor relations and services provided to them. KFintech provides high quality shareholder service through their services and updated technological support, thereby ensuring that the Company provides its investors with the best possible services.

Suspense Account for the unclaimed shares:

Pursuant to Regulation 39(4) read with schedule VI of the SEBI Listing Regulations, the Company has sent reminder to Shareholders regarding unclaimed shares out of the shares issued by the Company. Further in terms of the said provision, the Company has opened a DEMAT suspense account with IIFL Securities Limited for crediting unclaimed shares and any

corporate benefits in terms of securities accruing on such shares, like bonus shares, split etc., and thereafter shall be transferred by the listed entity in accordance with provisions of Section 124 and 125 of the Companies Act 2013 and rules made thereunder.

Details of suspense account

As required under clause F of schedule V of the SEBI Listing Regulations, the disclosures with respect to demat suspense account / unclaimed suspense account are appended here below:

Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the beginning of the year; 11 Shareholders and 851 shares.

Number of Equity Shareholders approached the Company for transfer of shares from suspense account during the year: 1 Shareholder and 16 shares.

Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the end of the year; 10 Shareholders and 835 shares.

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Furnishing of PAN, KYC details and Nomination by holders of physical securities.

Pursuant to the SEBI Circulars, the company had through M/s KFin Technologies Limited, sent communication dated 08.05.2025, 03.09.2025 and 23.02.2026 to those shareholders holding physical shares, and whose PAN, KYC and Nomination details are not available with the Company.

Members desiring to send their nomination in the prescribed Form No. SH-13 may send duly filled form to KFin at the below mentioned address. Members holding shares in electronic form may contact their respective DP for availing this facility.

Therefore, those shareholders who have not furnished some of the mandatory documents/details against their respective physical holdings are herewith requested to immediately furnish the aforesaid documents/details to M/s KFin Technologies Limited, the Registrar & Transfer Agents of the Company in the prescribed format or contact KFin Technologies Limited, Unit: Dynamatic Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Email: einward.ris@kfinetech.com for further assistance on this matter.

SHARE TRANSFER COMMITTEE – A SUB COMMITTEE OF STAKEHOLDERS' RELATIONSHIP COMMITTEE

A Share Transfer Committee has been constituted by the Board to ensure timely and efficient service of requests for share transfers and transmissions.

Composition

The Committee comprises the following members as on 3 March 2026:

- **Dr. Udayant Malhoutra, Chairman**
- Prof. Pradyumna Vyas
- Mr. Shivaram V

The Committee is vested with the responsibility of approving cases which comply with the required provisions of the

applicable laws of India relating to share transmissions, transpositions, duplicate share certificates, exchange, consolidations, etc. on a fortnightly basis. The status on complaints and share transfers is reported to the Stakeholders' Committee and subsequently to the Board.

Share transactions in electronic form can be effected in a much simpler and faster manner. After confirmation of sale / purchase transaction from the broker, Shareholders should approach the depository participant with a request to debit or credit the account for the transaction. Shareholders are periodically requested to utilize the demat facility.

TECHNOLOGY & STRATEGY DEVELOPMENT COMMITTEE:

The Technology & Strategy Development Committee provides directions on the Company's Research and Development strategy and on key issues pertaining to R&D technology. The Committee also reviews and updates the skills and competence required, the structure and the process needed to ensure that the R&D initiatives of today result in products necessary for the sustained and long-term growth of the Company. The Committee is instrumental in augmenting the Intellectual properties of the Company. Resultant is the host of patents and trademarks for the Company's products and process in India and across the globe from time to time.

Objectives:

- Develop products and technologies keeping in mind the customers and business strategy of the Company.
- Provide effective project support and assurance to production and its business.
- Provide best technical assistance available across the globe.
- Exploit synergies through cutting edge technologies.
- Deploy scientists, engineers to meet current and future business needs.
- Promote and develop Intellectual Property to processes and products.
- Work as a Design & Developmental partner with customers in future technologies across the units.
- Innovation on extreme efficiency, value maximization to serve the new market conditions and safety and reliability of assets, across the Company as a part of its DNA.

Composition:

The Board Level Technology & Strategy Development Committee comprises 9 (nine) Directors as on 31st March 2026.

The Committee comprises the following members:

- **Prof. Pradyumna Vyas, Chairman**
- Mr. Pierre de Bausset
- Ms. Gaitri Issar Kumar
- Air Chief Marshal V.R. Chaudhari (Retd.) - inducted w.e.f. 9th February 2026
- Ms. Shyamala Venkatachalam - inducted w.e.f. 9th February 2026
- Mr. Dietmar Hahn - resigned on 19th May 2026

- Mr. James Tucker
- Mr. Chalapathi P
- Dr. Udayant Malhoutra

The Technical and Operations heads attend the Committee meeting to present the improvements made regarding new technical products and innovations, which deliver greater value to their existing and new customers.

FINANCE COMMITTEE:

The Board, at its meeting held on 5th February 2013, constituted the Finance Committee. The said Committee has been constituted with the following powers:

- To approve availing loans, providing necessary security, giving guarantees.
- To approve investing funds of the Company.
- To consider and approve purchase of securities of wholly owned subsidiary.
- To authorize suitable Directors/Personnel of the Company to do such acts and things as is necessary or incidental to give effect to the aforesaid finance related activities of the Company such as registration of documents, affixing common seal of the Company and so on.

Composition:

The Board Level Finance Committee comprises the following 4 (four) Directors as on 31st March 2026.

- **Prof. Pradyumna Vyas, Chairman**
- Mr. Pierre de Bausset
- Ms. Gaitri Issar Kumar
- Dr. Udayant Malhoutra

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

Terms of reference

The terms of reference of the CSR Committee inter alia, are as follows:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the CSR activities.
- Oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen.
- Oversee activities impacting the quality of life of various stakeholders.
- Formulate and recommend to the Board (including any revisions thereto), an annual action plan in pursuance of the CSR policy and have an oversight over its implementation.

- Monitor implementation and adherence to the CSR Policy of the Company from time to time.
- Such other activities as the Board of Directors determine as they may deem fit in line with CSR Policy.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at www.dynamatics.com. The Annual Report on CSR activities for the financial year 2025-26 forms part of the Board's Report.

Composition:

The composition of the CSR Committee and the details of the meetings attended by its members during the Financial Year ended 31st March 2026 are as under:

- **Ms. Gaitri Issar Kumar - Chairperson**
- Prof. Pradyumna Vyas
- Air Chief Marshal V.R. Chaudhari (Retd.) - inducted w.e.f. 9th February 2026
- Mr. Chalapathi P

During the financial year 2025-26, the Committee had one (1) meeting on 26th May 2025.

INDEPENDENT DIRECTORS COMMITTEE:

To facilitate independent meetings of the Independent Directors without the intervention of the management, an Independent Directors' Committee has been constituted in accordance with the requirements of Companies Act, 2013.

Composition:

The composition of the Independent Directors Committee and the details of the meetings attended by its members during the Financial Year ended 31st March 2026 are as under:

- **Mr. Pierre de Bausset - Lead Independent Director**
- Ms. Gaitri Issar Kumar
- Prof. Pradyumna Vyas
- Air Chief Marshal V.R. Chaudhari (Retd.) – inducted w.e.f. 9th February 2026
- Ms. Shyamala Venkatachalam – inducted w.e.f. 9th February 2026

During the financial year 2025-26, the Committee had One (1) meeting on 26th May 2025.

CEO and CFO Certification:

As required by SEBI Listing Regulations, the CEO and CFO certification is provided in this Annual Report.

Code of Conduct:

In compliance with Regulation 26(3) of the SEBI Listing Regulations, and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct and Ethics ('the Code'), all the members of the Board and Senior Management personnel affirmed compliance to the said Code as on 31st March 2026

GENERAL BODY MEETINGS

ANNUAL GENERAL MEETINGS ('AGM') / EXTRAORDINARY GENERAL MEETINGS ('EGM') / POSTAL BALLOT APPROVALS:

Location, date and time of the Annual General Meetings/Extraordinary General Meetings held during the preceding three years, and the special resolutions passed thereat are as follows:

Year	Venue	Date and Time	Special Resolution Passed
2022-2023 AGM	Physical	22 nd September 2023	- Re-appointment of Dr. Udayant Malhoutra (DIN: 00053714) as CEO and Managing Director for a term of 3 (Three) years. - Re-appointment of Mr. P S Ramesh (DIN: 05205364) as Executive Director & COO – Hydraulics for a term of 1 (One) year - Appointment of Ms. Gaitri Issar Kumar (DIN: 10245539) as Non-Executive Independent Director.
2023-2024 AGM	Physical	5 th September 2024	There was no special resolution passed during the meeting under review.
2024-2025 AGM	Physical	30 th September 2025	Appointment of Secretarial Auditor of the Company.

Postal Ballot:

Date of postal ballot notice	Resolution passed	Voting results	Approval date	Scrutinizer
10 th November 2023	- Appointment of Dr. Ajay Kumar (DIN:01975789) as an Independent Director of the Company. - Re-appointment of Mr. Pierre de Bausset (DIN:07178878) as an Independent Director of the Company. - Re-appointment of Prof. Pradyumna Vyas (DIN:02359563) as a Independent Director of the Company.	- Voting in favour: 100% Voting against: 0% - Voting in favour: 100% Voting against: 0% - Voting in favour: 100% Voting against: 0%	23 rd January 2024	Pramod S M BMP & Co. LLP., (Membership No FCS 7834, CP. No 13784)
13 th November 2024	Appointment of Mr. Chalapathi P (DIN:08087615) as Executive Director of the Company	Voting in favour: 99.92% Voting against: 0.08%	23 rd January 2025	Pramod S M BMP & Co. LLP., (Membership No FCS 7834, CP. No 13784)
23 rd December 2025	- Appointment of Air Chief Marshal V.R. Chaudhari (Retd.) (DIN: 08444323) as an Independent Director of the Company. - Appointment of Ms. Shyamala Venkatachalam (DIN: 07691824) as an Independent Director of the Company.	- Voting in favour: 99.97% Voting against: 0.03% - Voting in favour: 99.97% Voting against: 0.03%	17 th February 2026	Pramod S M BMP & Co. LLP., (Membership No FCS 7834, CP. No 13784)

For matters which are urgent and require shareholders' approval in the period between the AGMs, the Company seeks the approval of shareholders through postal ballot. In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company also provides electronic voting (e-voting) facility to all its members. For this purpose, the Company has engaged the services of Kfin Technologies limited. Mr. Pramod S M, designated partner of BMP & Co, LLP, Company Secretaries in practice, had acted as the scrutinizer for past postal ballots and e-voting. The details of the previous postal ballots are available on the website, at www.dynamics.com.

Procedure for postal ballot:

Postal ballot notices and forms are dispatched, along with postage-prepaid business reply envelopes to registered members / beneficiaries. The same notice is sent by email to members who have opted to receive communication through electronic mode. The Company also publishes a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members who want to exercise their votes by physical postal ballot are requested to return the forms, duly completed and signed,

to the scrutinizer on or before the close of the voting period. Those using the e-voting option are requested to vote before the close of business hours on the last date of e-voting.

The scrutinizer completes his scrutiny and submits his report to the Chairman, and the consolidated results of the voting are announced by the Chairman / authorized officer.

The results are also displayed on the Company website at www.dynamics.com, besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The last date for the receipt of postal ballot forms or e-voting is the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

The 51st AGM of the Company is being conducted through VC/OAVM.

Means of Communication:

The Company uses several modes for communicating with its external stakeholders, such as announcements and press releases in newspapers, circular letters and other reports to the members, posting information on its website www.dynamics.com, intimation to the Stock Exchanges, responding to analyst's queries etc.

The quarterly, half-yearly and annual results are displayed on the Company's website www.dynamics.com and disseminated through all the modes mentioned above. The

quarterly results are also published in leading dailies such as Business Standard (English daily) and Sanjevani (vernacular daily).

The transcripts and audio of the Company's investors/analysts conference calls are available at: www.dynamics.com

The Company's Management Discussion & Analysis of the Business for the year ended March 31, 2026, forms part of the Directors' Report and is given under the section so captioned.

General Shareholder Information:

The Company was incorporated in Bangalore, in 1973, as Dynamic Hydraulics Limited within the provisions of the Companies Act, 1956, and changed its name to Dynamic Technologies Limited in 1992. The address of registered office is JKM Plaza, Dynamic Aerotropolis, 55, KIADB Aerospace Park, Bangalore – 562149, Karnataka, India.

The equity shares of the Company are listed on both National Stock Exchange of India Limited (NSE - with a scrip code of DYNAMATECH) and Bombay Stock Exchange Limited (BSE - with a scrip code of 505242).

The Company has paid the listing fee for the year 2025-26 to the Stock Exchanges, where the shares of the Company are listed in India.

ANNUAL GENERAL MEETING FOR THE YEAR 2025-26:

Date and time:	15 th September 2026, at 2:30 PM (IST).	
Venue:	To be convened through VC / OAVM mode.	
Our tentative calendar for declaration of results for the Financial Year 2026-27 is given below:		
Calendar for Reporting:		
Quarter ended	Release of results	
Financial calendar:	30 th June 2026	On 7 th August 2026
	30 th September 2026	On or before 6 th November 2026
	31 st December 2026	On or before 11 th February 2027
	31 st March 2027	On or before 21 st May 2027
Date of book closure	Pursuant to the provisions of Section 91 of the Companies Act 2013 and Regulation 42 of the SEBI Listing Regulations, the Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 9 th September 2026 to Tuesday, 15 th September 2026 (both days inclusive).	
Dividend payment date	The dividend, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting will be paid on or after 17 th September 2026, to those Members whose names appear on the Company's Register of Members as on 28 th August 2026 being the Record Date for determining the shareholders who are entitled to receive Dividend.	
Listing on Stock Exchanges and Stock Code	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Phones: (022) 22721233/4 Fax: (022) 22721919 Scrip code:505242	National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai- 400 051 Tel No: (022) 26598100 Fax No: (022) 26598120 Scrip code: DYNAMATECH
Registrar & Transfer Agents	Kfin Technologies Limited Selenium Tower B, Plot 31 & 32 Financial District, Nanakramguda Serilingampally Mandal Hyderabad 500032 Telangana Toll Free Number: 1-800-309-4001 Email: einward.ris@kfintech.com Website: www.kfintech.com	
Address for correspondence	Dynamatic Technologies Limited, JKM Plaza, Dynamatic Aerotropolis 55, KIADB Aerospace Park, Bangalore, Karnataka 562149	

Share Transfer System

Pursuant to Regulation 40 of SEBI Listing Regulations (as amended), the securities of Dynamatic Technologies Limited held in physical mode are not transferable, effective April 01, 2019. Further, the SEBI vide circular bearing ref. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated that, in respect of investor services including transmission, duplicate share certificate, transposition etc., the listed entity shall issue the securities in dematerialised mode only. In compliance with the above circular, no securities in physical mode are issued by the listed entity. The securities, however held in dematerialised mode, are freely transferable. The transfer through demat mode takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved.

Disclosure on certain types of agreements binding listed entities:

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

Distribution of Shareholding as on 31st March 2026:

Sl. No.	Category	No. of Holders	% to Holders	Amount (Rs)	% to Amount
1	1-5000	26,155	97.63	72,65,330	10.70
2	5,001- 10,000	309	1.15	22,13,030	3.26
3	10,001- 20,000	127	0.48	17,92,150	2.63
4	20,001- 30,000	51	0.19	12,36,940	1.82
5	30,001- 40,000	25	0.09	8,79,550	1.30
6	40,001- 50,000	13	0.05	6,04,880	0.89
7	50,001- 1,00,000	48	0.18	34,35,630	5.06
8	1,00,001 & Above	61	0.23	5,04,86,920	74.34
Total		26,789	100	6,79,14,430	100

SHAREHOLDING PATTERN AS ON 31st MARCH 2026

Category	No. of Shares	% of shareholding
PROMOTERS AND PROMOTER GROUP HOLDING:		
Indian Promoters:		
Udayant Malhoutra	5,23,460	7.71
JKM Holdings Private Limited	1,112,538	16.38
Udayant Malhoutra and Company Private Limited	6,42,011	9.46
JKM Offshore India Private Limited	4,42,071	6.51
Christine Hoden (India) Private Limited	70,100*	1.03
Greenearth Biotechnologies Limited	22,927	0.34
Barota Malhoutra	4,938	0.07
Primella Sanitary Products Private Limited	100	0.0
Vita Private Limited	100	0.0
Wavell Investments Private Limited	0	0
TOTAL	28,18,245	41.50
NON-PROMOTERS HOLDING:		
Mutual Funds / UTI	5,68,414	8.37
Alternate Investment Funds	4,89,795	7.21
Financial Institutions / Banks	3,003	0.05
Central Government / State Government (s)	0	0
Venture Capital Funds	0	0
Insurance Companies	0	0
Foreign Institutional Investors	6,87,587	10.12

SUB TOTAL	17,48,799	25.75
OTHERS		
Private Corporate Bodies	4,08,852	6.02
Indian Public	15,83,962	23.32
Clearing Agents	63	0.00
NBFC Registered with RBI	0	0
NRIs/OCBs	81,440	1.20
Trust	3,907	0.06
IEPF	60,027	0.88
HUF	86,148	1.27
SUB TOTAL	22,24,399	32.75
GRAND TOTAL	67,91,443	100

*During the FY 2025-26, the Company received intimation from M/s. Christine Hoden (India) Private Limited regarding sale of 25,000 equity shares of the Company on 25th March 2026. Accordingly, the Promoter Group shareholding has undergone change.

Status of Dematerialisation of shares

Particulars	31 st March 2025		31 st March 2026	
	No. of shares	% of total shares	No. of shares	% of total shares
National Securities Depository Limited	60,67,891	89.35	60,08,265	88.47
Central Depository Services (I) Limited	6,75,240	9.94	7,51,813	11.07
Total Dematerialized	67,43,131	99.29	67,60,078	99.54
Physical	48,312	0.71	31,365	0.46
Grand Total	67,91,443	100%	67,91,443	100%

- There are no outstanding global depository receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity.
- Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018, is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

E-voting

Pursuant to provisions of Section 108 of the Companies Act 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the Members to cast their votes electronically on all resolutions set forth in the Notice convening the 51st Annual General Meeting of the Company. Any Shareholder having any grievance on the e-voting can contact the coordinates mentioned in the 'Investor Guide', towards the end of this report.

OTHER DISCLOSURES:

- All transactions entered by the Company with related parties as defined under the Act and the SEBI Listing Regulations, during the Financial Year 2025-26 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which conflicted with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at www.dynamatics.com
- The Company has complied with all requirements of SEBI, Stock Exchanges and other statutory authorities over the past three years. Except for a fine under SEBI Listing Regulations, due to inadvertent delay in Board meeting prior intimation, which was duly justified, no other penalties or strictures were imposed.

- c. The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism as required under Regulation 22 of the SEBI Listing Regulations for Directors and Employees to report concerns about any unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been disclosed on the website of the Company at www.dynamatics.com
- d. The Company has adopted the Policy on determination of Materiality of Disclosures. The said policy has also been disclosed on the website of the Company at www.dynamatics.com
- e. The Company has formulated the Policy on archiving documents of the Company. The said policy has also been disclosed on the website of the Company at www.dynamatics.com
- f. The Company has complied with all the mandatory requirements of the SEBI Listing Regulations. The Company has also fulfilled the following discretionary requirements as provided in the SEBI Listing Regulations:
- The Chairman of the Board is a Non-Executive and Independent Director and his position is separate from that of the Managing Director & CEO.
 - Internal auditors of the Company make quarterly presentations to the Audit Committee on their reports.
 - The auditors' report on Financial Statements of the Company is unqualified.
- g. The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The Minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company has only one material unlisted subsidiary company, which is JKM Erla Automotive Limited, which is classified as per SEBI Listing Regulations. The Company has a policy for determining 'material subsidiaries which are disclosed on its website at www.dynamatics.com.
- h. The CEO & Managing Director and the Chief Financial Officer have certified the Board in accordance with Regulation 33 (2)(a) of the SEBI Listing Regulations pertaining to CEO/CFO certification for the financial year ended 31st March 2026. The CEO & MD and Chief Financial Officer have also issued compliance certificate to the Board pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.
- i. Disclosure of Commodity price risks and Commodity hedging activity: Not applicable.
- j. The Company has managed the Foreign Exchange Risk with appropriate hedging activities in accordance with the policies of the Company. There were no materially uncovered exchange rate risks in the context of the Company's Foreign Exchange exposures.
- k. During the Financial Year 2025-26, the Board has accepted all the recommendations of its committees.
- l. The Company has followed all relevant Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules (as amended from time to time) and other relevant provisions of the Act while preparing Financial Statements for Financial Year 2025-26.
- m. The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI Listing Regulations.
- n. Particulars of Directors seeking appointment / reappointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.
- o. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

Payment to Statutory Auditors	FY 2025-26 (Rs in lacs)
Statutory audit fees	180
Certification	10
Out of pocket expenses	8
Total	198

- p. Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year 2025-26	-NIL-
Number of complaints disposed of during the financial year 2025-26	-NIL-
Number of complaints pending as on end of the financial year.	-NIL-

- q. Insider Trading Regulations: The Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. This Code of Conduct is applicable to all Directors and such designated persons who are expected to have access to unpublished price sensitive information relating to the Company. Mr. Shivaram V, Chief Legal Officer and Company Secretary of the Company, is the Compliance Officer for the purpose of this regulation.
- r. The Company has obtained Credit Ratings from India Rating and Research. During the relevant FY 2025-26,

India Ratings & Research has affirmed the Company's long term issuer rating at IND A. The Outlook is positive.

- s. Certificate on Corporate Governance: All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies.

Mr. Ratish Tagde, Practicing Company Secretary, has submitted a certificate to this effect.

A Compliance Certificate from Mr. Ratish Tagde, Practicing Company Secretary pursuant to the requirements of Schedule V to the SEBI Listing Regulations regarding compliance of conditions of Corporate Governance is attached.

- t. Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): During the year, the Company did not raise any funds through preferential allotment or qualified institutions placement.
- u. Loans and advances in the nature of loans to firms/ companies in which Directors are interested:

The Company and its subsidiaries have not given any loans or advances to any firm / company in which its directors are interested.

PLANT LOCATIONS:

1. JKM Plaza, Dynamatic Aerotropolis, 55, KIADB Aerospace Park, Bangalore – 562149, Karnataka, India
2. No. 1A/1, 1st Main Road, 1st Stage, 2nd Phase, Peenya Industrial Area, Bangalore 560 058, Karnataka, India
3. No. 28/A, 3rd Main, 1st Stage, 1st Phase, Peenya Industrial Area, Bangalore 560 058, Karnataka, India
4. No. K-12, 5th Cross, 1st Stage, Peenya Industrial Area, Bangalore 560 058, Karnataka, India
5. No. K-11, Between 5th & 6th Cross, 1st Stage, Peenya Industrial Area, Bangalore 560 058, Karnataka, India
6. Cheney Manor, Swindon, Wiltshire, SN2 2PZ, United Kingdom
7. Jarvis Street, Barton Hill, Bristol, BS5 9TR, United Kingdom
8. Gießereistraße 1, 08340 Schwarzenberg/Erzgeb, Germany
9. Plot No. 77-78, Industrial Estate, Peenya 2nd Stage, Bangalore 560 058, Karnataka, India



Investor Contacts

For queries relating to financial statements / shares / dividends / complaints / Investor correspondence

Mr. Shivaram V

Chief Legal Officer & Company Secretary
Tel +91 80 2111 1223 +91 80 2204 0535
Email id: investor.relations@dynamatics.net

Registrar and Share Transfer Agents

KFin Technologies Limited
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032, Telangana.
Toll free Number: 1-800-309-4001
Email: einward.ris@kfintech.com

Depository for Equity shares

National Securities Depository Limited

3rd Floor, Naman Chamber, Plot C-32, G-Block,
Bandra Kurla Complex, Bandra East,
Mumbai, Maharashtra - 400 051
Tel: +91-22-48867000

Central Depository Services (India) Limited

Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower
Parel, Mumbai 400013
Tel.: +91-80-69144800

Shareholders holding shares in demat/electronic form are requested to approach their Depository participants for effecting the following changes in your holdings in their records:

- Change of postal address / email id / contact details
- Change of bank details for receiving dividends
- Incorporating of ECS for receiving dividends through money transfer
- Change in residential status
- Incorporation of PAN
- Incorporation of Nomination
- Transfer of shares or effecting transposition of names of share holders

Further, for any corporate actions like payment of dividends, etc., the Company will take your shareholding details from your DP account through the data downloaded from the Depositories.

NOTE:

Tel +91 80 2111 1223 / +91 80 2204 0535 / +91 98806 33051 (Contact: Mr. J. Devaraj, Secretarial Dept.)
Email: **investor.relations@dynamatics.net**

DECLARATION

I, Udayant Malhoutra, CEO & Managing Director of the Company hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2026.

Place : Bangalore
Date : 19th May 2026

UDAYANT MALHOUTRA
CEO & Managing Director
DIN No.: 00053714

■■■■■ CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS ■■■■■

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI Listing Regulations)

The Members

Dynamatic Technologies Limited

Dynamatic Technologies Limited
JKM Plaza, Dynamatic Aerotropolis 55,
KIADB Aerospace Park,
Bangalore – 562149

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Dynamatic Technologies Limited having CIN : L72200KA1973PLC002308, and having Regd. Office at JKM Plaza, Dynamatic Aerotropolis, 55 KIADB Aerospace Park, Bagalur, Bangalore 562149 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. I have conducted online verification and examination of records as facilitated by the Company for the purpose of issuing this Report.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 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 the Director	DIN	Designation	Date of First Appointment in the Company
1.	Pierre Antoine Jean Marie Anne De Bausset Roquefort Duchaine	07178878	Independent Director	11.02.2019
2.	Pradyumna Rameshchandra Vyas	02359563	Independent Director	11.02.2019
3.	Gaitri Issar Kumar	10245539	Independent Director	09.08.2023
4.	Air Chief Marshal V.R. Chaudhari (Retd.) *	08444323	Independent Director	23.12.2025
5.	Shyamala Venkatachalam*	07691824	Independent Director	23.12.2025
6.	Dietmar Hahn**	06414463	Non-Executive Director	08.11.2012
7.	James David Tucker	07093258	Non-Executive Director	14.02.2015
8.	Udayant Malhoutra	00053714	Managing Director & CEO	01.10.1989
9.	Chalapathi Puramannagari	08087615	Executive Director & CFO	13.11.2024

*Air Chief Marshal V.R. Chaudhari (Retd.) and Ms. Shyamala Venkatachalam were inducted w.e.f. 23.12.2025

** Mr. Dietmar Hahn resigned on 19.05.2026

Note: 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 Ratish Tagde & Associates.
(Company Secretaries)

Place: Mumbai
Date: 19th May 2026
UDIN: F006162H000401645

Mr. Ratish Tagde
(Proprietor)
CP.NO. 22018
FCS NO. 6162

To,
The Members of
Dynamatic Technologies Limited

I have examined all the relevant records of Dynamatic Technologies Limited ("the Company") for the purpose of certifying compliance with the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March 2026. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the 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. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has, to the extent applicable, complied with the conditions of Corporate Governance as stipulated in the aforesaid Regulations, 2015.

For Ratish Tagde & Associates.
(Company Secretaries)

Place: Mumbai
Date: 19th May 2026
UDIN: F006162H000401799

Mr. Ratish Tagde
(Proprietor)
CP.NO. 22018
FCS NO. 6162



"Your beliefs become your thoughts. Your thoughts become your words. Your words become your actions. Your actions become your habits. Your habits become your values. Your values become your destiny."

- Mahatma Gandhi

MESSAGE FROM THE CEO & MANAGING DIRECTOR

Dynamatic Technologies has consistently achieved high growth rates despite market, social, and economic challenges, due to its proactive and balanced business policies. These policies emphasize continual product improvement, customer value, employee quality of life, financial and supplier security, and social contribution. The company adopts a holistic and integrated approach to business development, believing that happy employees are high performers who drive innovation and customer satisfaction. This ensures the long-term economic relevance of the enterprise, creating a secure environment for financiers and suppliers and generating sustainable profits. Dynamatic Technologies' core mission is to enrich the quality of life of the community and preserve ecological balance and heritage through a strong environmental conscience.

Key Learnings

A business philosophy that abjures waste and is based on conservation and optimal utilization of resources will deliver superior financial results along with a positive ecological impact. The business model should always remain flexible, adapting quickly to challenges and continuously reinventing itself. A focus on safety, human resource development, and enhancement of intellectual property will help de-risk the company and contribute to societal development. Ultimately, sustainable business policies are an important and integral part of good corporate governance.

Udayant Malhoutra
CEO & Managing Director

DIN : 00053714

1. OUR VISION, BUSINESS PHILOSOPHY AND SUSTAINABILITY

A Company like Dynamatic Technologies is essentially an organ deploying significant contribution to the growth of the country's economy and society's wellbeing. We, therefore, are aware of the need to work beyond financial considerations and put in that little extra to ensure that we are perceived not just as corporate entities that exist for profits, but as a wholesome entity created for the good of the society and for improving the quality of life of the communities we serve. Our commitment to responsible citizenship also includes conservation of natural resources and protection of the soil, water and climate required to sustain life on earth.

- To secure market leadership, technological competence and enhance brand equity as a global leader.
- To provide a safe, nurturing and learning environment for our human resources.
- To have a zero tolerance of any transmission of wastes into the environment.
- To secure and de-risk financiers and suppliers.
- To transform the Company into a global R&D organization, with a pre-eminent market position in the Hydraulic, Automotive and Defence sectors in Asia.
- To consistently achieve returns higher than the cost of capital.



Recharge wells established as part of rainwater harvesting at the Aerotropolis premises.

CORPORATE SUSTAINABILITY *Report 2026*

- To comply with all legal requirements expected of the Company in every country we present
- To enhance shareholder wealth.
- To help in the creation of a strong, modern and vibrant India.
- To be an example to any corporate, anywhere in the world, in terms of global best-in-class environmental practices.
- To conduct business affairs, employing the highest standards of personal and corporate conduct.
- To wholly co-operate in proposals of the Government – Central or State, in various activities concerning social cause.

Our Vision & Business Philosophy is driven by our Values, which are:



training curriculum on CNC operator Cum Programmer – Milling and Turning has been developed and established for in-house training purpose and the same curriculum is now being used for training the students at our adopted ITI. This curriculum meets the international standards. All the trainers have undergone Train-The-Trainer program.

1.1. CUSTOMER CENTRIC RESEARCH

Over the years, Dynamatic Technologies' divisions and subsidiaries have forged deep and lasting relationships with all their stakeholders, enabling continuous growth. These relationships are built on mutual trust and respect, leveraging collective capabilities to deliver complex technological solutions at economically viable prices. The company is committed to providing innovative and creative solutions to its customers on an ongoing basis, with every business process centred around the customer. Dynamatic Technologies firmly believes that its success is a reflection of its ability to delight customers.

We interact constantly with our customers, striving to understand and satisfy their needs. By understanding applications and anticipating future trends, we aim to meet both stated and unstated needs. We spend considerable time in the field, listening to farmers, mechanics, drivers, and equipment handlers, often suggesting improvements to our customers before their own customers do. Our technology and quality processes are predictive in nature, anticipating change rather than reacting to it.

1.2 EMPHASIS ON KNOWLEDGE ACQUISITION AND APPLICATION

Dynamatic Technologies has been adopting and following world-class business practices at its modern manufacturing facilities located in Bangalore, Swindon, Bristol (U.K.), and Erla (Germany). All these facilities are eco-friendly and designed to eliminate waste. We constantly strive to deliver superior value to our customers by challenging ourselves and pushing the boundaries of knowledge through imagination and diligence. This approach has led us to continuously innovate and develop highly engineered products through investment in R&D, process improvements, and elimination of operational inefficiencies. As a result, we have built a successful business model capable of returning high yields to investors and improving the quality of life for all employees and the communities in which we operate. As Dynamatic Technologies globalizes, these values will be extended worldwide, with new learnings, best practices, processes, and experiences being absorbed into the existing organization.

1.3 HUMAN CAPITAL

Dynamatic Technologies is built upon a foundation of core values, commitment to quality, and equal opportunity. The company strives to attract the finest talent available and provides a result-oriented environment based on meritocracy and egalitarianism. At Dynamatic Technologies, we firmly believe that the key to sustained growth lies not merely in adding physical capacities but in dramatically enhancing and utilizing human capabilities.

1.4 SOCIETAL LINKAGES

We are proud of our civilisational heritage, and the values of our ancient land, the values of trust and integrity. The need to contribute to society, and care for our environment. The value of enduring relationships.

At the same time, as we globalize, we travel with an open mind, learning from and contributing to every society we are part of.

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2. DIMENSIONS OF SUSTAINABILITY

2.1. SUSTAINABILITY POLICY

At Dynamatic Technologies, we are driven by the fundamental objective of enhancing the value of the company for all stakeholders, including shareholders, customers, suppliers, financiers, employees, and society at large. We firmly believe that sustained growth is fostered by a work ethic founded upon the core values of integrity, transparency, professionalism, empowerment, and accountability. We endeavour to uphold and nurture these values in all facets of our operations.

As a responsible corporate citizen, we understand that sustained growth can only be achieved by paying equal attention to the Triad of Sustainability: Economic Growth, Environmental Friendliness, and Social Equity. We are committed to these elements over the long term and are prepared to take actions commensurate with this goal.

2.2 THE TRIAD OF SUSTAINABILITY

At Dynamatic Technologies, the path to sustainability has the following elements: Economic Growth, Environment-Friendliness and Social Equity.

2.2.a. ECONOMIC GROWTH

- Value Engineering: reduction of raw material consumption by optimizing product design.
- Maximize our efforts in developing new products and cost effective applications through continuous innovation.
- Development of complete hydraulic solutions for mechanized agriculture, earth moving, material handling, machine tools, defense and precision parts for aerospace applications.
- Secure market leadership, technological competence and brand equity as a global leader.
- Maximization of productivity and maintenance of cost leadership.
- Continue to enhance the value of the Company to the shareholders.

2.2 b. ENVIRONMENT- FRIENDLINESS

- Treatment of wastage water and using it for gardening as a process of water conservation.
- Rainwater harvesting.
- All business processes are designed to ensure that no wastage is transmitted to our environment.
- Energy consumption in each plant is monitored, optimized and minimized.
- Design and Redesign products that are safe, energy saving and environment friendly.

- Design all our processes with efficiency and energy conservation in mind.
- Solar and Wind farm to harness renewable source of energy.
- Upgradation of Air Conditioning System from R22 to R32/R410A (Eco-friendly Refrigerants).
- Water conservation techniques for optimum utilization of water.
- Retrofit Emission Control Devices (RECD) filter and treat exhaust from Diesel Generators, reducing harmful emissions like PM, HC, and CO. They help DG sets produce cleaner air and improve environmental compliance.

2.2.c. SOCIAL EQUITY

- Not allowing any form of discrimination in employment or promotion.
- Imparting training and development programs to facilitate multi-tasking and multi-skilling.
- Practicing safety norms and help protection. Standing as a model by winning safety awards.
- Emissions: the air quality in our plants is continuously monitored for suspended particulate matter is kept well within safe limits.
- Foster a culture of empowerment.
- Elevation of workers into management cadre.
- Promote the usage of six sigma practices amongst all employees.
- Practice open dialogue with employees, customers, government agencies, trade associations and with communities all around our facilities.
- Undertake disaster relief programs in times of need (earthquake, floods, Tsunami, etc.).
- Interactive sessions with local community.
- Increase employment of Women.
- Increase employment of individuals coming from disadvantaged communities.



Women's Day was celebrated in the month of March 2026

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ETHICS

The Code of Business Conduct for employees across the Dynamatic Group and the Code of Conduct for Board Members & Senior Management Personnel have been formulated as formal articulations of our approach and position on various dimensions of business ethics and integrity. The Code of Business Conduct for employees provides policy guidance on a wide range of issues including ethics, labor, and human rights. It addresses the prevention of fraudulent and corrupt practices, freedom of association, elimination of child and forced labor, advertisement and media policy, avoidance of conflicts of interest, prevention of sexual harassment, and unyielding integrity always.

CORPORATE GOVERNANCE

We believe that sound corporate governance is vital to enhancing the trust reposed in us by our stakeholders. Accordingly, we consistently strive to attain our goals with integrity. The Board of Directors exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures always seek to achieve the best practices in corporate governance. We also endeavour to enhance long-term shareholder value and respect minority rights in all our business decisions.

Over the years, our Board has strived to achieve compliance with corporate governance requirements, both mandatory and voluntary, to fulfil our responsibility towards the stakeholders. The detailed Corporate Governance Report forms part of this Annual Report.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA), through its circulars introduced a 'Green Initiative in Corporate Governance,' allowing companies to serve documents to shareholders electronically. In support of this initiative, which aligns with our commitment to environmental conservation and sustainable development, we encourage our shareholders to register their email IDs with the Company or Registrar & Share Transfer Agent. This will enable us to send documents such as notices of general meetings, annual reports, and other communications via email. Over time, we will phase out the sending of hard copies. All documents will be available on the Company's website, www.dynamatics.com, and can be inspected at the Company's Registered Office during office hours.

Ensuring Environmental SUSTAINABILITY

Ecological balance, protection of flora and fauna, animal, welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water





MARKET TRENDS

+24.8%

+11.2%

REVENUE

+24.8%

MARKET CAP

GDP

+31.5%

+26.41
+12.52
+15.78
+13.72
+11.82
+29.33
+39.03
+22.03

SCEN

CONSOLIDATED
FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Dynamatic Technologies Limited Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Dynamatic Technologies Limited (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of 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, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit and their consolidated other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Impairment of Goodwill Note 1B(ii), 2iii(a) and 4 to the consolidated financial statements. In the consolidated financial statements of the Group, the gross carrying value of goodwill relating to Metallurgy segment is INR 3,822 lakhs as at March 31, 2026. The management of the Group assess the impairment of goodwill annually for each cash generating unit (CGU). Determination of carrying value of the goodwill allocated to the CGU is a key audit matter as the amounts are significant to the consolidated financial statements and the determination of recoverable value and/ or impairment assessment involves significant management estimates and judgement. The key estimates and judgements used in the model for impairment assessment include future cash flows of the CGUs, the discount rate and the terminal growth rate used. The management has used the services of an expert in determining the recoverable value of goodwill and consequential impairments, if any.	Principal audit procedure performed: We assessed the Management's process for impairment assessment of goodwill allocated to CGU. Evaluated the design of the management's internal control around the impairment assessment process and tested its operating effectiveness. Evaluated the independence, competence, capabilities and objectivity of the management's expert. Understood the key assumptions considered in the management's estimates of future cash flows of the respective CGU. Involving our valuation specialists, we evaluated the growth rates including terminal growth rate, considered in the estimates of future cash flows and the discount rate used in the calculations. Compared the historical cash flows (including for current year) against past projections of the management for the same periods and gained understanding of the rationale for the changes. Performed sensitivity analysis on the key assumptions within the forecast cash flows and focused our attention on those assumptions we considered most sensitive to the changes; such as revenue growth during the forecast period, the terminal growth rate and the discount rate applied to the future cash flows. We ascertained the extent to which a change in these assumptions would result in impairment, and considered the likelihood of such events occurring. We assessed the adequacy of the disclosures made in the consolidated financial statements for the year ended March 31, 2026.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the [information included in the Management Discussion and Analysis, Corporate Governance Report and Corporate Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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.

Other Matters

- (a) We did not audit the financial statements of five subsidiaries whose financial statements reflect total assets of Rs. 1,06,378 Lakhs as at March 31, 2026, total revenues of Rs. 80,828 Lakhs and net cash inflows amounting to Rs. 1,641 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 17,726 Lakhs as at March 31, 2026, total revenues of Rs. 1,160 Lakhs and net cash inflows amounting to Rs. 8 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group including relevant records so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on

the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 38 to the consolidated financial statements;
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.
 - iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 53(iii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors

of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 53(iv) to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable. The interim dividend declared and paid by the Parent during the year and until the date of this report is in accordance with section 123 of the Act, as applicable. The Board of Directors of the Parent, has proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary companies incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary companies incorporated in India have used accounting software system for maintaining their respective books of account for the financial year ended March 31, 2026 which has the feature of recording audit trail (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software system. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

SATHYA P KOUSHIK

Partner

(Membership No. 206920)

UDIN: 26206920UQKJBQ3567

Place: Bangalore

Date: 19 May 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Dynamatic Technologies Limited (hereinafter referred to as "Parent") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's management and Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

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

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

SATHYA P Koushik

Partner

(Membership No. 206920)

UDIN: 26206920UQKJBQ3567

Place: Bangalore

Date: 19 May 2026



CONSOLIDATED BALANCE SHEET



All amounts are in INR lakhs unless otherwise stated

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	64,010	58,541
b) Right-of-use assets	40	7,513	9,172
c) Capital work in progress		716	1,816
d) Goodwill	4	10,499	9,802
e) Other intangible assets	5(a)	2,426	2,568
f) Intangible assets under development	5(b)	3,536	1,071
g) Financial assets			
(i) Investments	6	33	33
(ii) Other financial assets	7	622	681
h) Income tax asset (net)	8	2	528
i) Other non-current assets	9	3,083	399
Total non - current assets		92,440	84,611
Current assets			
a) Inventories	10	41,184	34,662
b) Financial assets			
(i) Trade receivables	11	31,845	28,935
(ii) Cash and cash equivalents	12	5,252	3,311
(iii) Bank balances other than cash and cash equivalents above	13	1,513	1,279
(iv) Loans	14	216	195
(v) Other financial assets	15	105	354
c) Other current assets	16	12,398	11,681
Total current assets		92,513	80,417
Total assets		1,84,953	1,65,028
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	17	679	679
b) Other equity	18	78,673	71,071
Total equity		79,352	71,750
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	19	24,936	17,524
(ii) Lease liabilities	40	8,401	9,447
b) Provisions	20	5,056	3,389
c) Deferred tax liabilities (net)	21	89	114
d) Other non-current liabilities	22	100	96
Total non-current liabilities		38,582	30,570
Current liabilities			
a) Financial liabilities			
(i) Borrowings	23	28,002	27,580
(ii) Lease liabilities	40	2,450	2,574
(iii) Trade payables	24		
(a) total outstanding dues of micro and small enterprises		3,537	1,886
(b) total outstanding dues of creditors other than micro and small enterprises		22,039	21,124
(iv) Other financial liabilities	25	6,143	5,611
b) Other current liabilities	26	1,419	1,712
c) Provisions	27	1,808	1,226
d) Current tax liabilities (net)	28	1,621	995
Total current liabilities		67,019	62,708
Total liabilities		1,05,601	93,278
Total equity and liabilities		1,84,953	1,65,028

See accompanying notes to the consolidated financial statements

In terms of our report attached

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366VW/W-100018)

for and on behalf of the Board of Directors of

Dynamatic Technologies Limited

SATHYA P KOUSHIK

Partner

Membership No. 206920

Place: Bangalore

Date: 19th May 2026

UDAYANT MALHOUTRA

Chief Executive Officer &

Managing Director

DIN : 00053714

CHALAPATHI P

Executive Director &

Chief Financial Officer

DIN : 08087615

SHIVARAM V

Chief Legal Officer &

Company Secretary



CONSOLIDATED STATEMENT OF PROFIT AND LOSS



All amounts are in INR lakhs unless otherwise stated except for earnings per share information

Particulars	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	29	1,62,134	1,40,380
Other income	30	2,971	2,280
Total income		1,65,105	1,42,660
Expenses			
Cost of materials and components consumed	31	84,202	64,694
Change in inventory of finished goods and work-in-progress	32	(2,829)	665
Employee benefit expense	33	32,796	31,997
Finance costs	34	5,801	5,672
Depreciation and amortisation expenses	35	7,662	6,929
Other expenses	36	29,697	27,192
Total expenses		1,57,329	1,37,149
Profit before tax and exceptional items		7,776	5,511
Exceptional items	37	2,757	-
Profit before tax		5,019	5,511
Current tax	49	1,814	1,270
Deferred tax	49	(36)	(63)
Income tax expense		1,778	1,207
Profit after tax		3,241	4,304
Other comprehensive income/(loss) (OCI)			
<i>Items that will not to be reclassified subsequently to the Statement of profit and loss</i>			
Remeasurement gain/(loss) on defined benefit plans	43	(39)	(414)
Income tax relating to items that will not be reclassified to Statement of profit and loss		(11)	91
<i>Items that will be reclassified to the Statement of profit or loss</i>			
Exchange differences in translating the financial statements of foreign operations		4,751	1,470
Other comprehensive income for the year, net of tax		4,701	1,147
Total comprehensive income for the year		7,942	5,451
Earnings per equity share (of INR 10 each)	48		
Basic and diluted (in INR):		47.73	63.39
Number of weighted average outstanding shares used in computing earnings per share		67,91,443	67,91,443

See accompanying notes to the consolidated financial statements

In terms of our report attached

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

for and on behalf of the Board of Directors of

Dynamatic Technologies Limited

SATHYA P KOUSHIK

Partner

Membership No. 206920

Place: Bangalore

Date: 19th May 2026

UDAYANT MALHOUTRA

Chief Executive Officer &

Managing Director

DIN : 00053714

CHALAPATHI P

Executive Director &

Chief Financial Officer

DIN : 08087615

SHIVARAM V

Chief Legal Officer &

Company Secretary



CONSOLIDATED STATEMENT OF CASH FLOWS



All amounts are in INR lakhs unless otherwise stated

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Operating activities:		
Profit before tax after exceptional items	5,019	5,511
Adjustments:		
Depreciation and amortisation on property, plant & equipment & intangible assets	5,278	4,423
Amortisation of right-of-use assets	2,384	2,506
Finance costs	5,184	4,875
Interest on lease liabilities	617	679
Exceptional items (Refer note 37)	2,757	-
Unrealised foreign exchange differences	(1,367)	136
Interest income	(123)	(115)
Interest income on income tax refund	(98)	-
Loss allowance on financial assets (net)	278	6
Loss on sale of property, plant and equipment (net)	64	40
Write-back of liabilities	-	(699)
Gain on lease modification	-	(31)
Operating cash flow before the movements in working capital	19,993	17,331
Changes in operating assets and liabilities		
Increase in inventories	(5,802)	(3,354)
Decrease/(Increase) in trade receivables	(3,039)	1,610
Decrease/(Increase) in loans	(10)	264
Decrease in other financial assets	17	849
Increase in other assets	(2,475)	(4,467)
Increase in trade payables	2,769	3,826
Increase in provisions	698	24
Decrease in other financial liabilities	(273)	(158)
Increase/(Decrease) in other current liabilities	(1,419)	172
Cash generated from operations	10,459	16,097
Income taxes paid, net of refund	(925)	(1,664)
Net cash generated from operating activities (A)	9,534	14,433
Investing activities:		
Purchase of property, plant and equipment and intangibles assets	(6,598)	(6,655)
Proceeds from the sales of property, plant and equipment	52	-
Changes in bank deposits (having original maturity of more than three months), net	(254)	(221)
Interest income received	113	173
Net cash used in investing activities (B)	(6,687)	(6,703)
Financing activities:		
Proceed from long term borrowings	13,587	2,891
Repayment of long term borrowings	(5,273)	(3,973)
Repayment of short term borrowings,(net)	(1,437)	(126)
Payment of lease liabilities	(2,909)	(3,091)
Interest paid	(5,030)	(4,863)
Dividend paid	(340)	(475)
Net cash used in financing activities (C)	(1,402)	(9,637)
Net decrease in cash and cash equivalents (A + B + C)	1,445	(1,907)
Cash and cash equivalents at the beginning of the year	3,311	5,083
Effect of exchange rate changes on cash and cash equivalent	496	135
Cash and cash equivalents at the end of the year	5,252	3,311
Components of cash and cash equivalents (Refer note 12)		
Cash on hand	10	32
Balances with banks		
- in current accounts	5,242	3,279
Cash and cash equivalents in consolidated balance sheet	5,252	3,311

See accompanying notes to the consolidated financial statements

In terms of our report attached

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

for and on behalf of the Board of Directors of

Dynamatic Technologies Limited

SATHYA P KOUSHIK

Partner

Membership No. 206920

Place: Bangalore

Date: 19th May 2026

UDAYANT MALHOUTRA

Chief Executive Officer &

Managing Director

DIN : 00053714

CHALAPATHI P

Executive Director &

Chief Financial Officer

DIN : 08087615

SHIVARAM V

Chief Legal Officer &

Company Secretary



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY



Rs. in Lakhs

(A) Equity share capital

i) Current reporting period

Balance as at 1 April 2025	Changes in equity share capital during the year	Balance as at 31 March 2026
679	-	679

ii) Previous reporting period

Balance as at 1 April 2024	Changes in equity share capital during the year	Balance as at 31 March 2025
679	-	679

(B) Other equity

Particulars	Reserves and surplus				Other items of other comprehensive income Remeasurement of the net defined benefit liability/asset	Foreign currency translation reserve	Total equity attributable to equity holders of the Company
	Capital reserve	Capital redemption reserve	Reserve on amalgamation	General reserve	Securities premium	Retained earnings	
Balance as at 1 April 2025	15	240	154	3,010	23,318	38,727	71,071
Profit for the year	-	-	-	-	-	3,241	3,241
Exchange difference on translation of foreign operations	-	-	-	-	-	4,751	4,751
Other comprehensive income/(loss) (OCI) for the year	-	-	-	-	-	(50)	(50)
Transfer of OCI to the retained earnings	-	-	-	-	-	50	-
Interim dividend	-	-	-	-	-	(340)	(340)
Balance as at 31 March 2026	15	240	154	3,010	23,318	41,578	78,673
Balance as at 1 April 2024	15	240	154	3,010	23,318	35,221	66,095
Profit for the year	-	-	-	-	-	4,304	4,304
Exchange difference on translation of foreign operations	-	-	-	-	-	1,470	1,470
Other comprehensive income/(loss) (OCI) for the year	-	-	-	-	-	(323)	(323)
Transfer of OCI to the retained earnings	-	-	-	-	-	(323)	-
Final dividend	-	-	-	-	-	(340)	(340)
Interim dividend	-	-	-	-	-	(135)	(135)
Balance as at 31 March 2025	15	240	154	3,010	23,318	38,727	71,071

See accompanying notes to the consolidated financial statements

for Deloitte Haskins & Sells LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited

SATHYA P Koushik
Partner
Membership No. 206920
Place: Bangalore
Date: 19th May 2026

UDAYANT MALHOUTRA
Chief Executive Officer &
Managing Director
DIN : 00053714

CHALAPATHI P
Executive Director &
Chief Financial Officer
DIN : 08087615

SHIVARAM V
Chief Legal Officer &
Company Secretary



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS **SIGNIFICANT ACCOUNTING POLICIES**



1 Reporting entity

Dynamatic Technologies Limited ("the Company") together with its subsidiaries (including step subsidiaries) collectively referred to as ("the Group") is incorporated and domiciled in India. The Company was incorporated in 1973 as Dynamatic Hydraulics Limited under provisions of the Companies Act, 1956. In 1992, the name of the Company was changed to Dynamatic Technologies Limited. The Group is in the business of manufacturing automotive components, hydraulics components and aerospace components. The Company is listed in India with National Stock Exchange and Bombay Stock Exchange.

1A Basis of preparation

i Statement of compliance

These Consolidated financial statements of the Group 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.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

ii Functional and presentation currency

These Consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise mentioned.

iii Basis of Measurement

The Consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following:

(a) Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations.

(b) Certain financial assets and liabilities that are qualified to be measured at fair value, and

iv Use of estimates and management judgments

The preparation of Consolidated financial statements is in conformity with Ind AS, management requires to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates could change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in

estimates are made as the Management becomes aware of changes in circumstances surrounding to the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Significant Judgements, assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the current year is included in the following notes:

(a) Useful life of property, plant and equipment and intangible assets - Note 3 and 5:

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that or is not prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance.

(b) Income taxes- Note 49:

In assessing the reliability of deferred tax assets, the Management considers whether some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the group will realize the benefits of those deductible differences. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(c) Provisions and contingencies- Note 20, 27 and 38:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of

resources at a future date may vary from the figure estimated at end of each reporting period.

(d) Post-retirement benefit plans- Note 43:

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions which include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at each financial year end on the government bonds

(e) Impairment of financial assets- Note 6, 7, 11, 14, 15 and 44:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(f) Impairment of goodwill- Note 4:

The impairment provisions for Goodwill are based on projections which inter alia include sales and earnings before interest, depreciation and amortization and tax. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(g) Leases- Note 40:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

v Measurement of fair values

Certain accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non financial assets and

liabilities.

The Group has an established control framework with respect to the measurement of fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the note 44 of financial instruments.

1B Basis of consolidation

These consolidated financial statements include financial statements of the Company and all its subsidiaries as disclosed in Note 50. Subsidiaries are all entities over which the Group has control. The parent controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date the Parent acquires control until the date the control ceases.

Inter-company transactions, balances and unrealised gains and losses on inter-company transactions between group companies are eliminated. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment losses from the Group perspective. Amounts reported in separate financial statements of subsidiaries are adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest, if any. Total comprehensive income of subsidiaries is attributed to the owners of the

Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Non-controlling interest are presented in the statement of financial position within equity, separately from the equity of the shareholders of the Group.

i Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103 - Business Combinations.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Group incurred in connection with a business combination are expensed as incurred.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of each reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

The Group applies the anticipated acquisition method where it has the right and the obligation to purchase any remaining non-controlling interest (so-called put/call arrangements). Under the anticipated

acquisition method, the interests of the non-controlling shareholder are derecognised when the Group's liability relating to the purchase of its shares is recognised. The recognition of the financial liability implies that the interests subject to the purchase are deemed to have been acquired already. Therefore, the corresponding interests are presented as already owned by the Group even though legally they are still non-controlling interest.

ii Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred and the amount of any non-controlling interest in the acquiree, over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If the excess is a negative, a bargain purchase gain is recognised in capital reserve. Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

2 Material accounting policies

i Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation (which includes capitalised borrowing costs, if any) and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing an asset to working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Borrowing cost directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are capitalized to the extent they relate to the period till such assets are ready to be put to use.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method ('SLM') over estimated useful life of the property, plant and equipment less their estimated residual value by the Management. Depreciation for assets purchased / sold during the year is proportionately charged. The Group's range of estimated useful lives of property, plant and equipment are as follows:

Category of assets	Useful life estimated by Management
Leasehold land	Over the period of lease tenure
Buildings	30 years
Plant and machinery*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Measuring instruments*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Electrical installations*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Data processing equipment	4 years
Office equipment	5 years
Furniture and fixtures	5 -10 years
Tools, dies and moulds	9 years
Vehicles*	10 years
Motor boat*	20 years
Assets taken on lease:	
- Leasehold improvements	Period of lease tenure or useful life of assets whichever is lower

Freehold land is not depreciated.

* The Management believes that the useful lives as given above best represent the period over which Management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act ,2013.

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains / losses.

Derecognition of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / losses.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non current assets and the cost of the assets not put to use before such date are disclosed under Capital work in progress.

ii Other Intangible assets

Acquired intangible assets

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Internally generated intangible assets

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the statement of profit and loss as incurred.

An internally -generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Subsequent measurement

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including on internally generated software is recognized in the statement of profit and loss as and when incurred.

Amortisation

The Group amortizes intangible assets with a finite useful life using the straight-line method.

The estimated useful lives of intangibles are as follows:

Category of asset	Useful life
Application Software	4 years
Prototype development	Amortised over estimated number of shipsets

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

iii Impairment

a) Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost

to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in the statement of profit and loss and is not reversed in the subsequent period.

b) Financial assets

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the statement of profit and loss.

c) Non-financial assets

Property, plant and equipment and Intangible assets

Property, plant and equipment and Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

iv Leases

a) The Group as a lessee:

The Group's lease asset classes primarily consist of leases for land, buildings and plant and machinery. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset,
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Group has elected not to recognise right-of use assets and lease liabilities for leases of low value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

b) The Group as a lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

v Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost is used. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis. Inventories are stated net of write down or allowances on account of obsolescence, damage or slow moving items. The method of determination of cost is as follows:

- Raw materials and components – on a weighted average basis
- Stores and spares – on a weighted average basis

- Work-in-progress – includes costs of conversion
- Finished goods – includes costs of conversion
- Goods in transit – at purchase cost

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories 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 realizable value. Fixed production overheads are allocated on the basis of normal capacity of production facilities. The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

vi Revenue recognition

Revenue is recognised upon transfer of control of promised goods or services to customers and is measured based on the consideration to which the Group expects to be entitled to in a contract with a customer and excludes trade discounts, volume rebates and amounts collected on behalf of government. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. Where the Group's contracts with customers include promise to transfer multiple goods and services to a customer, the Group assesses the goods/services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations is made to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such goods, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. to determine whether the performance obligation is satisfied at a point in time or over a period of time.

Revenue from customer contracts for design and development of products/tools & jigs is recognized as a performance obligation satisfied over time. Revenue is recognized based on the stage of completion of the contract. The management has assessed that the stage of completion determined as the proportion of total efforts expected to develop the product at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115. Payment for these services is not due till the completion of the development and therefore,

a contract asset is recognized over the period in which the development services are performed representing the entity's right to consideration for the services performed to date.

Export benefits are recognized in the statement of profit and loss account when the right to receive credit as per the terms of the entitlement is established in respect of exports made.

Service income including management fees is measured based on transaction price and is recognized when an unconditional right to receive such income is established and on the performance of services.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables. Unearned revenue ("contract liability") is recognised when there are billings in excess of revenue.

vii Other income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividend income is recognized in the statement of profit and loss when the right to receive payment is established, which is generally when the shareholders approves the dividend.

viii Financial instruments

a) Financial assets

1) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Group becomes a party to contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction cost that are directly attributable to its acquisition or issue.

2) Classification and subsequent measurement

Financial assets

On initial recognition, a financial instrument is classified and measured at

- amortised cost
- fair value through other comprehensive income (FVOCI) - debt instruments;
- fair value through other comprehensive income (FVOCI) - equity investments; or

- fair value through profit and loss (FVTPL)

Financial assets are not classified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
 - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.
- A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
 - the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets, at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the statement of profit and loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of

profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.

Debt investments at FVTOCI:

These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to the statement of profit and loss.

3) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition. For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

4) Derecognition of financial assets

A financial asset is derecognized only when:

- the Group has transferred the rights to receive cash flows from financial asset or
- retains the contractual rights to receive the cash flows from financial asset but assumed a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all

risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

b) Financial liability

1) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through

profit or loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization 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 amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

ix Employee benefits

a) Defined benefit plans

The Group's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of

employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Group's gratuity scheme is administered through Life Insurance Corporation of India and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

b) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Group recognizes gains and losses on the settlement

of a defined benefit plan when the settlement occurs.

c) Compensated absences

The employees of the Group are entitled to compensated absence. The employees can carry-forward a portion of the unutilized accumulating compensated absence and utilize it in future periods. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit method as at the reporting date.

d) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Group's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

e) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes cost of restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

x Foreign currency transactions and balances

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in the statement of

profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

The assets and liabilities of foreign subsidiaries including goodwill are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

xi Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below:

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction;

- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognized or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

The Group offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

xii Provisions (other than employee benefits)

General

Provisions are recognised when the Group 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 Group expects some or all of a provision to be reimbursed, 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.

xiii Contingent liability

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

xiv Cash and cash equivalents

Cash and cash equivalent includes cash on hand, other short-term, highly liquid investments with

original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

xv Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

xvi Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the owners of the Group for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

xvii Segment reporting

Based on the “management approach” as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Group’s performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Hydraulics, Aerospace, Automotive and metallurgy and Others.

xviii Warranties

Warranty costs are estimated by the Management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the period of sale of goods.

xix Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

xx Recent Pronouncements

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On August 13, 2025, the MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2025. This notification has led to amendments in the following Ind AS, which are applicable to the Company from April 1, 2026. The Company is currently evaluating the impact of these amendments on its financial statements.

Ind AS 1 – Presentation of Financial Statements

Ind AS 10 – Events After the Reporting Period

3 Property, plant and equipment

(Rs in Lakhs)

Particulars	Owned											Leased		Total
	Freehold land	Buildings	Plant and machinery	Measuring instruments	Electrical installations	Data processing equipment	Office equipment	Furniture and fixtures	Tools, dies and moulds	Vehicles	Motor boat	Leasehold improvements	Land (Note i)	
Gross carrying amount:														
Balance as at 1 April 2024	4,576	22,097	31,545	1,393	2,102	2,476	3,829	1,261	6,329	1,267	402	1,538	12,708	91,523
Additions	-	27	2,727	105	51	285	141	606	345	188	-	84	-	4,559
Deletion/adjustments	-	-	(96)	(5)	-	(104)	(1)	-	(70)	(158)	-	-	-	(434)
Translation adjustment	40	461	1,727	-	-	64	146	64	160	18	-	36	-	2,716
Balance as at 31 March 2025	4,616	22,585	35,903	1,493	2,153	2,721	4,115	1,931	6,764	1,315	402	1,658	12,708	98,364
Balance as at 1 April 2025	4,616	22,585	35,903	1,493	2,153	2,721	4,115	1,931	6,764	1,315	402	1,658	12,708	98,364
Additions	-	845	3,514	153	176	196	681	880	574	43	-	36	-	7,098
Deletion/adjustments	(10)	-	(135)	-	-	(253)	(3)	-	-	(58)	-	-	-	(459)
Translation adjustment	158	2,484	7,032	-	-	152	816	266	380	73	-	85	-	11,446
Balance as at 31 March 2026	4,764	25,914	46,314	1,646	2,329	2,816	5,609	3,077	7,718	1,373	402	1,779	12,708	1,16,449
Accumulated depreciation:														
Balance as at 1 April 2024	-	4,167	18,092	706	280	1,718	2,755	1,022	4,439	549	256	247	-	34,231
Depreciation for the year	-	715	1,993	97	141	229	215	55	443	108	18	161	-	4,175
Depreciation on deletion	-	-	(198)	-	-	(92)	(1)	-	(51)	(35)	-	-	-	(377)
Translation adjustment	-	248	1,190	-	-	60	112	47	118	9	-	10	-	1,794
Balance as at 31 March 2025	-	5,130	21,077	803	421	1,915	3,081	1,124	4,949	631	274	418	-	39,823
Balance as at 1 April 2025	-	5,130	21,077	803	421	1,915	3,081	1,124	4,949	631	274	418	-	39,823
Depreciation for the year	-	781	2,238	85	149	262	238	67	687	127	18	173	-	4,825
Depreciation on deletion	-	-	(91)	-	-	(236)	-	-	-	(57)	-	-	-	(384)
Translation adjustment	-	1,437	5,456	-	-	146	617	149	305	39	-	26	-	8,175
Balance as at 31 March 2026	-	7,348	28,680	888	570	2,087	3,936	1,340	5,941	740	292	617	-	52,439
Net carrying amount:														
Balance as at 31 March 2026	4,764	18,566	17,634	758	1,759	729	1,673	1,737	1,777	633	110	1,162	12,708	64,010
Balance as at 31 March 2025	4,616	17,455	14,826	690	1,732	806	1,034	807	1,815	684	128	1,240	12,708	58,541

Note:

- (i) Leasehold land aggregating INR 12,708 represents land allotted by Karnataka Industrial Areas Development Board (KIADB) for a period of 10 years on lease. As per the lease agreement dated 21 August 2014 KIADB shall sell the land to the Company at any time during the tenure or the lease or on the expiry of the lease period at an additional consideration, if any to be decided at the time of entering into sale agreement. Accordingly, no depreciation has been charged on land taken on lease from KIADB. The Company has filed an application for the transfer of the land in the name of Company during August 2024 and believes that the condition required to be fulfilled to obtain the ownership of this land is administrative in nature.

4 Goodwill

Particulars	As at 31 March 2026	As at 31 March 2025
Carrying value at the beginning of the year	9,802	9,397
Translation differences	697	405
Carrying value at the end of the year	10,499	9,802

Goodwill represents the excess of purchase consideration over net assets value of acquired subsidiaries on the date of such acquisition. Such goodwill is tested for impairment annually or more frequently, if there are any indicators for impairment.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating unit (CGU) or groups of CGUs, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the operating segment level, which is represented through groups of CGUs. The carrying amount of the CGU was computed by allocating the net assets to operating segments for the purpose of impairment testing.

The carrying value of goodwill, net of translation differences and impairment allocated to operating segment are as follows:

Allocated operating segment	As at 31 March 2026	As at 31 March 2025
Aerospace - UK	6,677	5,980
Metallurgy - Germany	3,822	3,822
Total Carrying value at the end of the year	10,499	9,802

The impairment testing did not result in any impairment in the carrying amount of goodwill in any of the CGUs during current and previous year.

The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount of the CGUs is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

The recoverable amount of a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. For the purpose of impairment test, recoverable amount of the CGUs has been determined based on value in use which is based on specific calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period and the range of each assumption mentioned below. Other key assumptions including revenue growth rate and EBITDA margins.

Aerospace - UK

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate*	14.50%	16.70%
Terminal growth rate **	1.50%	1.50%

Metallurgy - Germany

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate*	18.40%	19.20%
Terminal growth rate **	1.50%	1.50%

*Reflects the market assessment of the risks specific to the CGU and estimated based on the weighted average cost of capital for the respective CGU.

** The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

5(a) Intangible assets

Particulars	Application software	Owned intangible assets Prototype development (internally generated)	Total
Gross carrying amount:			
Balance as at 1 April 2024	1,399	3,015	4,414
Additions	252	10	262
Deletion	-	-	-
Translation adjustment	21	155	176
Balance as at 31 March 2025	1,672	3,180	4,852
Balance as at 1 April 2025	1,672	3,180	4,852
Additions	59	-	59
Deletion	-	-	-
Translation adjustment	123	375	498
Balance as at 31 March 2026	1,854	3,555	5,409
Accumulated amortization:			
Balance as at 1 April 2024	939	1,041	1,980
Amortisation for the year	151	97	248
Amortisation on deletion	-	-	-
Translation adjustment	20	36	56
Balance as at 31 March 2025	1,110	1,174	2,284
Balance as at 1 April 2025	1,110	1,174	2,284
Amortisation for the year	191	262	453
Amortisation on deletion	-	-	-
Translation adjustment	117	129	246
Balance as at 31 March 2026	1,418	1,565	2,983
Net carrying amount:			
Balance as at 31 March 2026	436	1,990	2,426
Balance as at 31 March 2025	562	2,006	2,568

5(b) Intangible assets under development (IAUD) (internally generated):

The Group has carried out certain development activities related to 2 projects:

- a) Project 1:** It pertains to the development of Unmanned Aerial Systems (UAV) carried out at Dynauton Division of Dynamatic Technologies Limited, India and includes below activities:
- (i) design, development and manufacture of UAV under Airborne Platform Programs
 - (ii) development of various prototype systems to cater to the requirements of defence, and
 - (iii) design and development of tools for UAV.
- b) Project 2:** It pertains to the development of Hydraulic pumps carried out at Dynamatic Limited, UK and includes below activities:
- (i) design, development and manufacture of Hydraulics pump, and
 - (ii) development of various prototype pump to cater to the requirements of customer.

On completion of such development activities in the both projects, the same will be capitalised as “Technical Know-How” and be disclosed under the head “ Other intangible assets” in Note 5(a). The Management is of the view that the aforesaid development activities shall provide economic benefits to the Company in near future and the expenditure for such development activities have been allocated to cost of “Intangible Assets Under Development” and are carried forward for future capitalisation.

The Management has carried out impairment assessment for intangible assets under development. Based on such assessment, the Management has determined that there is no impairment provision required to the carrying values of such intangible assets under development as at 31 March 2026.

(i) Project 1

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening Balance	563	-
Add: Capitalisation		
A) Raw Materials	1,581	-
B) Employee Benefits Expense	628	445
C) Consumption Of Stores, Loose Tools And Spare Parts	-	3
D) Subcontractor Charges	13	14
E) Professional Fee	113	101
F) Rent Expenses	30	-
G) Finance Cost	40	-
Closing Balance	2,968	563

(ii) Project 2

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance	508	483
Translation adjustment	60	25
Closing balance	568	508

(iii) Intangible assets under development at year ended	3,536	1,071
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Intangible assets under development ageing as at 31 March 2026

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Project 1	2,405	563	-	-	2,968
Project 2	-	-	568	-	568
Total	2,405	563	568	-	3,536

Intangible assets under development ageing as at 31 March 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Project 1	563	-	-	-	563
Project 2	-	508	-	-	508
Total	563	508	-	-	1,071

6 Non-current investments

Particulars	As at 31 March 2026	As at 31 March 2025
Unquoted equity shares		
Investment carried at fair value through statement of Profit and Loss		
332,000 (31 March 2025: 332,000) equity shares of face value of INR 10 each fully paid of Kamachi Industries Limited	33	33
	33	33
Aggregate value of unquoted investments	33	33
Aggregate amount of impairment in value of investments	-	-

7 Other non-current financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Security deposits	589	681
Bank deposits with more than 12 months maturity	33	-
	622	681

8 Income tax assets (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance income tax and tax deducted at source, net of provision	2	528
	2	528

9 Other non-current assets

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Capital advances	109	215
Prepaid expenses	257	184
Contract assets	2,717	-
	3,083	399

Contract assets ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from date of transaction						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	2,717	-	-	-	-	-	2,717

10 Inventories (Valued at lower of cost and net realizable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials and components	17,433	15,942
Work-in-progress	18,878	14,127
Finished goods	3,003	3,113
Stores and spares	1,870	1,480
	41,184	34,662

11 Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Trade receivable	32,830	29,950
Less: Allowances for credit losses	(985)	(1,015)
Net trade receivables	31,845	28,935

All trade receivables are 'current'.

Contract assets ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	23,748	8,127	84	148	80	643	32,830
Less: Allowances for credit loss							(985)
Net trade receivables							31,845

Contract assets ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	20,102	8,310	389	298	87	764	29,950
Less: Allowances for credit loss							(1,015)
Net trade receivables							28,935

Note: There are no disputed trade receivables as at 31 March 2026 and 31 March 2025.

The Group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 45.

12 Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	10	32
Balance with banks		
- in current accounts	5,242	3,279
	5,252	3,311
Cash and cash equivalents as defined in Ind AS 7 Statements of Cash Flows.	5,252	3,311

13 Bank balances other than cash and cash equivalents above

Particulars	As at 31 March 2026	As at 31 March 2025
In deposit accounts-held as margin money (due to mature within 12 months from the reporting date)*	1,503	1,269
Unpaid dividend	10	10
	1,513	1,279

*Balances in margin money deposits represents deposits made for non-fund based limits with banks, which are available for use to settle a liability for not more than 12 months from the balance sheet date.

14 Current Loans

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Loans to employees	216	195
	216	195

15 Other current financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Security deposit	105	354
	105	354

16 Other current assets

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Advance for supply of goods	1,392	2,198
Advance for supply of goods to related parties (Refer note 47)	-	797
Contract assets	1,280	2,553
Prepaid expenses	2,663	2,386
Balances with government authorities	7,063	3,747
	12,398	11,681

Contract assets ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from date of transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	1,280	-	-	-	-	-	1,280

Contract assets ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from date of transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	2,553	-	-	-	-	-	2,553

17 Equity share capital

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised		
Equity shares		
20,000,000 (31 March 2025: 20,000,000) equity shares of par value of INR 10 each	2,000	2,000
Preference shares		
500,000 (31 March 2025: 500,000) redeemable cumulative preference shares of par value of INR 100 each	500	500
	2,500	2,500
Issued, subscribed and fully paid up		
Equity shares		
6,791,443 (31 March 2024: 6,791,443) equity shares of par value of INR 10 each	679	679
	679	679

i. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2026		31 March 2025	
	Number of shares	Amount (INR in lakhs)	Number of shares	Amount (INR in lakhs)
Shares outstanding at the beginning of the year	67,91,443	679	67,91,443	679
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	67,91,443	679	67,91,443	679

ii. 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. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Company after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has not allotted any fully paid equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

iii. Details of shareholders holding more than 5% of equity shares in the Company

Particulars	31 March 2026		31 March 2025	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 10 each fully paid-up held by				
i) Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%
ii) JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%
iii) Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%
iv) JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%
v) HDFC Trustee Company Limited	3,69,859	5.45%	3,69,859	5.45%

iv. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2026 is as follows:

Promoter name	As at 31 March 2026		As at 31 March 2025		% Change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
1 Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%	-
2 JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%	-
3 Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%	-
4 JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%	-
5 Christine Hoden (India) Private Limited	70,100	1.40%	95,100	1.40%	-0.37%
6 Greeneearth Biotechnologies Limited	22,927	0.34%	22,927	0.34%	-
7 Barota Malhoutra	4,938	0.07%	4,938	0.07%	-
8 Vita Private Limited	100	0.00%	100	0.00%	-
9 Primella Sanitary Products Private Limited	100	0.00%	100	0.00%	-
	28,18,245	41.49%	28,43,245	41.87%	-

Disclosure of shareholding of promoters as at 31 March 2025 is as follows:

	Promoter name	As at 31 March 2025		As at 31 March 2024		% Change during the year
		No of Shares	% of total shares	No of Shares	% of total shares	
1	Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%	-
2	JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%	-
3	Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%	-
4	JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%	-
5	Christine Hoden (India) Private Limited	95,100	1.40%	95,100	1.40%	-
6	Greeneearth Biotechnologies Limited	22,927	0.34%	22,927	0.34%	-
7	Barota Malhoutra	4,938	0.07%	4,938	0.07%	-
8	Vita Private Limited	100	0.00%	100	0.00%	-
9	Primella Sanitary Products Private Limited	100	0.00%	100	0.00%	-
		28,43,245	41.87%	28,43,245	41.87%	-

18 Other equity (Refer statement of changes for detailed movement of each component of other equity):

Particulars	As at 31 March 2026	As at 31 March 2025
Capital reserves	15	15
Capital redemption reserve	240	240
Reserve on amalgamation	154	154
General reserve	3,010	3,010
Securities premium	23,318	23,318
Retained earnings	41,578	38,727
Foreign currency translation reserve	10,358	5,607
	78,673	71,071

(i) Capital reserve :

Capital reserve was created on account of subsidy received during the year ended 31 March 2005 and is not freely available for dividend distribution.

(ii) Capital Redemption Reserve :

During the year ended 31 March 2005, an amount of INR 240 lakhs was transferred to capital redemption reserve upon redemption of preference share, in accordance with the Companies Act, 1956. It is not freely available for distribution.

(iii) Reserve on amalgamation :

Reserve on amalgamation was created pursuant to the scheme of amalgamation of JKM Daerim Automotive Limited (JDAL) during the year ended 31 March 2008. It is not freely available for dividend distribution.

(iv) General Reserve :

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purpose.

(v) Securities Premium :

Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with provisions of the Act.

(vi) Retained Earnings :

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit after tax is transferred from the statement of profit and loss to the retained earnings.

(vii) Foreign currency translation reserve :

This reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations to functional currency.

19 Non-current borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Secured</i>		
i) Term loans		
- from banks [refer footnote (i)]	13,447	9,330
- Financial institutions [refer footnote (ii)]	9,438	8,557
Financial lease obligation [refer footnote (iii)]	2,233	3,136
ii) Working capital term loan		
- from banks [refer footnote (i)]	5,990	1,500
Total borrowings	31,108	22,523
Less: Current maturities of long term loan:		
a) from banks	(2,617)	(1,536)
b) from financial institutions	(2,493)	(2,207)
c) financial lease obligation	(1,062)	(1,256)
Net non-current borrowings	24,936	17,524

Information about the Company's exposure to interest rate, currency and liquidity risk are disclosed in note 45.

(i) From banks (including current maturities of the non-current borrowings shown under current borrowing):

Details of repayment terms, interest and maturity	Nature of security
Term loan from bank aggregating to INR 9,521 (31 March 2025: INR 8,822) repayable in 28 quarterly instalments. First instalment starting from 1 June 2024 with interest rate at 8.85% per annum (31 March 2025: 9.60% per annum).	First pari passu charge on the entire movable and immovable fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company. First charge over Debt Service Reserve Account (DSRA).
Term loan from bank aggregating to INR 78 (31 March 2025: INR 104) repayable in 60 monthly instalments. First instalment starting from 31 October 2023 with interest rate at 8.90% per annum (31 March 2025: 8.90% per annum).	Hypothecation of asset (cars).
Term loan from bank aggregating INR Nil (31 March 2025 : INR 226) repayable in 33 monthly instalments with rate of interest Base Rate plus 2.5% per annum (31 March 2025: Base Rate plus 2.5% per annum).	Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited to the bank on behalf of Dynamatic Limited (Holding Company).
Term loan from bank aggregating INR 323 (31 March 2025 : INR Nil) repayable in 60 monthly instalments with effective from January 2026 with rate of interest Base Rate plus 2.30% per annum (31 March 2025: Nil).	Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited to the bank on behalf of Dynamatic Limited (Holding Company).
Term loan from bank aggregating INR 1,019 (31 March 2025 : INR Nil) repayable after 60 months from the date of disbursement with rate of interest Base Rate plus 2.30% per annum (31 March 2025: Nil).	Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited to the bank on behalf of Dynamatic Limited (Holding Company).
Term loan from bank aggregating INR 340 (31 March 2025 : INR Nil) repayable in 12 quarterly instalments after 3 months from the date of disbursement with rate of interest Base Rate plus 2.30% per annum (31 March 2025: Nil).	Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited to the bank on behalf of Dynamatic Limited (Holding Company).

Details of repayment terms, interest and maturity	Nature of security
Term loan from bank aggregating to INR 177 (31 March 2025: INR 178) repayable in 20 quarterly instalments. First instalment starting from quarter following the month first disbursement of Term Loan and with interest rate at 8.00% per annum (31 March 2025: 9.25% per annum)	First and exclusive hypothecation charge on all existing and future current assets of the company. First and exclusive hypothecation charge on all existing and future movable fixed assets of the Company. Dynamatic Technologies Limited (Parent entity) has provided the corporate Guarantee on behalf of the Dynamatic Manufacturing Limited, wholly owned subsidiary towards loan availed.
Term loan from bank aggregating to INR 1,989 (31 March 2025: Nil) repayable in 18 quarterly instalments. First instalment starting from six months following the month first disbursement of Term Loan and with interest rate at 8.75% per annum (31 March 2025: Nil).	First and exclusive hypothecation charge on all existing and future current assets of the company. First and exclusive hypothecation charge on all existing and future movable fixed assets of the Company. Dynamatic Technologies Limited (Parent entity) has provided the corporate Guarantee on behalf of the Dynamatic Manufacturing Limited, wholly owned subsidiary towards loan availed.
Working Capital Term loan from bank aggregating to INR 5,990 (31 March 2025: INR 1500) repayable in 36 equal monthly instalments post 24 months of principal moratorium. First instalment starting from 1 April 2027 with fixed interest rate at 9.20% per annum (31 March 2025: 9.20% per annum).	First pari passu charge on the current assets of the Company. Second pari passu charge on the movable and immovable fixed assets of the Company.

(ii) **From financial institutions (Including current maturities of the long term borrowings shown under Current Borrowing):**

Details of repayment terms, interest and maturity	Nature of security
Term Loan from financial institutions aggregating to INR 1,632 (31 March 2025: INR 2,407) repayable in 20 quarterly instalments first instalment starting from 30 June 2023 with interest rate of 10.00% per annum (31 March 2025: 10.75% per annum).	First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company. First charge over Debt Service Reserve Account (DSRA). Personal guarantee issued by the Promoter to the bank on behalf of Dynamatic Technologies Limited.
Term Loan from financial institutions aggregating to INR 2,100 (31 March 2025: Nil) repayable in 24 step-up quarterly instalments first instalment starting from 1 April 2027 with interest rate of 9.05% per annum (31 March 2025: Nil).	First pari passu charge on entire fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company.
Term Loan from financial institutions aggregating to INR 4,551 (31 March 2025: INR 5,950) repayable in 20 quarterly instalments first instalment starting from 30 September 2024 with interest rate of 10.45% per annum (31 March 2025: 10.45% per annum).	First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company.
Term Loan from financial institutions aggregating to INR 171 (31 March 2025: INR 200) repayable in 60 monthly instalments with interest rate of 10.25% per annum (31 March 2025: 10.25%).	Hypothecation of assets (cars).
Term loan from Financial Institution aggregating to INR 984 (31 March 2025: Nil) repayable in 20 quarterly instalments. First instalment starting from quarter following the month first disbursement of Term Loan and with interest rate at 10.40% per annum (31 March 2025: Nil).	First Pari-passu charge on all the fixed assets of the company (Present and Future) to be shared on Pari Passu basis with existing lender. First Pari-passu charge on all the current assets of the company (Present and Future). Dynamatic Technologies Limited (Parent entity) has provided the corporate Guarantee on behalf of the Dynamatic Manufacturing Limited, wholly owned subsidiary towards loan availed.

- (iii) Leasing Finance / HP from banks aggregating INR 2,233 (31 March 2025: INR 3,136) repayable in maximum 57 monthly instalments. The Leasing facility is secured by way of exclusive charge on assets financed by the leasing institution.

20 Non-current provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits:		
Provision for gratuity (Refer note 43)	4,153	2,889
Provision for compensated absences	903	500
	5,056	3,389

21 Deferred tax liabilities, (net) (Refer note 49):

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax liabilities		
Property, plant and equipment and intangible assets	2,722	2,338
Total deferred tax liabilities (A)	2,722	2,338
Deferred tax assets		
Right-of-use assets and lease liabilities	819	701
Provision for gratuity and compensated absences	1,138	781
Overdue of micro and small vendor	369	452
Provision for warranty	150	119
Provision for loss allowance	94	102
Others	63	69
Total deferred tax assets (B)	2,633	2,224
Net deferred tax liability (A - B)	89	114

22 Other non-current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred government grant	100	96
	100	96

23 Current borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Secured loans</i>		
Loans from banks repayable on demand		
Cash credit and working capital demand loans [refer footnote (i)]	19,397	18,819
Current maturities of long-term borrowings (Refer note 19)	6,172	4,999
<i>Unsecured loans</i>		
From banks		
Bill discounting facility from banks [refer footnote (ii)]	2,433	3,762
	28,002	27,580

i) Details of Cash credit and working capital demand loans:

- a) Dynamatic Technologies Limited has availed the following facilities:

Cash credit and working capital demand loans carry interest ranging between 8.25% - 9.85% per annum (31 March 2025: 9.25% - 10.35% per annum), computed on a monthly basis on the actual amount utilized, and are repayable on demand.

Packing Credit & Working Capital Demand loans in Foreign Currency from banks carry interest rate of 6m SOFR+3.00% per annum (31 March 2025: 6m SOFR+3.00%).

These are secured by first pari passu charge by way of hypothecation of current assets of the Company and second pari passu charge on the movable and immovable fixed assets of the Company.

- b) Dynamatic Manufacturing Limited has availed the following facilities:

Cash credit and working capital demand loans carry interest ranging between 8.25% - 9.00% per annum (31 March 2025: 9.00% -9.50%), computed on a monthly basis on the actual amount utilized, and are repayable on demand.

Packing Credit in Foreign Currency from banks carry interest rate of 6m SOFR+2.00% per annum (31 March 2025: Nil).

The facility is secured by first hypothecation charge on all existing and future receivables / current assets / movable assets / movable fixed assets of the company. Dynamatic Technologies Limited (Parent entity) has provided the corporate Guarantee on behalf of the Dynamatic Manufacturing Limited, wholly owned subsidiary towards loan availed.

ii) Details of Bill discounting facility from banks:

Dynamatic Limited, UK has availed the receivable invoice discounting facility from banks which carry interest rate of 2.5% per annum over Base Rate (31 March 2025 : 2.5% per annum over the Base Rate) and is payable within 90 days from the date of bill discounted. Also the Group has availed Overdraft facility from Bank which carries interest rate of 3% over the Base Rate per annum (31 March 2025: 3% over the Base Rate per annum).

Information about the Group's exposure to interest rate, currency and liquidity risk are disclosed in note 45.

24 Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Dues of micro and small enterprises	3,537	1,886
Dues to creditors other than micro and small enterprises	22,039	21,124
	25,576	23,010

i) Disclosure relating to supplier finance arrangements:

The Company has entered into supplier finance arrangement with Mynd Solutions Private Limited for invoice discounting facility through its M1 Xchange platform, operating as Trade Receivables Discounting System (TReDS) authorised by the Reserve Bank of India for facilitating financing arrangements for MSMEs.

Under these arrangements, participating financial institutions on M1 Xchange platform provide financing against invoices uploaded by the Company and the Company settles the dues with the respective financial institutions on the agreed due dates.

Liabilities under such arrangements continue to be presented under trade payables as the nature and substance of the liabilities remain consistent with trade payables and there is no substantial modification in the terms of the arrangement.

The supplier finance arrangements do not create any security interest over the assets of the Company and do not contain any significant liquidity covenants.

The carrying amount of trade payables covered under supplier finance arrangements is INR 2,840 lakhs (31 March 2025: INR 1,724 lakhs). The payment terms under these arrangements is ranges from 30-90 days.

ii) Trade payables ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of micro and small enterprises*	2,002	1,501	2	29	3	3,537
Dues to creditors other than micro and small enterprises	17,963	3,692	32	41	311	22,039
Total	19,965	5,193	34	70	314	25,576

Trade payables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of micro and small enterprises*	1,149	688	32	17	-	1,886
Dues to creditors other than micro and small enterprises	14,597	6,121	115	14	277	21,124
Total	15,746	6,809	147	31	277	23,010

All trade payables are current and there are no disputed traded payables.

The Company's exposure to currency and liquidity risk are disclosed in note 45.

25 Other current financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Accrued expenses	5,811	5,395
Capital creditors	144	64
Security deposits	60	59
Interest accrued but not due	118	83
Unpaid dividend	10	10
	6,143	5,611

The Company's exposure to currency and liquidity risk are disclosed in note 45.

26 Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Advance received from customers	842	1,183
Statutory liabilities	577	529
	1,419	1,712

27 Current provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits:		
Provision for gratuity (Refer note 43)	834	541
Provision for compensated absences	97	50
Others (Refer note 41(c))	280	164
Other provisions:		
Provision for warranties (Refer note 41(a))	597	471
	1,808	1,226

28 Current tax liabilities (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for income tax (Net of advance tax and tax deducted at source)	1,621	995
	1,621	995

29 Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(A) Sale of products		
Revenue from sale of products	1,60,345	1,39,299
Total revenue from sale of products (A)	1,60,345	1,39,299
(B) Other operating revenue		
Export incentives	139	316
Scrap sales	1,650	765
Total other operating revenue (B)	1,789	1,081
Total revenue from operations (A+B) (Refer note 51)	1,62,134	1,40,380

30 Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Net gain on foreign currency transactions and translation	2,109	1,012
Interest income on financial assets carried at amortised cost	123	115
Interest income on income tax refund	98	-
Write-back of liabilities	-	699
Gain on lease modification	-	31
Miscellaneous income	641	423
	2,971	2,280

31 Cost of materials and components consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventory of materials and components at the beginning of the year	15,942	12,178
Add: Purchases of materials and components	87,274	68,458
Less: Transferred to IAUD	(1,581)	-
Less: Inventory of materials and components at the end of the year	(17,433)	(15,942)
	84,202	64,694

32 Changes in inventory of finished goods and work-in-progress

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening stock:		
- Finished goods	3,113	4,389
- Work-in-progress	14,127	12,571
	17,240	16,960
Closing stock:		
- Finished goods	(3,003)	(3,113)
- Work-in-progress	(18,878)	(14,127)
	(21,881)	(17,240)
Add: Foreign currency translation adjustments	1,812	945
	(2,829)	665

33 Employee benefits expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	28,469	27,276
Contribution to provident fund and other funds	1,792	1,626
Staff welfare expenses	3,163	3,540
Transferred to IAUD	(628)	(445)
	32,796	31,997

34 Finance costs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense on financial liabilities at amortised cost	4,802	4,674
Interest expense on lease liabilities (Refer note 40)	617	679
Interest on delayed payment of taxes	224	118
Other borrowing cost	198	201
Transferred to IAUD	(40)	-
	5,801	5,672

35 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation on property, plant and equipment (Refer note 3)	4,825	4,175
Amortization of right-of-use assets (Refer note 40)	2,384	2,506
Amortization of intangible assets (Refer note 5)	453	248
	7,662	6,929

36 Other expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Power and fuel	6,170	6,931
Subcontractor charges	4,792	4,000
Consumption of stores, loose tools and spare parts	4,472	3,523
Legal and professional fees	1,867	1,732
Repairs and maintenance:		
- plant and machinery	1,867	1,947
- buildings	198	280
- others	1,663	1,291
Insurance	1,504	1,367
Travelling and conveyance	913	948
Freight outward	1,410	859
Rent	843	841
Security charges	499	376
Packing expenses	680	532
Rates and taxes	529	543
Membership and subscriptions	306	383
Loss allowance on financial assets, net	278	(25)
Bank charges	248	200
Printing and stationery	180	243
Communication	125	141
Corporate social responsibility expenses	96	90
Directors sitting fees	69	67
Loss on sales of property, plant and equipment	64	40
Miscellaneous expense	1,080	1,001
Transferred to IAUD	(156)	(118)
	29,697	27,192

37 Exceptional Items

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Gratuity and compensated absences (refer footnote i)	1,427	-
Redundancy provision (refer footnote ii)	1,330	-
	2,757	-

- (i) On November 21, 2025, the Government of India formally notified the enforcement of four Labour Codes - the Code on Wages, 2019; the Industrial Relations Code, 2020; the Code on Social Security, 2020; and the Occupational Safety, Health and Working Conditions Code, 2020 - thereby consolidating 29 erstwhile labour legislations into a unified framework. The Ministry of Labour & Employment, in alignment with this legal mandate, issued draft Central Rules and Frequently Asked Questions (FAQs) to facilitate the assessment of financial consequences, underscoring both statutory and regulatory guidance for compliance.

The above Labour Laws introduced a revised definition of 'wages', which impacted the computation of gratuity and compensated absences. Pursuant to the new definition of wages, an incremental one-time non-cash cost of Rs. 1,220 lakhs towards Gratuity and INR 207 Lakhs towards Compensated absences, predominantly relating to past service costs, has been debited to the Statement of Profit and Loss in order to comply with Ind AS 19 "Employee Benefits" and treated as an exceptional item in line with the accounting standards and clarifications issued by the Institute of Chartered Accountants of India (ICAI) regarding the accounting treatment for the above amendment in law.

The Government of India is in the process of notifying the final rules to the new Labour codes and an impact of these will be evaluated and accounted for in accordance with applicable standards in the period in which they are notified.

- (ii) The Hydraulic Division of Dynamatic Limited, UK (DLUK), a wholly owned subsidiary, has faced a continued decline in European supply chain reliability over recent quarters. This has created risk to customer lines and unsustainable operations for the company with continuous disruptions and financial losses. In view of this, the Group has taken a strategic decision to transfer specific production operations from the DLUK Hydraulic division to India, while retaining select strategic product lines in the UK.

During the quarter ended 30 September 2025 & 31 March 2026, the following key actions were implemented:

- In September 2025 & March 2026, the management announced a restructuring initiative to align operations with current market conditions and to rationalise the product range. As part of this initiative, certain positions were identified as being at potential risk of redundancy. Accordingly, a provision of GBP 1.1 million (INR 1,330 Lakhs) has been recognised under Exceptional Items towards the estimated costs associated with the planned workforce reduction.
- DLUK Hydraulic division has transferred certain Intellectual Property (IP) rights to Dynamatic Manufacturing Limited (DML), a wholly owned subsidiary, which has been capitalised in DML. While the above transaction being intra-group is eliminated in the consolidated financial results, a non-cash tax charge was recognised in DLUK of INR 562 lakhs which has impacted the Group's effective tax rate for the period, since a corresponding deferred tax credit has not been recognised at DML in line with Ind AS 12 "Income Taxes".

38 Contingent Liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Claims against the Group not acknowledged as debts#</i>		
Income tax	221	1,212
Indirect tax	1,268	873
Other litigation	74	-
	1,563	2,085

Outflow, if any, arising out of the said claim including interest, if any, would depend on the outcome of the decision of the Appellate Authority and the Group's right for future appeal before the judiciary.

39 Capital and other commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Capital commitment:		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	443	1,436

There are no other material commitments.

40 Leases**(i) Following are the change in the carrying value of Right-of-use of assets for the year ended 31 March 2026:**

Particulars	Category of ROU assets			Total
	Plant & Machinery	Building	Vehicles	
Balance as at 1 April 2025	2,602	6,565	5	9,172
Addition/Modification	-	-	-	-
Amortisation for the year	(1,422)	(958)	(4)	(2,384)
Translation adjustment	160	566	(1)	725
Balance as at 31 March 2026	1,340	6,173	-	7,513

(ii) Following are the change in the carrying value of Right-of-use assets for the year ended 31 March 2025:

Particulars	Category of ROU assets			Total
	Plant & Machinery	Building	Vehicles	
Balance as at 1 April 2024	2,845	7,179	10	10,034
Addition/Modification	1,202	71	10	1,283
Amortisation for the year	(1,550)	(941)	(15)	(2,506)
Translation adjustment	105	256	-	361
Balance as at 31 March 2025	2,602	6,565	5	9,172

(iii) The following is the break up of current & non-current lease liabilities:

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current	8,401	9,447
Current	2,450	2,574
	10,851	12,021

(iv) The following is the movement of lease liabilities during the year ended:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Balance at the beginning of the year	12,021	12,693
Addition/Modification	-	1,283
Gain on lease modification	-	(31)
Finance cost during the year	617	679
Lease payment during the year	(2,909)	(3,091)
Translation adjustment	1,122	488
Total	10,851	12,021

(v) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2026	As at 31 March 2025
Payable within 1 year	1,873	3,003
Payable between 1-5 years	4,757	6,066
Payable later than 5 years	3,630	4,160
Total	10,260	13,229

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expenses recorded for short-term leases for the year is INR 843 (31 March 2025: INR 841).

41 The disclosure requirement as per Ind AS 37 with respect to the movement of provisions is as follows:**(a) Provision for warranties**

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	471	689
Provisions recognised and (utilized) during the year (net)*	126	(218)
Closing balance	597	471

(b) Other provision

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	164	99
Provisions recognised and (utilized) during the year (net)*	116	65
Closing balance	280	164

* includes foreign currency translation adjustments.

The above provision relates to certain employee benefits in subsidiaries.

42 Segment reporting

The Chief Executive Officer and the Managing Director of the Group has been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by the products portfolio and segment information has been presented accordingly.

Operating segment

The Group's business is concentrated in manufacturing of hydraulic products, automotive & aluminium castings, aerospace and others. And accordingly, primary segment information is presented based on the following :

Reportable segment

• Hydraulics	Engaged in the activity of manufacturing hydraulic pumps, hand pumps, lift assemblies, valves and power packs.
• Aerospace	Engaged in the activity of manufacturing airframe structures and precision aerospace components.
• Metallurgy	Engaged in the activity of manufacturing case front, intake manifolds and exhaust manifold.
• Others	Comprised of Dynauton Systems, which offer cutting edge security solutions to enhance the Nation's capabilities in countering modern day security threats and Medical division provides high-quality diagnostic services.

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. The Group has a corporate centre, which provides various accounting and administrative support functions. Segment information for this activity has been aggregated under "Unallocated". Revenue identifiable to business segments have been disclosed under the respective business segment. Segment costs include employee benefit expenses, cost of material consumed, depreciation and other operating expenses that can be allocated on a reasonable basis to respective segments.

Assets and liabilities in relation to segments are categorized based on items that are individually identifiable to that segment. Certain assets and liabilities are not specifically allocable to individual segments as these are used interchangeably. The Group therefore believes that it is not practicable to provide segment disclosures relating to such assets and liabilities and accordingly, these are separately disclosed as 'unallocated'.

A Operating segment information for the year ended 31 March 2026 and 31 March 2025 is as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Segment revenue		
a) Hydraulics	48,738	45,804
b) Aerospace	77,561	60,785
c) Metallurgy	35,810	33,483
d) Others	25	308
Revenue from operations	1,62,134	1,40,380

Segment results (profit/ (loss) before finance costs, other income and tax from each segment)

a) Hydraulics	2,146	1,145
b) Aerospace	13,239	11,863
c) Metallurgy	(1,099)	(296)
d) Others	(502)	(488)
e) Unallocated	(3,178)	(3,321)
Total	10,606	8,903
Unallocable		
- Finance costs (Refer note 34)	(5,801)	(5,672)
- Other income (Refer note 30)	2,971	2,280
- Exceptional income (Refer note 37)	(2,757)	-
Profit before tax	5,019	5,511

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Segment assets		
a) Hydraulics	34,903	34,009
b) Aerospace	1,06,443	93,960
c) Metallurgy	27,890	25,256
d) Others	7,870	5,375
e) Unallocated	7,847	6,428
Total Segment assets	1,84,953	1,65,028
Segment liabilities		
a) Hydraulics	20,936	20,942
b) Aerospace	22,887	21,702
c) Metallurgy	5,668	4,476
d) Others	582	304
e) Unallocated	55,528	45,854
Segment liabilities	1,05,601	93,278

Information about reportable segments for the period from 1 April 2025 to 31 March 2026 is as follows:

Particulars	Hydraulics	Aerospace	Metallurgy	Others	Unallocated	Total
a) Depreciation and amortisation expense	1,441	4,523	1,382	87	229	7,662
b) Capital expenditure	470	3,053	2,240	2,665	94	8,522

Information about reportable segments for the period from 1 April 2024 to 31 March 2025 is as follows:

Particulars	Hydraulics	Aerospace	Metallurgy	Others	Unallocated	Total
a) Depreciation and amortisation expense	1,270	3,885	1,485	52	237	6,929
b) Capital expenditure	441	3,320	2,260	562	127	6,710

B Geographic information:

The geographical information analyses the Group's revenue and non-current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

Particulars	Revenue from operations		Non current assets*	
	For the year ended		As at	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
India	48,802	35,138	40,531	39,132
Europe	56,134	47,719	18,618	16,203
United Kingdom	30,959	30,663	29,919	28,562
United States	15,119	12,874	-	-
Canada	8,043	13,174	-	-
Rest of the world	3,077	812	-	-
Total	1,62,134	1,40,380	89,068	83,897

*Non-current assets excludes financial assets.

C Major customer

Revenue from transactions with the external customer amounting to 10% or more of the Company's revenues is as follows:

Particulars	31 March 2026	31 March 2025
Customer 1	22,882	21,455

43 Assets and liabilities relating to employee benefits

Particulars	As at 31 March 2026	As at 31 March 2025
Net defined benefit liability, gratuity plan	4,987	3,430
Liability for compensated absences	1,000	550
Total employee benefit liability	5,987	3,980
a) Gratuity		
Non-current	4,153	2,889
Current	834	541
	4,987	3,430
b) Compensated absences		
Non-current	903	500
Current	97	50
	1,000	550

The Group operates the following post-employment defined benefit plan.

Defined benefit plan

The Company operates a post-employment defined benefit plan providing gratuity benefits in accordance with the applicable provisions of the Payment of Gratuity Act, 1972 and the provisions of the Code on Social Security, 2020, to the extent notified and applicable.

Employees rendering continuous service of five years or more are eligible for gratuity benefits. The gratuity benefit payable on resignation, retirement, death, disablement or termination is computed based on the last drawn salary and period of qualifying service, in accordance with the applicable statutory provisions.

Pursuant to the Code on Social Security, 2020, gratuity may become payable to employees on completion of one year of service in case of fixed-term employment contracts, as and when the relevant provisions are notified and become effective. The gratuity plan is a funded defined benefit plan administered through an approved gratuity fund. The Company follows a funding policy based on actuarial valuation and expected future gratuity obligations and may not fully fund the entire defined benefit obligation at all times.

The defined benefit obligation exposes the Company to actuarial risks including salary escalation risk, interest rate risk, longevity risk and investment risk.

A Funding

The Group expects to pay INR 160 Lakhs in contributions to its defined benefit plans in financial year 2026-27.

B Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ assets and its components:

(i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
Obligation at the beginning of the year	3,458	2,842
Interest cost	273	205
Current service cost	269	188
Past service cost	1,220	-
Benefit paid directly by employer	(26)	(27)
Benefit paid from the fund	(221)	(165)
Actuarial (gains)/losses on obligations recognised in other comprehensive income (OCI)		
- Changes in financial assumptions	(168)	104
- Experience adjustments	208	311
Obligation at the end of the year	5,013	3,458

(ii) Reconciliation of present value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Plan assets at the beginning of the year, at fair value	28	7
Interest income on plan assets	2	3
Contributions	218	184
Benefits paid	(221)	(165)
Return on plan assets, excluding interest income recognised in OCI	(1)	(1)
Plan assets at the end of the year, at fair value	26	28
Net defined benefit liability	4,987	3,430

C (i) Expense recognized in Statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current service cost	269	188
Interest cost	271	202
Exceptional items (Refer note 37)		
Past service cost	1,220	-
Net gratuity cost	1,760	390

(ii) **Remeasurement recognized in other comprehensive income**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial loss/(gain) on defined benefit obligation	40	415
Return on plan assets, excluding interest income	(1)	(1)
Total loss/(gain) recognised in other comprehensive income	39	414

D Plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Insurance fund	26	28
	26	28

E Defined benefit obligation**(i) Actuarial assumptions**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Rate of return on planned assets	7.27% & 7.36%	6.79%
Discounting rate	7.27% & 7.36%	6.79%
Future salary growth	6.00%	6.00%
Attrition rate	5.00%	5.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Weighted average duration of defined benefit obligation (in years)	8-10	8-11
Average expected future service	12	12
Retirement age	60	60

Notes:

- (i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.
- (ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.
- (iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(iv) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant would have affected defined benefit obligation by amounts shown below:

Particulars	As at 31 March 2026	As at 31 March 2025
Projected benefit obligation on current assumptions (gross)	5,013	3,458
Impact of change in discount rate by +1%	(328)	(234)
Impact of change in discount rate by -1%	374	267
Impact of change in salary rate by +1%	238	243
Impact of change in salary rate by -1%	(261)	(226)
Impact of change in employee turnover rate by +1%	48	15
Impact of change in employee turnover rate by -1%	(55)	(18)

Defined contribution plan

The Group's contribution to provident fund aggregating to INR 893 (31 March 2025: INR 710) has been recognised in the Statement of Profit and Loss under the head employee benefit expense.

44 Financial instruments - fair value and risk management**Accounting classification and fair value**

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their level in fair value hierarchy:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

- recognized and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

Particulars	Carrying Amount	Fair value			
	31 March 2026	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value					
Loans*	216	-	-	-	-
Trade receivables, net of loss allowance	31,845	-	-	-	-
Cash and cash equivalents	5,252	-	-	-	-
Bank balances other than cash and cash equivalents*	1,546	-	-	-	-
Other financial assets*	694	-	-	-	-
Financial assets measured at fair value					
Investments in equity shares	33	-	-	33	33
Total financial assets	39,586	-	-	33	33
Financial liabilities not measured at fair value					
Borrowings*	52,938	-	-	-	-
Lease liabilities *	10,851	-	-	-	-
Trade payables	25,576	-	-	-	-
Other financial liabilities*	6,143	-	-	-	-
Total financial liabilities	95,508	-	-	-	-

Particulars	Carrying Amount	Fair value			
	31 March 2025	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value					
Loans*	195	-	-	-	-
Trade receivables, net of loss allowance	28,935	-	-	-	-
Cash and cash equivalents	3,311	-	-	-	-
Bank balances other than cash and cash equivalents*	1,279	-	-	-	-
Other financial assets*	1,035	-	-	-	-
Financial assets measured at fair value					
Investments in equity shares	33	-	-	33	33
Total financial assets	34,788	-	-	33	33
Financial liabilities not measured at fair value					
Borrowings*	45,104	-	-	-	-
Lease liabilities*	12,021	-	-	-	-
Trade payables	23,010	-	-	-	-
Other financial liabilities*	5,611	-	-	-	-
Total financial liabilities	85,746	-	-	-	-

*Amount disclosed after considering non-current and current.

Fair value hierarchy:

Level 1: It includes financial instruments measured using quoted prices. This includes investment in equity, preference securities, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in equity shares included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial Assets:

- (i) Fair value of all these financial assets are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

B Financial Liabilities:

- (i) **Borrowings:** It includes loans taken from banks and financial institution, cash credit and bill discounting facilities. Borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on the loans is reset on a monthly / quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.
- (ii) **Trade payables and other liabilities:** Fair values of trade and other liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the balance sheet values.

45 Financial risk management

The Group's activities expose it to financial risks: credit risk, liquidity risk and market risk.

Risk management framework

The Board of Directors of the Holding Company have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee of the Holding Company oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal auditor. Internal Audit function includes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i) Credit risk

Credit risk is the risk of financial loss to the Group, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represents the maximum credit exposure.

Trade and other receivables

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Group are spread across diverse industries and geographical areas. The Group limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customers.

Expected credit loss assessment for trade receivables as at 31 March 2026 and 31 March 2025 are as follows:

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables as at 31 March 2026 amounting to INR 31,845 (31 March 2025: INR 28,935). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows.

Particulars	As at 31 March 2026	As at 31 March 2025
Balance as at the beginning of the year	1,015	1,040
Amounts written off	(308)	-
Net measurement of loss allowance	278	(25)
Balance as at the end of the year	985	1,015

ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligation as they become due. The Group'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 Group's reputation.

Management monitors rolling forecast of the Group's liquidity position and cash and bank balances on the basis of expected cash flows. This is generally carried out by the Management in accordance with practice and limits set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

A) Financing arrangement

The Group maintains the following line of credit:

- (a)(i) Term loan from bank aggregating to INR 9,521 (31 March 2025: INR 8,822) repayable in 28 quarterly instalments. First instalment starting from 1 June 2024 with interest rate at 8.85% per annum (31 March 2025: 9.60% per annum).
First pari passu charge on the entire movable and immovable fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company. First charge over Debt Service Reserve Account (DSRA).
- (ii) Term loan from bank aggregating to INR 78 (31 March 2025: INR 104) repayable in 60 monthly instalments. First instalment starting from 31 October 2023 with interest rate at 8.90% per annum (31 March 2025: 8.90% per annum).
This loan is secured by hypothecation of assets (cars).
- (iii) Term loan from bank aggregating INR Nil (31 March 2025 : INR 226) repayable in 33 monthly instalments with rate of interest Base Rate plus 2.5% per annum (31 March 2025: Base Rate plus 2.5% per annum).
Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited to the bank on behalf of Dynamatic Limited (Holding Company).
- (vi) Term loan from bank aggregating INR 340 (31 March 2025 : INR Nil) repayable in 12 quarterly instalments after 3 months from the date of disbursement with rate of interest Base Rate plus 2.30% per annum (31 March 2025: Nil).
Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited to the bank on behalf of Dynamatic Limited (Holding Company).
- (vii) Term loan from bank aggregating to INR 177 (31 March 2025: INR 178) repayable in 20 quarterly instalments. First instalment starting from quarter following the month first disbursement of Term Loan and with interest rate at 8.00% per annum (31 March 2025: 9.25% per annum).
First hypothecation charge on all existing and future receivables / current assets / movable assets / movable fixed assets of the company. Dynamatic Technologies Limited (Parent entity) has provided the corporate Guarantee on behalf of the Dynamatic Manufacturing Limited, wholly owned subsidiary towards loan availed.
- (viii) Term loan from bank aggregating to INR 1989 (31 March 2025: Nil) repayable in 18 quarterly instalments. First instalment starting from six months following the month first disbursement of Term Loan and with interest rate at 8.75% per annum (31 March 2025: Nil).
First and exclusive hypothecation charge on all existing and future current assets of the company. First and exclusive hypothecation charge on all existing and future movable fixed assets of the Company. Dynamatic Technologies Limited (Parent entity) has provided the corporate Guarantee on behalf of the Dynamatic Manufacturing Limited, wholly owned subsidiary towards loan availed.
- (ix) Term loan from bank aggregating to INR 323 (31 March 2025: Nil) repayable in 60 monthly instalments. First instalment starting from six months following the month first disbursement of Term Loan and with rate of interest Base Rate plus 2.30% per annum (31 March 2025: Nil).

First and exclusive hypothecation charge on all existing and future current assets of the company. Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited to the bank on behalf of Dynamatic Limited (Holding Company).

- (x) Term loan from bank aggregating to INR 1,019 (31 March 2025: Nil) repayable in 60 monthly instalments. First instalment starting from six months following the month first disbursement of Term Loan and with rate of interest Base Rate plus 2.30% per annum (31 March 2025: Nil).

First and exclusive hypothecation charge on all existing and future current assets of the company. Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited to the bank on behalf of Dynamatic Limited (Holding Company).

- (xi) Working Capital Term loan from bank aggregating to INR 5,990 (31 March 2025: INR 1500) repayable in 36 equal monthly instalments post 24 months of principal moratorium. First instalment starting from 1 April 2027 with fixed interest rate at 9.20% per annum (31 March 2025: 9.20% per annum).

First pari passu charge on the current assets of the Company. Second pari passu charge on the movable and immovable fixed assets of the Company.

- b)(i) Term Loan from financial institutions aggregating to INR 1,632 (31 March 2025: INR 2,407) repayable in 20 quarterly instalments first instalment starting from 30 June 2023 with interest rate of 10.00% per annum (31 March 2025: 10.75% per annum). First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company. First charge over Debt Service Reserve Account (DSRA). Personal guarantee issued by the Promoter to the bank on behalf of Dynamatic Technologies Limited.

- (ii) Term Loan from financial institutions aggregating to INR 2,100 (31 March 2025: Nil) repayable in 24 step-up quarterly instalments first instalment starting from 1 April 2027 with interest rate of 9.05% per annum (31 March 2025: Nil). First pari passu charge on entire fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company.

- (iii) Term Loan from financial institutions aggregating to INR 4,551 (31 March 2025: INR 5,950) repayable in 20 quarterly instalments first instalment starting from 30 September 2024 with interest rate of 10.45% per annum (31 March 2025: 10.45% per annum). First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company.

- (iv) Term Loan from financial institutions aggregating to INR 171 (31 March 2025: INR 200) repayable in 60 monthly instalments with interest rate of 10.25% per annum (31 March 2025: 10.25%). This loan is secured by hypothecation of assets (cars).

- (v) Term loan from Financial Institution aggregating to INR 984 (31 March 2025: Nil) repayable in 20 quarterly instalments. First instalment starting from quarter following the month first disbursement of Term Loan and with interest rate at 10.40% per annum (31 March 2025: Nil). First Pari-passu charge on all the fixed assets of the company (Present and Future) to be shared on Pari Passu basis with existing lender. First Pari-passu charge on all the current assets of the company (Present and Future). Dynamatic Technologies Limited (Parent entity) has provided the corporate Guarantee on behalf of the Dynamatic Manufacturing Limited, wholly owned subsidiary towards loan availed.

- c) Leasing Finance / HP from banks aggregating INR 2,233 (31 March 2025: INR 3,136) repayable in maximum 57 monthly instalments. The Leasing facility is secured by way of exclusive charge on assets financed by the leasing institution.

- d) Dynamatic Technologies Limited has availed the following facilities:

Cash credit and working capital demand loans carry interest ranging between 8.25% - 9.85% per annum (31 March 2025: 9.25% - 10.35% per annum), computed on a monthly basis on the actual amount utilized, and are repayable on demand. Packing Credit & Working Capital Demand loans in Foreign Currency from banks carry interest rate of 6m SOFR+3.00% per annum (31 March 2025: 6m SOFR+3.00%). These are secured by first pari passu charge by way of hypothecation of current assets of the Company and second pari passu charge on the movable and immovable fixed assets of the Company.

Dynamatic Manufacturing Limited has availed the following facilities:

Cash credit and working capital demand loans carry interest ranging between 8.25% - 9.00% per annum (31 March 2025: 9.00% - 9.50%), computed on a monthly basis on the actual amount utilized, and are repayable on demand. Packing Credit in Foreign Currency from banks carry interest rate of 6m SOFR+2.00% per annum (31 March 2025: Nil). The facility is secured by first hypothecation charge on all existing and future receivables / current assets / movable assets / movable fixed assets of the company. Dynamatic Technologies Limited (Parent entity) has provided the corporate Guarantee on behalf of the Dynamatic Manufacturing Limited, wholly owned subsidiary towards loan availed.

Dynamatic Limited, UK has availed the receivable invoice discounting facility from banks which carry interest rate of 2.5% per annum over Base Rate (31 March 2025 : 2.5% per annum over the Base Rate) and is payable within 90 days from the date of bill discounted. Also the Group has availed Overdraft facility from Bank which carries interest rate of 3% over the Base Rate per annum (31 March 2025: 3% over the Base Rate per annum).

As at 31 March 2026

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and above
Borrowings*	52,938	52,938	28,004	24,015	919
Lease liabilities	10,851	10,260	1,873	4,757	3,630
Trade payables	25,576	25,576	25,576	-	-
Other financial liabilities*	6,143	6,143	6,143	-	-
Total	95,508	94,917	61,596	28,772	4,549

As at 31 March 2025

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and above
Borrowings*	45,104	45,104	29,110	14,404	1,590
Lease liabilities	12,021	13,229	3,003	6,066	4,160
Trade payables	23,010	23,010	23,010	-	-
Other financial liabilities*	5,611	5,611	5,611	-	-
Total	85,746	86,954	60,734	20,470	5,750

*Amount disclosed after considering Non-current and current

As disclosed in note 19 and 23, the Group has secured bank loan that contains loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table. Except for these financial liabilities, it is not expected that cash flows included in maturity analysis could occur significantly earlier.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

A) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currency of the Group companies. The functional currency of the Holding Company is primarily INR. The currencies in which these transactions are primarily denominated are USD, GBP and EURO etc.

Management monitors the movement in foreign currency and the Group's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Group decides to exchange its foreign currency.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to management is as follows:

Particulars	Currency	As at 31 March 2026		As at 31 March 2025	
		Amount in foreign currency in Lakhs	Amount in INR	Amount in foreign currency in Lakhs	Amount in INR
Trade receivables	USD	123	11,636	117	9,981
	EURO	-	27	3.3	311
	GBP	20	2,372	31	3,374
Other current financial assets (Non current and Current)	USD	13	1,215	17	1,429
Trade payables	USD	62	5,827	65	5,538
	EURO	3	308	8	704
	GBP	1	95	1	141
Borrowings	USD	3	283	15	1,316
	EURO	22	2,431	15	1,422

The following significant exchange rates have been applied:

Currency	Year end spot rate	
	31 March 2026	31 March 2025
USD/INR	94.35	85.51
EURO/INR	108.16	92.61
GBP/INR	123.56	110.66
SGD/INR	72.65	63.71
CAD/INR	64.65	59.73

Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the USD, EURO, and GBP against INR at 31 March 2026 and 31 March 2025 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2026				
USD (3% movement)	201	(201)	150	(150)
EURO (3% movement)	(81)	81	(61)	61
GBP (3% movement)	70	(70)	52	(52)
31 March 2025				
USD (3% movement)	139	(139)	104	(104)
EURO (3% movement)	(56)	56	(42)	42
GBP (3% movement)	100	(100)	75	(75)

B) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Financial Assets - Fixed rate instruments		
Bank deposits	1,546	1,279
Total	1,546	1,279
Financial Liabilities		
Variable rate borrowings*	44,466	40,163
Fixed rate borrowings*	8,472	4,941
Total borrowings	52,938	45,104

*Amount disclosed after considering non-current and current

(b) Sensitivity

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2026				
Variable rate borrowings	(445)	445	(333)	333
31 March 2025				
Variable rate borrowings	(402)	402	(301)	301

46 Capital management

The Group's policy is to maintain a stable and strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For the purpose of Group's capital management, adjusted net debt is defined as aggregate of Non-current borrowing, current borrowing, current maturities of long-term borrowings and Non- Current and Current Lease liabilities less cash and cash equivalents and total equity includes issued capital and all other equity reserves.

The Group's adjusted net debt equity ratio were as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings (non-current and current)	52,938	45,104
Lease liabilities (non-current and current)	10,851	12,021
Less: Cash and cash equivalents	(5,252)	(3,311)
Adjusted net debt	58,537	53,814
Total equity	79,352	71,750
Net debt to equity ratio	0.74	0.75

47 Related party disclosures**(i) Name of related parties and description of relationship:**

Name of the related party	Description of relationship
JKM Holdings Private Limited	Entities over which key executive management personnel or relatives of such personnel are able to exercise significant influence and have transactions during the year.
Wavell Investments Private Limited	
Mr. Vivek Malani	Relative of Promoter Group
Ms. Ahilya Malhoutra	Daughter of Mr. Udayant Malhoutra (Promoter)

Key executive management personnel	Designation
Udayant Malhoutra	Chief Executive Officer and Managing Director
P.S. Ramesh	Executive Director, Chief Operating Officer - Hydraulic Division (Resigned effective from 13 November 2024)
Chalapathi P	Chief Financial Officer and Appointed as Executive Director effective from 13 November 2024
Shivaram V	Chief Legal officer & Company Secretary

(ii) List of subsidiaries (including step-down subsidiaries)

Name of the entity	Subsidiary/ Step Subsidiary	Country of domicile	Holding as at	
			31 March 2026	31 March 2025
JKM Erla Automotive Limited ("JEAL")	Subsidiary	India	99.99%	99.99%
JKM Research Farm Limited ("JRFL")	Subsidiary	India	99.99%	99.99%
JKM Global Pte Limited ("JGPL")	Subsidiary	Singapore	100%	100%
Dynamic Manufacturing Limited ("DML")	Step Subsidiary	India	99.99%	99.99%
Dynamic Limited ("DLUK")	Step Subsidiary	United Kingdom	100%	100%
Yew Tree Investments Limited ("YTIL")	Step Subsidiary	United Kingdom	100%	100%
Dynamic US, LLC ("DUS")	Step Subsidiary	United States of America	100%	100%
Eisenwerk Erla GmbH ("EEG")	Step Subsidiary	Germany	100%	100%
JKM Erla Holding GmbH ("JEHG")\$	Step Subsidiary	Germany	0%	100%
JKM Automotive Limited ("JAL")*	Step Subsidiary	India	0%	100%

\$ JEHG has been liquidated during the previous year and company cease to exist w.e.f 30 September 2024.

*JKM Automotive Limited (struck off from the Register of Companies with effect from 27 June 2025).

(iii) **Related party transactions during the year**

Particulars	Related Parties	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase of raw materials	Wavell Investments Private Limited	788	466
Rent expense	JKM Holdings Private Limited	4	4
	Mr. Vivek Malani	28	25
Trade advances given	Wavell Investments Private Limited	-	50
Trade advance refunded	Wavell Investments Private Limited	797	-
Remuneration	Ms. Ahilya Malhoutra	32	30

(iv) **Balance receivable from and payable to related parties as at the balance sheet date:**

Particulars	Related Parties	As at 31 March 2026	As at 31 March 2025
Trade advance receivable	Wavell Investments Private Limited	-	797
Trade payable	Wavell Investments Private Limited	-	77
Reimbursement of expense receivable	Wavell Investments Private Limited	43	-
Rent payable	Mr. Vivek Malani	1	1
Security deposits provided	JKM Holding Private Limited	35	35
	Mr. Vivek Malani	17	17

(v) **Compensation of key managerial personnel***

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Udayant Malhoutra	153	144
P.S. Ramesh	-	151
Chalapathi P	127	120
Shivaram V	83	78
	363	493

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since, provision for these are based on an actuarial valuation carried out for the Group as a whole.

Details of director sitting fees have been disclosed in the corporate governance report.

Terms and conditions

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

48 Earnings per share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Basic earnings per share in INR	47.73	63.39
Diluted earnings per share in INR	47.73	63.39
Profit attributable to the equity holders of the Company used in calculating basic earnings per share and diluted earnings per share	3,241	4,304
Number of weighted average outstanding shares used in computing earnings per share	67,91,443	67,91,443

49 Income tax**A Amount recognized in statement of profit and loss**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current income tax	1,814	1,270
Deferred tax	(36)	(63)
Income tax expense reported in the statement of profit and loss	1,778	1,207

B Income tax recognized in other comprehensive income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Net gain / (loss) on remeasurement of defined benefit liability / (assets)	(39)	(414)
Income tax expense to OCI	(11)	91

C Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit before income tax	5,019	5,511
Tax using the holding Company's domestic tax rate 25.17% (31 March 2025: 25.17%)	1,263	1,387
Impact of non - deductible expenses for tax purposes	515	(180)
Income tax expense	1,778	1,207

D Deferred tax relates to the following:

Particulars	As at 1 April 2025	Recognized in profit or loss	Recognized in OCI	As at 31 March 2026
Property, plant and equipment and intangible assets	(2,338)	(384)	-	(2,722)
Right-of-use assets & lease liabilities	701	118	-	819
Provision for gratuity and compensated absences	781	368	(11)	1,138
Overdue of micro & small vendors	452	(83)	-	369
Provision for loss allowance	102	(8)	-	94
Provision for warranty	119	31	-	150
Others	69	(6)	-	63
Deferred tax assets / (liabilities)*	(114)	36	(11)	(89)

Particulars	As at 1 April 2024	Recognized in profit or loss	Recognized in OCI	As at 31 March 2025
Property, plant and equipment and intangible assets	(2,204)	(134)	-	(2,338)
Right-of-use assets & lease liabilities	662	39	-	701
Provision for gratuity and compensated absences	646	44	91	781
Overdue of micro & small vendors	298	154	-	452
Provision for loss allowance	108	(6)	-	102
Provision for warranty	173	(54)	-	119
Others	49	20	-	69
Deferred tax assets / (liabilities)*	(268)	63	91	(114)

*movement includes foreign currency translation adjustment

E Unrecognized deferred tax assets

Deferred tax assets have not been recognised in respect of the following items as the respective criteria is not met to the extent stated below.

Particulars	31 March 2026	31 March 2025
Carry forwards of business loss	2,076	2,966
Carry forward of unabsorbed depreciation	4,999	935
Carry forwards of long term capital loss ('LTCL')	16,789	16,789
Potential tax benefits on carry forward of business loss and unabsorbed depreciation @ 25.17% (31 March 2025: 25.17%)	1,781	982
Potential tax benefits on carry forward of LTCL @ 14.3% (31 March 2025: 14.3%)	2,401	2,401
Unrecognised potential tax benefits on the above (on a net basis)	4,182	3,383

50 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements:

31 March 2026								
Name of the Subsidiary	Consolidated net assets		Consolidated profit or loss		Consolidated OCI		Consolidated total Comprehensive income	
	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount
Dynamatic Technologies Limited (Standalone)	86%	68,502	137%	4,447	1%	31	56%	4,478
Foreign Subsidiaries:								
Dynamatic Limited UK*	34%	26,910	46%	1,475	-	-	19%	1,475
Eisenwerk Erla GmbH #	31%	24,720	(30%)	(966)	-	-	(12%)	(966)
JKM Global Pte Limited, Singapore	10%	7,671	5%	165	-	-	2%	165
Indian Subsidiaries:								
JKM Erla Automotive Limited	16%	12,412	-	(8)	-	-	-	(8)
Dynamatic Manufacturing Limited	4%	3,198	13%	423	(2%)	(81)	4%	342
JKM Research Farm Limited	3%	2,673	-	15	-	-	-	15
Consolidated adjustments	(83%)	(66,734)	(71%)	(2,310)	101%	4,751	31%	2,441
Total	100%	79,352	100%	3,241	100%	4,701	100%	7,942

31 March 2025								
Name of the Subsidiary	Consolidated net assets		Consolidated profit or loss		Consolidated OCI		Consolidated total Comprehensive income	
	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount
Dynamatic Technologies Limited (Standalone)	90%	64,364	118%	5,068	(24%)	(271)	88%	4,797
Foreign Subsidiaries:								
Dynamatic Limited UK*	32%	22,679	18%	766	-	-	14%	766
Eisenwerk Erla GmbH #	33%	23,712	(1%)	(41)	-	-	(1%)	(41)
JKM Global Pte Limited, Singapore	10%	7,495	-	13	-	-	-	13
Indian Subsidiaries:								
JKM Erla Automotive Limited	17%	12,419	(2%)	(73)	-	-	(1%)	(73)
Dynamatic Manufacturing Limited	4%	2,727	(4%)	(155)	(5%)	(52)	(4%)	(207)
JKM Research Farm Limited	4%	2,656	-	18	-	-	-	18
JKM Automotive Limited	-	-	-	-	-	-	-	-
Consolidated adjustments	(90%)	(64,302)	(29%)	(1,292)	129%	1,470	4%	178
Total	100%	71,750	100%	4,304	100%	1,147	100%	5,451

* includes results of Yew Tree Investments Limited, UK and Dynamatic US LLC

includes results of JKM Erla Holdings GmbH, Germany ceased to exist with effect from 30 September 2024.

51 Revenue from contracts with customers

A Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by the market or type of customers, timing of revenue recognition, contract-type and geography.

The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

For the year ended 31 March 2026:

	Particulars	Hydraulics	Aerospace	Metallurgy	Others	Total
i)	Market or type of customer					
	Government	123	1,244	-	-	1,367
	Non-government	48,615	76,317	35,810	25	1,60,767
	Total revenue from contract with customers#	48,738	77,561	35,810	25	1,62,134
ii)	Timing of revenue recognition					
	Goods or services transferred at point in time	48,738	76,160	35,810	25	1,60,733
	Goods or service transferred over time	-	1,401	-	-	1,401
	Total revenue from contract with customers#	48,738	77,561	35,810	25	1,62,134

For the year ended 31 March 2025:

	Particulars	Hydraulics	Aerospace	Metallurgy	Others	Total
i)	Market or type of customer					
	Government	105	-	-	296	401
	Non-government	45,699	60,785	33,483	12	1,39,979
	Total revenue from contract with customers#	45,804	60,785	33,483	308	1,40,380
ii)	Timing of revenue recognition					
	Goods or services transferred at point in time	45,804	58,259	33,483	308	1,37,854
	Goods or service transferred over time	-	2,526	-	-	2,526
	Total revenue from contract with customers#	45,804	60,785	33,483	308	1,40,380

Represents revenue from sale of products included in revenue from operations.

* The Group does not have any revenue from sale of goods and services where the performance obligation is satisfied over time.

Refer to geographic information section under note 42 - Segment Reporting for more details on the analysis of segment revenue.

B Reconciling the amount of revenue recognised with contract and reportable segment:

Particulars	31 March 2026	31 March 2025
Revenue from contract with customers	1,60,345	1,39,299
Other operating revenue		
Export incentive	139	316
Scrap sales	1,650	765
Total Revenue	1,62,134	1,40,380

C Reconciliation of revenue with contract price:

Particulars	31 March 2026	31 March 2025
Contract price	1,62,480	1,40,609
Adjustments for		
Volume discount and cash discount	346	229
Revenue from continuing operations	1,62,134	1,40,380

D Contract balances

Contract balances and related disclosures have been included in the following notes.

Trade receivables - Note 11

Contract assets - Note 9 & 16

E Remaining performance obligations

Particulars	As at 31 March 2026	As at 31 March 2025
Amount of transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) and expected to be satisfied in the next financial year	-	1,798

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as the end of the reporting period and an explanation as to when the Group expects to recognise these amount in revenue. Unsatisfied or partially satisfied performance obligations are subject to variability due to several factors such as termination changes in contract scope, re-validation of estimates and economic factors.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the Group's performance completed to date, typically those contracts where invoicing is on time and material, unit price basis.

- 52** In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows'. The below disclosure is in line with such amendments suggested:

Particulars	1 April 2025	Cash flows	Non Cash Changes			31 March 2026
			Interest Expense	Written back	Foreign exchange movement	
1 Non- Current Borrowings						
i) Secured						
a) Term loan from banks*	9,330	4,102	-	-	15	13,447
b) Term loan from financial institutions*	8,557	881	-	-	-	9,438
c) Finance lease obligation *	3,136	(1,159)	-	-	256	2,233
d) Working Capital term loan	1,500	4,490	-	-	-	5,990
2 Current Borrowings						
i) Secured						
a) Cash credit and working capital demand loans	18,819	6	-	-	572	19,397
ii) Unsecured						
a) Bill discounting facility from banks	3,762	(1,443)	-	-	114	2,433
3 Finance Cost						
a) Interest accrued but not due on borrowings	83	(5,030)	5,000	-	65	118
	45,187	1,847	5,000	-	1,022	53,056

Particulars	1 April 2025	Cash flows	Non Cash Changes			31 March 2025
			Interest Expense	Written back	Foreign exchange movement	
1 Non- Current Borrowings						
i) Secured						
a) Term loan from banks*	9,532	(217)	-	-	15	9,330
b) Term loan from financial institutions*	10,362	(1,805)	-	-	-	8,557
c) Finance lease obligation *	3,546	(560)	-	-	150	3,136
d) Working Capital term loan	-	1,500	-	-	-	1,500
2 Current Borrowings						
i) Secured						
a) Cash credit and working capital demand loans	16,802	1,983	-	-	34	18,819
ii) Unsecured						
a) Bill discounting facility from banks	5,574	(2,109)	-	-	297	3,762
3 Finance Cost						
a) Interest accrued but not due on borrowings	70	(4,863)	4,875	-	1.00	83
Total liabilities from financing activities	45,886	(6,071)	4,875	-	497	45,187

* includes current maturities of long term borrowings

53 Additional regulatory information not disclosed elsewhere in the financial statements

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
- (ii) The Parent and its subsidiaries ('Group') has not traded / invested in Crypto currency or virtual currency.
- (iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) during the year with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries Also refer Note 37.
- (iv) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall,
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except as disclosed in the financial statements.
- (vii) The Group is not a declared wilful defaulter by any bank or financial institution or other lender.
- (viii) The Group does not have any Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan

54 The consolidated financial statements were approved for issue by the Board of Directors on 19 May 2026.

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited

UDAYANT MALHOUTRA

Chief Executive Officer &
Managing Director

DIN : 00053714

CHALAPATHI P

Executive Director &
Chief Financial Officer

DIN : 08087615

SHIVARAM V

Chief Legal Officer &
Company Secretary

Place: Bangalore

Date: 19th May 2026

STANDALONE ::
FINANCIAL STATEMENTS ::

INDEPENDENT AUDITOR'S REPORT

To the Members of Dynamatic Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Dynamatic Technologies Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2026 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of 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 standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s)

specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor's Response
1	Impairment of investments in subsidiaries Refer Note 2(m) and 4 and to the standalone financial statements of the Company. In the standalone financial statements of the Company, the carrying value of investments in subsidiaries referred to in Note 4 (iv) is INR 12,502 lakhs net of cumulative impairment provision of INR 13,719 lakhs as at March 31, 2026. Determination of carrying value of investments in subsidiaries is a key audit matter as the amounts are significant to the standalone financial statements and the determination of recoverable value and/ or impairment assessment involves significant management estimates and judgement. The key estimates and judgements used in the model for impairment assessment include future cash flows of the respective subsidiaries, the discount rate and the terminal growth rate used. The management has used the services of an expert in determining the recoverable value of investments in subsidiaries and consequential impairments, if any.	Principal audit procedures performed: - We assessed the Management's process for identifying the impairment indicators and impairment assessment of investments in the respective subsidiaries. - Evaluated the design of the management's internal control around the impairment assessment process and tested its operating effectiveness. - Evaluated the independence, competence, capabilities and objectivity of the management's expert. - Understood the key assumptions considered in the management's estimates of future cash flows of the respective subsidiaries. - Involving our valuation specialists, we evaluated the growth rates including terminal growth rate, considered in the estimates of future cash flows and the discount rate used in the calculations. - Compared the historical cash flows (including for current year) against past projections of the management for the same periods and gained understanding of the rationale for the changes. - Performed sensitivity analysis on the key assumptions within the forecast cash flows and focused our attention on those assumptions we considered most sensitive to the changes; such as –revenue growth during the forecast period, the terminal growth rate and the discount rate applied to the future cash flows. We ascertained the extent to which a change in these assumptions, would result in impairment, and considered the likelihood of such events occurring. - We assessed the adequacy of the disclosures made in the standalone financial statements for the year ended March 31, 2026.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Management Discussion and Analysis Report and Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Board's Report, Management Discussion and Analysis Report and Corporate Governance Report, is expected to be made available to us after the date of this auditor's report.
- Our opinion on the standalone financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 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 standalone financial statements, 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of

a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 37 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 55(iii) 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. Also refer to comments in clause 3(ix)(e) of CARO report.
 - (b) The Management has represented, that, to the best of its knowledge and belief, disclosed in the note 55(iv) 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the company during the year and until the date of this report is in accordance with section 123 of the Act, as applicable.

The Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2026, which has a feature of recording audit trail (edit log) and the same has operated throughout the year for all relevant transactions. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

SATHYA P KOUSHIK

Partner

(Membership No. 206920)

UDIN: 26206920BCNFTV2053

Place: Bangalore

Date: 19 May 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of Dynamic Technologies Limited (the "Company") as at March 31, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to standalone financial statements 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.

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

SATHYA P KOUSHIK

Partner

(Membership No. 206920)

UDIN: 26206920BCNFTV2053

Place: Bangalore

Date: 19 May 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)
 - a.
 - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital-work-in-progress, and relevant details of right-of-use assets.
 - B. The Company has maintained proper records showing full particulars of intangible assets.
 - b. The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use assets so to cover all the items once every three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all property, plant and equipment were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c. Based on our examination of the title deeds provided to us, we report that the title deeds of all the immovable properties of freehold land and buildings disclosed in the financial statements included in property, plant and equipment and capital work in progress are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for guarantees, are held in the name of the Company based on the pledge documents. In respect of immovable properties of building constructed on leased land, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except in the case of the following lease wherein the lease term has been completed during the previous year. (Refer Note 3).

Description of property	As at the balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
	Gross carrying value	Carrying value in the financial statements				
JKM Plaza, Dynamatic Aerotropolis 55, KIADB Aerospace Park	12,708	12,708	Karnataka Industrial Areas Development Board (KIADB)	No	From August 20, 2024	The Company has filed the application for the transfer of the property to the Company's name.

- d. The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.
- e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
- a. The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
- b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements and book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- (iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
- (a) The Company has provided loans or advances in the nature of loans, stood guarantee or provided security during the year and details of which are given below:
- (Amount in Rs. Lakhs)
- | Particulars | Loans | Guarantee |
|--|-------|-----------|
| A. Aggregate amount granted / provided during the year: | | |
| - Wholly owned subsidiary | 11 | 4,438 |
| B. Balance outstanding as at balance sheet date in respect of above cases: (gross) | | |
| - Wholly owned subsidiary | 85 | 5,882 |
- (b) The investments made and the terms and conditions of the grant of all the above- mentioned loans provided during the year are, in our opinion, prima facie not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments of principal amounts and receipts of interest, as applicable, are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) None of the loans granted by the Company have fallen due during the year.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
- a. Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

- b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2026 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	23.75	AY 2017-18	The Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	29.03	AY 2021-22	The Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	1.00	October 2009 – March 2011	The Customs Excise and Service Tax Appellate Tribunal (Appeals)
Central Excise Act, 1944	Excise Duty	0.40	February 2002 – December 2002	The Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Excise Duty	1.00	FY 2009-10	The Customs Excise and Service Tax Appellate Tribunal (Appeals)
Central Goods & Services Tax Act, 2017	Goods and Services Tax	16.33	FY19-20	Office of the Commissioner of Central Tax, Bangalore - North Commissionearte -560032
Central Goods & Services Tax Act, 2017	Goods and Services Tax	4.83	Dec-19	Assistant Commissioner
Central Goods & Services Tax Act, 2017	Goods and Services Tax	49.39	December' 2017	Appellate Authority - Joint Commissioner of Central Taxes (Appeals -II)
Central Goods & Service Tax Act, 2017	Goods and Services Tax	259.30	Financial year 2017-18	Office of the Deputy Commissioner of Central Tax
Central Goods & Service Tax Act, 2017	Goods and Services Tax	249.96	June 2023 to Aug 2023	Joint Commissioner of Central Tax (Appeals-II)
Central Goods & Service Tax Act, 2017	Goods and Services Tax	393.92	Sep 2023 to Nov 2023	Office of the Assistant Commissioner of the Central Tax Division-8, Begaluru, North Commissionerate
Central Goods & Service Tax Act, 2017	Goods and Services Tax	35.32	2018-2022	Appellate Tribunal

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)

- Loans amounting to Rs. 15,599 lakhs outstanding as at March 31, 2026 are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the financial year. Considering the above, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes of which the loans were obtained.
- On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the financial year for long-term purposes by the Company.
- On an overall examination of the financial statements of the Company, we report that the Company has taken funds from the following entities and persons on account of or to meet the obligations of its subsidiaries as per details below:

Nature of fund taken	Name of lender	Amount Borrowed (Rs. Lakhs)	On account of or to meet the obligations of subsidiary		
			Name of the subsidiary	Relation	Nature of transaction for which funds utilized
Term Loan	Axis Finance Limited	7,000	JKM Global Pte Ltd (JKM Global)	JKM Global is a Wholly owned subsidiary of the Company	Refer Note 4(c) and Note 5. The funds were utilized for refinancing the borrowings of Eisenwerk Erla GmbH, Germany (EEG), [an indirect step-down wholly owned subsidiary of the Company] through intra-group loans

- f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associates or joint ventures.
- (x)
- a. The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi)
- a. To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable not applicable to the Company.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)
- a. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b. We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2025 and the final internal audit reports which were issued after the balance sheet date covering the period of January to March 2026 in the audit of the Company for the year ended March 31, 2026.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its Holding Company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 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. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. The Group does not have any CIC as part of the group and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In respect of ongoing projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount to a Fund specified in Schedule VII to the Companies Act, 2013 before the date of this report and within a period of 30 days of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the Act.

for Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No. 117366W/W-100018

SATHYA P KOUSHIK

Partner

(Membership No. 206920)

UDIN: 26206920BCNFTV2053

Place: Bangalore

Date: 19 May 2026



STANDALONE BALANCE SHEET



All amounts are in INR lakhs unless otherwise stated

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	30,991	29,705
b) Right-of-use assets	40	1,244	1,991
c) Capital work in progress	3	185	664
d) Other intangible assets	3	240	376
e) Intangible assets under development	3	2,968	563
f) Financial assets			
(i) Investments	4	39,835	39,706
(ii) Loan	5	8,149	5,716
(iii) Other financial assets	6	1,823	1,278
g) Income tax assets (net)	7	-	223
h) Other non-current assets	8	3,070	399
Total non-current assets		88,505	80,621
Current assets			
a) Inventories	9	19,559	14,528
b) Financial assets			
(i) Trade receivables	10	16,848	17,268
(ii) Cash and cash equivalents	11	497	265
(iii) Bank balances other than cash and cash equivalents above	12	1,253	1,218
(iv) Loans	13	132	1,567
(v) Other financial assets	14	1,328	1,215
c) Other current assets	15	6,947	8,900
Total current assets		46,564	44,961
Total assets		1,35,069	1,25,582
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	16	679	679
b) Other equity	17	67,823	63,685
Total equity		68,502	64,364
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	18	19,750	15,280
(ii) Lease liabilities	40	623	1,400
(iii) Other financial liabilities	19	41	7
b) Provisions	20	3,812	2,652
c) Deferred tax liabilities (net)	21	1,930	2,180
Total non-current liabilities		26,156	21,519
Current liabilities			
a) Financial liabilities			
(i) Borrowings	22	19,892	20,824
(ii) Lease liabilities	40	846	702
(iii) Trade payables	23		
(a) total outstanding dues of micro and small enterprises		3,211	1,795
(b) total outstanding dues of creditors other than micro and small enterprises		12,098	12,476
(iv) Other financial liabilities	24	1,581	1,806
b) Other current liabilities	25	459	652
c) Provisions	26	709	451
d) Current tax liabilities (net)	27	1,615	993
Total current liabilities		40,411	39,699
Total liabilities		66,567	61,218
Total equity and liabilities		1,35,069	1,25,582

See accompanying notes to the standalone financial statements
In terms of our report attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

SATHYA P KOUSHIK
Partner
Membership No. 206920
Place: Bangalore
Date: 19th May 2026

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited

UDAYANT MALHOUTRA
Chief Executive Officer &
Managing Director
DIN : 00053714

CHALAPATHI P
Executive Director &
Chief Financial Officer
DIN : 08087615

SHIVARAM V
Chief Legal Officer &
Company Secretary



STANDALONE STATEMENT OF PROFIT AND LOSS



All amounts are in INR lakhs unless otherwise stated except for earnings per share information

Particulars	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations	28	78,393	63,918
Other income	29	3,001	1,661
Total income		81,394	65,579
Expenses			
Cost of materials consumed	30	45,548	31,533
Change in inventories of finished goods and work-in-progress	31	(1,680)	278
Employee benefits expense	32	10,960	10,346
Finance costs	33	4,412	4,269
Depreciation and amortisation expense	34	2,721	2,549
Other expenses	35	12,310	11,173
Total expenses		74,271	60,148
Profit before tax and exceptional items		7,123	5,431
Exceptional items	36	1,095	-
Profit before tax after exceptional items		6,028	5,431
Current tax	50	1,842	1,548
Deferred tax	50	(261)	(1,183)
Income tax expense		1,581	365
Profit for the year after tax		4,447	5,066
Other comprehensive income/(loss) (OCI)			
<i>Items that will not to be reclassified to Statement of profit and loss</i>			
Remeasurement gain/(loss) on defined benefit liability		42	(362)
Income tax relating to items that will not be reclassified to Statement of profit and loss		(11)	91
Other comprehensive income/(loss) for the year		31	(271)
Total comprehensive income for the year		4,478	4,795
Earning per equity share (face value of INR 10 each)	48		
Basic and diluted (in INR):		65.49	74.61
Number of weighted average outstanding shares used in computing earnings per share		67,91,443	67,91,443

See accompanying notes to the standalone financial statements
In terms of our report attached

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

SATHYA P Koushik

Partner

Membership No. 206920

Place: Bangalore

Date: 19th May 2026

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited

UDAYANT MALHOUTRA

Chief Executive Officer &
Managing Director

DIN : 00053714

CHALAPATHI P

Executive Director &
Chief Financial Officer

DIN : 08087615

SHIVARAM V

Chief Legal Officer &
Company Secretary



STANDALONE STATEMENT OF CASH FLOWS



All amounts are in INR lakhs unless otherwise stated

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Operating activities:		
Profit before tax after exceptional items	6,028	5,431
Adjustments for:		
Depreciation and amortisation of property, plant and equipment and intangible assets	1,973	1,835
Amortisation of right-of-use assets	748	714
Finance costs	4,213	3,926
Interest on lease liabilities	199	225
Exceptional items (Refer note 36)	1,095	-
Unrealised foreign exchange differences gain (net)	(1,124)	(316)
Interest income	(965)	(866)
Interest income on Income tax refund	(98)	-
Net loss/(gain) allowance on financial assets	278	(19)
Loss on sale of property, plant and equipment (net)	27	40
Corporate guarantee income	(65)	(43)
Gain on lease modification	-	(31)
Operating cash flow before the movements in working capital	12,309	10,896
Changes in operating assets and liabilities		
Increase in inventories	(6,613)	(2,609)
Decrease in trade receivables	294	3,545
Decrease/(Increase) in loans	6	(50)
Decrease/(Increase) in other financial assets	44	(29)
Increase in other assets	(807)	(5,177)
Increase in trade payables	905	3,770
Increase in provisions	365	198
Increase/(Decrease) in other financial liabilities	(294)	135
Increase/(Decrease) in other liabilities	(193)	191
Cash generated from operations	6,016	10,870
Income taxes paid	(1,085)	(1,590)
Net cash from operating activities (A)	4,931	9,280
Investing activities:		
Purchase of property, plant and equipment and intangibles assets	(3,386)	(2,613)
Proceeds from sale of property, plant and equipment	52	51
Loans given to subsidiaries	(11)	(65)
Investment in equity shares of subsidiary	-	(1,993)
Changes in bank deposits with original maturity of more than three months, net	(65)	(160)
Interest received	531	82
Net cash used in investing activities (B)	(2,879)	(4,698)
Financing activities:		
Proceeds from long-term borrowings	8,900	2,700
Repayment of long term borrowings	(3,840)	(3,208)
Proceeds/(Repayment) from/of short term borrowings, net	(1,597)	1,068
Payment of lease liabilities	(914)	(964)
Interest paid	(4,029)	(3,957)
Dividends paid	(340)	(475)
Net cash used in financing activities (C)	(1,820)	(4,836)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	232	(254)
Cash and cash equivalents at the beginning of the year	265	519
Cash and cash equivalents at the end of the year	497	265
Components of cash and cash equivalents (Refer note 11)		
Cash and cash equivalents		
Cash on hand	6	1
Balance with banks	491	264
Cash and cash equivalents at the end of the year	497	265

See accompanying notes to the standalone financial statements
In terms of our report attached

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

SATHYA P Koushik

Partner

Membership No. 206920

Place: Bangalore

Date: 19th May 2026

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited

UDAYANT MALHOUTRA

Chief Executive Officer &

Managing Director

DIN : 00053714

CHALAPATHI P

Executive Director &

Chief Financial Officer

DIN : 08087615

SHIVARAM V

Chief Legal Officer &

Company Secretary



STANDALONE STATEMENT OF CHANGES IN EQUITY



(A) Equity Share Capital

i) Current reporting period

Balance as at 1 April 2025	Changes in equity share capital during the year	Balance as at 31 March 2026
679	-	679

ii) Previous reporting period

Balance as at 1 April 2024	Changes in equity share capital during the year	Balance as at 31 March 2025
679	-	679

(B) Other Equity

Particulars	Reserves and surplus					Other items of other comprehensive income Remeasurement of the net defined benefit liability/asset	Total equity attributable to equity holders of the Company
	Capital reserve	Capital redemption reserve	Reserve on amalgamation	General reserve	Securities premium	Retained earnings	
Balance as at 01 April 2025	15	240	154	3,138	28,656	31,482	63,685
Profit for the year	-	-	-	-	-	4,447	4,447
Other comprehensive income/(loss) (OCI) for the year	-	-	-	-	-	31	31
Transfer of OCI to the retained earnings	-	-	-	-	-	31	-
Interim dividend	-	-	-	-	-	(340)	(340)
Balance as at 31 March 2026	15	240	154	3,138	28,656	35,620	67,823
Balance as at 01 April 2024	15	240	154	3,138	28,656	27,162	59,365
Profit for the year	-	-	-	-	-	5,066	5,066
Other comprehensive income/(loss) (OCI) for the year	-	-	-	-	-	(271)	(271)
Transfer of OCI to the retained earnings	-	-	-	-	-	(271)	-
Final dividend	-	-	-	-	-	(340)	(340)
Interim dividend	-	-	-	-	-	(135)	(135)
Balance as at 31 March 2025	15	240	154	3,138	28,656	31,482	63,685

See accompanying notes to the standalone financial statements

In terms of our report attached

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/M-100018)

Place: Bangalore
Date: 19th May 2026

SATHYA P KOUSHIK
Partner
Membership No. 206920

for and on behalf of the Board of Directors of **Dynamatic Technologies Limited**

UDAYANT MALHOUTRA
Chief Executive Officer &
Managing Director
DIN : 00053714

CHALAPATHI P
Executive Director &
Chief Financial Officer
DIN : 08087615

SHIVARAM V
Chief Legal Officer
& Company Secretary

All amounts are in INR lakhs unless otherwise stated



NOTES TO THE STANDALONE FINANCIAL STATEMENTS SIGNIFICANT ACCOUNTING POLICIES



1 (i) Reporting entity

Dynamatic Technologies Limited ("the Company") was incorporated in 1973 as Dynamatic Hydraulics Limited under provisions of the Companies Act, 1956. In 1992, the name of the Company was changed to Dynamatic Technologies Limited. The Company is in the business of manufacturing highly engineered products for the Aerospace and Hydraulic industries. The Company is listed in India with National Stock Exchange and Bombay Stock Exchange.

2 Material accounting policies

a Statement of compliance

These Standalone annual financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act 2013 ('the Act') read with Companies (Indian Accounting Standard) Rules (as amended from time to time) and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

b Functional and presentation currency

These Standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise mentioned.

c Basis of Preparation

The Standalone financial statements have been prepared on the historical cost convention and on an accrual basis of accounting, except for the following assets and liabilities which have been accounted as follows:

- (i) Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations.
- (ii) Certain financial assets and liabilities that are qualified to be measured at fair value, and
- (iii) Assets classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell.

d Use of estimates and management judgments

The preparation of Standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent liabilities and assets on the date of the Standalone financial statements and the reported amount of revenue and expenses for

the year. Accounting estimates could change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Assumptions and estimation uncertainties

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these standalone financial statements have been disclosed in the following notes:

(i) Useful life of property, plant and equipment and intangible assets - Note 3:

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that or is not prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance.

(ii) Income taxes- Note 50:

In assessing the realisability of deferred tax assets, the Management considers whether some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(iii) Provisions and contingencies- Note 20, 26 and 37 :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

(iv) Post-retirement benefit plans- Note 43 :

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions which include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at each financial year end on the government bonds.

(v) Impairment of financial assets- Note 5, 6, 10, 13, 14, and 45 :

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(vi) Impairment of investments - Note 4 :

The impairment provisions for investments are based on projections which inter alia include sales and earnings before interest, depreciation and amortization and tax. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(vii) Leases- Note 40:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

e Measurement of fair values

Certain accounting policies and disclosures of the Company requires use of valuation techniques in measuring the fair value of some of the company's financial assets and liabilities where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. The measurement of fair values, for both

financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 44: Financial instruments.

f Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation (which includes capitalised borrowing costs, if any) and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing an asset to working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in

the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Borrowing cost directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are capitalized to the extent they relate to the period till such assets are ready to be put to use.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method ('SLM') over estimated useful life of the property, plant and equipment less their estimated residual value as defined by the Management. Depreciation for assets purchased / sold during the year is proportionately charged.

Category of assets	Useful life estimated by Management
Leasehold land	Over the period of lease
Buildings	30 years
Plant and machinery*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Measuring instruments*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Electrical installations*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Data processing equipment	4 years
Office equipment	5 years
Furniture and fixtures	5 -10 years
Tools, dies and moulds	9 years
Vehicles*	10 years
Motor boat*	20 years
Assets taken on lease:	
- Leasehold improvements	Period of lease tenure or useful life of assets whichever is lower

Freehold land is not depreciated.

* The Management believes that the useful lives as given above best represent the period over which management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II

of the Companies Act ,2013.

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / losses.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non current assets and the cost of the assets not put to use before such date are disclosed under Capital work in progress.

g Intangible assets

Acquired intangible assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Internally generated intangible assets

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in Statement of Profit and Loss as incurred.

An internally -generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the Statement of Profit and Loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Subsequent measurement

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including on internally generated software is recognized in profit and loss as and when incurred.

Amortisation

The Company amortizes intangible assets with a finite useful life using the straight-line method over the estimated useful lives.

The estimated useful lives of intangibles are as follows:

Category of asset	Useful life
Application Software	4 years
Prototype development	10 years

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

h Impairment

(i) Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss

allowance based on 12 month ECL.

(ii) Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generated Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

i Leases

(i) The Company as a lessee :

The Company's lease asset classes primarily consist of leases for land, buildings and plant and machinery. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to

extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

j Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost is used. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis. Inventories are stated net of write down or allowances on account of obsolescence, damage or slow moving items.

The method of determination of cost is as follows:

- Raw materials and components – on a weighted average basis
- Stores and spares – on a weighted average basis
- Work-in-progress – includes costs of conversion
- Finished goods – includes costs of conversion
- Goods in transit – at purchase cost

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories 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 realizable value. Fixed production overheads are allocated on the basis of normal capacity of production facilities. The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

k Revenue recognition

Revenue is recognised upon transfer of control of promised goods or services to customers and is measured based on the consideration to which the Company expects to be entitled to in a contract with a customer and excludes trade discounts, volume rebates and amounts collected on behalf of government. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. Where the Company's contracts with customers include promise to transfer multiple goods and services to a customer, the Company assesses the goods/services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations is made to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such goods, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. to determine whether the performance obligation is satisfied at a point in time or over a period of time.

Revenue from customer contracts for design and development of products/tools & jigs is recognized as a performance obligation satisfied over time. Revenue is recognized based on the stage of completion of the contract. The management has assessed that the stage of completion determined as the proportion of total efforts expected to develop the product at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115. Payment for these services is not due till the completion of the development and therefore, a contract asset is recognized over the period in which the development services are performed representing the entity's right to consideration for the services performed to date.

Export benefits are recognized in the Statement of Profit and Loss account when the right to receive credit as per the terms of the entitlement is established in respect of exports made.

Service income including management fees is measured based on transaction price and is recognized when an unconditional right to receive such income is established and on the performance of services.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned revenue ("contract liability") is recognised when there are billings in excess of revenue.

I Other income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statement of Profit and Loss.

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

m Investments in subsidiaries

Investment in equity shares in subsidiaries is carried at deemed cost less impairments if any in the financial statements.

n Financial Instruments

i) Financial assets

1) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Company becomes a party to contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus transaction cost that are directly attributable to its acquisition or issue.

2) Classification and subsequent measurement

Financial assets

On initial recognition, a financial instrument is classified and measured at

- amortised cost
 - fair value through other comprehensive income (FVOCI) - debt instruments;
 - fair value through other comprehensive income (FVOCI) - equity investments; or
 - fair value through profit and loss (FVTPL)
- Financial assets are not classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI-equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets, at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in profit or loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Debt investments at FVOCI:

These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI:

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

3) Derecognition of financial assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from financial asset or
- retains the contractual rights to receive the cash flows from financial asset but assumed a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

ii) Financial liability

1) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

2) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to Statement of Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit or loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization 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 amortization is included as finance costs in the Statement of Profit and Loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

o Employee benefits

(i) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income. Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Company's gratuity scheme is administered through Life Insurance Corporation of India and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

(ii) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short term performance incentive, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Compensated absences

The employees of the Company are entitled to compensated absence. The employees can carry-forward a portion of the unutilized accumulating compensated absence and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit method as at the reporting date. Actuarial gains / losses are immediately taken to the Standalone Statement of Profit and Loss and Other comprehensive income.

(iv) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost of restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

p Foreign currency transactions and balances

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are recognized in profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

q Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below:

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction

that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction;

- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognized or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

r Provisions (other than employee benefits)

(i) General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, 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.

(ii) Onerous contract:

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

s Contingent Liability

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation arising from the past events that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

t Cash and cash equivalents

Cash and cash equivalent includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

u Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before taxes for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

v Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increases loss per share are included.

w Segment reporting

Based on the “management approach” as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Hydraulics, Aerospace, and Others.

x Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company’s Board of Directors.

y Exceptional items

An item of income or expense which by its size, type, nature or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

z Recent Pronouncements

The Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On August 13, 2025, the MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2025. This notification has led to amendments in the following Ind AS, which are applicable to the Company from April 1, 2026. The Company is currently evaluating the impact of these amendments on its financial statements. Amended Ind AS:

Ind AS 1 – Presentation of Financial Statements

Ind AS 10 – Events After the Reporting Period

3 Property, plant and equipment, Other intangible assets, Capital work-in-progress and Intangible assets under Development

3.1 Property, plant and equipment

(Rs in Lakhs)

Particulars	Freehold land	Owned										Leased		Total
		Buildings	Plant and machinery	Measuring instruments	Electrical installations	Data processing equipment	Office equipment	Furniture and fixtures	Tools, dies and moulds	Vehicles	Motor boat	Leasehold improvements	Land (Refer note (i) below)	
Gross carrying amount:														
Balance as at 1 April 2024	1,089	9,688	7,368	1,390	1,505	1,306	800	301	3,268	876	402	257	12,708	40,958
Additions	-	27	251	97	41	240	79	50	297	15	-	31	-	1,128
Deletion	-	-	(96)	(5)	-	(104)	-	-	(70)	(87)	-	-	-	(362)
Balance as at 31 March 2025	1,089	9,715	7,523	1,482	1,546	1,442	879	351	3,495	804	402	288	12,708	41,724
Balance as at 1 April 2025	1,089	9,715	7,523	1,482	1,546	1,442	879	351	3,495	804	402	288	12,708	41,724
Additions	-	845	736	116	172	160	364	154	548	20	-	10	-	3,125
Deletion	(10)	-	(105)	-	-	(253)	-	-	-	(19)	-	-	-	(387)
Balance as at 31 March 2026	1,079	10,560	8,154	1,598	1,718	1,349	1,243	505	4,043	805	402	298	12,708	44,462
Accumulated depreciation:														
Balance as at 1 April 2024	-	600	4,740	707	253	799	562	110	2,108	344	255	121	-	10,599
Depreciation for the year	-	346	456	96	135	168	72	28	277	66	18	23	-	1,685
Depreciation on deletion	-	-	(87)	-	-	(92)	-	-	(51)	(35)	-	-	-	(265)
Balance as at 31 March 2025	-	946	5,109	803	388	875	634	138	2,334	375	273	144	-	12,019
Balance as at 1 April 2025	-	946	5,109	803	388	875	634	138	2,334	375	273	144	-	12,019
Depreciation for the year	-	365	419	84	140	200	75	37	360	62	18	29	-	1,789
Depreciation on deletion	-	-	(82)	-	-	(237)	-	-	-	(18)	-	-	-	(337)
Balance as at 31 March 2026	-	1,311	5,446	887	528	838	709	175	2,694	419	291	173	-	13,471
Net carrying amount:														
As at 31 March 2026	1,079	9,249	2,708	711	1,190	511	534	330	1,349	386	111	125	12,708	30,991
As at 31 March 2025	1,089	8,769	2,414	679	1,158	567	245	213	1,161	429	129	144	12,708	29,705

Notes:

(i) Leasehold land aggregating INR 12,708 represents land allotted by Karnataka Industrial Areas Development Board (KIADB) for a period of 10 years on lease. As per the lease agreement dated 21 August 2014 KIADB shall sell the land to the Company at any time during the tenure or the lease or on the expiry of the lease period at an additional consideration, if any to be decided at the time of entering into sale agreement. Accordingly, no depreciation has been charged on land taken on lease from KIADB. The Company has filed an application for the transfer of the land in the name of Company during August 2024 and believes that the condition required to be fulfilled to obtain the ownership of this land is administrative in nature.

3.2 Intangible assets

Particulars	Application software	Total
Gross carrying amount:		
Balance as at 1 April 2024	561	561
Additions	250	250
Deletion	-	-
Balance as at 31 March 2025	811	811
Balance as at 1 April 2025	811	811
Additions	48	48
Deletion	-	-
Balance as at 31 March 2026	859	859
Accumulated amortisation:		
Balance as at 1 April 2024	285	285
Amortisation for the year	150	150
Amortisation on deletion	-	-
Balance as at 31 March 2025	435	435
Balance as at 1 April 2025	435	435
Amortisation for the year	184	184
Amortisation on deletion	-	-
Balance as at 31 March 2026	619	619
Net carrying amount:		
As at 31 March 2026	240	240
As at 31 March 2025	376	376

3.3 Capital work-in-progress

Ageing for capital work-in-progress as at 31 March 2026 is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Building expansion at Aerotropolis	66	-	4	-	70
Plant & machinery installation	102	1	12	-	115
	168	1	16	-	185

Ageing for capital work-in-progress as at 31 March 2025 is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Building expansion at Aerotropolis	6	-	1	-	7
Plant & machinery installation	628	29	-	-	657
	634	29	1	-	664

3.4 Internally generated intangible assets under development (IAUD)

Dynauton System, division of the Company has carried out certain development activities related to the development of Unmanned Aerial Systems (UAV):

- (a) design, development and manufacture of UAV under Airborne Platform Programs,
- (b) development of various prototype systems to cater to the requirements of defence, and
- (c) design and development of tools for UAV.

On completion of such development activities, the same will be capitalised as "Technical Know-How" and be disclosed under the head "Other intangible assets" in Note 3. The Management is of the view that the aforesaid development activities shall provide economic benefits to the Company in near future and the expenditure incurred for such development activities have been allocated to cost of "Intangible Assets Under Development" and are carried forward for future capitalisation.

The Management has carried out impairment assessment for intangible assets under development. Based on such assessment, the Management has determined that there is no impairment provision required to the carrying values of such intangible assets under development as at 31 March 2026.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance	563	-
Add: Capitalisation		
a) Raw materials	1,581	-
b) Employee benefits expense	628	445
c) Consumption of stores, loose tools and spare parts	-	3
d) Subcontractor charges	13	14
e) Professional fee	113	101
f) Rent expenses	30	-
g) Finance cost	40	-
Closing balance	2,968	563

Intangible assets under development ageing as at 31 March 2026

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Projects 1	2,405	563	-	-	2,968

Intangible assets under development ageing as at 31 March 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Projects 1	563	-	-	-	563

4 Non-current investments

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unquoted equity shares</i>		
Investment in subsidiaries carried at cost less provision for other than temporary diminution in value		
i) 4,999,930 (31 March 2025: 4,999,930) equity shares of face value of INR 10 each fully paid up of JKM Research Farm Limited	2,448	2,448
ii) 3,64,41,328 (31 March 2025: 3,64,41,328) equity shares of face value of INR 10 each fully paid up of Dynamatic Manufacturing Limited ('DML') [Refer note (a) below]	3,823	3,694
iii) 20,689,462 (31 March 2025: 20,689,462) equity shares of face value of SGD 1 each fully paid up of JKM Global Pte Limited, Singapore [Refer note (b) below]	22,962	22,962
Less: Provision for impairment	1,900	1,900
	21,062	21,062
iv) 107,914,994 (31 March 2025: 107,914,994) equity shares of face value of INR 10 each fully paid of JKM Erla Automotive Limited [Refer note (c) below]	26,221	26,221
Less: Provision for impairment	13,719	13,719
	12,502	12,502
	39,835	39,706
Aggregate value of unquoted investments	55,454	55,325
Aggregate amount of impairment in value of investments	15,619	15,619

- (a) The Company has provided corporate guarantee to bank on behalf of Dynamatic Manufacturing Limited, a wholly owned subsidiary towards loan availed. Accordingly the investment value has increased by INR 129 (31 March 2025: INR 50) (Refer note 19 and 37).
- (b) Previous year ended 31 March 2025, the Company subscribed to 13,66,525 ordinary shares of JKM Global Pte Limited at a subscription price of SGD 2.36 per share (Face value of share is SGD 1 per share).
- (c) The Company's investments in its German operations are held in Eisenwerk Erla GmbH, Germany (EEG), an indirect step down wholly owned subsidiary of the Company. EEG, was wholly owned by JKM Erla Holdings GmbH, Germany (JKM Erla), which was a wholly owned subsidiary of JKM Erla Automotive Limited, India (JEAL), another wholly owned subsidiary of the Company.

EEG, was undergoing a transformation from automotive and foundry businesses to the aerospace business. Considering the various challenges involved, viz., the supply chain crisis at OEMs, current inflation in Europe, and the steep and unpredictable increase in the cost of gas and electricity being faced by corporations across Europe, EEG undertook corporate restructuring measures through the "Protective Shield Process by Self-Administration" under the applicable German Laws, and in this regard, a financial resolution plan was filed before the local court at Chemnitz, which got approved by creditors in favour of EEG. Consequent to this, the local court at Chemnitz passed its final order and ended the protective shield through self-administration proceedings effective 1 August 2023.

Owing to the aforesaid intra-group corporate restructuring measures, JKM Erla, engaged in the business of setting up automotive component processing/manufacturing units was decided to be dismantled with the aim of streamlining the group's holding structure for German operations. Previous year ended 31 March 2025, the order for the liquidation has been received and the 100% shareholdings held by JKM Erla in EEG was assigned to JEAL.

The restructuring carried out by EEG also envisaged refinancing of certain borrowings of EEG by way intra-group loans. As part of the above restructuring:

- 1) The Company borrowed a sum of INR 7,000 lakhs from Axis Finance Limited, and
- 2) The Company granted a loan of SGD 111 lakhs to JKM Global Pte Ltd, a wholly owned subsidiary, which in turn provided a loan to EEG through its UK based subsidiary. The said loan recoverable from JKM Global Pte Ltd continues to be outstanding as at 31 March 2026 (Refer note 5).

5 Loans

Particulars	As at 31 March 2026	As at 31 March 2025
Inter-company loan provided to subsidiaries (Refer note 47)*	8,149	5,716
	8,149	5,716

*The Company has provided unsecured inter-company loan to JKM Global Pte Limited of SGD 111 Lakhs (31 March 2025: SGD 111 Lakhs) and JKM Erla Automotive Limited of INR 85 Lakhs (31 March 2025: INR 73 Lakhs), 100% wholly owned subsidiaries.

Amount receivable within 12 months has been disclosed other current financial assets.

Refer below the movement of inter-company loan:

For the year ended 31 March 2026:

Name of the borrower and nature of relationship	Security	Rate of Interest	As at 1 April 2025	Given during the year	Repayment during the year	As at 31 March 2026	Maximum amount outstanding during the year ended 31 March 2026
JKM Global Pte Limited - Wholly owned subsidiary	Unsecured	10.75%	SGD 11,100,000	-	-	SGD 11,100,000	SGD 11,100,000
JKM Erla Automotive Limited, India - Wholly owned subsidiary	Unsecured	10.25%	INR 73 lakhs	INR 11 Lakhs	-	INR 85 lakhs	INR 85 lakhs

For the year ended 31 March 2025:

Name of the borrower and nature of relationship	Security	Rate of Interest	As at 1 April 2024	Given during the year	Repayment during the year	As at 31 March 2025	Maximum amount outstanding during the year ended 31 March 2025
JKM Global Pte Limited - Wholly owned subsidiary	Unsecured	10.75%	SGD 11,100,000	-	-	SGD 11,100,000	SGD 11,100,000
JKM Erla Automotive Limited, India - Wholly owned subsidiary	Unsecured	10.25%	INR 7 Lakhs	INR 67 lakhs	-	INR 73 lakhs	INR 73 lakhs

6 Other non-current financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Accrued interest*	1,384	770
Security deposits	409	508
Bank deposits with more than 12 months maturity	30	-
	1,823	1,278

*Accrued interest pertains to Inter-company loan.

7 Income tax assets (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance income tax and tax deducted at source, net of provision	-	223
	-	223

8 Other non-current assets

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Prepaid expense	257	184
Capital advances	96	215
Contract assets	2,717	-
	3,070	399

Contract assets ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from date of transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	2,717	-	-	-	-	-	2,717

9 Inventories (valued at lower of cost and net realizable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials and components*	9,984	7,018
Work-in-progress	6,796	4,738
Finished goods	997	1,375
Stores and spares	1,782	1,397
	19,559	14,528

*Includes goods-in-transit INR 22 Lakhs (31 March 2025: INR Nil)

10 Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Trade receivable	17,188	17,641
Less: Allowance for credit loss	(340)	(373)
Total trade receivables	16,848	17,268

(i) All trade receivables are 'current'.

Of the above, trade receivables from related parties are as below:

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables from related parties (Refer note 47)	1,185	1,213
Net trade receivables	1,185	1,213

Trade receivables ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	9,972	6,954	47	141	70	4	17,188
Less: Allowances for credit loss							(340)
Total trade receivable							16,848

Trade receivables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	9,887	6,255	723	407	238	131	17,641
Less: Allowances for credit loss							(373)
Total trade receivable							17,268

Note: There are no disputed trade receivables as at 31 March 2026 and 31 March 2025.

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 45.

11 Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	6	1
Balance with banks		
- in current accounts	491	264
	497	265
Cash and cash equivalents as defined in Ind AS 7 "Statements of Cash Flows"	497	265

12 Bank balances other than cash and cash equivalents above

Particulars	As at 31 March 2026	As at 31 March 2025
In deposit accounts-held as margin money (due to mature within 12 months from the reporting date)*	1,243	1,208
Unpaid dividend	10	10
	1,253	1,218

*Balances in margin money deposits represents deposits made for non-fund based limits with banks, which are available for use to settle a liability for not more than 12 months from the balance sheet date.

13 Current Loans

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Loans to employees	132	138
Inter-company loan provided to subsidiary (Refer note 5)	-	1,429
	132	1,567

14 Other current financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Management fee receivable from related parties (Refer note 47)	648	580
Security deposits	80	51
Accrued interest	600	584
	1,328	1,215

15 Other current assets

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Unsecured, considered good</i>		
Advances for supply of goods	704	1,835
Contract assets	1,280	2,553
Trade advance to related parties (Refer note 47)	-	797
Prepaid expense	287	402
Balances with government authorities	4,676	3,313
	6,947	8,900

Contract assets ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from date of transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	1,280	-	-	-	-	-	1,280

Contract assets ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from date of transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	2,553	-	-	-	-	-	2,553

16 Equity share capital

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised		
Equity shares		
20,000,000 (31 March 2025: 20,000,000) equity shares of par value of INR 10 each	2,000	2,000
Preference shares		
500,000 (31 March 2025: 500,000) redeemable cumulative preference shares of par value of INR 100 each	500	500
	2,500	2,500
Issued, subscribed and fully paid up		
Equity shares		
6,791,443 (31 March 2025: 6,791,443) equity shares of par value of INR 10 each	679	679
	679	679

i. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2026		31 March 2025	
	Number of shares	Amount (INR in lakhs)	Number of shares	Amount (INR in lakhs)
Shares outstanding at the beginning of the year	67,91,443	679	67,91,443	679
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	67,91,443	679	67,91,443	679

ii. 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. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Company after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has not allotted any fully paid equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

iii. Details of shareholders holding more than 5% of equity shares in the Company

Particulars	31 March 2026		31 March 2025	
	Number of shares	% of holding	Number of shares	% of holding
<i>Equity shares of INR 10 each fully paid-up held by:</i>				
i) Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%
ii) JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%
iii) Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%
iv) JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%
v) HDFC Trustee Company Limited	3,69,859	5.45%	3,69,859	5.45%

iv Disclosure of Shareholding of Promoters**Disclosure of shareholding of promoters as at 31 March 2026 is as follows:**

Sr. No	Shares held by promoters Promoter name	As at 31 March 2026		As at 31 March 2025		% Change during the year
		No. of shares	% of total shares	No. of Shares	% of total shares	
1	Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%	-
2	JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%	-
3	Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%	-
4	JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%	-
5	Christine Hoden (India) Private Limited	70,100	1.03%	95,100	1.40%	-0.37%
6	Greeneearth Biotechnologies Limited	22,927	0.34%	22,927	0.34%	-
7	Barota Malhoutra	4,938	0.07%	4,938	0.07%	-
8	Vita Private Limited	100	0.00%	100	0.00%	-
9	Primella Sanitary Products Private Limited	100	0.00%	100	0.00%	-
		28,18,245	41.49%	28,43,245	41.87%	-0.37%

Disclosure of shareholding of promoters as at 31 March 2025 is as follows:

Sr. No	Shares held by promoters Promoter name	As at 31 March 2025		As at 31 March 2024		% Change during the year
		No. of shares	% of total shares	No. of Shares	% of total shares	
1	Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%	-
2	JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%	-
3	Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%	-
4	JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%	-
5	Christine Hoden (India) Private Limited	95,100	1.40%	95,100	1.40%	-
6	Greeneearth Biotechnologies Limited	22,927	0.34%	22,927	0.34%	-
7	Barota Malhoutra	4,938	0.07%	4,938	0.07%	-
8	Vita Private Limited	100	0.00%	100	0.00%	-
9	Primella Sanitary Products Private Limited	100	0.00%	100	0.00%	-
		28,43,245	41.87%	28,43,245	41.87%	-

17 Other equity (Refer the statement of changes in equity for detailed movement of each component of other equity)

Particulars	As at 31 March 2026	As at 31 March 2025
Capital reserves	15	15
Capital redemption reserve	240	240
Reserve on amalgamation	154	154
General reserve	3,138	3,138
Securities premium	28,656	28,656
Retained earnings	35,620	31,482
Total other equity	67,823	63,685

(i) Capital reserve:

Capital reserve was created on account of subsidy received during the year ended 31 March 2005 and is not freely available for dividend distribution.

(ii) Capital redemption reserve:

During the year ended 31 March 2005, an amount of INR 240 lakhs was transferred to Capital redemption reserve upon redemption of preference share, in accordance with Section 69 of the Companies Act, 1956. It is not freely available for dividend distribution.

(iii) Reserve on amalgamation:

Reserve on amalgamation was created pursuant to the scheme of amalgamation of JKM Daerim Automotive Limited (JDAL) during the year ended 31 March 2008. It is not freely available for dividend distribution.

(iv) General reserve:

General reserve is used from time to time to transfer profits from retained earnings for appropriation purpose.

(v) Securities premium:

Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of the Act.

(vi) Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit after tax is transferred from the Statement of Profit and Loss to the retained earnings.

18 Non-current borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Secured loans</i>		
i) Term loans		
- from banks [Refer footnote (i)]	9,599	8,926
- from financial institutions [Refer footnote (ii)]	8,454	8,557
<i>Secured loans</i>		
ii) Working capital term loan		
- from banks [Refer footnote (i)]	5,990	1,500
Total borrowings	24,043	18,983
Less: Current maturities of long term loan:		
a) from banks	(1,933)	(1,496)
b) from financial institutions	(2,360)	(2,207)
Net non-current borrowings	19,750	15,280

Information about the Company's exposure to interest rate, currency and liquidity risk are disclosed in note 45.

(i) From banks (including current maturities of non - current borrowings shown under current borrowing):

Details of repayment terms, interest and maturity	Nature of security
Term loan from bank aggregating to INR 9,521 (31 March 2025: INR 8,822) repayable in 28 quarterly instalments. First instalment starting from 1 June 2024 with interest rate at 8.85% per annum (31 March 2025: 9.60% per annum).	First pari passu charge on the entire movable and immovable fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company. First charge over Debt Service Reserve Account (DSRA).
Term loan from bank aggregating to INR 78 (31 March 2025: INR 104) repayable in 60 monthly instalments. First instalment starting from 31 October 2023 with interest rate at 8.90% per annum (31 March 2025: 8.90% per annum).	Hypothecation of assets (cars).
Working Capital Term loan from bank aggregating to INR 5,990 (31 March 2025: INR 1500) repayable in 36 equal monthly instalments post 24 months of principal moratorium. First instalment starting from 1 April 2027 with fixed interest rate at 9.20% per annum (31 March 2025: 9.20% per annum).	First pari passu charge on the current assets of the Company. Second pari passu charge on the movable and immovable fixed assets of the Company.

(ii) From financial institutions (including current maturities of non - current borrowings shown under current borrowing):

Details of repayment terms, interest and maturity	Nature of security
Term Loan from financial institutions aggregating to INR 1,632 (31 March 2025: INR 2,407) repayable in 20 quarterly instalments first instalment starting from 30 June 2023 with interest rate of 10.00% per annum (31 March 2025: 10.75% per annum).	First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company. First charge over Debt Service Reserve Account (DSRA). Personal guarantee issued by the promoter.
Term Loan from financial institutions aggregating to INR 2,100 (31 March 2025: Nil) repayable in 24 step-up quarterly instalments first instalment starting from 1 April 2027 with interest rate of 9.05% per annum (31 March 2025: Nil).	First pari passu charge on entire fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company.
Term Loan from financial institutions aggregating to INR 4,551 (31 March 2025: INR 5,950) repayable in 20 quarterly instalments first instalment starting from 30 September 2024 with interest rate of 10.45% per annum (31 March 2025: 10.45% per annum).	First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company.
Term Loan from financial institutions aggregating to INR 171 (31 March 2025: INR 200) repayable in 60 monthly instalments with interest rate of 10.25% per annum (31 March 2025: 10.25%).	Hypothecation of assets (cars).

19 Other non-current financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred corporate guarantee commission (Refer note 37)*	41	7
	41	7

*The Company has provided the corporate guarantee on behalf of Dynamatic Manufacturing Limited, wholly owned subsidiary to Bank towards the loan availed.

20 Non-current provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
Provision for gratuity (Refer note 43)	3,121	2,261
Provision for compensated absences	691	391
	3,812	2,652

21 Deferred tax liabilities (net) (Refer note 50)

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax liabilities		
Property, plant and equipments and intangible assets	1,597	1,577
Fair value impact on investment in subsidiaries	2,046	2,027
Total deferred tax liabilities (A)	3,643	3,604
Deferred tax assets		
Provision for gratuity and compensated absences	1,138	781
Overdue of micro and small vendor	369	452
Provision for loss allowance	86	94
Right of use assets & lease liabilities	57	28
Others	63	69
Total deferred tax assets (B)	1,713	1,424
Net deferred tax liability (A - B)	1,930	2,180

22 Current borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
<i>Secured loans</i>		
Loans from banks repayable on demand		
- Cash credit and working capital demand loans*	15,599	17,121
Current maturities of long-term borrowings (Refer note 18)	4,293	3,703
	19,892	20,824

*Cash credit and working capital demand loans from banks carry interest ranging between 8.25% - 9.85% per annum (31 March 2025: 9.25% - 10.35% per annum), computed on a monthly basis on the actual amount utilized, and are repayable on demand. Packing Credit & Working Capital Demand loans in Foreign Currency from banks carry interest rate of 6m SOFR+3.00% per annum (31 March 2025: 6m SOFR+3.00%).

These are secured by first pari passu charge by way of hypothecation of current assets of the Company and second pari passu charge on the movable and immovable fixed assets of the Company.

Information about the Company's exposure to interest rate, currency and liquidity risk are disclosed in note 45.

23 Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Dues of micro and small enterprises (Refer note 43)	3,211	1,795
Dues to creditors other than micro and small enterprises	12,098	12,476
	15,309	14,271

i) Disclosure relating to supplier finance arrangements:

The Company has entered into supplier finance arrangement with Mynd Solutions Private Limited for invoice discounting facility through its M1 Xchange platform, operating as Trade Receivables Discounting System (TReDS) authorised by the Reserve Bank of India for facilitating financing arrangements for MSMEs.

Under these arrangements, participating financial institutions on M1 Xchange platform provide financing against invoices uploaded by the Company and the Company settles the dues with the respective financial institutions on the agreed due dates.

Liabilities under such arrangements continue to be presented under trade payables as the nature and substance of the liabilities remain consistent with trade payables and there is no substantial modification in the terms of the arrangement.

The supplier finance arrangements do not create any security interest over the assets of the Company and do not contain any significant liquidity covenants.

The carrying amount of trade payables covered under supplier finance arrangements is INR 2,840 lakhs (31 March 2025: INR 1,724 lakhs). The payment terms under these arrangements is ranges from 30-90 days.

ii) Trade payables ageing schedule as at 31 March 2026:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of micro and small enterprises*	1,707	1,470	2	29	3	3,211
Dues to creditors other than micro and small enterprises	9,868	2,004	31	41	154	12,098
Total	11,575	3,474	33	70	157	15,309

Trade payables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Dues of micro and small enterprises*	1,099	647	32	17	-	1,795
Dues to creditors other than micro and small enterprises	9,195	3,055	112	14	100	12,476
Total	10,294	3,702	144	31	100	14,271

* old outstanding is on account of retention money.

All trade payables are current.

The Company's exposure to currency and liquidity risk are disclosed in note 45.

Related party balance are disclosed in note 47.

24 Other current financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Accrued expenses	1,255	1,626
Capital creditors	107	33
Interest accrued but not due	118	80
Security deposits	60	57
Unpaid dividend	10	10
Deferred corporate guarantee commission	31	-
	1,581	1,806

The Company's exposure to currency and liquidity risk are disclosed in note 45.

25 Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Advance from customers	130	324
Statutory liabilities	329	328
	459	652

26 Current provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits:		
Provision for gratuity (Refer note 43)	628	412
Provision for compensated absences (Refer note 43)	81	39
	709	451

27 Current tax liabilities (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for income tax (net of advance tax and TDS)	1,615	993
	1,615	993

28 Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products:		
Revenue from sale of products	77,576	63,017
Total revenue from sale of products (A)	77,576	63,017
Other operating revenue		
Export incentive	103	256
Scrap sales	714	645
Total other operating revenue (B)	817	901
Total revenue from operations (A+B) [Refer note 51]	78,393	63,918

29 Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income on financial assets carried at amortised cost	114	95
Interest income on the loan provided to related parties (Refer note 47)	851	771
Interest income on income tax refund	98	-
Net gain on the foreign currency transaction and translation	1,871	698
Corporate guarantee income (Refer note 4)	65	43
Gain on lease modification	-	31
Reversal of loss allowance on financial assets, net	-	19
Miscellaneous income	2	4
	3,001	1,661

30 Cost of materials and components consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventory of materials and components at the beginning of the year	7,018	4,170
Add: Purchases of materials and components	50,095	34,381
Less: Transferred to IAUD	(1,581)	-
Less: Inventory of materials and components at the end of the year	(9,984)	(7,018)
	45,548	31,533

31 Changes in inventory of finished goods and work-in-progress

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening stock		
- Finished goods	1,375	2,033
- Work-in-progress	4,738	4,358
	6,113	6,391
Closing stock		
- Finished goods	(997)	(1,375)
- Work-in-progress	(6,796)	(4,738)
	(7,793)	(6,113)
	(1,680)	278

32 Employee benefits expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	9,796	8,979
Contribution to provident fund and other funds	1,064	927
Staff welfare expenses	728	885
Transferred to IAUD	(628)	(445)
	10,960	10,346

33 Finance costs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense on financial liabilities at amortised cost	3,831	3,725
Interest expense on lease liabilities (Refer note 40)	199	225
Other borrowing cost	198	201
Interest on delayed payment of taxes	224	118
Transferred to IAUD	(40)	-
	4,412	4,269

34 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation on property, plant and equipment (Refer note 3.1)	1,789	1,685
Amortisation of right-of-use assets (Refer note 40)	748	714
Amortisation of intangible assets (Refer note 3.2)	184	150
	2,721	2,549

35 Other expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Subcontractor charges	3,042	2,800
Consumption of stores, loose tools and spare parts	2,360	2,039
Power and fuel	663	620
Legal and professional fees	1,042	1,069
Payment to auditor (Refer note 39)	112	105
Travelling and conveyance expenses	688	745
Rent	188	235
Packing expenses	602	520
Repairs and maintenance:		
- buildings	94	108
- plant and machinery	676	636
- others	626	464
Freight outward	543	329
Security charges	333	255
Rates and taxes	115	205
Loss allowance on financial assets, net	278	-
Insurance	293	273
Subscription and advertisement	261	316
Bank charges	108	91
Printing and stationery	50	60
Communication expenses	37	47
Directors sitting fees	69	67
Loss on sale of Property, plant and equipment	27	40
Corporate social responsibility expenses (Refer note 52)	96	90
Miscellaneous expenses	163	177
Transferred to IAUD	(156)	(118)
	12,310	11,173

36 Exceptional items

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Gratuity and compensated absences*	1,095	-
	1,095	-

On November 21, 2025, the Government of India formally notified the enforcement of four Labour Codes - the Code on Wages, 2019; the Industrial Relations Code, 2020; the Code on Social Security, 2020; and the Occupational Safety, Health and Working Conditions Code, 2020 - thereby consolidating 29 erstwhile labour legislations into a unified framework. The Ministry of Labour & Employment, in alignment with this legal mandate, issued draft Central Rules and Frequently Asked Questions (FAQs) to facilitate the assessment of financial consequences, underscoring both statutory and regulatory guidance for compliance.

The above Labour Laws introduced a revised definition of 'wages', which impacted the computation of gratuity and compensated absences. Pursuant to the new definition of wages, an incremental one-time non-cash cost of Rs. 927 lakhs towards Gratuity and INR 168 Lakhs towards Compensated absences, predominantly relating to past service costs, has been debited to the Statement of Profit and Loss in order to comply with Ind AS 19 "Employee Benefits" and treated as an exceptional item in line with the accounting standards and clarifications issued by the Institute of Chartered Accountants of India (ICAI) regarding the accounting treatment for the above amendment in law.

The Government of India is in the process of notifying the final rules to the new Labour codes and an impact of these will be evaluated and accounted for in accordance with applicable standards in the period in which they are notified.

37 Contingent liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Corporate guarantee given as security for the loan availed by Dynamatic Manufacturing Limited (Wholly owned subsidiary)	5,882	1,444
Claims against the Company not acknowledged as debts #		
Income tax	68	32
Indirect tax	1,014	619
Other litigation	74	-

Outflow, if any, arising out of the said claim including interest, if any, would depend on the outcome of the decision of the Appellate Authority and the Company's right for future appeal before the judiciary.

38 Capital commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	426	1,349

There are no other material commitments.

39 Payment to statutory auditors (excluding goods and service tax) :

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Statutory audit fees of standalone and consolidated financial statements (including quarterly limited reviews)	95	95
Certification services	10	10
Out of pocket expenses	7	-
Total	112	105

40 Leases

- (i)
- Following are the change in the carrying value of right to use of assets for the year ended 31 March 2026:**

Particulars	Category of ROU assets		Total
	Plant & Machinery	Land and building	
Opening balance as at 1 April 2025	941	1,050	1,991
Addition/Modification (net)	-	-	-
Amortisation expense	(416)	(332)	(748)
Balance as at 31 March 2026	525	718	1,244

- Following are the change in the carrying value of right to use of assets for the year ended 31 March 2025:**

Particulars	Category of ROU assets		Total
	Plant & Machinery	Land and building	
Opening balance as at 1 April 2024	418	1,342	1,760
Addition/Modification (net)	874	71	945
Amortisation expense	(351)	(363)	(714)
Balance as at 31 March 2025	941	1,050	1,991

- (ii)
- The following is the break up of current & non-current lease liabilities:**

Particulars	As at 31 March 2026	As at 31 March 2025
Non- current	623	1,400
Current	846	702
	1,469	2,102

- (iii)
- The following is the movement of lease liabilities:**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Balance at the beginning of the year	2,102	1,926
Addition/Modification	-	945
Gain on lease modification	-	(31)
Finance cost during the year	199	225
Lease payment during the year	(914)	(963)
Net Loss on the foreign currency transaction and translation	82	-
	1,469	2,102

- (iv)
- The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:**

Particulars	As at 31 March 2026	As at 31 March 2025
Payable within 1 year	961	902
Payable between 1-5 years	665	1,564
Payable later than 5 years	-	-
Total	1,626	2,466

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases for the current financial year was INR 188 (31 March 2025: INR 235).

41 Segment reporting

The Chief Executive Officer and Managing Director of the Company has been identified as the Chief Operating Decision Maker ('CODM') as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the products portfolio and segment information has been presented accordingly.

Operating segment

The Company's business is concentrated in manufacturing of hydraulic products, and aerospace related items and others. And accordingly, primary segment information is presented based on the followings:

Reportable segment

Hydraulics	Engaged in the activity of manufacturing hydraulic pumps, hand pumps, lift assemblies, valves and power packs.
Aerospace	Engaged in the activity of manufacturing airframe structures and precision aerospace components.
Others	Comprised of Dynauton Systems, which offer cutting edge security solutions to enhance the Nation's capabilities in countering modern day security threats and Medical division provides high-quality diagnostic services.

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. The Company has a corporate centre, which provides various accounting and administrative support functions. Segment information for this activity has been aggregated under 'Unallocated'. Revenue identifiable to business segments have been disclosed under the respective business segment. Segment costs include employee benefit expenses, cost of material consumed, depreciation and other operating expenses that can be allocated on a reasonable basis to respective segments. Assets and liabilities in relation to segments are categorized based on items that are individually identifiable to that segment. Certain expenses, assets and liabilities are not specifically allocable to individual segments as these are used interchangeably. The Company therefore believes that it is not practicable to provide segment disclosures relating to such assets and liabilities and accordingly, these are separately disclosed as 'unallocated'.

A Operating segment information is as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Segment revenue		
a) Hydraulics	38,863	30,773
b) Aerospace	39,505	32,838
c) Others	25	307
Revenue from operations	78,393	63,918
Segment results (profit/ (loss) before finance costs, other income tax from each segment):		
a) Hydraulics	3,816	2,998
b) Aerospace	8,294	8,673
c) Others	(398)	(311)
d) Unallocated	(3,178)	(3,321)
Total	8,534	8,039
Unallocable		
- Finance costs (Refer note 33)	(4,412)	(4,269)
- Other income (Refer note 29)	3,001	1,661
- Exceptional Items (Refer note 36)	(1,095)	-
Profit before tax	6,028	5,431

Particulars	As at 31 March 2026	As at 31 March 2025
Segment assets:		
a) Hydraulics	20,923	20,568
b) Aerospace	55,513	50,277
c) Others	5,203	2,945
d) Unallocated	53,430	51,792
Segment assets	1,35,069	1,25,582
Segment liabilities:		
a) Hydraulics	14,773	13,494
b) Aerospace	7,202	7,374
c) Others	377	261
d) Unallocated	44,215	40,089
Segment liabilities	66,567	61,218

Information about reportable segments for the period from 1 April 2025 to 31 March 2026 is as follow:

Particulars	Hydraulics	Aerospace	Others	Unallocated	Total
Depreciation and amortisation expense	807	1,596	89	229	2,721
Capital expenditure	470	1,870	2,665	94	5,099

Information about reportable segments for the period from 1 April 2024 to 31 March 2025 is as follow:

Particulars	Hydraulics	Aerospace	Others	Unallocated	Total
Depreciation and amortisation expense	778	1,479	55	237	2,549
Capital expenditure	400	1,474	485	127	2,486

B Geographic information:

The geographical information analyses the Company's revenue and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

Particulars	Revenue		Non current assets*	
	For the year ended		As at	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
India	39,122	30,781	38,698	33,921
United States	10,767	7,484	-	-
Canada	2,460	3,439	-	-
United Kingdom	9,836	8,637	-	-
Europe	15,966	13,227	-	-
Rest of world	242	350	-	-
Total	78,393	63,918	38,698	33,921

*Non-current assets excludes financial assets.

C Major customers

Revenue from transactions with the external customer amounting to 10% or more of the Company's revenues is as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Customer 1	15,190	12,990
Customer 2	13,599	9,724
Customer 3	10,314	7,258
Customer 4	9,176	8,013

42 Dues to micro, small and medium enterprises

Total outstanding dues of micro, small and medium enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter refer to as "the MSMED Act") are given below:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
Principal	3,211	1,795
Interest	118	80
(b) the amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year, and	118	80
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	118	80
Total	3,329	1,875

43 Assets and liabilities relating to employee benefits

Particulars	As at 31 March 2026	As at 31 March 2025
Net defined benefit liability, gratuity plan	3,749	2,673
Liability for compensated absences	772	430
Total employee benefit liability	4,521	3,103
a) Gratuity		
Non-current	3,121	2,261
Current	628	412
	3,749	2,673
b) Compensated absences		
Non-current	691	391
Current	81	39
	772	430

The Company operates the following post-employment defined benefit plan:**Defined benefit plan**

The Company operates a post-employment defined benefit plan providing gratuity benefits in accordance with the applicable provisions of the Payment of Gratuity Act, 1972 and the provisions of the Code on Social Security, 2020, to the extent notified and applicable.

Employees rendering continuous service of five years or more are eligible for gratuity benefits. The gratuity benefit payable on resignation, retirement, death, disablement or termination is computed based on the last drawn salary and period of qualifying service, in accordance with the applicable statutory provisions.

Pursuant to the Code on Social Security, 2020, gratuity may become payable to employees on completion of one year of service in case of fixed-term employment contracts, as and when the relevant provisions are notified and become effective.

The gratuity plan is a funded defined benefit plan administered through an approved gratuity fund. The Company follows a funding policy based on actuarial valuation and expected future gratuity obligations and may not fully fund the entire defined benefit obligation at all times.

The defined benefit obligation exposes the Company to actuarial risks including salary escalation risk, interest rate risk, longevity risk and investment risk.

A Funding

The Company expects to pay INR 140 Lakhs in contributions to its defined benefit plans in financial year 2026-2027.

B Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ assets and its components:

(i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
Obligation at the beginning of the year	2,692	2,149
Interest cost	209	155
Current service cost	200	135
Past service cost	927	-
Benefit paid directly by employer	(26)	(28)
Benefit paid from the fund	(204)	(145)
Liabilities transferred from Dynamatic Manufacturing Limited	7	64
Liabilities transferred to Dynamatic Manufacturing Limited	-	(2)
Actuarial (Gains)/Losses on Obligations recognised in Other Comprehensive Income (OCI)		
- Changes in financial assumptions	(111)	74
- Experience adjustments	68	290
Obligation at the end of the year	3,762	2,692
(ii) Reconciliation of present value of plan assets		
Plan assets at the beginning of the year, at fair value	19	-
Interest income on plan assets	1	-
Contributions	198	162
Benefits paid	(204)	(145)
Return on plan assets, excluding interest income recognised in OCI	(1)	2
Plan assets at the end of the year, at fair value	13	19
Net defined benefit liability	3,749	2,673

C (i) Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest cost	208	155
Current service cost	200	135
	408	290
Exceptional items (Refer note 36)		
Past service cost	927	-
Net gratuity cost	1,335	290

(ii) **Remeasurement recognised in other comprehensive income**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial (gain)/ loss on defined benefit obligation	(43)	364
Return on plan assets, excluding interest income	1	(2)
Total (gain)/ loss recognised in other comprehensive income	(42)	362

D Plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Insurance fund	13	19
	13	19

E Defined benefit obligation(i) **Actuarial assumptions**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Rate of return on planned assets	7.27%	6.79%
Discounting rate	7.27%	6.79%
Future salary growth	6.00%	6.00%
Attrition rate	5.00%	5.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Weighted average duration of defined benefit obligation (in years)	8	8
Average expected future service	11	12
Retirement age	60	60

Notes:

- (i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.
- (ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
- (iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(ii) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant would have affected defined benefit obligation by amounts shown below:

Particulars	As at 31 March 2026	As at 31 March 2025
Projected benefit obligation on current assumptions (gross)	3,762	2,692
Impact of change in discount rate by +1%	(229)	(170)
Impact of change in discount rate by -1%	260	193
Impact of change in salary rate by +1%	158	172
Impact of change in salary rate by -1%	(174)	(162)
Impact of change in employee turnover rate by +1%	33	11
Impact of change in employee turnover rate by -1%	(38)	(13)

Defined contribution plan

The Company's contribution to provident fund aggregating to INR 663 (31 March 2025: INR 527) has been recognised in the Statement of Profit and Loss under the head employee benefit expense.

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their levels in fair value hierarchy:

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

Particulars	Carrying amount	Fair value			Total
	31 March 2026	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans*	8,281	-	-	-	-
Trade receivables, net of loss allowance	16,848	-	-	-	-
Cash and cash equivalents	497	-	-	-	-
Bank balances other than cash and cash equivalents*	1,283	-	-	-	-
Other financial assets*	3,121	-	-	-	-
Total financial assets	30,030	-	-	-	-
Financial liabilities measured at amortised cost					
Borrowings*	39,642	-	-	-	-
Lease liabilities*	1,469	-	-	-	-
Trade payables	15,309	-	-	-	-
Other financial liabilities*	1,622	-	-	-	-
Total financial liabilities	58,042	-	-	-	-

Particulars	Carrying amount	Fair value			Total
	31 March 2025	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans*	7,283	-	-	-	-
Trade receivables, net of loss allowance	17,268	-	-	-	-
Cash and cash equivalents	265	-	-	-	-
Bank balances other than cash and cash equivalents*	1,218	-	-	-	-
Other financial assets*	2,493	-	-	-	-
Total financial assets	28,527	-	-	-	-
Financial liabilities measured at amortised cost					
Borrowings*	36,104	-	-	-	-
Lease liabilities*	2,102	-	-	-	-
Trade payables	14,271	-	-	-	-
Other financial liabilities*	1,813	-	-	-	-
Total financial liabilities	54,290	-	-	-	-

*Amount disclosed after considering Non-current and Current.

Investment in equity shares of subsidiaries are not appearing as financial asset in the table above being investment in subsidiaries accounted under Ind AS 27, Separate Financial Statements which is scoped out under Ind AS 109.

Fair value hierarchy

Level 1: It includes financial instruments measured using quoted prices. This includes investment in equity, preference securities, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted equity securities.

Fair Valuation Method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

A Financial Assets:

Fair value of all the above financial assets except investments are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

B Financial Liabilities:

- (i) **Borrowings:** It includes loans taken from banks and financial institution, cash credit and bill discounting facilities. Borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on loans is reset on yearly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.
- (ii) **Trade payables and other financial liabilities:** Fair values of trade payables and other financial liabilities are measured at balance sheet date value, as most of them are settled within a short period and so their fair values are assumed almost equal to the balance sheet date values.

45 Financial risk management

The Company's activities expose to financial risks: credit risk, liquidity risk and market risk.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal auditor. Internal Audit function includes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i) Credit risk

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Trade and other receivables

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Company are spread across diverse industries and geographical areas. The Company limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customers.

Expected credit loss assessment for Trade Receivables as at 31 March 2026 and 31 March 2025 are as follows:

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables as at 31 March 2026 amounting to INR 16,848 (31 March 2025: INR 17,268). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Balance as at beginning of the year	373	392
Amounts written off	(311)	-
Recognition/(Reversal) of net measurement of loss allowance	278	(19)
Balance as at end of the year	340	373

ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as the become due. 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.

Management monitors rolling forecast of the Company's liquidity position and cash and bank balances on the basis of expected cash flows. This is generally carried out by the Management of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

i) Financing arrangement

The Company maintains the following line of credit:

- (i) Term loan from bank aggregating to INR 9,521 (31 March 2025: INR 8,822) repayable in 28 quarterly instalments. First instalment starting from 1 June 2024 with interest rate at 8.85% per annum (31 March 2025: 9.60% per annum).
First pari passu charge on the entire movable and immovable fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company. First charge over Debt Service Reserve Account (DSRA).
- (ii) Term loan from bank aggregating to INR 78 (31 March 2025: INR 104) repayable in 60 monthly instalments.
First instalment starting from 31 October 2023 with interest rate at 8.90% per annum (31 March 2025: 8.90% per annum). This loan is secured by hypothecation of assets (cars).
- (iii). Working Capital Term loan from bank aggregating to INR 5,990 (31 March 2025: INR 1,500) repayable in 36 equal monthly instalments post 24 months of principal moratorium. First instalment starting from 1 April 2027 with fixed interest rate at 9.20% per annum (31 March 2025: 9.20% per annum).
First pari passu charge on the current assets of the Company. Second pari passu charge on the movable and immovable fixed assets of the Company.
- (iv) Term Loan from financial institutions aggregating to INR 1,632 (31 March 2025: INR 2,407) repayable in 20 quarterly instalments first instalment starting from 30 June 2023 with interest rate of 10.00% per annum (31 March 2025: 10.75% per annum).
First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company. First charge over Debt Service Reserve Account (DSRA). Personal guarantee issued by the promoter.
- (v) Term Loan from financial institutions aggregating to INR 2,100 (31 March 2025: Nil) repayable in 24 step-up quarterly instalments first instalment starting from 1 April 2027 with interest rate of 9.05% per annum (31 March 2025: Nil).
First pari passu charge on entire fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company.

- (vi) Term Loan from financial institutions aggregating to INR 4,551 (31 March 2025: INR 5,950) repayable in 20 quarterly instalments first instalment starting from 30 September 2024 with interest rate of 10.45% per annum (31 March 2025: 10.45% per annum).

First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company.

- (vii) Term Loan from financial institutions aggregating to INR 171 (31 March 2025: INR 200) repayable in 60 monthly instalments with interest rate of 10.25% per annum (31 March 2025: 10.25%).

This is secured by hypothecation of assets (cars).

* Cash credit and working capital demand loans from banks carry interest ranging between 8.25% - 9.85% per annum (31 March 2025: 9.25%-10.35% per annum), computed on a monthly basis on the actual amount utilized, and are repayable on demand. Packing Credit & Working Capital Demand loans in Foreign Currency from banks carry interest rate of 6m SOFR+3.00% per annum (31 March 2025: 6m SOFR+3.00%).

These are secured by first pari passu charge by way of hypothecation of current assets of the Company and second pari passu charge on the movable and immovable fixed assets of the Company.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2026 and 31 March 2025. The amounts are gross and undiscounted contractual cash flow and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2026

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and above
Borrowings*	39,642	39,642	19,892	18,831	919
Lease liabilities	1,469	1,626	961	665	-
Trade payables	15,309	15,309	15,309	-	-
Other financial liabilities*	1,622	1,622	1,622	-	-
Total	58,042	58,199	37,784	19,496	919

As at 31 March 2025

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and above
Borrowings*	36,104	36,104	20,826	15,278	-
Lease liabilities	2,102	2,466	902	1,564	-
Trade payables	14,271	14,271	14,271	-	-
Other financial liabilities*	1,813	1,813	1,813	-	-
Total	54,290	54,654	37,812	16,842	-

*Amount disclosed after considering Non-current and Current.

As disclosed in note 18 and 22, the Company has secured bank loan that contains loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table. Except for these financial liabilities, it is not expected that cash flows included in maturity analysis could occur significantly earlier.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currency of the Company. The functional currency of the Company is INR. The currencies in which these transactions are primarily denominated are USD, GBP, Euro & CAD etc. Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company decides to exchange its foreign currency.

Exposure to currency risk:

The summary quantitative data about the Company's exposure to currency risk as reported to management is as follows:

Particulars	Currency	As at 31 March 2026		As at 31 March 2025	
		Amount in foreign currency in lakhs	Amount in INR Lakhs	Amount in foreign currency in lakhs	Amount in INR Lakhs
Trade receivables	USD	77	7,302	86	7,353
	EURO	0.003	0.28	3	293
	GBP	20	2,477	27	3,028
Other current financial assets (Non current and current)	GBP	5	644	5	580
	SGD	27	1,961	21	1,340
Trade payables	USD	39	3,664	42	3,634
	EURO	1	124	1	52
	GBP	1	86	1	127
	AUD	0.5	29	-	-
Borrowings	USD	3	283	15	1,316
Inter-company loan receivable	SGD	111	8,064	111	7,072
Lease liabilities	GBP	5	608	7	809

The following significant exchange rates have been applied :

Currency	Year end spot rate	
	31 March 2026	31 March 2025
USD/INR	94.35	85.51
EURO/INR	108.16	92.61
GBP/INR	123.56	110.66
SGD/INR	72.65	63.71
AUD/INR	64.65	53.76

Sensitivity analysis

A reasonably possible strengthening /(weakening) of the USD, EURO, GBP, SGD and AUD against INR as at 31 March 2026 and 31 March 2025 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2026				
USD (3% movement)	101	(101)	75	(75)
EURO (3% movement)	(4)	4	(3)	3
GBP (3% movement)	73	(73)	54	(54)
SGD (3% movement)	301	(301)	225	(225)
AUD (3% movement)	1	(1)	1	(1)
31 March 2025				
USD (3% movement)	73	(73)	55	(55)
EURO (3% movement)	7	(7)	5	(5)
GBP (3% movement)	104	(104)	78	(78)
SGD (3% movement)	252	(252)	189	(189)

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(a) Interest rate risk exposure

The exposure of the Company's financial assets and financial liabilities to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Financial Assets		
Fixed rate instruments		
Bank deposits	1,273	1,208
Total	1,273	1,208
Financial Liabilities		
Variable rate borrowings (including current maturities of long term debts)	33,403	34,299
Fixed rate borrowings (including current maturities of long term debts)	6,239	1,805
Total	39,642	36,104

(b) Sensitivity

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2026				
Variable rate borrowings	(334)	334	(250)	250
31 March 2025				
Variable rate borrowings	(343)	343	(257)	257

46 Capital management

The Company's policy is to maintain a stable and strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For the purpose of Company's capital management, adjusted net debt is defined as aggregate on non-current borrowing, current borrowing, current maturities of long-term borrowings and lease liabilities less cash and cash equivalents and total equity includes issued capital and all other equity reserves.

The Company's adjusted net debt equity ratio were as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings*	39,642	36,104
Lease liabilities*	1,469	2,102
Less: Cash and cash equivalents	(497)	(265)
Adjusted net debt	40,614	37,941
Total equity	68,502	64,364
Net debt to equity ratio	0.59	0.59

*Amount disclosed after considering non-current and current.

47 Related Party Transaction**(i) Name of related parties and description of relationship**

Sr. No	Name of related party	Description of relationship
a)	JKM Global Pte Limited, Singapore	Wholly owned subsidiaries (including step-down subsidiaries)
b)	JKM Research Farm Limited, India	
c)	JKM Erla Automotive Limited, India	
d)	Dynamatic Limited, UK	
e)	Yew Tree Investment Limited, UK	
f)	Eisenwerk Erla GmbH, Germany	
g)	Dynamatic Manufacturing Limited, India	
h)	Dynamatic US, LLC	
i)	JKM Holdings Private Limited	Entities over which key executive management personnel or relatives of such personnel are able to exercise significant influence
j)	Wavell Investments Private Limited	
k)	Mr. Vivek Malani	Relative of Promoter Group
l)	Ms. Ahilya Malhoutra	Daughter of Mr. Udayant Malhoutra (Promoter)

Sr. No	Key executive management personnel	Designation
a)	Udayant Malhoutra	Chief Executive Officer and Managing Director
b)	P.S. Ramesh	Executive Director, Chief Operating Officer - Hydraulic Division (Resigned effective from 13 November 2024)
c)	Chalapathi P	Chief Financial Officer and Appointed as Executive Director (effective from 13 November 2024)
d)	Shivaram V	Chief Legal officer & Company Secretary

(ii) **Related party transactions during the current year and previous year as follow:**

(Rs in Lakhs)

Sr. No	Nature of transactions	Related Parties	For the year ended	
			31 March 2026	31 March 2025
a)	Revenue from operations	i) Dynamatic Limited, UK	223	515
		ii) Dynamatic Manufacturing Limited	1,010	163
b)	Purchase of raw materials	i) Dynamatic Limited, UK	140	609
		ii) Dynamatic Manufacturing Limited	930	2,460
		iii) Wavell Investments Private Limited	788	466
c)	Rent expense	i) JKM Research Farm Limited	48	48
		ii) JKM Holdings Private Limited	4	4
		iii) Dynamatic Limited, UK	363	395
		iv) Mr. Vivek Malani	28	25
d)	Investment made through corporate guarantee (Refer note No 4)	i) Dynamatic Manufacturing Limited	129	50
e)	Corporate guarantee provided to Bank (Refer note 37)	i) Dynamatic Manufacturing Limited	4,438	1,444
f)	Investment made in shares of the Company	i) JKM Global Pte Limited	-	1,994
g)	Inter-company loan provided	i) JKM Erla Automotive Limited	11	67
h)	Interest income on inter-company loan	i) JKM Global Pte Limited	843	758
		ii) JKM Erla Automotive Limited	8	6
i)	Interest income received on inter-company loan	i) JKM Global Pte Limited	418	-
j)	Trade advances given	i) Wavell Investments Private Limited	-	50
k)	Trade advance refunded	i) Wavell Investments Private Limited	797	-
l)	Remuneration for the year	i) Ms. Ahilya Malhoutra	32	30
m)	Reimbursement of capital and revenue expenses	i) Dynamatic Manufacturing Limited	9	67

(iii) **Balance receivable from and payable to related parties as at the balance sheet date:**

Sr. No	Particulars	Related Parties	As at	As at
			31 March 2026	31 March 2025
a)	Trade receivables	i) Dynamatic Limited, UK	136	1,213
		ii) Dynamatic Manufacturing Limited	1,049	-
b)	Trade payable	i) JKM Research Farm Limited	257	227
		ii) Wavell Investments Private Limited	-	77
		iii) Dynamatic Limited, UK	97	-
		iv) Dynamatic Manufacturing Limited	-	323
c)	Security deposits provided	i) JKM Holding Private Limited	35	35
		ii) Mr. Vivek Malani	17	17
d)	Management fee receivable	i) Dynamatic Limited, UK	644	580
e)	Inter-company loan receivable	i) JKM Global Pte Limited	8,065	7,072
		ii) JKM Erla Automotive Limited	85	73
f)	Accrued interest income receivable	i) JKM Global Pte Limited	1,961	1,341
		ii) JKM Erla Automotive Limited	14	6
g)	Rent payable	i) Mr. Vivek Malani	1	1
h)	Advance receivable	i) Wavell Investments Private Limited	-	797
i)	Reimbursement of expense receivable	i) Wavell Investments Private Limited	43	-
j)	Corporate guarantee - contingent liabilities	i) Dynamatic Manufacturing Limited	5,882	1,444

(iv) Compensation of key managerial personnel*

Sr. No	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a)	Udayant Malhoutra	153	144
b)	P.S. Ramesh	-	151
c)	Chalapathi P	127	120
d)	Shivaram V	83	78
		363	493

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since, provision for these are based on an actuarial valuation carried out for the Company as a whole.

Terms and conditions

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

48 Earnings per share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Basic earnings per share in INR	65.49	74.61
Diluted earnings per share in INR	65.49	74.61
Profit attributable to the equity holders of the Company used in calculating basic earnings per share and diluted earnings per share	4,447	5,066
Number of weighted average outstanding shares used in computing earnings per share	67,91,443	67,91,443

49 Details of non-current investments purchased and sold during the current and previous year under Section 186(4) of the Act:**Investments in equity instruments**

Subsidiaries	Face value per unit	As at 1 April 2025	Purchased during the year	Sold during the year	Other Adjustment#	As at 31 March 2026
i) JKM Research Farm Limited	INR 10	2,448 (49,99,930)*	-	-	-	2,448 (49,99,930)*
ii) Dynamatic Manufacturing Limited	INR 10	3,694 (3,64,41,328)*	-	-	129	3,823 (3,64,41,328)*
iii) JKM Global Pte Limited, Singapore	SGD 1	22,962 (20,689,462)*	-	-	-	22,962 (20,689,462)*
iv) JKM Erla Automotive Limited	INR 10	26,221 (10,79,14,994)*	-	-	-	26,221 (10,79,14,994)*
Total		55,325	-	-	129	55,454

Subsidiaries	Face value per unit	As at 1 April 2025	Purchased during the year	Sold during the year	Other Adjustment#	As at 31 March 2025
i) JKM Research Farm Limited	INR 10	2,448 (49,99,930)*	-	-	-	2,448 (49,99,930)*
ii) Dynamatic Manufacturing Limited	INR 10	3,644 (3,64,41,328)*	-	-	50	3,694 (3,64,41,328)*
iii) JKM Global Pte Limited, Singapore	SGD 1	20,969 (1,93,22,937)*	1,993 (13,66,525)*	-	-	22,962 (20,689,462)*
iv) JKM Erla Automotive Limited	INR 10	26,221 (10,79,14,994)*	-	-	-	26,221 (10,79,14,994)*
Total		53,282	1,993	-	50	55,325

* The amounts in parenthesis represents number of shares.

The other adjustment pertains to the corporate guarantee provided on behalf of Dynamatic Manufacturing Limited, wholly owned subsidiary to Bank towards the loan availed, accordingly the Investment value increased by INR 129 (31 March 2025: INR 50) Lakhs for corporate guarantee provided.

50 Income tax**A Amount recognised in Statement of Profit and Loss**

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax	1,842	1,548
Deferred tax	(261)	(1,183)
Income tax expense reported in the Statement of Profit and Loss	1,581	365

B Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Net gain/(loss) on remeasurement of defined benefit liability/(assets)	42	(362)
Income tax expense/ (credit) to OCI	(11)	91

C Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Accounting profit before income tax	6,028	5,431
Tax using the Company's domestic tax rate 25.17% (31 March 2025: 25.17%)	1,517	1,367
Impact of change in rate of long-term capital gains tax	-	(1,040)
Impact of non - deductible expenses for tax purposes	64	38
Income tax expense	1,581	365

D Deferred tax

Deferred tax relates to the following:

Particulars	As at 1 April 2025	Recognised in profit and loss	Recognised in OCI	As at 31 March 2026
Property, plant and equipments and intangible assets	(1,577)	(20)	-	(1,597)
Fair value impact on investment in subsidiaries	(2,027)	(19)	-	(2,046)
Provision for gratuity and compensated absences	781	368	(11)	1,138
Overdue of micro & small vendors	452	(83)	-	369
Provision for loss allowance	94	(8)	-	86
Right of use assets & lease liabilities	28	29	-	57
Others	69	(6)	-	63
Deferred tax assets/(liabilities)	(2,180)	261	(11)	(1,930)

Particulars	As at 1 April 2024	Recognised in profit and loss	Recognised in OCI	As at 31 March 2025
Property, plant and equipments and intangible assets	(1,354)	(223)	-	(1,577)
Fair value impact on investment in subsidiaries	(3,232)	1,205	-	(2,027)
Provision for gratuity and compensated absences	640	50	91	781
Overdue of micro & small vendors	298	154	-	452
Provision for loss allowance	99	(5)	-	94
Right of use assets & lease liabilities	46	(18)	-	28
Others	49	20	-	69
Deferred tax assets/(liabilities)	(3,454)	1,183	91	(2,180)

51 Revenue from contracts with customers**A Disaggregate revenue information**

The table below presents disaggregated revenues from contracts with customers by the market or type of customers, timing of revenue recognition, contract-type and geography.

The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

For the year ended 31 March 2026

	Particulars	Hydraulics	Aerospace	Others	Grand Total
i)	Market or type of customer				
	Government	123	1,244	-	1,367
	Non-government	38,740	38,261	25	77,026
	Total revenue from contract with customers#	38,863	39,505	25	78,393
ii)	Timing of revenue recognition*				
	Goods or services transferred at point in time	38,863	38,104	25	76,992
	Goods or services transferred over time	-	1,401	-	1,401
	Total revenue from contract with customers#	38,863	39,505	25	78,393

For the year ended 31 March 2025

	Particulars	Hydraulics	Aerospace	Others	Grand Total
i)	Market or type of customer				
	Government	105	-	296	401
	Non-government	30,668	32,838	11	63,517
	Total revenue from contract with customers#	30,773	32,838	307	63,918
ii)	Timing of revenue recognition*				
	Goods or services transferred at point in time	30,773	30,312	307	61,392
	Goods or services transferred over time	-	2,526	-	2,526
	Total revenue from contract with customers#	30,773	32,838	307	63,918

Represents revenue from sale of products included in revenue from operations.

* The Company does not have any revenue from sale of goods and services where the performance obligation satisfied over time.

Refer to geographic information section under Note 41 - Segment reporting for more details on the analysis of segment revenue.

B Reconciling the amount of revenue recognised with contract and reportable segment:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from contract with customers	77,576	63,017
Other operating revenue		
Export incentive	103	256
Scrap sales	714	645
Revenue from reportable segment (Refer note 41)	78,393	63,918

C Reconciliation of revenue with contract price:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Contract price	78,739	64,147
Adjustments for		
Volume discount and cash discount	346	229
Revenue from continuing operations	78,393	63,918

D Contract balances

Contract balances and related disclosures have been included in the following notes.

Trade receivables - Note 10

Contract assets - Note 8 & 15

Remaining performance obligations

Particulars	As at 31 March 2026	As at 31 March 2025
Amount of transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) and expected to be satisfied in the next financial year	-	1,377

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as the end of the reporting period and an explanation as to when the Company expects to recognise these amount in revenue. Unsatisfied or partially satisfied performance obligations are subject to variability due to several factors such as termination changes in contract scope, re-validation of estimates and economic factors.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the Company's performance completed to date, typically those contracts where invoicing is on time and material, unit price basis.

- 52** As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The amount required to be spent and actual amount spent on the areas for CSR activities which are specified in Schedule VII of the Companies Act, 2013 is as follows:

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	95.8	89.8
b) Amount of expenditure incurred on purpose other than construction / acquisition of any asset	39.7	42.9
c) Excess spend of prior years set off during the year	-	-
d) Shortfall/(Excess) at the end of the year [(d)=(a)-(b)+(c)]	56.1	46.9
e) Reason for shortfall	-*	-#

* The Company has transferred the unspent Corporate Social Responsibility ("CSR") amount relating to ongoing projects for the current financial year to a separate 'Unspent CSR Account' within the timelines prescribed under Section 135(6) of the Companies Act, 2013. The said amount shall be utilized towards eligible ongoing CSR projects within the statutory period.

The unspent Corporate Social Responsibility ("CSR") amount pertaining to 31 March 2025, which had been transferred to a separate bank account in compliance with Section 135(6) of the Companies Act, 2013, has been utilized during the current year towards eligible CSR activities/projects.

- 53** In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows'. The below disclosure is in line with such amendments suggested:

As at 31 March 2026:

Particulars	1 April 2025	Net Cash flows	Non Cash Changes		31 March 2026
			Interest Expense	Foreign exchange movement	
i Non- current borrowings - secured					
a) Term loan from banks*	8,926	673	-	-	9,599
b) Term loan from financial institutions*	8,557	(103)	-	-	8,454
c) Working capital term loan from bank*	1,500	4,490	-	-	5,990
ii Current borrowings - secured					
a) Cash credit and working capital demand loans	17,121	(1,597)	-	75	15,599
iii Finance Cost					
a) Interest accrued but not due on borrowings	80	(4,215)	4,253	-	118
Total liabilities from financing activities	36,184	(752)	4,253	75	39,760

As at 31 March 2025:

Particulars	1 April 2024	Net Cash flows	Non Cash Changes		31 March 2025
			Interest Expense	Foreign exchange movement	
i Non- current borrowings - secured					
a) Term loan from banks*	9,129	(203)	-	-	8,926
b) Term loan from financial institutions*	10,362	(1,805)	-	-	8,557
c) Working capital term loan from bank*	-	1,500	-	-	1,500
ii Current borrowings - secured					
a) Cash credit and working capital demand loans	16,088	1,033	-	-	17,121
iii Finance Cost					
Interest accrued but not due on borrowings	70	(3,916)	3,926	-	80
Total liabilities from financing activities	35,649	(3,391)	3,926	-	36,184

* includes current maturities of long term borrowings

54 Ratios

The following are analytical ratios for the year ended 31 March 2026 and 31 March 2025:

Particulars	Numerator	Denominator	31 March 2026	31 March 2025	Variance
Current ratio	Total current assets	Total Current Liabilities	1.15	1.13	2%
Debt-equity ratio	Total Debt inclusive of lease liabilities	Total Equity	0.60	0.59	1%
Debt service coverage ratio	Earning for debt service = Net profit after tax + Depreciation + Interest	Debt Service = Interest + Lease payment + Principal payment	1.50	1.51	0%
Return on equity ratio	Profit after tax	Average total equity	6.69%	8.14%	-18%
Inventory turnover ratio	Cost of Goods sold	Average Inventory	2.67	2.38	12%
Trade receivables turnover ratio@	Revenue from Operations	Average trade receivable	4.60	3.37	36%
Trade payable turnover ratio	Purchase	Average trade Payable	3.39	2.78	22%
Net Capital turnover ratio	Revenue from Operation	Average working capital	13.74	11.99	15%
Net profit ratio\$	Profit after tax	Revenue from Operations	5.67%	7.93%	-28%
Return on capital employed	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	10.34%	9.26%	12%
Return on investment*	Income generated from Investments	Time weighted average investment	NA	NA	NA

Notes:

EBIT - Earnings before interest and taxes.

PAT - Profit after tax

Working capital - Current assets less current liabilities

Capital employed - Total equity

@ Due to increase in revenue

\$ PAT has decreased due to exceptional cost on account of new labour code

* The Company has not received any income from investment during current and previous financial year

55 Additional regulatory information not disclosed elsewhere in the financial statements

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
- (ii) The Company has not traded / invested in Crypto currency or virtual currency.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) during the year, with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Also refer note 4.
- (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

- (vi) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except as disclosed in the financial statements.
- (vii) The Company is not a declared wilful defaulter by any bank or financial institution or other lender.
- (viii) The Company does not have any Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.

56 The standalone financial statements were approved for issue by the Board of Directors on 19 May 2026.

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited

UDAYANT MALHOUTRA
Chief Executive Officer &
Managing Director
DIN : 00053714

CHALAPATHI P
Executive Director &
Chief Financial Officer
DIN : 08087615

SHIVARAM V
Chief Legal Officer &
Company Secretary

Place: Bangalore
Date: 19th May 2026

 BUSINESS REVIEW REPORT
2025-26



DYNAMATIC LIMITED
UNITED KINGDOM



DYNAMATIC LIMITED, UK

DIRECTORS

Dr. Udayant Malhoutra	- Chairman
Mr. Michael John Handley	- Director
Mr. Pierre de Bausset	- Director
Mr. James Tucker	- Managing Director
Mrs. Pramila Udayant Malhoutra	- Director
Mr. Steve Hayes	- Technical Director
Mr. Geoff Dore	- Director

BANKERS

Royal Bank of Scotland, UK

REGISTERED OFFICE

Cheney Manor, Swindon, Wiltshire SN2 2PZ, England

OPERATING PLANTS

Hydraulics Division

Cheney Manor, Swindon, Wiltshire SN2 2PZ, England

Aerospace Division

Jarvis Street, Barton Hill, Bristol BS5 9TR, England

FINANCE HEAD

Mr. Geoff Dore

AUDITORS

TC Group

Statutory Auditors

FINANCIAL RESULTS

INR in Lakhs*

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Sales	41,337	40,104
EBITDA	5,137	3,909
Interest	1,801	1,928
Depreciation	3,070	2,594
Profit before tax & exceptional items	3,298	987
Exceptional items	1,330	-
Tax Charge	493	221
Profit after tax for the year	1,475	766

*Numbers restated as per IND AS



DYNAMATIC HYDRAULICS®

DYNAMATIC LIMITED, UK



During the year, Dynamatic Hydraulics®, Swindon, UK recorded revenue of £9.7 million, compared with the previous year £14.16 million, reflecting the impact of adverse fluctuations in demand from major customers. The business continued to face inflationary pressures across materials, utilities and, to a lesser extent, labour, which impacted overall performance.

In response, the Company undertook a focused review of its operations, including product-line rationalisation and increased integration with the Bangalore facility, to minimise costs, strengthen supply-chain resilience and improve operational efficiency. Further, the company also paid employee redundancies during the year as an exceptional expenditure in order to optimise the manpower cost.

James Tucker

Managing Director
Dynamatic Limited, UK

Future Outlook

Looking ahead, the business expects continued challenges in the UK and European markets, although demand conditions are expected to gradually stabilise. The Company will continue to focus on cost optimisation, supply-chain resilience and operational efficiency, with the ongoing transfer of selected product lines from Swindon to Bangalore is expected to support margin recovery.

DYNAMATIC-OLDLAND AEROSPACE®

DYNAMATIC LIMITED, UK

Dynamatic-Oldland Aerospace® division in the UK continues to prosper with a good mix of business across a varied range of aircraft in commercial & military markets. This includes Airbus Flaptrack parts for A318, A319, A320, A321 & A330. Airbus - flaps, landing gear, wing structural items for A400M & A330. C130J Engine structural parts, plus the Dassault Falcon 6X programme which has now entered initial production phase.

This year we achieved sales of £25.1 Mn compared to £22.9 Mn in the prior year as customer demand has been strong across all major programmes. We continue to pursue market-leading technologies and enhance the skill-set of our people through targeted training activities.

Future Outlook

The outlook for Dynamatic-Oldland Aerospace® is extremely positive with well-established positions on several growing aircraft platforms. We are very well positioned to take advantage of growth in existing programme demand and of new opportunities. Material availability continues to be a challenge although less so than in the recent past but supply is impacted by global events and macro conditions which the business must be ready to respond to.

The focus of our business remains one of new technology development which emphasises delivery of customer satisfaction and this in turn enhances the unique partnerships we have built with our clients.

Our state-of-the-art robotic manufacturing cells and our robust internal processes enable us to continually deliver high standards of quality and embrace an 'industry 4.0' methodology within our machining factories.

We have demonstrated new standards of machining by manufacturing new structural prototype parts and we have several new opportunities being pursued which give us our consistent strategy of making regular investments to remain at the leading edge of technical advancements.

Dynamatic has a unique strategy of offering their customers a complete engineering solution end to end. The Group is offering an Indian / UK Aerospace business mix.

Already we have seen the benefits of collaboration and close alignment of the aerospace team, regardless of geography, will be at the Centre of furthering leading technical solutions to our customers and improving financial performance.

James Tucker

Managing Director
Dynamatic Limited, UK



BUSINESS REVIEW REPORT

2025-26



EISENWERK ERLA GmbH
GERMANY



EISENWERK ERLA GmbH, GERMANY

DIRECTORS

Dr. Udayant Malhoutra	- Chairman
Mr. Enrico Fischer	- Managing Director
Mr. Geoff Dore	- Director
Mr. Pierre de Basset	- Director

FINANCE HEAD AND COMPANY SECRETARY

Mr. Christoph Kakoschke

LAWYER

Dr. Hans-Hein Thomas

AUDITORS

Deloitte GmbH, Germany

BANKERS

UniCredit HypoVereinsbank, Germany

REGISTERED OFFICE

Gießereistraße 1, 08340 Schwarzenberg / Erzgebirge,
Germany

OPERATING PLANTS

Eisenwerk Erla GmbH, Gießereistraße 1, 08340
Schwarzenberg / Erzgebirge, Germany

FINANCIAL RESULTS

INR in Lakhs*

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Sales	35,810	33,483
EBITDA	283	1,004
Interest	754	659
Depreciation	1,382	1,300
Loss before Tax	(1,273)	(574)
Tax credit	(307)	(533)
Loss after tax for the year	(966)	(41)

*Numbers restated as per IND AS

The Metallurgy Division recorded revenue of Rs. 3,5810 lakhs in FY2025-26, an increase of 6.9% over the previous year. However, in Euro terms, turnover at €34.92 million was lower than the previous year €36.86 million, mainly due to continued weakness in the European industrial sector, particularly the German automotive industry. High energy and input costs, inflation and geopolitical uncertainties also continued to affect demand and margins. During the year, the Company remained focused on cost control, improving operational efficiency and rationalising low-margin products to manage the impact of these conditions.

The Company continued its efforts to move the business beyond its traditional automotive and foundry focus and build a presence in aerospace, defence and specialised engineering. Development and testing of defence components progressed during the year, with engagement with Western European customers.

US political shifts are changing the game for Ukraine war funding and have temporarily delayed offtake of Erla's shell production. Meanwhile, with potential reductions in American aid, Germany and EU are stepping up, accelerating their own defence spending to ensure security, encouraging German companies to increase defence production.

Future Outlook

- Increase of productivity inside the foundry processes for saving costs and improving the quality level.
- Focus on high margin product mix, ramp-up of existing products, customer diversification and capacity utilization
- Expanding the machining capabilities to improve the margins and have a positive impact on the market position.
- Diversify into aerospace forging products in collaboration with our parent company Dynamatic Technologies Limited.

Notwithstanding the above, the economic environment should improve after a transformation process from the automotive sector into general industry and aerospace sector.

Enrico Fischer
Managing Director
Eisenwerk Erla GmbH



Heisenwerk Erla



■ ■ ■ **BUSINESS REVIEW REPORT**
■ ■ ■ 2025-26



DYNAMATIC MANUFACTURING LIMITED
BANGALORE, INDIA



DYNAMATIC MANUFACTURING LIMITED, INDIA

DIRECTORS

Prof. Pradyumna Vyas - Independent Director
Mr. Chalapathi P - Director
Mr. Ravichander V - Director

AUDITORS

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants, Bangalore

BANKERS

Kotak Mahindra Bank Limited

REGISTERED OFFICE

Plot No. V-77, 78, Industrial Estate, Peenya II Stage,
Bangalore 560058, Karnataka India

FINANCIAL RESULTS

INR In Lakhs

Particulars	Year ended 31.03.2026	Year ended 31.03.2025
Sales	12,090	6,634
EBITDA	1,585	363
Interest	485	221
Depreciation	489	339
Profit/(Loss) before Tax	755	(157)
Exceptional items	(332)	-
Tax Charge	-	-
Profit/ (Loss) after Tax	423	(157)

Dynamatic Manufacturing Limited (DML), is a Centre of Excellence for critical detail parts. The company has established capabilities in reverse engineering, manufacturing, and delivering components for different aircraft parts for Global OEMs. The Company has diversified its business operations into manufacturing activities viz. sheet metal fabrications, Class 1 part manufacturing, profile machining etc.

During FY26, the company recorded a revenue of Rs. 12,090 Lakhs as against Rs. 6,634 Lakhs in FY25 with YoY 82% growth. The aerospace segment registered a growth of 42.5% on ramp-up of volume from customers like Dassault Aviation, Bell Textron, Prestwick AeroSystems and Airbus Aerostructures GmbH.

DML also started its first year of operations following the transfer of the Hydraulics intellectual property from Dynamatic Limited, UK, recording revenue of Rs. 2,660 Lakhs. Overall, FY26 marked a significant phase of operational ramp-up for DML, with improved scale, effective execution of customer programs and improved profitability across its businesses.

Future Outlook

The Aerospace segment expects continued order-book growth, deeper strategic partnerships with global aerospace customers, and capacity enhancements to support higher-volume programs and new product lines and same will improve the market share in the aerospace supply chain and pursue long-term profitable growth. The Hydraulics business is expected to support the Group's Hydraulics operations, with a focus on indigenisation and standardisation.

Chalapathi P

Director
DIN : 08087615



 BUSINESS REVIEW REPORT
2025-26



JKM RESEARCH FARM LIMITED
BANGALORE, INDIA



JKM RESEARCH FARM LIMITED, INDIA

JKM Research Farm Limited (JRFL), a farm Equipment performance and optimisation Company located near Bangalore on a 65 acre farm land, supports the Hydraulic and UAV Divisions of Dynamatic Technologies Limited (DTL) to operate a unique facility for testing and analysing complete Tractor aggregates and systems. It is home to a testing facility for drones & autonomous systems, functional prototype testing, and technical information.

JRFL is continuously engaged in finding innovative solutions to upgrade the products of DTL customers.

Organic Farming of Guava and Lime plantations are also being carried out by the Company.

During the year under review, the Company has made an income of Rs. 69 Lakhs. The profit after tax for the year amounted to Rs. 15 Lakhs.

DIRECTORS

Mr. Chalapathi P - Director
Mr. Ravichander V - Director
Ms. Pramilla Malhoutra - Director

AUDITORS

M/s. Prasad & Kumar
Chartered Accountants, Bangalore

REGISTERED OFFICE

C/o. Dynamatic Hydraulics®
Plot No.1A/1, 1st Main Road,2nd Phase
1st Stage, Peenya Industrial Estate
Bangalore 560 058, Karnataka, India

FARM LOCATION

Kalludevanahalli Village, Kadanur Post
Doddaballapura District, Bangalore Rural 561 204
Karnataka India

Chalapathi P

Director

DIN : 08087615





Dynamatic Corporate Team



Long-term Wealth Creation

Our shareholders have seen the market capitalization of Dynamatic Technologies grow from under Rs. 6cr to Rs. 7,000cr between 2000 and 2026.

This means the value of the enterprise has doubled roughly every 2.5 years for over a quarter of a century. It is the ultimate validation of our 'build philosophy' - proof that sacrificing short-term margins to secure high-moat aerospace capabilities and proprietary IP, generates exponential value that traders simply cannot capture.

Over this quarter-century, Dynamatic has transitioned from manufacturing automotive components to sophisticated aerostructures, and now, complete unmanned systems.

We will continue building this company for investors. We do not hold quarterly conference calls because the needle of a deep-tech aerospace business simply does not move over 90-day periods. Instead, we encourage shareholders to visit our facilities and understand the long-cycle capabilities they hold.

The best years are ahead.



If you aren't willing to own a stock for 10 years, don't even think about owning it for 10 minutes.

- Warren Buffet

DYNAMATIC TECHNOLOGIES LIMITED

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