DEFRAIL TECHNOLOGIES LIMITED
CIN: L30204HR2023PLC115548
REG. OFF: PLOT NO 180, SECTOR-24
FARIDABAD, HARYANA, INDIA, 121005
E-MAIL: INFO@DEFRAILTECH.COM
PHONE NO: 0129 - 487 8760

Date – 17/08/2026

To,
The Manager Listing
BSE Limited
5th Floor, P.J. Towers,
Dalal Street,
Mumbai-400001

Scrip Code: 544677

Sub: 03rd Annual General Meeting ('AGM') – Annual Report for the Financial Year 2025-26.

Dear Sir/ Ma'am,

We hereby, informing that the 03rd AGM of the Company will be held on Thursday, September 10, 2026, at 12:00 Noon (IST) at plot no 180 Sector 24 Faridabad 121005 Haryana, in compliance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India. Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), we are submitting herewith the Annual Report for FY 2025-2026 containing the Notice convening the 03rd AGM for the FY 2025-2026, which is being sent through electronic mode, to the Members whose email addresses are registered with the Company/ Depository Participant(s) and the letters providing the Company's weblink to access the Annual Report for the FY 2025-26, are being sent to the Members whose email addresses are not registered with the Company/ Depository Participant(s). The Notice of AGM along with Annual Report of the Company for FY 2025-26 are enclosed herewith and are also uploaded on the website of the Company i.e. www.defrailtech.in.

Pursuant to Regulation 44 of SEBI Listing Regulations, the Company is providing facility of remote e-voting to its members whose names are recorded in the Register of Members or Register of Beneficial Owner maintained by the Depositories as on the Cut-off Date i.e. Thursday, September 03, 2026. The remote e-voting shall commence at 09:00 A.M. on Monday, September 07, 2026, and shall end at 05:00 P.M. on Wednesday, September 09, 2026.

Kindly take the above information on your records.

Thanking You,
For **Defrail Technologies Limited**

VAIBHAV SHARMA
Digitally signed by VAIBHAV SHARMA
Date: 2026.08.17 15:49:25 +05'30'

Vaibhav Sharma
Company Secretary
M. No. ACS:71880
Email ID: cs@defrailtech.com

Encl.: Annual Report of FY 2025-26 & Notice of AGM.

Annual report 2025-26

DEFRAIL TECHNOLOGIES LIMITED

Where Rubber Meets Reliability

STOCK EXCHANGE – BSE SME

SCRIP CODE - 544677

ISIN - INE0ZE201010

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CORPORATE INFORMATION

BOARD OF DIRECTORS & KMP's.

Mr. Vivek Aggarwal	Managing Director
Mr. Abhishek Aggarwal	Director/CFO
Mrs. Ashi Aggarwal	Non- Executive Director
Mrs. Neetu Dhulia	Independent Director
Mr. Rajesh Agrawal	Independent Director
Mr. Vikram Grover	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Abhishek Aggarwal (KMP)

COMPANY SECRETARY

Mr. Vaibhav Sharma (KMP)

AUDITORS

M/s. Shiv & Associates, Chartered Accountants -Statutory Auditor
M/s. Yogita Bhatia & Associates, Company Secretaries-Secretarial Auditor
Mr. Amit Kumar Aggarwal – Internal Auditor

REGISTRAR & SHARE TRANSFER AGENT

Maashitla Securities Private Limited
Krishna Apra Business Square, 451,
Netaji Subhash Place, New Delhi, Delhi 110034

BANKERS

Yes Bank Limited
Shop no 19 & 21, Ground Floor, Jmd Galleria Mall, Sohna - Gurgaon Road, Sector 48, Gurugram, Haryana 122018

REGISTERED OFFICE

Plot no – 180, Sector – 24, Faridabad, Haryana – 121005.

MANUFACTURING FACILITIES

Plant 1 - Tigaon Road, Village Neemka, Sector 71, Faridabad, Haryana -121002
Plant 2 - Plot no – 180, Sector – 24, Faridabad, Haryana – 121005.

COMPANY'S JOURNEY

FROM A VISION TO A TRUSTED MANUFACTURING PARTNER.

The journey of Defrail Technologies Limited is a story of entrepreneurial vision, perseverance, and continuous evolution. What began as a focused venture in rubber engineering has grown into a trusted manufacturer of high-quality rubber hoses and profiles catering to India's automotive, railway, and industrial sectors.

With over four decades of manufacturing experience, the Company has built its reputation on delivering products that meet stringent quality, safety, and performance standards. Throughout its journey, Defrail has consistently invested in modern manufacturing technologies, process improvements, and quality assurance systems to create value for its customers.

Over the years, the Company has developed strong relationships with leading Tier-1 automotive suppliers, OEMs, and Indian Railways, supplying products that are critical to vehicle safety, reliability, and operational efficiency. These long-standing partnerships reflect the confidence customers place in Defrail's engineering capabilities, manufacturing excellence, and commitment to timely delivery.

Recognising the changing dynamics of the mobility and industrial sectors, Defrail has progressively expanded its product portfolio beyond conventional rubber hoses to include advanced rubber profiles, EPDM extrusions, silicone products, and precision rubber components for diverse applications.

A significant milestone in the Company's journey was its successful listing on the BSE SME Platform in January 2026, marking the beginning of a new phase of transparent governance, stronger financial discipline, and accelerated growth. The listing has enhanced the Company's ability to invest in technology, expand production capabilities, strengthen customer relationships, and pursue new business opportunities.

Today, Defrail Technologies Limited is focused on building a diversified manufacturing business with increasing participation in high-growth sectors such as automotive, railways, defence, industrial equipment, and exports. The Company is actively pursuing global partnerships and contract manufacturing opportunities, particularly in Europe, to establish itself as a reliable international manufacturing partner.

Driven by innovation, customer-centricity, operational excellence, and sustainable growth, Defrail remains committed to creating long-term value for all stakeholders while strengthening its position as a globally competitive.

MESSAGE FROM THE MANAGING DIRECTOR – VIVEK AGGARWAL

Dear Shareholders,

It is with immense pride and gratitude that I present the Annual Report of Defrail Technologies Limited for the Financial Year 2025–26.

This year represents a landmark in our Company's journey. Our successful listing on the BSE SME Platform marked the culmination of decades of entrepreneurial commitment and the beginning of a new chapter defined by transparency, accountability and sustainable value creation. The confidence reposed in us by our shareholders inspires us to continuously raise our standards and build an organisation that creates lasting value for all stakeholders.

While Defrail Technologies Limited is a young listed entity, our manufacturing heritage extends over four decades through our promoters' unwavering commitment to engineering excellence. Over these years, we have steadily built technical capabilities in manufacturing high-performance rubber and polymer components catering to critical applications across the automotive, railways, industrial, infrastructure and defence sectors. Our journey has always been driven by one simple belief - quality creates trust, and trust creates enduring relationships.

A Year of Strong Performance

I am pleased to share that during FY 2025–26, Defrail Technologies delivered another year of healthy growth despite operating in an increasingly dynamic global business environment.

Our Standalone Revenue from Operations increased to ₹80.04 crore, registering a growth of nearly 30% over the previous year. Profit Before Tax grew by over 53%, while Profit After Tax increased to ₹4.0 crore. These results reflect the strength of our business model, disciplined execution, operational efficiencies and the confidence that our customers continue to place in our products and capabilities.

More importantly, these achievements have been accomplished while continuing to invest in manufacturing capabilities, strengthening quality systems and preparing the Company for its next phase of growth.

India – A Manufacturing Opportunity

The global manufacturing landscape is undergoing structural transformation. Businesses worldwide are actively diversifying supply chains and seeking dependable manufacturing partners capable of delivering quality, consistency and innovation.

India is uniquely positioned to benefit from this transition. Government initiatives such as Make in India, the Production Linked Incentive (PLI) schemes, increased investments in infrastructure, rapid railway modernisation, expanding defence manufacturing and sustained industrial growth are creating unprecedented opportunities for domestic manufacturers.

At Defrail Technologies, we are well positioned to participate in this transformation. Our technical expertise, manufacturing capabilities, customer-centric approach and commitment to quality provide us with a strong platform to leverage these emerging opportunities.

Building Competitive Advantage

We firmly believe that sustainable growth cannot be achieved by competing on price alone. Long-term success is built through technology, innovation, operational excellence and continuous improvement.

Accordingly, we continue to invest in modern manufacturing processes, advanced production technologies, quality assurance systems and product development. Our objective is to deliver engineering solutions that consistently exceed customer expectations while enhancing operational efficiency and maintaining global quality standards.

As customer requirements continue to evolve, we remain committed to developing products that offer superior performance, reliability and long-term value.

Vision 2030 – Expanding Our Global Footprint

As we look towards the future, we have defined a clear strategic direction for Defrail Technologies Limited.

Our Vision 2030 is to generate 30% of the Company's total revenue from exports.

This vision reflects our confidence in the quality of Indian manufacturing and our belief that Defrail possesses the capability to compete successfully in global markets.

To achieve this objective, we will focus on expanding our international customer base, strengthening our presence in strategic export markets, participating in global industry exhibitions, obtaining internationally recognised certifications where required and building long-term partnerships with overseas OEMs and industrial customers.

While exports represent a significant growth opportunity, we shall continue strengthening our domestic business by deepening relationships with existing customers and expanding our presence across high-growth sectors including automotive, railways, defence and industrial engineering.

Governance, Sustainability and Responsible Growth

Our listing has reinforced our commitment to the highest standards of corporate governance. Transparency, integrity, ethical conduct and regulatory compliance remain fundamental to every decision we make.

Equally important is our responsibility towards sustainable manufacturing. We recognise that long-term business success must be achieved responsibly by protecting the environment, ensuring workplace safety, promoting employee development and creating value for every stakeholder connected with our organisation.

These principles will continue to guide our decisions as we build a stronger and more resilient enterprise.

Our People – Our Greatest Strength

No organisation can succeed without committed people.

The achievements of Defrail Technologies are the result of the dedication, discipline and passion of our employees, whose unwavering commitment continues to strengthen our organisation every day. I sincerely thank every member of the Defrail family for their hard work and contribution.

I also express my heartfelt appreciation to our customers, suppliers, bankers, channel partners, regulatory authorities and business associates for their continued confidence and support throughout our journey.

Most importantly, I thank our shareholders for believing in our vision. Your trust motivates us to continuously improve and pursue excellence in everything we do.

Looking Ahead

The years ahead present significant opportunities for Indian manufacturing, and we are optimistic about the future.

Our priorities remain clear:

- Strengthen our manufacturing capabilities through technology and automation.
- Expand into international markets and achieve our Vision 2030 of generating 30% of revenue from exports.
- Develop innovative, value-added products for diversified industries.
- Maintain the highest standards of governance, quality and operational excellence.
- Deliver sustainable and profitable growth while creating long-term value for our shareholders.

With a strong foundation, experienced leadership, dedicated employees and the unwavering support of all our stakeholders, I am confident that Defrail Technologies Limited is well positioned to build a globally respected engineering enterprise and contribute meaningfully to India's manufacturing growth story.

On behalf of the Board of Directors, I sincerely thank you for your continued trust and partnership. Together, we look forward to shaping a future defined by innovation, excellence and sustainable growth.

Warm Regards,

Sd/-

Vivek Aggarwal
Managing Director
Defrail Technologies Limited

"Our ambition is not merely to become a larger company, but to become a globally trusted engineering partner built on quality, innovation and integrity."

Vivek Aggarwal
Managing Director

BUSINESS OVERVIEW

ENGINEERING RELIABLE RUBBER SOLUTIONS

Defrail Technologies Limited is an Indian manufacturer of engineered rubber products, specializing in the design, development, and manufacture of rubber hoses, rubber profiles, and precision rubber components for a wide range of industrial applications. With more than four decades of manufacturing expertise, the Company has established itself as a reliable partner for customers seeking high-quality, performance-driven rubber solutions.

Our products are designed to meet stringent requirements for durability, flexibility, temperature resistance, pressure performance, and long service life. Manufactured using advanced production processes and rigorous quality control systems, they serve critical applications across the automotive, railway, defence and industrial equipment, and infrastructure sectors.

The Company has developed enduring relationships with leading Tier-1 automotive suppliers, OEMs, and Indian Railways, reflecting its commitment to quality, engineering excellence, and dependable delivery. By working closely with customers from product development through commercial production, Defrail delivers customized solutions that address evolving industry requirements.

Our Business Segments

Rubber Hose & Hose Assemblies

The Company manufactures a comprehensive range of rubber hoses designed for fluid transfer, air, coolant, fuel, hydraulic, and other specialized applications. These products are engineered to perform reliably under demanding operating conditions and are supplied to automotive and industrial customers.

Rubber Profiles & Extrusions

Defrail manufactures high-quality EPDM, silicone, and other elastomer-based rubber profiles used for sealing, insulation, vibration control, and weatherproofing applications. These products are widely used across automotive, railway, construction, and industrial sectors.

Precision Rubber Components

The Company also produces precision-engineered rubber parts and assemblies designed to meet customer-specific technical and performance requirements for diverse industrial applications.

Manufacturing Excellence

Defrail's manufacturing operations are supported by modern production facilities, process-driven manufacturing practices, and comprehensive quality assurance systems. Continuous investments in technology, equipment, and employee capability enable the Company to consistently deliver products that meet demanding customer specifications while maintaining operational efficiency.

Customer-Centric Approach

The Company's philosophy is built around developing long-term partnerships with customers by offering:

- High-quality and reliable products
- Customized engineering solutions
- Competitive manufacturing capabilities
- Consistent product quality
- On-time delivery
- Responsive technical support

This customer-focused approach has enabled Defrail to build a strong presence in the domestic market while laying the foundation for international expansion.

Growth Strategy

As a newly listed company, Defrail is focused on strengthening its position as a globally competitive engineering manufacturer. Key strategic priorities include:

- Expanding manufacturing capacity and operational efficiency.
- Increasing the contribution of value-added and specialized rubber products.
- Diversifying into high-growth sectors such as railways, defence, and industrial applications.
- Expanding exports through strategic partnerships and contract manufacturing opportunities, particularly in Europe and other international markets.
- Investing in product development, process innovation, and sustainable manufacturing practices.

Looking Ahead

The Company believes that its engineering expertise, manufacturing capabilities, customer relationships, and commitment to continuous improvement provide a strong foundation for sustainable long-term growth. By leveraging India's manufacturing strengths and embracing global opportunities, Defrail aims to create lasting value for its customers, shareholders, employees, and all other stakeholders.

INDUSTRY OUTLOOK

Building on India's Manufacturing Momentum.

The rubber products industry plays a critical role in supporting key sectors of the economy, including automotive, railways, infrastructure, industrial machinery, construction, defence, agriculture, and healthcare. As these industries continue to expand, demand for high-quality engineered rubber products is expected to remain resilient.

India has emerged as one of the world's fastest-growing manufacturing economies, supported by favourable government policies, infrastructure development, increasing domestic consumption, and a strong focus on self-reliance under initiatives such as Make in India, Atmanirbhar Bharat, and the Production Linked Incentive (PLI) schemes.

These initiatives are encouraging investments in manufacturing and creating opportunities for component manufacturers with strong engineering and production capabilities.

Automotive Industry Outlook.

The automotive industry remains the largest consumer of engineered rubber components. Rubber hoses, sealing systems, profiles, bushes, and rubber components are essential in passenger vehicles, commercial vehicles, two-wheelers, off-highway equipment, and electric vehicles.

Growth drivers for the automotive sector include:

- Rising domestic vehicle demand.
- Increasing localisation of components.
- Growth in exports of automobiles and auto components.
- Expansion of electric mobility.
- Higher focus on safety, durability, and emission compliance.

The increasing complexity of modern vehicles is also driving demand for high-performance elastomeric components capable of operating under more demanding conditions.

Railway Industry Outlook.

India's railway sector continues to witness significant investment in network expansion, rolling stock modernisation, freight corridors, station redevelopment, metro rail systems, and high-speed rail projects.

Rubber products are widely used in railway applications for vibration control, sealing, air brake systems, door systems, suspension components, and passenger comfort solutions.

The continued emphasis on modernisation and indigenous manufacturing is expected to create long-term opportunities for domestic suppliers with proven quality and engineering capabilities.

Industrial & Infrastructure Outlook.

Rapid industrialisation, urban infrastructure development, renewable energy projects, construction equipment, and process industries continue to drive demand for specialised rubber products.

Industrial customers increasingly require products offering:

- Longer service life
- Higher operating efficiency
- Chemical resistance
- Heat resistance
- Lower maintenance requirements

Manufacturers capable of delivering customised engineering solutions are expected to benefit from these evolving requirements.

Defence & Aerospace Opportunities.

India's increasing focus on indigenous defence manufacturing and defence exports presents opportunities for specialised rubber components used in military vehicles, defence equipment, aerospace systems, sealing applications, and fluid transfer systems.

As localisation initiatives continue to strengthen, component manufacturers with advanced manufacturing capabilities may benefit from increasing procurement from domestic sources.

Export Opportunities.

Global manufacturers continue to diversify their supply chains and reduce dependence on a single sourcing geography. India has emerged as an attractive manufacturing destination due to its:

- Competitive manufacturing costs.
- Skilled engineering workforce.
- Established automotive component ecosystem.
- Improving infrastructure.
- Strong quality standards.
- Growing export capabilities.

These trends are creating opportunities for Indian manufacturers to participate in global supply chains through contract manufacturing, strategic partnerships, and long-term supply agreements.

Technology & Innovation.

The rubber industry is witnessing increasing adoption of:

- Advanced elastomer formulations.

- Automation and digital manufacturing.
- Precision extrusion technologies.
- Product simulation and design optimisation.
- Enhanced quality assurance systems.
- Sustainable manufacturing practices.

Investment in technology and innovation is expected to remain a key differentiator for manufacturers serving global customers.

Sustainability.

Environmental considerations are becoming increasingly important across the manufacturing value chain. Customers are seeking suppliers that focus on:

- Efficient resource utilisation.
- Waste reduction.
- Energy conservation.
- Responsible sourcing.
- Compliance with environmental regulations.
- Sustainable manufacturing practices.

Companies that integrate sustainability into their operations are expected to strengthen their competitiveness and customer relationships.

Outlook for Defrail Technologies Limited.

Defrail Technologies Limited is well positioned to benefit from these industry trends through its established manufacturing expertise, diversified product portfolio, and long-standing relationships with Tier-1 automotive suppliers, OEMs, and Indian Railways. The Company's strategic focus on operational excellence, product development, export expansion, and customer-centric manufacturing provides a strong platform for sustainable growth.

Looking ahead, Defrail aims to strengthen its presence in domestic markets while expanding into international markets through contract manufacturing and strategic collaborations. By leveraging India's manufacturing advantages and maintaining a strong commitment to quality, innovation, and responsible business practices, the Company seeks to create long-term value for its customers, shareholders, employees, and other stakeholders.

Cautionary Statement.

The statements made in this section describe the Company's expectations based on current market conditions, industry trends, and management assumptions. Actual results may differ materially due to changes in economic conditions, government policies, raw material prices, competitive dynamics, technological developments, customer demand, geopolitical events, or other factors beyond the Company's control. Forward-looking statements should be interpreted in this context.

MANAGEMENT DISCUSSION & ANALYSIS

1. Overview.

The financial year 2025–26 was a significant milestone in the journey of Defrail Technologies Limited, marked by the successful listing of the Company's equity shares on the BSE SME Platform. The listing not only enhanced the Company's corporate profile but also strengthened its governance framework, financial flexibility, and visibility among investors, customers, and other stakeholders.

The Company continued to build on its legacy of engineering excellence by manufacturing high-quality rubber and polymer components catering to diversified industries including Automotive, Railways, Industrial Engineering, Defence, Infrastructure, and Allied Sectors. With a customer-centric approach, continuous investments in technology, and a strong emphasis on quality, the Company delivered healthy operational and financial performance during the year.

The Management remains focused on creating sustainable long-term value by strengthening manufacturing capabilities, expanding into export markets, improving operational efficiencies, and developing innovative engineering solutions aligned with the evolving needs of customers.

2. Global Economic Overview.

The global economy demonstrated resilience during 2025 despite persistent geopolitical uncertainties, supply chain disruptions, inflationary pressures, and fluctuating commodity prices. While economic growth moderated across several developed economies, manufacturing activity gradually improved as global supply chains continued to stabilize.

Several multinational corporations accelerated their supply chain diversification strategies by reducing dependency on concentrated sourcing locations and exploring alternative manufacturing destinations. This structural shift continues to create long-term opportunities for manufacturing companies capable of delivering quality, reliability, and competitive pricing.

Technological advancement, automation, sustainability, and digital transformation remained key priorities across manufacturing industries worldwide. Companies investing in innovation, operational excellence, and responsible manufacturing practices are expected to remain better positioned for sustainable growth.

3. Indian Economic Overview.

India continued to remain one of the fastest-growing major economies globally, supported by robust domestic demand, government-led infrastructure development, favourable demographic trends, and continued policy support for manufacturing.

Government initiatives such as Make in India, Atmanirbhar Bharat, Production Linked Incentive (PLI) Schemes, increased capital expenditure on infrastructure, railway modernization, and defence indigenization have significantly strengthened India's manufacturing ecosystem.

The continued focus on industrial development, logistics infrastructure, and export promotion is expected to create substantial opportunities for domestic engineering and component manufacturers over the medium to long term.

India's growing reputation as a reliable global manufacturing hub, coupled with increasing foreign investments and expanding industrial capacity, provides a favourable business environment for companies such as Defrail Technologies Limited.

4. Industry Structure & Developments.

Rubber and Polymer Industry

The Indian rubber and polymer components industry plays a vital role in supporting multiple sectors including Automotive, Railways, Industrial Machinery, Defence, Construction Equipment, Oil & Gas, and Infrastructure.

Increasing industrialization, vehicle production, railway expansion, urban infrastructure development, and rising investments in manufacturing continue to drive demand for high-performance rubber engineering products.

Customers are increasingly demanding products offering higher durability, improved safety, enhanced performance, and compliance with stringent quality standards. Consequently, manufacturers are focusing on technological advancements, process automation, product innovation, and quality assurance.

Automotive Industry

India continues to rank among the world's largest automobile markets. Growing domestic demand, increasing vehicle exports, transition towards cleaner mobility, and expanding OEM manufacturing capacities are expected to support long-term demand for precision rubber components.

As vehicle technology evolves, the need for high-performance sealing systems, hoses, rubber components, and engineered rubber solutions is expected to increase significantly.

Railway Sector

Indian Railways continues to be one of the largest infrastructure investment areas for the Government of India. Modernization of rolling stock, expansion of railway networks, implementation of dedicated freight corridors, station redevelopment, and increasing investments in passenger safety are expected to generate sustained demand for specialized railway components.

Being associated with the railway sector provides long-term growth opportunities for engineering companies capable of consistently meeting stringent quality and performance standards.

Defence Manufacturing

India's continued emphasis on self-reliance in defence manufacturing under the Atmanirbhar Bharat initiative has created significant opportunities for domestic manufacturers supplying engineering products and components.

Increasing localization, indigenous manufacturing, and strategic procurement policies are expected to support long-term growth in this segment.

Export Market

Global supply chain realignment has created substantial opportunities for Indian manufacturers. International customers increasingly seek reliable suppliers capable of delivering quality products, competitive pricing, and timely delivery.

Recognizing this opportunity, the Company has identified exports as a strategic growth pillar and has established a long-term objective of generating 30% of its total revenue from exports by 2030.

5. Business Overview.

Defrail Technologies Limited is engaged in the manufacturing of high-quality rubber and polymer engineering products catering to diverse industrial applications.

The Company's product portfolio includes:

- Rubber Hoses
- Railway Air Brake Hoses
- Silicone Hoses
- Hydraulic Hoses
- Rubber Profiles
- Rubber Extrusions
- Precision Rubber Components
- Industrial Rubber Products

The Company primarily serves customers operating in:

- Automotive
- Railways

- Defence
- Industrial Engineering
- Infrastructure
- Petrochemical and Allied Industries

The Company's competitive advantage lies in its engineering expertise, customer-focused approach, strong quality systems, manufacturing capabilities, and experienced leadership.

6. Financial Performance.

During FY 2025–26, the Company delivered another year of healthy growth supported by improved operational efficiencies and increased business volumes.

Standalone Performance

Particulars	FY 2025–26	FY 2024–25
Revenue from Operations	₹80.04 Crore	₹61.76 Crore
Profit Before Tax	₹5.92 Crore	₹3.87 Crore
Profit After Tax	₹4.00 Crore	₹3.51 Crore

The Company recorded revenue growth of approximately 30%, while Profit Before Tax increased by over 53% compared to the previous financial year.

The financial performance reflects disciplined cost management, operational efficiency, improved production utilization, and continued customer confidence.

The Company remains committed to maintaining healthy profitability while investing in future growth initiatives.

7. Operational Performance.

During the financial year under review, Defrail Technologies Limited continued to strengthen its operational capabilities by focusing on manufacturing excellence, quality enhancement, process optimisation, and customer satisfaction. The Company's emphasis on operational discipline enabled it to meet increasing customer requirements while maintaining consistent product quality and delivery performance.

The Company undertook various initiatives aimed at improving production efficiency, optimising resource utilisation, reducing process losses, and enhancing productivity across its manufacturing operations. Continuous monitoring of key operational parameters and implementation of best manufacturing practices contributed towards improved operational performance during the year.

Defrail's manufacturing facility is equipped with modern machinery and testing infrastructure capable of producing a diversified range of rubber and polymer engineering products for critical applications. The Company's focus on preventive maintenance, quality assurance, and process standardisation continues to support operational reliability and customer confidence.

Quality remains one of the Company's strongest competitive differentiators. Every product is manufactured in accordance with stringent quality standards and undergoes rigorous testing before dispatch. Continuous investment in quality systems and manufacturing processes enables the Company to consistently meet customer expectations across diverse industry segments.

The Company also continued strengthening its relationships with existing customers while expanding its presence across multiple sectors including Automotive, Railways, Industrial Engineering and Defence, thereby reducing dependence on any single customer or industry.

8. Opportunities & Growth Drivers.

The Management believes that the Company is well positioned to capitalise on several long-term structural growth opportunities.

Infrastructure Development

The Government of India's continued emphasis on infrastructure development, industrial expansion, logistics, and transportation is expected to drive sustained demand for engineering products and industrial components.

Railway Modernisation

Indian Railways continues to undertake significant investments in rolling stock, safety systems, network expansion and station redevelopment. Increasing localisation of railway components presents attractive business opportunities for domestic manufacturers possessing strong engineering capabilities and quality systems.

Automotive Industry Growth

Growing vehicle production, increasing localisation by OEMs, rising demand for commercial vehicles and technological advancements in the automotive sector are expected to generate higher demand for specialised rubber components.

Defence Manufacturing

The Government's focus on indigenous defence manufacturing under the Atmanirbhar Bharat initiative continues to create long-term opportunities for Indian engineering companies supplying quality products to the defence ecosystem.

Export Opportunities

Global supply chain diversification presents one of the most significant growth opportunities for Indian manufacturers.

Defrail Technologies has identified exports as a strategic priority and intends to progressively increase its international presence through customer acquisition, product development and adherence to international quality standards.

The Company's Vision 2030 of generating 30% of total revenue from exports reflects its commitment to becoming a globally recognised engineering solutions provider.

Product Diversification

Continuous product innovation and expansion into adjacent industrial applications will enable the Company to strengthen customer relationships and diversify revenue streams.

9. Threats & Challenges.

While the long-term outlook remains positive, the Company continues to monitor various external and internal challenges that could impact business performance.

Major challenges include:

- Volatility in raw material prices, particularly natural rubber, synthetic rubber and petrochemical derivatives.
- Intense competition from organised and unorganised manufacturers.
- Global geopolitical uncertainties affecting supply chains.
- Fluctuations in foreign exchange rates.
- Rising logistics and transportation costs.
- Increasing customer expectations regarding quality, delivery and pricing.
- Availability and retention of skilled technical manpower.

The Company continuously reviews these challenges and adopts proactive strategies to minimise their impact on business operations.

10. Risk Management.

Risk management forms an integral part of the Company's overall business strategy and corporate governance framework.

The Company has established systems and processes to identify, assess, monitor and mitigate various business risks that may affect operational performance or long-term sustainability.

Major Business Risks

Raw Material Risk

Rubber and polymer-based raw materials constitute a significant portion of manufacturing costs. Price fluctuations arising from global supply-demand dynamics may impact profitability.

Mitigation

- Multiple approved suppliers
- Long-term supplier relationships
- Inventory planning
- Cost optimisation initiatives

Customer Concentration Risk

Dependence on a limited number of customers may impact revenues.

Mitigation

- Customer diversification
- Expansion into new industries
- Export market development
- Continuous business development initiatives

Market Competition

The engineering products industry remains highly competitive.

Mitigation

- Focus on quality
- Product innovation
- Customer service
- Operational efficiency
- Value-added engineering solutions

Technology Risk

Rapid technological changes require continuous upgradation.

Mitigation

- Investment in modern manufacturing equipment
- Process automation

- Employee training
- Continuous improvement initiatives

Regulatory Risk

The Company operates within various statutory and regulatory frameworks.

Mitigation

- Strong compliance culture
- Regular legal reviews
- Internal monitoring systems
- Independent professional advice wherever necessary

Foreign Exchange Risk

Future export expansion may expose the Company to currency fluctuations.

Mitigation

- Natural hedging
- Appropriate treasury management
- Continuous monitoring of currency movements

11. Internal Control Systems & Their Adequacy.

The Company has established adequate internal control systems commensurate with the size, scale and complexity of its operations.

These controls are designed to ensure:

- Protection of Company assets
- Accuracy and reliability of financial reporting
- Compliance with applicable laws and regulations
- Operational efficiency
- Prevention and detection of frauds and errors
- Proper authorisation of business transactions

The Company has implemented standard operating procedures across key business functions including procurement, production, inventory management, finance, sales and human resources.

Internal audits are conducted periodically by independent professionals covering operational, financial and compliance areas. The observations and recommendations arising from internal audits are reviewed by the Audit Committee and corrective actions are implemented wherever necessary.

The Audit Committee regularly reviews the effectiveness of internal control systems and provides guidance for continuous strengthening of governance practices.

12. Financial Risk Management.

The Company's financial management framework focuses on maintaining liquidity, prudent capital allocation and effective working capital management.

Management continuously monitors:

- Cash flow position
- Working capital requirements
- Credit exposure
- Inventory levels
- Receivable management
- Capital expenditure

The objective is to ensure financial stability while supporting future business expansion.

13. Human Resources.

The Company firmly believes that its employees are its most valuable asset and the cornerstone of its sustained growth and success. Defrail Technologies Limited is committed to fostering a workplace culture built on integrity, mutual respect, collaboration, innovation and continuous learning.

During the year, the Company continued to focus on strengthening its human capital by attracting skilled talent, enhancing employee capabilities and promoting a performance-driven work environment. Various initiatives were undertaken to improve employee engagement, technical competency and leadership development across functions.

The Company encourages continuous learning through structured training programmes, on-the-job skill enhancement and knowledge sharing. Employees are provided opportunities to upgrade their technical and managerial capabilities to meet evolving business requirements and technological advancements.

Employee health, safety and well-being remain integral to the Company's people strategy. The Company is committed to providing a safe, inclusive and respectful workplace while ensuring compliance with all applicable labour laws and statutory requirements.

Industrial relations remained cordial throughout the financial year, reflecting the strong commitment and cooperation between employees and the management.

As on 31 March 2026, the Company had around 400-500 employees.

The Management places significant emphasis on building a culture that rewards performance, encourages innovation and nurtures future leaders capable of driving the Company's long-term growth.

14. Health, Safety & Environment (HSE).

Defrail Technologies Limited recognises that sustainable business growth can only be achieved by ensuring the highest standards of health, safety and environmental responsibility.

The Company continues to implement appropriate systems, processes and operating practices aimed at providing a safe working environment for all employees, contractors and visitors.

Key focus areas include:

- Compliance with applicable health and safety regulations.
- Periodic safety inspections and workplace audits.
- Preventive maintenance of machinery and equipment.
- Employee awareness programmes on workplace safety.
- Use of appropriate personal protective equipment (PPE).
- Emergency preparedness and response mechanisms.
- Continuous monitoring of environmental compliance.

The Company remains committed to minimising its environmental footprint through efficient utilisation of natural resources, responsible waste management, energy conservation and continuous improvement in manufacturing practices.

Going forward, environmental sustainability will remain an integral component of the Company's growth strategy.

15. Information Technology & Digital Transformation.

Technology continues to play an increasingly important role in improving operational efficiency, business continuity and decision-making.

The Company continues to strengthen its digital capabilities across various business functions including finance, procurement, inventory management, production planning, customer servicing and management reporting.

The Company also focuses on improving data security, system reliability and business process automation to support future business growth.

As the Company expands its operations and export footprint, digital transformation initiatives will continue to receive greater attention to improve productivity, transparency and customer responsiveness.

16. ESG & Sustainability.

Defrail Technologies Limited believes that responsible business practices are fundamental to sustainable long-term value creation.

The Company's approach towards sustainability is guided by three core principles:

Environmental Responsibility

The Company continuously strives to optimise resource utilisation, minimise waste generation and improve operational efficiency through responsible manufacturing practices.

Social Responsibility

The Company remains committed to employee welfare, workplace safety, diversity, skill development and contributing positively to the communities in which it operates.

Strong Governance

The Company maintains high standards of corporate governance, ethical business conduct, transparency and regulatory compliance.

As a listed entity, Defrail Technologies is committed to continuously strengthening its ESG framework in line with evolving stakeholder expectations and regulatory developments.

17. Outlook.

The long-term outlook for Defrail Technologies Limited remains positive.

India's growing manufacturing sector, increasing investments in infrastructure, railway modernisation, industrial development and defence manufacturing are expected to create significant opportunities for engineering companies over the coming years.

In addition, global supply chain diversification continues to position India as a preferred manufacturing destination, creating attractive opportunities for export-oriented businesses.

The Company intends to leverage these opportunities by:

- Expanding manufacturing capabilities.

- Strengthening customer relationships.
- Increasing operational efficiencies.
- Investing in technology and automation.
- Developing innovative engineering products.
- Enhancing quality standards.
- Expanding exports across strategic international markets.

The Company has adopted a clear Vision 2030 to generate 30% of its total revenue through exports, reflecting its commitment towards becoming a globally recognised engineering solutions provider.

While short-term market uncertainties may continue to exist, the Management remains confident that the Company's strong manufacturing capabilities, experienced leadership, customer-centric approach and disciplined execution will enable it to deliver sustainable long-term growth.

18. Key Financial Ratios & Analytical Review.

The Company continuously monitors various financial and operational parameters to assess business performance and ensure efficient utilisation of resources.

Key performance indicators during FY 2025–26 demonstrate the Company's continued focus on improving operational efficiency, profitability and capital utilisation.

Management remains committed to maintaining prudent financial discipline while investing strategically in future growth initiatives.

(Insert the table below after audit confirmation.)

Ratio	FY 2025–26	FY 2024–25
Debtors Turnover	6.17	8.04
Inventory Turnover	3.42	5.96
Interest Coverage Ratio	7.57	4.73
Current Ratio	1.82	1.04
Debt Equity Ratio	0.28	1.12
Operating Profit Margin	8.52	7.95
Net Profit Margin	5.00	5.70

19. Future Strategy.

The Company's long-term strategy is built around six key pillars:

Manufacturing Excellence

Enhancing productivity through process optimisation, quality improvement and automation.

Export Expansion

Strengthening global presence with a target of generating 30% of revenue from exports by 2030.

Product Innovation

Developing high-performance rubber and polymer engineering solutions aligned with evolving customer needs.

Customer Diversification

Expanding presence across Automotive, Railways, Defence, Industrial and emerging engineering sectors while broadening the customer base.

Operational Efficiency

Maintaining disciplined cost management, improving asset utilisation and driving continuous improvement initiatives.

Governance & Sustainability

Embedding strong corporate governance, ethical business conduct and sustainable manufacturing practices into every aspect of operations.

20. Cautionary Statement.

Statements made in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations.

Actual results may differ materially from those expressed or implied due to various factors including changes in economic conditions, government policies, market demand, raw material prices, foreign exchange fluctuations, technological developments, competitive pressures and other risks beyond the Company's control.

The Company undertakes no obligation to publicly update or revise any forward-looking statements based on subsequent developments, information or events except as required under applicable laws.

NOTICE OF THE 3RD ANNUAL GENERAL MEETING

Notice is hereby given that the 3rd Annual General Meeting of the Members of Defrail Technologies Limited will be held on Thursday, September 10, 2026 at Plot no – 180, Sector – 24, Faridabad, Haryana – 121005 at 12:00 Noon (IST) to transact the following business: -

ORDINARY BUSINESS:

1. TO CONSIDER AND ADOPT;

(a) THE AUDITED STANDALONE FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026, TOGETHER WITH THE REPORT OF THE BOARD OF DIRECTORS AND AUDITORS THEREON;

(b) THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026, AND THE REPORT OF AUDITORS THEREON.

Ordinary Resolution(s):

TO CONSIDER AND, IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

a) **"RESOLVED THAT** the Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2026 and the report of Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

b) **"RESOLVED FURTHER THAT** the Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon, as circulated to the Members, be and hereby considered and adopted."

"RESOLVED FURTHER THAT any of the Director(s) of the Company be and is hereby authorized to report the Financials and Board Report along with necessary returns to the Registrar of companies."

SPECIAL BUSINESS:

2. TO APPOINT SECRETARIAL AUDITOR OF THE COMPANY;

Ordinary Resolution(s):

TO CONSIDER AND, IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), other applicable laws/statutory provisions, if any, as amended from time to time, M/s Yogita Bhatia & Associates, Practising Company Secretaries (COP: 14649) be and are hereby appointed as Secretarial Auditors of the Company for term of five consecutive years commencing from financial year 2026-27 till financial year 2030-31, at such fees, plus applicable taxes and other out-of-pocket expenses as may be mutually agreed upon between the Board of Directors of the Company and the Secretarial Auditors. ”

By the Order of the Board

For DEFRAIL TECHNOLOGIES LIMITED

Sd/-
Vivek Aggarwal
Managing Director
DIN- 09249636

Date: August 10, 2026
Place: Faridabad

Notes:

(i) Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at this Annual General Meeting ('AGM') is annexed.

(ii) A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote and such proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of paid-up share capital of the Company. However, a member holding more than 10% of the total share capital of the Company may appoint a single person as proxy provided that such person shall not act as proxy for any other person or member. A Proxy Form is annexed to this notice.

(iii) If a Proxy is appointed for more than fifty (50) Members, he/she shall choose any fifty (50) Members and confirm the same to the Company before the commencement of period specified for inspection of proxy lodged. In case the Proxy fails to do so, the Company shall consider only the first fifty proxies received as valid.

(iv) The form of proxy shall be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days' written notice is given to the Company.

(v) An instrument of Proxy duly filled, stamped, and signed is valid only for this Annual General Meeting including any adjournment thereof.

(vi) Members/Proxies/Representatives are requested to bring the attendance slip, annexed herewith, for attending the meeting, duly completed, and signed mentioning therein details of their DP ID and Client ID/Folio No.

(vii) In case of joint holders attending the Meeting, only such a joint holder whose name appears as the first holder in the Register of Members will be entitled to vote at the Meeting.

(viii) The relevant documents referred to in the Notice are available for inspection by the members at the Registered Office of the Company during business hours on any working day (i.e., except Saturdays, Sundays &

Public Holidays) between 10.00 a.m. IST to 5.00 p.m. IST up to the date of the Meeting.

(ix) Corporate/Institutional Members are entitled to appoint authorized representatives to attend the AGM on their behalf and cast votes through remote E-voting or physical voting at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board Resolution/Authorization letter to the Company at cs@defrailtech.com or to the registered office of the Company at Plot no 180 Sector 24 Faridabad 121005.

(x) Remote e-Voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of Central Depository Services Limited ('CDSL) and Maashitla Securities Private Limited (RTA). The Board has appointed M/s Yogita Bhatia & Associates, as the Scrutinizer to scrutinize the process of e-voting. Kindly refer below for detailed instructions for remote e-voting.

Detailed instructions for attending the AGM and for e-voting are annexed.

(xi) Remote e-voting will commence at 9.00 a.m. (IST) on Monday, 07th September, 2026 and will end at 5.00 p.m. (IST) on Wednesday, 09 September, 2026, (both days inclusive). During this period, Members holding shares, as on the Cutoff date i.e., Thursday, 03rd September 2026 may cast their vote electronically or for participation and voting in the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the closure of business hours on cut-off date shall be entitled to vote on the resolutions through the facility of Remote e-Voting or participate and or e-voting during the AGM. Once the vote on a resolution is cast by the Member, he/she/it shall not be allowed to change it subsequently.

(xii) Voting rights will be reckoned on the paid-up value of the shares registered in the name of the Members on Thursday, 03rd September, 2026 (cut-off date). Only those Members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only.

(xiii) In accordance with the regulatory requirements, the Notice of this AGM and the Report and Accounts 2026 will be sent through electronic mode to those Members who have registered their e-mail address with the Company or the Depositories; a communication providing web-links for accessing these documents will be sent to the other Members.

Members who have not yet registered their e-mail address with the Company are requested to please update your email id & mobile no. with your respective Depository Participant (DP).
Members desirous of obtaining physical copies of the Notice and the Report and Accounts may send a request to the Company, mentioning their name and DP ID & Client ID / folio number, at cs@defrailtech.com or by post to the registered office of the Company at Plot no 180 Sector 24 Faridabad 121005.

(xiv) Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM but shall not be entitled to cast their vote on such resolution again.

(xv) Any person who becomes a member after dispatch of the Notice and holds shares as on the cut-off date may obtain User ID and Password by sending a request at helpdesk.evoting@cdslindia.com or contact toll free on 1800 210 9911.

(xvi) However, if he/she is already registered with CDSL for remote e-voting then he/ she can use his/her existing User ID and Password for casting the vote.

(xvii) In case of individual shareholders holding securities in dematerialized 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 under "Login method for remote e-voting and joining virtual meeting for individual shareholders holding securities in dematerialized mode."

(xviii) 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.

(xix) The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, the Register of contracts with related party, and contracts and bodies etc. in which Directors are interested under Section 189 of the Act will be available for inspection during the AGM, for which purpose Members are required to send a request at cs@defrailtech.com.

(xx) The resolutions as set out in this Notice are being conducted through E-voting. The said resolutions will not be decided by show of hand at the AGM. The members can opt for only one mode of voting i.e., either by remote E-voting or by Ballot Paper, if required under applicable law at the meeting. The members who have cast their vote by remote E-voting are eligible to attend the AGM but shall not be entitled to cast their vote again. In case of any unforeseen technical failure or eventuality resulting into non- functionality of the electronic voting system at the meeting, members would be provided the Ballot Paper, if required under applicable law for casting their vote at the meeting.

(xxi) Route Map: Since this AGM is held physically, Route Map showing the location of and directions to reach the venue of the 03rd AGM is attached, pursuant to Secretarial Standard-2 on General Meetings.

(xxii) In this Notice and Annexure(s) thereto the terms "Shareholders" and "Members" are used interchangeably.

(xxiii) Electronic copy of the full annual report for 2025-26 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. Electronic copy of the Notice of the 03rd Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes. The Company, in accordance with Regulation 36(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, will be sending separate letter to those Members who have not registered their email addresses with the Company, providing web-link of the Annual Report 2025-26.

(xxiv) The notice and the Annual Report are being sent to all the members, whose names appeared in the Register of Members as on Friday, August 14, 2026. The Notice along with Annual Report can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia. com and the same is also available on the website of the Company defrailtech.in

(xxv) Procedure for registering the email addresses and obtaining the Annual Report, AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form)

i. Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

1. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.

ii. Those members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting Maashitla Securities Private Limited, the Registrar and Share Transfer Agent of the Company, in case the shares are held in physical form.

PROCEDURE FOR REMOTE E-VOTING

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

Step 1 **:** Access through Depositories CDSL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 **:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 07th September 2026 from 09:00 A.M. and ends on 09th September, 2026 at 05:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 03rd September, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders**, **by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular**,** Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	**Login Method**
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider

	for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under

	'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **company name or e-Voting service provider 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.
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at: 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

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

2) Click on "Shareholders" module.

3) Now enter your User ID

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

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

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

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.

PAN	Enter your 10 Digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on “SUBMIT” tab.

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

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

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

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

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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

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

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

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively non-individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@defrailtech.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, AVP, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no.1800 21 09911.

By the Order of the Board
For DEFRAIL TECHNOLOGIES LIMITED

Sd/-
Vivek Aggarwal
Managing Director
DIN- 09249636

Date: August 10, 2026
Place: Faridabad

Explanatory Statement.

As required under Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 2 of the accompanying Notice:

The Board at its meeting held on January 14, 2026, based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of M/s Yogita Bhatia & Associates, Practising Company Secretaries, a peer reviewed firm (COP Number: 14649) as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2026-27 till FY 2030-31, subject to approval of the Members**.**

The appointment of Secretarial Auditors shall be in terms of the amended Regulations SEBI Listing Regulations and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

M/s Yogita Bhatia & Associates has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation of the SEBI Listing Regulations. The services to be rendered by M/s Yogita Bhatia & Associates as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/ HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

The proposed fees in connection with the secretarial audit shall be Rs. 1,00,000/- (Rupees One Lakh only) plus applicable taxes and other out-of-pocket expenses for FY 2027, and for subsequent year(s) of their term, such fees as may be mutually agreed between the Board of Directors and Yogita Bhatia & Associates. In addition to the secretarial audit, Yogita Bhatia & Associates shall provide such other services in the nature of certifications and other professional work, as approved by the Board of Directors. The relevant fees will be determined by the Board, as recommended by the Audit Committee in consultation with the Secretarial Auditors.

The Board recommends the Ordinary Resolution as set out in Item No. 2 of this Notice for approval of the Members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, in the Resolution set out in Item No. 2 of this Notice.

Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L30204HR2023PLC115548
Name of the company:	Defrail Technologies Limited.
Registered office:	Plot no – 180, Sector - 24, Faridabad – 121005 (Haryana)

Name of the member(s):
Registered address:
Email Id:
Folio No./Client Id:
DP ID:

I/We, being the member (s) of ………………… shares of the above-named company, hereby appoint

1.	Name:		2.	Name:	
	Address:			Address:	
	E-mail Id:			E-mail Id:	
	Signature:			Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 3rd Annual General Meeting of the company, to be held on Thursday September 10, 2026, at 12:00 Noon (IST). at Plot no – 180, Sector – 24, Faridabad, Haryana – 121005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Particulars
1.	To consider and adopt; The audited standalone financial statements of the Company for the financial year ended March 31, 2026 together with the report of the Board of Directors and Auditors thereon; The audited consolidated financial statements of the Company for the financial year ended March 31, 2026 and the report of Auditors thereon.
2.	To appoint secretarial auditor of the company.

Signed this…… day of………………. 2026

Affix Revenue Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I hereby record my presence at the 3rd Annual General Meeting of Defrail Technologies Limited on Thursday September 10, 2026 at 12:00 Noon (IST). at Plot no – 180, Sector – 24, Faridabad, Haryana – 121005.

Folio No./DP ID-Client ID

____

Full Name of the Shareholder in Block Letters:

____

No. of Shares held:

____

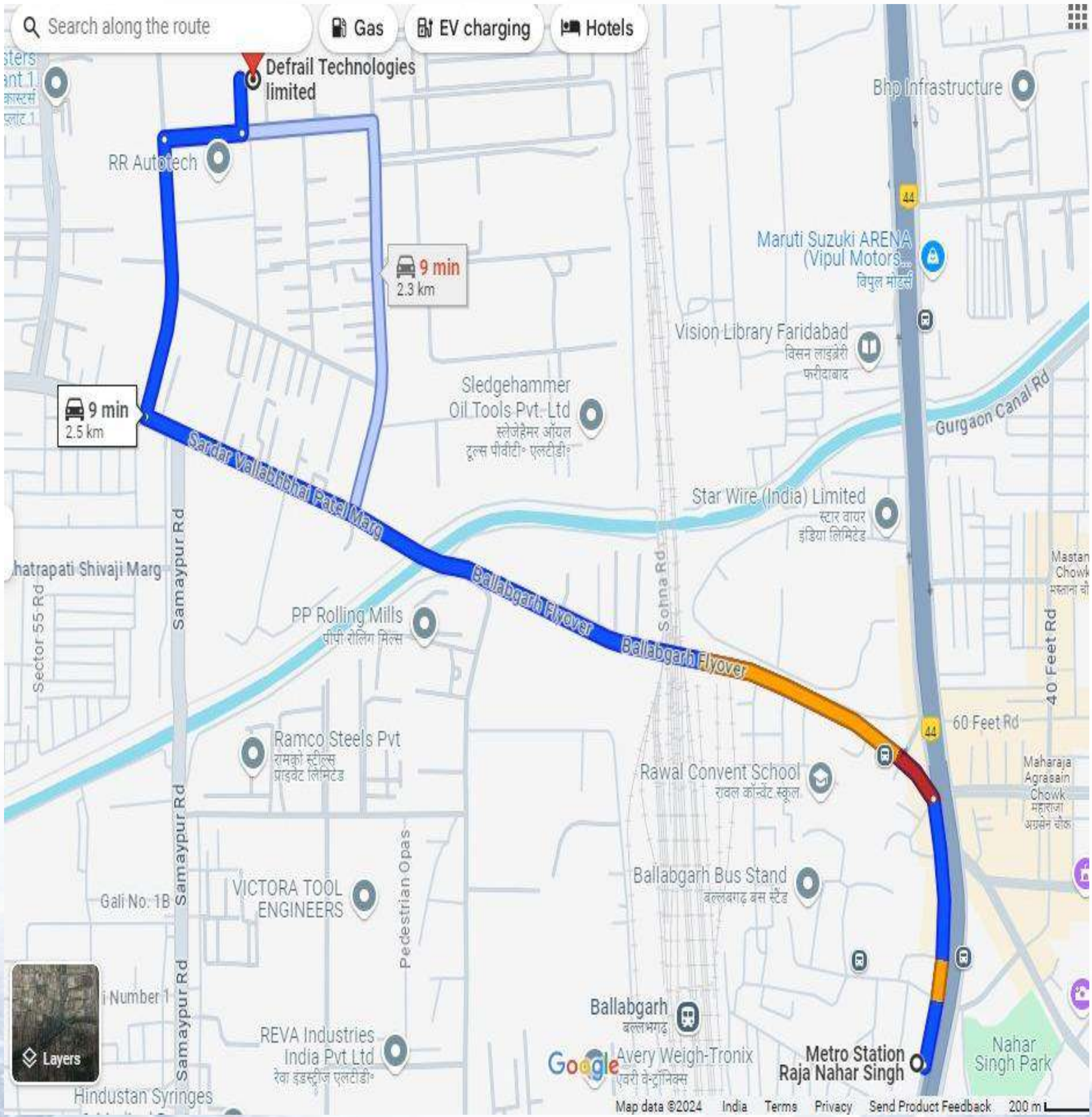
Name of Proxy (if any) in Block Letters:

____

Signature of the Shareholder/Proxy/Representative*

*** Strike out whichever is not applicable.**

Route Map for venue of Annual General Meeting.



DIRECTOR'S REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

To,
The Members,
Defrail Technologies Limited

DEAR ESTEEMED MEMBERS,

The Board of Directors of Defrail Technologies Limited ("the Company") are pleased to present the Third (3rd) Annual Report on the business and operations of the Company along with the Audited Financial Statements (Standalone and Consolidated) and Audit Report thereon for the financial year ended March 31, 2026 ('year under review') prepared in due compliance to the provisions of the Companies Act, 2013 read with rules made thereunder.

FINANCIAL HIGHLIGHTS.

Your Company's financial affairs & performance during the year as compared with previous year is summarized below:

(Rs. In lakhs)

	Standalone		Consolidated	
PARTICULARS	**FY 25-26**	**FY 24-25**	**FY 25-26**	**FY 24-25**
(a) Revenue from operations	8004.45	6176.78	8025.82	6220.93
(b) Other Income	10.93	1.01	19.35	1.15
Total Income from operations	8015.38	6177.79	8045.17	6222.08
Earnings Before Depreciation, Finance cost & Tax	763.58	553.52	782.19	579.31
(a) Finance costs	90.16	103.84	90.89	105.05
(b) Depreciation & amortization expense	80.89	62.69	94.85	76.61
Profit Before Tax* **	592.52	386.99	596.45	397.65
Provision for Tax & Deferred Tax	191.90	35.07	195.49	120.47
Profit After Tax	400.63	351.93	400.96	277.18
Profit available for appropriation	400.63	351.93	400.96	277.18
Dividend including Tax on Dividend	0	0	0	0
Earnings per share (Rs.)	7.26	6.82	7.26	5.37

THE STATE OF THE COMPANY'S AFFAIRS AND OPERATION / PERFORMANCE.

During the financial year ended March 31, 2026, the Company continued to demonstrate operational resilience and financial stability amidst a dynamic business environment.

STANDALONE FINANCIAL STATEMENTS.

The Company's revenue from operations increased to Rs. 8,004.45 Lakhs as compared to Rs. 6,176.78 Lakhs in the previous financial year, registering a healthy growth of approximately 30%. Total income stood at Rs. 8,015.38 Lakhs as against Rs. 6,117.79 Lakhs in the previous year, reflecting an increase of approximately 6.8%, supported by improved operational efficiencies and higher other income.

The Company reported a Profit before Tax (PBT) of Rs. 592.52 Lakhs during the year. The Company maintained a strong profitability profile in a dynamic business environment.

The Profit after Tax (PAT) for the year stood at Rs. 400.63 Lakhs as compared to Rs. 351.93 Lakhs in the previous year. The Company recorded a Total Comprehensive Income of Rs. 8,015.38 Lakhs, reflecting its sustained focus on long-term value creation and financial discipline.

During the year, the Company continued to strengthen its operational processes, optimize resource utilization, enhance product quality standards, and maintain strong customer relationships. The management remained focused on cost optimization, productivity enhancement, technological improvements, and strengthening its market presence across key business segments.

The Directors are pleased to note that the Company continues to maintain a strong financial position, healthy cash flows, and a robust balance sheet, which provides a solid foundation for future growth and expansion opportunities. The management remains committed to pursuing sustainable growth, improving operational excellence, and delivering consistent value to all stakeholders.

The profit figure does not include profits from Impex Hi-Tech Rubber Private Limited the Company's wholly-owned subsidiary.

CONSOLIDATED FINANCIAL STATEMENTS.

During the financial year ended March 31, 2026, in accordance with the provisions of the Companies Act, 2013, the applicable Accounting Standards requirements, wherever applicable, the Consolidated Financial Statements of the Company and its subsidiary have been prepared.

The Consolidated Financial Statements, together with the Auditors' Report thereon, form part of the Annual Report. The Consolidated Financial Statements provide a comprehensive view of the financial performance, financial position, cash flows, assets and liabilities of the Company and its subsidiary as a single economic entity.

The Board believes that the Consolidated Financial Statements present a fair and holistic view of the state of affairs and operational performance of the Group during the financial year ended March 31, 2026.

CHANGE IN NATURE OF BUSINESS, IF ANY.

The Company has neither commenced any new business nor discontinued/sold or disposed off any of its existing businesses and has not hived off any segment or division during the year under review.

SHARE CAPITAL AND DEBT STRUCTURE.

Authorized Share Capital.

The Authorized Share Capital of the Company as on March 31, 2026 is ₹ 15,00,00,000/- (Rupees Fifteen Crore only) divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of the face value of ₹ 10/- (Rupees Ten) each.

During the year under review, the Company has not increased its Authorized Share Capital.

a) Issued, Subscribed and Paid-Up Share Capital.

The issued, subscribed and paid-up Share Capital of the Company as on March 31, 2026 is ₹ 7,02,44,200/- (Rupees Seven Crore Two Lakh Forty-Four Thousand Two Hundred Only) divided into 70,24,420 (Seventy Lakh Twenty-Four Thousand Four Hundred Twenty only) Equity shares of the face value of ₹ 10/- (Rupees Ten) each.

b) Reclassification and Sub-Division of Authorised Share Capital.

During the year under review, there was no reclassification or sub-division undertaken.

c) Reduction of Share Capital or Buy Back of Shares.

During the year under review, there is no reduction in the Share Capital, and the Company has not bought back any of its securities.

d) Change in Voting Rights.

During the year under review, there is no change in the Voting Rights.

e) Issue of shares or other convertible securities.

During the year under review, Company has issued 18,60,800 Equity Shares via IPO. Further company does not issue any kind of shares or securities which carry a right or option to convert such securities into shares.

f) Issue of Equity shares with differential rights.

Further, during the year under review, the Company has neither issued any shares with differential voting rights nor any sweat equity shares.

g) **Issue of Sweat Equity Shares.**

During the year under review, Company has not issued any Sweat Equity Shares.

h) **Employee Stock Options Scheme(s).**

During the year under review, no Employee Stock Option Scheme was implemented.

i) **Issue of debentures, bonds or any non-convertible securities.**

During the year under review, Company has not issued any debentures, bonds or any non-convertible securities.

TRANSFER TO GENERAL RESERVE.

During the year under review, no amount was transferred to general reserves by the Company. Further, moment in reserves & surplus is provided in notes of standalone financial statement and consolidated financial statement.

DIVIDEND

Your Company has not proposed any dividend for the Financial Year 2025-26.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTOR AND STATEMENT ON COMPLIANCE OF CONDUCT.

During the year under review, the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and that they have complied with the Code for Independent Directors prescribed under Schedule IV to the Companies Act, 2013.

In the opinion of the Board, the Independent Directors possess the requisite integrity, expertise, experience and proficiency required to effectively discharge their duties and responsibilities. The Board is satisfied that the Independent Directors fulfil the conditions specified under the Companies Act, 2013 and are independent of the management.

STATEMENT ON OPINION OF BOARD OF DIRECTORS WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS APPOINTED DURING THE FINANCIAL YEAR 2025-2026.

In the opinion of the Board, all the Independent Directors appointed on the Board possess high standards of integrity, requisite expertise, experience, proficiency and knowledge in their respective fields. The Independent Directors bring significant value to the deliberations of the Board through their diverse experience, professional competence and independent judgment, thereby contributing effectively to the governance and growth of the Company.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS.

The Company has in place a system to familiarize the Independent Directors with the Company, its business operations, industry environment, strategic plans, policies, regulatory framework, and their roles, rights, responsibilities, and duties as Independent Directors. The Independent Directors are provided with relevant information and updates on the Company's business performance, operational matters, risk management framework, and changes in applicable laws and regulations from time to time to enable them to effectively discharge their responsibilities and contribute meaningfully to the governance of the Company.

STATEMENT INDICATING ALL PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE COMPANY.

None of the Non-Executive Directors had any pecuniary relation or transactions with the Company other than the Salary, sitting fees, if any and reimbursement of expenses incurred by them (as applicable), for the purpose of attending meetings of the Board/Committee of the Company.

DETAILS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES.

During the year under review, Impex Hi-Tech Rubber Private Limited is the wholly-owned subsidiary of the Company.

The Board continuously reviews the business operations, financial performance, governance framework, and strategic initiatives of the subsidiary to ensure alignment with the overall objectives of the Group. The subsidiary operates in accordance with the applicable laws and regulations.

As at 31st March, 2026, your Company has one wholly owned subsidiary, Impex Hitech Rubber Private Limited and no other Associate or Joint Ventures Companies within the meaning of Companies Act, 2013. AOC-1 is annexed as Annexure – I'.

CESSATION OF SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES.

During the financial year under review, no entity ceased to be a Subsidiary of the Company. The Company's subsidiary structure remained unchanged during the year, and there were no events or transactions resulting in the loss of control over any subsidiary.

Further, the Company did not have any Associate Company or Joint Venture as on the date of the financial year under review. Accordingly, the disclosure requirements relating to the cessation of Associate Companies and Joint Ventures are not applicable to the Company.

REPORT ON FINANCIAL POSITION OF THE SUBSIDIARY AND THEIR CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY DURING THE PERIOD UNDER REPORT.

Pursuant to Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, Report on the performance and financial position of Impex Hi-Tech Rubber Private Limited, wholly-owned subsidiary of the Company and its contribution to the overall performance of the Company is attached to the Financial Statements and forms an integral part of this Annual Report as *Annexure V*.

During the financial year under review, the subsidiary continued to carry out its business activities in accordance with its business objectives and contributed towards strengthening the Company's international presence and operational capabilities. The Board has reviewed the affairs of the subsidiary and is satisfied with its overall performance and financial position during the year.

The financial performance of the subsidiary is included in the Consolidated Financial Statements of the Company prepared in accordance with the applicable Accounting Standards and regulatory requirements.

CORPORATE GOVERNANCE.

Good Corporate Governance is an integral part of the Company’s Management and business philosophy. The Company subscribes fully to the principles and spirit of good Corporate Governance and embeds the principles of independence, integrity, accountability and transparency into the value system that drives the Company

DEPOSITS.

During the year under review, the Company has not accepted any deposits from the public falling within the ambit of Section 73 and other applicable provisions of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

The details with regard to deposits, covered under Chapter V of the Companies Act, 2013 are mentioned hereunder:

S. No.	Particulars	Amount
a)	Amount accepted during the year	Nil
b)	Amount remain unpaid or unclaimed as at the end of the year	Nil

c)	**Default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved** **at the beginning of the year** **maximum during the year** **at the end of the year**	**Nil**
d)	**Details of deposits which are not in compliance with the requirements of the Act**	**Nil**

ANNUAL RETURN.

Pursuant to provisions of Sections 92(3) and 134(3)(a) of the Act and the rules made thereunder, the Annual Return in Form MGT-7 is available on the Company's website on defrailtech.in.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company is duly constituted as per the requirements of the Companies Act, 2013 and SEBI (LODR) Regulation's 2015. None of the Directors of the Company is disqualified under the provisions of Companies Act, 2013 and the Company has received and taken on record, the requisite disclosures and undertakings from all the Directors in compliance with the provisions of the Companies Act, 2013.

As on 31st March 2026, the Board of your Company comprised of following Directors and Key Managerial Personnel –

DIN	Name	Designation
09249635	Mrs. Ashi Aggarwal	Non- Executive Director
09249636	Mr. Vivek Aggarwal	Managing Director
09249637	Mr. Abhishek Aggarwal	Executive Director
10631969	Mr. Vivek Karnavat Resigned w.e.f. April 13, 2026.	Non- Executive Independent Director
08765416	Mr. Rajesh Agrawal	Non- Executive Independent Director
10631889	Mrs. Neetu Dhulia	Non- Executive Independent Director
09692781	Mr. Vikram Grover	Non- Executive Independent Director
NA	Mr. Abhishek Aggarwal	Chief Financial Officer
NA	Mr. Vaibhav Sharma	Company Secretary

A. Composition of Board of Directors.

As on March 31, 2026, Board of your company comprises of Seven (7) Directors.

i) Change in Composition of Board of Directors.

During the year under review, following changes took place in the composition of the Board of Directors.

The Board of Directors has appointment of Mr. Vikram Grover as a Non-Executive Independent Director for a term of five (5) years, effective from 02nd July, 2025, and regularized by the Shareholders in the EGM held on 29th June 2025.

The Company has received the requisite declarations and confirmations from Mr. Vikram Grover regarding his eligibility for appointment as Director in accordance with the provisions of the Companies Act, 2013.

After the closure of financial year 2025-26, following changes have taken place in the Board of Directors and Key Managerial personnel of the Company-

Mr. Vivek Karnavat resigned from the Board of Directors with effect from 13th April 2026.

None of the Company's Directors are disqualified from being appointed as Directors as specified in Section 164 of the Act. Members' approval is being sought at the ensuing AGM for the aforesaid appointment/re-appointment of Directors.

MEETINGS OF THE BOARD.

During the financial year under review, 12 (Twelve) meetings of the Board of Directors were held between April 1, 2025 and March 31, 2026 in compliance with the provisions of the Companies Act, 2013. The maximum interval between any two consecutive Board Meetings did not exceed one hundred and twenty days as prescribed under the Act.

The requisite quorum was present throughout all the meetings. The proceedings of the meetings were duly recorded and entered in the Minutes Book maintained for the purpose in accordance with the provisions of the Companies Act, 2013 and applicable Secretarial Standards.

During the year under review, no resolution was passed by circulation pursuant to the provisions of Section 175 of the Companies Act, 2013.

The details of the Board Meetings held during the financial year and the attendance of the Directors thereat are provided below:

Sl. No.	Date of Meeting	Total No. of Directors on date of meeting	Attendance

			No. of Directors attended	% of Attendance
1.	July 02, 2025	6	6	100%
2.	September 01, 2025	7	7	100%
3.	September 04, 2025	7	7	100%
4.	September 09, 2025	7	7	100%
5.	September 29, 2025	7	7	100%
6.	December 15, 2025	7	7	100%
7.	December 16, 2025	7	7	100%
8.	January 03, 2026	7	7	100%
9.	January 08, 2026	7	7	100%
10.	January 14, 2026	7	7	100%
11.	January 14, 2026 (08 PM)	7	7	100%
12.	March 30, 2026	7	7	100%

BOARD COMMITTEES & MEETINGS

The Committees of the Board focus on certain specific areas and make well informed decisions in line with the delegated authority and their terms of reference. Presently, the Board has constituted Audit Committee (AC), Nomination & Remuneration Committee (NRC) and Stakeholders Relationship Committee (SRC).

The Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee were constituted by the Board with effect from July 02, 2025.

a. Audit Committee

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has constituted an Audit Committee of the Board of Directors.

The composition of the Audit Committee as on March 31, 2026 was as follows:

S. No.	Name of the Member	Designation in Committee	Category

1	Mr. Vikram Grover	Chairperson & Member	Independent Director
2	Mr. Rajesh Agrawal	Member	Independent Director
3	Mr. Abhishek Aggarwal	Member	Executive Director

During the financial year under review, the Audit Committee met 5 (Five) times.

Sl. No.	Date of Meeting	Total No. of Members on date of meeting	Attendance	
			No. of Members attended	% of Attendance
1.	September 04, 2025	3	3	100.00
2.	September 09, 2025	3	3	100.00
3.	September 16, 2025	3	3	100.00
4.	December 12, 2025	3	3	100.00
5.	December 19, 2025	3	3	100.00

The Board, during the year under review, had accepted all recommendations made to it by the Audit Committee.

b. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the policy is available on the website of the company defrailtech.in.

The composition of the Nomination and Remuneration Committee as on March 31, 2026 was as follows:

S. No.	Name of the Member	Designation in Committee	Category
1.	Mr. Rajesh Agrawal	Chairperson & Member	Independent Director
2.	Mrs. Neetu Dhulia	Member	Independent Director

3.	Mrs. Ashi Aggarwal	Member	Non-Executive Director

During the financial year under review, the Nomination & Remuneration Committee met 1 (One) time.

Sl. No.	Date of Meeting	Total No. of Members on date of meeting	Attendance	
			No. of Members attended	% of Attendance
1.	July 02, 2025	3	3	100.00

The Committee oversees matters relating to appointment, remuneration, performance evaluation and succession planning of Directors and Key Managerial Personnel in accordance with the Nomination and Remuneration Policy of the Company.

c. Stakeholders Relationship Committee

During the year under review, the Stakeholders Relationship Committee was constituted. The composition of the Stakeholders Relationship Committee as on March 31, 2026 was as follows:

S. No.	Name of the Member	Designation in Committee	Category
1	Mr. Vivek Karnavat	Chairperson & Member	Independent Director
2	Mrs. Neetu Dhulia	Member	Independent Director
3	Mr. Vivek Aggarwal	Member	Whole-Time Director

During the financial year under review, the Stakeholders Relationship Committee met 1 (One) time.

Sl. No.	Date of Meeting	Total No. of Members on date of meeting	Attendance	
			No. of Members attended	% of Attendance
1.	September 01, 2025	3	3	100.00

Mr. Vivek Karnavat resigned from Board of Directors w.e.f. April 13, 2026, so SRC was reconstituted on May 20, 2026, new composition of Stakeholders Relationship Committee after reconstitution is as under:

S. No.	Name of the Member	Designation in Committee	Category
1.	Mr. Rajesh Agrawal	Chairperson & Member	Independent Director
2.	Mrs. Neetu Dhulia	Member	Independent Director
3.	Mr. Vivek Aggarwal	Member	Whole-Time Director

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS.

Pursuant to the provisions of Schedule IV to the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on December 16, 2025 without the attendance of the Non-Independent Directors and members of the management.

THE INDEPENDENT DIRECTORS, INTER ALIA, REVIEWED AND ASSESSED.

- The performance of the Non-Independent Directors and the Board as a whole;
- The performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-Executive Directors;
- The quality, quantity and timeliness of the flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall functioning of the Board and its Committees and the effectiveness of the governance framework of the Company.

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

Every step has taken to adhere to the effective internal financial control before every crucial business decision. The Company’s internal control systems are commensurate with the nature of its business, the size and complexity of its operations. The internal control and governance process are duly reviewed for the adequacy and effectiveness through regular testing of key controls by management and independent internal auditors.

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT.

The company has adequate systems to assess the associated early risks and remedial actions.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013.

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements.

During the financial year under review, the Company has not granted any loans, provided any guarantees, furnished any securities or made any investments requiring disclosure under Section 186 of the Companies Act, 2013.

Accordingly, the disclosure requirements prescribed under Section 186 of the Companies Act, 2013 are not applicable to the Company for the financial year under review.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188(1) OF THE COMPANIES ACT, 2013.

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. Suitable disclosure as required by the Indian Accounting Standards (IND-AS 24) has been made in the Notes to the Financial Statements.

- Details of the contracts, arrangements or transactions not at arm's length price:

  There were no such transactions u/s 188 of the Companies Act, 2013 which are not at Arm's Length Price.

- Details of the material contracts or arrangements or transactions at arm's length basis

  Details of material contracts/arrangements/transactions at arm's length basis are given in AOC – 2 attached as *Annexure – II.*

Except as stated in the disclosure, there were no materially significant Related Party Transactions made by the Company with its Promoters, Directors, or other related parties which may have a potential conflict with the interest of the Company at large. All Related Party Transactions which are in the ordinary course of business and on arm's length basis are placed before the Audit Committee as also the Board for approval.

PARTICULAR OF EMPLOYEES.

The details and particulars of the employees who are getting remuneration, which require disclosures under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable on the Company during the period under review.

NOMINATION & REMUNERATION COMMITTEE & POLICY.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee ("NRC"), has approved the Nomination and Remuneration Policy in accordance with the provisions of the Companies Act, 2013.

The Policy lays down the criteria for appointment, qualifications, positive attributes, independence, evaluation, and remuneration of Directors, Key Managerial Personnel (KMPs), and Senior Management Personnel. It aims to attract, retain, and motivate competent professionals while ensuring that remuneration is fair, performance-driven, and aligned with the long-term interests of the Company and its stakeholders.

MAINTENANCE OF COST RECORDS AND COST AUDIT.

Pursuant to the provisions of Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain cost records in respect of its specified products/activities and same is being maintained by the company. During the year under review the provision relating to Cost audit does not applicable on the Company.

STATUTORY AUDITORS.

The appointment of M/s Shiv & Associates, Chartered Accountants, (Firm Registration No. 009989N) as the statutory auditors, were approved by the members of the Company at the 1st AGM held on November 29, 2024 to hold office for a term of five consecutive years commencing from the conclusion of 1st Annual General Meeting till the conclusion of 6th Annual General Meeting of the Company to be held for financial year 2028-29.

The Statutory Auditors have audited the Financial Statements of the Company for the financial year ended March 31, 2026 and have issued their Audit Report thereon.

STATUTORY AUDITORS REPORT.

The Company has obtained the Statutory Auditors' report from the Shiv & Associates, Chartered Accountants, (Firm Registration No. 009989N).

The notes on financial statements of the Company for the financial year ended as on March 31, 2026, referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

FRAUDS REPORTED BY THE AUDITOR UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

No frauds have been reported to the Audit Committee/ Board during FY 2025-26, therefore, Section 134(3) (ca) of the Act pertaining to details of frauds reported by auditors under Section 143(12) other than those which are reportable to the Central Government is not applicable to the Company.

INTERNAL AUDITOR.

Pursuant to the provisions of Section 138 of the Companies Act 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, the Board of Directors had appointed Mr. Amit Kumar Aggarwal, as Internal Auditor of the Company.

Mr. Amit Kumar Aggarwal, Internal Auditor has conducted the Internal audit of the Company for the year under review.

The Internal Audit Report issued by the Internal Auditors confirms that the Company has generally complied with the provisions of the Act, rules, regulations and guidelines.

SECRETARIAL AUDITOR.

Pursuant to the provisions of Section 204 of the Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s Yogita Bhatia & Associates, Company Secretaries (Peer Review No. 6535/2025), to conduct the Secretarial Audit of the Company for the Financial Year 2025-26.

M/s Yogita Bhatia & Associates, Company Secretaries, has conducted the Secretarial audit of the Company for the year under review.

SECRETARIAL AUDIT REPORT.

The Secretarial Audit Report submitted by M/s Yogita Bhatia & Associates, Company Secretaries, for the Financial Year 2025-26 in the prescribed form MR-3, pursuant to the provisions of Section 204 of the Act is annexed as *Annexure III* to this report.

The Secretarial Audit Report issued by the Secretarial Auditors confirms that the Company has generally complied with the provisions of the Act, rules, regulations and guidelines.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

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

MATERIAL CHANGES & COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

There are no material changes that have occurred and/ or commitments have been made during the period between end of the financial year till the date of this report, which may affect the financial position of the Company.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY.

Your company promotes ethical behaviors in all its business activities and has put in place a mechanism for reporting illegal and unethical behaviour. The Company has opted the vigil mechanism/ Whistle Blower Policy and is available on Holding Company's website at https://www.defrailtech.in/investors

During the year under review, there were no whistle blower complaints received.

BOARD EVALUATION.

Pursuant to Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014, formal annual evaluation of the performance of the Board, its Committees and individual Directors is applicable to every listed company and every other public company having a paid-up share capital of ₹25 Crore or more at the end of the preceding financial year.

Since the Company is listed Company, the aforesaid provisions are applicable to the Company. As a matter of good corporate governance, the Board carried out an evaluation of its own performance, the performance of its Committees and individual Directors during the financial year under review.

The evaluation was conducted on the basis of criteria including composition of the Board, effectiveness of Board processes, participation and contribution of Directors, strategic guidance, governance practices, oversight functions and effectiveness of the Committees. Based on the evaluation, the Board was satisfied with its overall performance and that of its committees and individual Directors. During the year under review, the recommendations made in the previous year were satisfactorily implemented.

RECEIPT OF ANY COMMISSION BY MANAGING DIRECTOR/WHOLE TIME DIRECTOR FROM A COMPANY OR FOR RECEIPT OF COMMISSION/REMUNERATION FROM ITS HOLDING OR SUBSIDIARY.

There is no such transaction in the Company during the financial year.

REMUNERATION RECEIVED BY WHOLE-TIME DIRECTORS FROM SUBSIDIARY COMPANY.

During the financial year under review, none of the Whole-Time Directors of the Company received any remuneration or commission from any subsidiary company. The remuneration paid to the Whole-Time Directors was solely by the Company and was in accordance with the provisions of the Companies Act, 2013 and the applicable policies of the Company.

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

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are attached as Annexure - IV:

SECRETARIAL STANDARDS.

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

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

Your Company is an equal employment opportunity employer and is committed to creating a healthy and productive work environment that enables employees to work without fear or prejudice, gender bias and sexual harassment. The Company believes that an act of sexual harassment results in the violation of the fundamental rights of a woman. Such acts violate her right to equality, right to life and to live with dignity; and the right to practice any profession or to carry on any occupation, trade or business, which also includes a right to a safe and healthy work environment free from sexual harassment.

The company has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company's policy on the prevention of sexual harassment at the workplace is in line with the requirement of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder.

During the year under review, the Board states that there was no case or complaint/incident of sexual harassment, reported in the Company, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed of during the year:

(a) number of complaints of sexual harassment received in the year; - Nil
(b) number of complaints disposed off during the year; - Nil
(c) number of cases pending for more than ninety days – Nil

DIRECTORS' RESPONSIBILITY STATEMENT.

Pursuant to the provisions under section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm that:

i) In the preparation of the annual accounts for the year ended March 31, 2026, the applicable Accounting Standards have been followed, and no material departures had been made from the same.

ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period.

iii) The directors had 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) The directors had prepared the annual accounts on a going concern basis; and

v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

vi) Further in terms of Para 9 of Secretarial Standard – 1, issued by the Institute of Company Secretaries of India and approved by Ministry of Corporate Affairs, the Directors had devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKCRUPTCY CODE, 2016 (IBC).

During the year under review and till the signing of this report of Board of Directors, your Company has not filed any application for corporate insolvency under the IBC before the National Company Law Tribunal ('NCLT') and no creditor (financial or operational) has filed any application for corporate insolvency under the IBC before the NCLT against the Company.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

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

DISCLOSURE UNDER SECTION 67 OF THE COMPANIES ACT, 2013.

During the period under review, the Company has not purchased its shares or given any loan to purchase its own shares under section 67 of the Companies act, 2013.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.

During the Financial Year 2025-26, provision relating to Corporate Social Responsibility is not applicable on the Company. Since the Company does not have Policy on Corporate Social Responsibility.

RISK MANAGEMENT POLICY.

Effective risk management is essential to success and is an integral part of our culture. While we need to accept a level of risk in achieving our goals, sound risk management helps us to make the most of each business opportunity, and enables us to respond decisively to the changing environment.

Our approach to risk management assists us in identifying risks early and addressing them in ways that manage uncertainties, minimize potential hazards, and maximize opportunities for the good of all our stakeholders including shareholders, customers, suppliers, regulators and employees.

The Audit Committee has additional oversight in the area of financial risk and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Your directors are always vigilant on identifying various risks and reviewing its implication on regular basis and are also ready to take appropriate actions which in their opinion, threatens the existence of the company

STATEMENT ON COMPLIANCE WITH MATERNITY BENEFITS ACT, 1961.

The Company is committed to providing a supportive and inclusive work environment for its employees and complies with the provisions of the Maternity Benefit Act, 1961, as amended from time to time.

The Company has adopted appropriate policies and practices to ensure that eligible women employees are provided maternity benefits, including maternity leave and other related benefits, in accordance with the applicable provisions of the Act. During the financial year under review, the Company continued to comply with all statutory requirements relating to maternity benefits and employee welfare.

ACKNOWLEDGEMENT.

Your directors would like to express their grateful appreciation for the assistance and cooperation received from the company's esteemed shareholders, customers, suppliers, financial institutions, vendors & government for their valuable contribution and support to the company in all spheres of operation during the year under review. Your directors also wish to place on record their deep sense of appreciation of their employees, for their commendable teamwork and a high degree of professionalism and enthusiasm displayed by them during the year.

By the Order of the Board

For DEFRAIL TECHNOLOGIES LIMITED

Sd/-
Vivek Aggarwal
Managing Director
DIN- 09249636

Date: August 10, 2026
Place: Faridabad

ANNEXURE I – AOC 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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. In lacs)

S.No.	Particulars	Details
1.	Name of the subsidiary	Impex Hi-Tech Rubber Private Limited.
2.	The date since when subsidiary was acquired	08th August 2024
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
5.	Share capital	33.00
6.	Reserves & surplus	72.65
7.	Total assets	411.24
8.	Total Liabilities	305.59
9.	Investments	0
10.	Turnover	21.37
11.	Profit before taxation	3.96
12.	Provision for taxation	3.60
13.	Profit after taxation	0.35
14.	Proposed Dividend	0.00
15.	Extent of shareholding (in percentage)	100%

Notes: The following information shall be furnished at the end of the statement:

Names of subsidiaries which are yet to commence operations. – NA

Names of subsidiaries which have been liquidated or sold during the year. – NA

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	NIL
1. Latest audited Balance Sheet Date	NIL
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate/Joint Ventures held by the company on the year end	NIL
No.	NIL
Amount of Investment in Associates/Joint Venture	NIL
Extent of Holding (in percentage)	NIL
4. Description of how there is significant influence	NIL
5. Reason why the associate/joint venture is not consolidated	NIL
6. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL
7. Profit/Loss for the year	NIL
i. Considered in Consolidation	NIL
ii. Not Considered in Consolidation	NIL

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

Sd/-

Vivek Aggarwal
Managing Director
DIN: 09249636

Place: Faridabad
Date: 10.08.2026

ANNEXURE - II – AOC-2

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

S. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	**Nil, as during the reporting Period, all transactions were at arm's length basis.**
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	(h) Date on which the Special Resolution was passed in General Meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis:

S. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	**Nil, as during the reporting Period, there was no material contract or arrangement.**
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Date(s) of approval by the Board, if any	
(f)	) Amount paid as advances, if any	

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

Sd/-
Vivek Aggarwal
Managing Director
DIN: 09249636

Place: Faridabad
Date: 10/08/2026

YOGITA BHATIA & ASSOCIATES
Company Secretaries
Contact No.: 99530745471
Email Id: Yogita@lexmart.co.in

Form No. MR-3
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 2026

To,
The Members,
Defrail Technologies Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Defrail Technologies Limited (hereinafter called the company). Secretarial Audit was conducted in a 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 Defrail Technologies Limited 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 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:

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

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; ***Not Applicable***

YOGITA BHATIA & ASSOCIATES
Company Secretaries
Contact No.: 99530745471
Email Id: Yogita@lexmart.co.in

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***Not Applicable***

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***Not Applicable***

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***Not Applicable***

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

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***Not Applicable***

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; ***Not Applicable***

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited.

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

YOGITA BHATIA & ASSOCIATES
Company Secretaries
Contact No.: 99530745471
Email Id: Yogita@lexmart.co.in

I further report that

The Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the 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, 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 are captured and recorded as part of the minutes.

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.

I further report that during the audit period the company has undertaken an Initial Public Offer (IPO) and listing of its equity shares on the SME Platform of BSE Limited. The Company has complied with the applicable provisions relating to issue and allotment of securities, listing of securities, and other applicable statutory requirements in this regard.

For Yogita Bhatia & Associates
Yogita Bhatia

Sd/-

ACS No.: 39107
C P No: 14649
UDIN: A039107H000999341

Date: 01/08/2026
Place: New Delhi

ANNEXURE IV

PARTICULARS REQUIRED TO BE DISCLOSED UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 ARE GIVEN AS UNDER:

(A) Conservation of Energy-

(i) The steps taken or impact on conservation of energy;

The Company has always been conscious of the need for the conservation of energy and optimum utilization of available resources and has been steadily making progress towards this end.

The Company has taken lot of initiatives for reduction in power cost by improving the production processes.

- Replacement of all lights with LED across both plants and office area to save energy.
- Energy consumption reduces at both location by switching off lights and fan during tea break and lunch hours and when not in use.
- Main focus on conservation efficient use is always on low-cost automation and technology improvement and existing setup.
- In both Plant we install Timer panel to switch OFF the Water pumps automatically.
- We have instructed staff to use AC at 24 degree temperature so it will lead to less power consumption and less hot air emission in the air.
- In both Plant we install Timer panel to switch OFF the A.C.'s automatically.
- We have replaced Diesel DG set to LPG DG Set for conservation of energy.

The above measures will result in efficient use of natural resources, lower energy consumption, significant reduction in Carbon emissions and hedge against continuous energy rate increase.

(ii) The steps taken by the company for utilising alternate sources of energy;

For utilising alternate source of energy, the Company is in process of discussion and taking quotes from various Solar power plant setup Companies to install Solar Power Panels at both the plants.

(iii) The capital investment on energy conservation equipments;

The Company encourages capital investment in energy saving equipment, plants and machinery. Rs. 5 lakhs were incurred during the year on energy conservation equipment's.

(B) Technology Absorption-

(I) The efforts made towards technology absorption; Nil

(II) The benefits derived like product improvement, cost reduction, product development or import substitution; Nil

(III) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Nil

(a) The details of technology imported; NA
(b) The year of import; NA
(c) Whether the technology been fully absorbed; NA
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and N.A

(IV) The expenditure incurred on Research and Development. Nil

(C) Foreign exchange earnings and Outgo-

(I) The Foreign Exchange earned in the terms of actual inflows during the year. **Nil**
(II) Foreign Exchange outgo during the year in terms of actual outflow. **Nil**

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

Sd/-

Vivek Aggarwal
Managing Director
DIN: 09249636

Place: Faridabad
Date: 10.08.2026

Annexure V - Financials Statement of Impex Hi-Tech Rubber Private Limited, Wholly Owned Subsidiary

Independent Auditor's Report

To the Members of **M/s IMPEX HI-TECH RUBBER PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements.

Opinion

We have audited the financial statements of M/s IMPEX HI-TECH RUBBER PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2026, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

• Conclude on the appropriateness of management's use of 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the 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 control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act and rules made thereunder.

e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

g) Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.

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

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were 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, other than as disclosed in the notes to the accounts, 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

v. No dividend has been declared or paid during the year by the Company.

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

For Shiv & Associates
Chartered Accountants
Firm's Registration
No.:009989N

CA Abhishek Vashisht
Partner
M.No-526307

UDIN:25526307BMLFUI5857

Place : Faridabad
Date : 20/05/2026

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

(i) (a) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) As explained to us & on the basis of the records examined by us, in our opinion, physical verification of inventory has been conducted at reasonable intervals by the management.

In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with except non charging of interest on the loan.

(v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.

(vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not defaulted in repayment of loans or other borrowings.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or other lender;

(c) According to the information and explanations given to us by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.

(e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) is not applicable.

(f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us , no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company

(xii) The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards;

(xiv) (a) In our opinion and based on our examination, the company does not require to have an internal audit system. Accordingly, clause 3(xiv)(a), of the Order is not applicable

(b) Based on information and explanations provided to us, no internal audit had been conducted of the company. Accordingly, clause 3(xiv)(a), of the Order is not applicable

(xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company

(xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable. ,

(c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.

(xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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) Based on our examination, the provision of section 135 is not applicable on the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

For Shiv & Associates
Chartered Accountants
Firm'sRegistration
No.:009989N

CA Abhishek Vashisht
Partner
M.No-526307

UDIN:25526307BMLFUI5857

Place : Faridabad
Date : 20/05/2026

Annexure'B'

Report on Internal Financial Controls Over Financial Reporting

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s IMPEX HI-TECH RUBBER PRIVATE LIMITED ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Shiv & Associates
Chartered Accountants
Firm'sRegistration
No.:009989N

CA Abhishek Vashisht
Partner
M.No-526307

UDIN:25526307BMLFUI5857

Place : Faridabad
Date : 20/05/2026

1 Background

IMPEX HI-TECH RUBBER PRIVATE LIMITED is a Company limited by shares domiciled in India, with its registered office situated at Plot no 180, Sector 24, Faridabad Sector 22, Faridabad, Haryana, India, 121005. The Company has been incorporated under Companies Act, 2013. The Company is primarily engaged in operations of manufacturing, buying, selling, importing, exporting and dealing in critical Air Brake Hose Assemblies (FP & BP) for Indian Railways, along with a wide range of highperformance rubber products tailored to meet the exacting standards of this key national infrastructure.

2 Summary of Significant accounting policies

i Basis of Preparation

The Standalone Summary Statement of the Assets and Liabilities of the Company as at 31st March 2026 and 31st March, 2025 the Statement of Profit and Loss and the Statement of Cash Flow thereof (collectively referred to as ‘Statements’) have been compiled by the management of the Company and These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the companies (Accounts) rules 2014 and companies (accounting standards) Rules, 2021 (as amended from time to time). The financial statements have been prepared on going concern on an accrual basis and under the historical cost convention. The financial statements are presented in Indian rupees and rounded off to the nearest lacs.

ii Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii Property, Plant and Equipment and Intangible assets

Property, Plant and Equipment

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its Intended use.

a. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone statement of profit and loss during the period in which they are incurred.

b. Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognized in the statement of profit and loss when the same in derecognized.

Intangible assets

Acquired intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

iv Depreciation on property, plant and equipment

Depreciation on Property, Plant & Equipment is provided to the extent of depreciable amount using Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in schedule II of The Companies Act, 2013.

v Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

vi Revenue recognition

Revenue is recognized to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.

vii Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks. Bank overdrafts are shown within borrowings in current liabilities in balance sheet.

viii Employees Benefit

Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Short-term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

ix Foreign currency translation

Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they occur.

x Inventories and Work in progress

Inventories are valued at lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct cost and related overheads.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

xi Income taxes

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit considered in determining the net profit or loss for the year.

Current tax

Provision for current tax is recognized on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Deferred tax

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

xii Leases

Operating leases - As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of lease.

xiii Provisions, Contingent Liability and Contingent Asset

Provisions

Provisions are recognized in terms of Accounting Standard 29 Provisions, Contingent Liabilities and Contingent Assets (AS-29), notified by the Companies (Accounting Standards) Rules, 2006, when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets

Contingent Assets are not recognized in the financial statements. involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of economic resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

xiv Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

i. transactions of a non-cash nature;
ii. any deferrals or accruals of past or future operating cash receipts or payments;
iii. items of income or expense associated from investing or financing cash flows; and

Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows.

xv Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

IMPEX HI- TECH RUBBER PRIVATE LIMITED

CIN: U25199HR2021PTC096494
BALANCE SHEET AS AT 31st MARCH, 2026

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2.1	33.00	33.00
(b) Reserves and Surplus	2.2	72.65	74.18
Total Shareholders' Fund		**105.65**	**107.18**
2 Non-Current Liabilities			
(a) Long Term Borrowings	2.3	252.99	5.02
(b) Deferred Tax Liabilities (Net)	2.4	15.99	12.39
(c) Long Term Provisions	2.5	5.35	5.35
Total Non-Current Liabilities		**274.34**	**22.76**
3 Current Liabilities			
(a) Short Term Borrowings	2.6	5.02	247.73
(b) Trade Payables			
(i) Outstanding dues to micro and small enterprises	2.7	9.19	23.22
(ii) Outstanding dues to other than micro and small enterprises	2.7	0.52	2.15
(c) Other Current Liabilities	2.8	16.54	17.28
(d) Short Term Provisions	2.9		
Total Current Liabilities		**31.25**	**290.37**
TOTAL EQUITY AND LIABILITIES		**411.24**	**420.30**
II. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	2.10	138.58	152.53
(ii) Intangible Assets	2.10		
(b) Deferred Tax Assets (Net)	2.11		
(c) Long-Term Loans & Advances	2.12	-	
(d) Other non-current assets	2.13	5.06	5.06
Total Non-Current Assets		**143.64**	**157.59**
2 Current Assets			
(a) Inventories	2.14	199.67	206.06
(b) Trade Receivables	2.15	8.08	1.75
(c) Cash and Cash Equivalents	2.16	21.95	17.43
(d) Short-term loans and advances	2.17	-	
(e) Other current assets	2.18	37.92	37.48
Total Current Assets		**267.61**	**262.72**
TOTAL ASSETS		**411.24**	**420.30**
Significant Accounting Policies	1		
Notes to Account	2		

Notes referred above are integral part of Balance Sheet.

For and on behalf of the Board of Directors
Impex Hi-Tech Rubber Pvrivate Limited

AUDITOR'S REPORT
As per our separate report of even date attached.
For Shiv & Associates
Chartered Accountants
FRN : 009989N

Sd/-
Ashi Aggarwal
Director
DIN: 09249635
Place: Faridabad

Sd/-
Vivek Aggarwal
Director
DIN: 09249636
Place: Faridabad

Sd/-
CA Abhishek Vashisht
Partner
M. No.- 526307
UDIN: 25526307BMLFUI5857
Place: Faridabad
Date: 20/05/2026

IMPEX HI- TECH RUBBER PRIVATE LIMITED

CIN: U25199HR2021PTC096494

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2026

(` in Lacs)

	Particulars	Note No.	For the year ended 31.03.2026	For the year ended 31.03.2025
	Income:			
I.	Revenue from Operations	2.19	21.37	44.15
II.	Other Income	2.20	8.42	0.14
III.	**Total Income (I + II)**		**29.79**	**44.29**
IV.	**Expenses:**			
	Cost of Materials Consumed	2.21	3.16	16.26
	Changes in Inventories of Finished Goods & WIP	2.22	6.39	(25.60)
	Employee Benefits Expenses	2.23	-	23.18
	Finance Costs	2.24	0.73	1.21
	Depreciation and Amortization Expenses		13.95	13.92
	Other Expenses	2.25	1.60	4.67
V.	**Total Expenses**		**25.84**	**33.64**
VI.	**Profit/(Loss) Before Tax (III-V)**		**3.96**	**10.65**
VII.	**Tax Expenses:**			
	(1) Current tax		-	
	(2) Deferred tax		3.60	9.12
	(3) Provision for taxes of earlier years		-	
VIII.	**Profit/(Loss) After Tax (VI-VII)**		**0.35**	**1.52**
IX.	**Earnings per Equity Share:**			
	Basic (in `)	2.27		
	Diluted (in `)	2.27		
	Face Value of Equity Share (in `)		**10**	**10**
	Significant Accounting Policies	1		
	Notes on Account	2		

Notes referred above are integral part of Statement of Profit & Loss.

AUDITOR'S REPORT
As per our separate report of even date attached.
For Shiv & Associates
Chartered Accountants
FRN : 009989N

CA Abhishek Vashisht
Partner
M. No.- 526307
UDIN: 25526307BMLFUI5857
Place: Faridabad
Date: 20/05/2026

For and on behalf of the Board of Directors

Sd/-
Ashi Aggarwal
Director
DIN: 09249635
Place: Faridabad

Sd/-
Vivek Aggarwal
Director
DIN: 09249636
Place: Faridabad

IMPEX HI- TECH RUBBER PRIVATE LIMITED

NOTE : 2.1 Share Capital

('in Lacs)

Particulars	No. of Shares	As at 31st March, 2026	No. of Shares	As at 31st March, 2025
Authorised				
Equity Share of ` 10 each	10,00,000	100.00	10,00,000	100.00
	10,00,000	**100.00**	**10,00,000**	**100.00**
Issued, Subscribed & Paid up				
Equity Share of ` 10 each	3,30,000	33.00	3,30,000	33.00
	3,30,000	33.00	3,30,000	33.00
Total	**3,30,000**	**33.00**	**3,30,000**	**33.00**

Notes:

Further Notes:

(1) Reconciliation of the Shares outstanding at the beginning and at the end of the year.

('in Lacs)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number	Amount	Number	Amount
Equity Shares:-				
Shares outstanding at the beginning of the year	330000	33.00	330000	33.00
Shares Issued during the year				
Amalgamation				
Bonus Issue				
Redeemed during the period				
Shares outstanding at the end of the year	**3,30,000**	**33.00**	**3,30,000**	**33.00**

(2) Equity Shares:-

The Company has only one class of Equity having a par value of ` 10 per share. The holders of equity share are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meetings of the company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

(3) Detail of Shareholders holding more than 5% shares in the company.

Sl. No.	Name of Shareholder	As at 31st March, 2026		As at 31st March, 2025	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares					
1	Defrail Technologies limited	3,30,000	100.00%	3,30,000	100.00%
TOTAL		**3,30,000**	**100.00%**	**3,30,000**	**100.00%**

(4) Shareholding of Promoters

(i) Shares held by promoters as at 30th September, 2025

Sl. No.	Name of Promoters	As at 31st March, 2025 (End)		As at 31st March, 2025 (Beginning)	
		% of Holding	% Change	No. of Shares held	% of Holding
Equity Shares					
1	Defrail Technologies limited	100.00%	0.00%	3,30,000	100.00%
TOTAL				**3,30,000**	

Note : 2.2 Reserve & Surplus

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Surplus		
Opening Balance	74.18	56.52
Add: profiit during the year	0.36	17.66
Less: Income tax paid	(1.88)	
Add: Revaluation Gain on property Plant and Equipment		-
Deductions during the year		-
Closing Balance	**72.65**	**74.18**
Grand Total	**72.65**	**74.18**

Note : 2.3 Long Term Borrowings

('in Lacs)

Particulars	at 31st March, 20	As at 31st March, 2025		
	Total	Non Current	Current Maturities	Total
Loans & Advances from Related Parties				
Loans Director Unsecured	**237.93**	**141.40**		**141.40**
Defrail Technologies limited	**15.06**	**100.79**		**100.79**
	252.99	**141.40**	-	**242.19**
Other Loans and Advances				
HDFC bank car loan	**5.02**	**5.02**	**5.54**	**10.55**
	5.02	**5.02**	**5.54**	**10.55**
The Above amount includes				
Secured Borrowings	**5.02**	5.02	**5.54**	**10.55**
Unsecured Borrowings			-	**242.19**
Amount disclosed under the head Short term borrowings			(247.73)	(247.73)
Total	**258.01**	**146.42**	**(242.19)**	**5.01**

Note : 2.4 Deferred Tax Liabilities

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liabilities:-		
Differences on Account of Depreciation	(3.60)	12.39
Total		**12.39**

Note : 2.5 Long Term Provisions

('in Lacs)

Particulars	at 31st March, 20	As at 31st March, 2025		
	Total	Long term	Short term	Total
Provision for Employee Benefits:-				
Provision for Gratuity	5.35	5.35		5.35
Other Provisions:-				
Current Tax Provisions				
Total		**5.35**		**5.35**

Note : 2.6 Short-Term Borrowings

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current Maturities of Long-Term Borrowings	5.02	247.73
Total	**5.02**	**247.73**

Note : 2.7 Trade Payables

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Payable for Goods & Services		
i) Micro and Small Enterprises	9.19	23.22
ii) Others	0.52	2.15
Total	**9.71**	**25.37**

Notes:

1. Trade Payable Ageing

(a) Trade Payables aging schedule as at 30th September, 2025:

Particulars	Outstanding for following periods from due date of payment			Total
	1-2 Years	2-3 Year	More Than 3 Years	
A. MSME				9.19
B. Others				0.52
C. Disputed Dues-MSME				-
D. Disputed Dues-Others				-
Total				**9.71**

(a) Trade Payables aging schedule as at 31st March, 2025:

Particulars	Outstanding for following periods from due date of payment			Total
	1-2 Years	2-3 Year	More Than 3 Years	
A. MSME				23.21
B. Others				2.16
C. Disputed Dues-MSME				
D. Disputed Dues-Others				
Total				**25.37**

Note : 2.8 Other Current Liabilities

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Other Payables :-		
-Advance from customers	-	0.97
-Salary & Wages Payable	11.20	14.33
-ESIC Payable	0.02	
-EPF Payable	0.01	
-Audit Fees payable	1.15	0.65
-Payable for Capital Goods	-	0.53
-Statutory Dues	4.12	0.77
-Others	0.04	0.04
Total	**16.54**	**17.28**

Note : 2.13 Other Non Current Assets : security deposits

Particulars	As at 31st March, 2026	As at 31st March, 2025
Security Deposits	5.06	5.06
Total	**5.06**	**5.06**

Note : 2.14 Inventories

(At lower of cost and net realisable value) -

Particulars	As at 31st March, 2026	As at 31st March, 2025
As taken, valued & certified by the Managment		
Raw Materials	29.40	29.40
Work-in-Progress	47.73	54.12
Finished Goods	122.54	122.54
Total	**199.67**	**206.06**

Note : 2.15 Trade Receivables

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured considered good:	**8.08**	**1.75**
Total	**8.08**	**1.75**

(current year)

Particulars	Outstanding for following periods from due date of payment			Total
	6 months - 1year	1-2 Years	2-3 Years	
1. Undisputed trade receivables(considerd goods)	1.58	1.06	-	8.08
2. Undisputed trade receivables(considerd doubtful)				
3. Undisputed trade receivables considerd goods				
4. Provision for doubtful receivables				
Total	**1.58**	**1.06**	**-**	**8.08**

(Previous year) -

Particulars	Outstanding for following periods from due date of payment			Total
	6 months - 1year	1-2 Years	2-3 Years	
1. Undisputed trade receivables(considerd goods)			0.68	1.75
2. Undisputed trade receivables(considerd doubtful)				
3. Undisputed trade receivables considerd goods				
4. Provision for doubtful receivables				
Total			**0.68**	**1.75**

NOTE: 2.17 Cash and Cash equivalents

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balance with Banks		-
Axis Bank	0.22	0.09
Total		-
Cash in hand		
Cash in hand	21.73	17.34
Total		
Total		
Total	**21.95**	**17.43**

Note : 2.18 Other Current Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advance to Vendors	1.78	1.43
TDS Receivable	0.10	
GST Receivable	36.04	36.05
Total	**37.92**	**37.48**

Note : 2.19 Revenue From Operations

Particulars	As at 31st March, 2026	As at 31st March, 2025
Sales of Products		
central sales	0.29	0.10
local sales	21.07	19.26
	21.37	19.36
Other opreating revenues	-	24.79
Revenue from opreations	21.37	44.15
less Excise duty		
Net revenue from opreations	**21.37**	**44.15**

Note : 2.20 Other Income

-

Particulars	As at 31st March, 2026	As at 31st March, 2025
Interest income		0.12
Other non- operating income		
Rent	4.80	0.03
Other receipts	3.62	-
Total -	**8.42**	**0.14**

Note : 2.21 Cost of Materials Consumed

-

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Stock	29.40	38.97
Add: Purchases	3.16	6.69
Add; other adjustment	-	-
Less: Closing Stock	29.40	29.40
Total	**3.16**	**16.26**

Note : 2.22 Change In Inventories

Particulars		As at 31st March, 2026	As at 31st March, 2025
			-
Inventories at end of the year			
Manufactured Goods		122.54	122.54
Work-in-Progress		47.73	54.12
		170.27	176.66
Inventories at Beginning of the year			
Manufactured Goods		122.54	55.43
Work-in-Progress		54.12	95.62
		176.66	**151.06**
Manufactured Goods		-	**1.32**
Work-in-Progress		**6.39**	**(26.92)**
		6.39	(25.60)

Note : 2.23 Employees Benefit Expenses

Particulars	As at 31st March, 2026	As at 31st March, 2025
		-
Salary, Wages and Bonus	-	11.18
Director remunernation	-	12.00
Contribution to Provident and Other fund		
Staff Welfare Expenses		
Gratuity		
Total	**-**	**23.18**

Note: 2.24 Finance Costs

Particulars	As at 31st March, 2026	As at 31st March, 2025
		-
Interest Expenses	0.73	1.21
Other Borrowing Costs		-
Total	**0.73**	**1.22**

Note : 2.25 Other Expenses

Particulars	As at 31st March, 2026	As at 31st March, 2025
		-
Power and Fuel	0.10	0.32
Rates and Taxes	0.14	-
Audit Expenses	0.50	0.50
Legal Expenses	0.23	0.23
promotinal expenses	-	0.90
bank charges	0.12	0.02
Maintance expenses	0.22	0.51
Telephone expenses	0.26	0.19
Cartage Outward	-	0.10
travelling expenses	-	0.52
other expenditure	0.03	1.39
Total	**1.60**	**4.67**

Note: 2.26 Deferred tax

Particulars	As at 31st March, 2026	As at 31st March, 2025
		0
Deferred tax liablity	(3.60)	9.12
Total	**(3.60)**	**9.13**

NOTE : 2.10 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(` in Lacs)

Particulars	Gross Block				Accumulated Depreciation & Impairment				Net Block	
	As at April 1, 2025	Addition for the year	Deductions/Adjustments	As at 30th September, 2025	As at April 1, 2025	Depreciation for the year	Deductions/Adjustments	As at 30th September, 2025	As at 30th September, 2025	As at 31st March, 2025
Property, Plant and Equipment										
Computer	3.04			3.04	1.63	0.81		2.44	0.60	1.41
Furniture & Fixtures	16.30			16.30	4.17	1.38		5.55	10.75	12.13
Electric Equipment	0.89			0.89	0.32	0.16		0.48	0.41	0.57
Motor Vechiles	31.35			31.35	8.91	3.29		12.21	19.14	22.43
Office Equipment	2.01			2.01	1.09	0.16		1.25	0.76	0.92
Plant And Machinery	138.28			138.28	23.21	8.15		31.36	106.92	115.07
Total	**191.87**	**-**	**-**	**191.87**	**39.34**	**13.95**	**-**	**53.29**	**138.58**	**152.53**

IMPEX HI- TECH RUBBER PRIVATE LIMITED

Calculation of Deffered Tax as on 30th September, 2025

(Figures in `)

Particulars	Amount	Particulars	Amount
WDV as Per Companies Act	1,38,57,717.94		
WDV as Per Income Tax Act	73,64,814.40		
Differrence	**64,92,903.54**	DTL @ 25.17%	16,34,264
Gratuity Exps as per Balancesheet	5,35,005		
Gratuity Exps allowed as per Income Tax	-		
Loss	(3,95,690)		
Differrence	**(1,39,315)**	DTA @ 25.17%	(35,066)
		Closing balance of DTA/(DTL)	**(15,99,198)**
		DTL Already created	**12,39,051**
Net Deffered tax shown in PL			**(3,60,148)**

IMPEX HI- TECH RUBBER PRIVATE LIMITED								
SCHEDULE OF FIXED ASSETS AS ON 31/03/2025								
PARTICULARS	**AS ON 01/04/2025**	**Addition Before 180 days**	**Addition After 180 days**	**Deletion**	**TOTAL**	**RATE OF DEP.**	**DEPRECIATION**	**AS ON 30/09/2025**
Furniture & fittings	10,25,542	-	-	-	10,25,542	10%	51,277	9,74,265
Computer	51,66,729	-	-	-	51,66,729	40%	10,33,346	41,33,383
Motor Car	20,03,035	-	-	-	20,03,035	15%	1,50,228	18,52,807
Plant & Machinery	2,64,489	-	-	-	2,64,489	15%	19,837	2,44,653
Office Equipment	1,72,655	-	-	-	1,72,655	15%	12,949	1,59,706
Total	**86,32,450**	**-**	**-**	**-**	**86,32,450**		**12,67,636**	**73,64,814**

Independent Auditor's Report

To the Members of
DEFRAIL TECHNOLOGIES LIMITED

Report on the Audit of the Standalone Financial Statements for the year ended 31st March 2026.

Opinion

We have audited the accompanying Standalone financial statements of DEFRAIL 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 changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no such key Audit Matters to be reported.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Standalone Financial Statements.

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 for the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 company to continue as a going concern. if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on matters specified in the paragraph 3 and 4 of the order for the company, to the extent applicable.

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

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

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

(c) The Balance Sheet, the Statement of Profit and Loss, Cash flow statement and notes to financial statements dealt with by this Report are in agreement with the relevant books of accounts.

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

(e)On the basis of the written representations received from the directors, as on 31st March 2026, taken on record by the Board of Directors and the report of the statutory auditors, none of the directors of the company is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

(1) With respect to adequacy of the internal financial controls over financial reporting of the company and the operative effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on adequacy and operative effectiveness of the Company's internal financial controls over financial reporting.

(g)The company being a public limited company, the other matters to be included in Auditor's Report in accordance with requirements of Section 197 (16) of the Act, as amended, in respect of whether the remuneration paid by Company to its directors during the year is in accordance with the provisions of Section 197 of the Act is applicable; and

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

i)The Company has disclosed the impact of pending litigations on its financial position in its financial statements — Refer Note 2.24 under the heading of "Contingent Liabilities & Commitments" to the 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 were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

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

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

v) There is no dividend declared or paid during the year by the company.

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

For Shiv & Associates
Chartered Accountants
Firm's Registration No. :009989N

CA Abhishek Vashisht
Partner
M.No-526307
UDIN: 26526307ZPJVKE9575
Place : Faridabad
Date : 20-05-2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of DEFRAIL TECHNOLOGIES LIMITED of even date)

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

1. In respect of its Property, Plant & Equipment and Intangible assets:

a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment.

b) (B) The company has maintained proper records showing full particulars of Intangible Assets.

c) In our opinion, the Property, Plant & Equipment have been physically verified by the management at reasonable intervals, having regard to the site of the company and the nature of its assets. No material discrepancies were noticed on such verification.

d) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the Company.

e) Based on our examination of records and according to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment including right-of-use assets during the year.

f) According to the information and explanations given to us and on the basis of our examination of the records of the company, there have been no proceedings initiated or pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. a) In our opinion and according to the information and explanations given to us, inventory has been physically verified at reasonable intervals and the coverage and procedure of such verification by the management is appropriate and no discrepancy of 10% or more in aggregate in any class of inventory was noticed during the physical verification.

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

3. According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has granted loans to its subsidiary during the year. These loans have been duly recorded in the books of account maintained by the Company, and all relevant documents, agreements, and approvals relating to these loans have been made available for our verification. The loans granted are reflected appropriately in the Company's financial statements in accordance with the applicable accounting standards and statutory provisions.

4. According to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security.

5. According to the information and explanations given to us, the company has not accepted any deposits during the year, hence reporting under this clause is not applicable to the company.

6. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 for the products and services of the Company. Accordingly, reporting under Clause 3(vi) of the Companies (Auditor's Report) Order, 2020 is not applicable.

7. a) According to the information and explanation given to us and on the basis of our examination of the records, company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of customs, cess and any other material statutory dues to the appropriate authorities. There is no undisputed statutory due which is outstanding for more than six months from the date they become payable.

b) According to the information and explanation given to us, there are no dues as referred to in sub clause (a) which have not been deposited by the Company on account of disputes.

8. According to the information and explanation given to us and on the basis of our examination of records of the company, the company does not have any transactions which have been surrendered or disclosed as income during the year in any tax assessment hence, reporting under this clause is not applicable to the Company.

9. a) According to the information and explanation given to us and on the basis of our examination of records of the company, the company has not defaulted in repayment of the loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

c) The Company has utilized the loan obtained for the purpose for which they were obtained.

d) As per management the Company has not utilized its fund raised on short term basis for the long-term purposes.

e) According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has not taken any loans or borrowings from its subsidiary, joint venture, or any other related party during the year. Accordingly, reporting under Clause 3(ix)(f) of the Companies (Auditor's Report) Order, 2020 is not applicable.

10. a) In Our Opinion and According to the Information and Explanations given to us the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of order 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) under section 42 and section 62 of the Companies Act,

11. a) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of audit.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) The company has not received any whistle blower complaints during the year. Accordingly, reporting under this clause is not applicable.

12. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi company as per the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions, as required by the applicable accounting standards, have been disclosed in the financial statements.

14. According to the information and explanations provided to us arid based on our examination of the records of the Company, the provisions of internal audit under Section 138 of the Companies Act, 2013 are not applicable to the Company, as it does not fall within the prescribed thresholds of turnover and borrowings. Accordingly, reporting under Clause 3(1.iv) of the Companies (Auditor's Report) Order, 2020 is not applicable.

15. According to the information and explanations given to us and based on our examination of records the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.

16. a) in our opinion and according to the information and explanations given to us, the company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

b) The company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(Avi)(c) of the Order is not applicable.

17. The company has not incurred any cash losses in the current and in the immediately preceding financial year.

18. According to the information and explanation provided to us and based on our examination of the records of the Company, we report that during the year under review, no statutory auditor has resigned from their position. The Company has maintained proper records in this regard, and there are ho matters pertaining to auditor resignation that require disclosure under Clause 3(xviii) of the Companies (Auditor's Report) Order, 2020.

19. According to the information and explanations given to us and based on our examination of records the company and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of

financial liabilities, other information accompanying the financial statement, there is no material uncertainty exits on the date of audit report regarding the capability of company of meeting its existing liabilities and as and when they fall due within a period of one year from the balance sheet date.

20. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company. Accordingly, reporting under Clause 3(xx) of the Order is not required.

21. According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has entered into transactions with its subsidiary during the year. These transactions have been properly recorded in the books of account maintained by the Company and are in accordance with the applicable provisions of the Companies Act, 2013.

For Shiv & Associates
Chartered Accountants
Firm's Registration No.:009989N

CA Abhishek Vashisht
Partner
M.No-526307
UDIN: 26526307ZPJVKE9575
Place : Faridabad
Date: 20-05-2026

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 to the Members of DEFRAIL TECHNOLOGIES LIMITED of even date)

<u>Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")</u>

We have audited the internal financial controls over financial reporting of Defrail Technologies Limited ("the Company") as of 31st March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

<u>Management's Responsibility for Internal Financial Controls</u>

The Company's management is responsible for establishing and maintaining internal financial controls based on internal financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 orderly and efficient conduct of its business, including adherence to company's policy, 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 Companies Act, 2013.

<u>Auditor's Responsibility</u>

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:-

1. Pertaining to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of 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 receipt and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Shiv & Associates
Chartered Accountants
Firm's Registration No.: 009989N

CA Abhishek Vashisht
Partner
M.No-526307
UDIN: 26526307ZPJVKE9575
Place : Faridabad
Date: 20-05-2026

DEFRAIL TECHNOLOGIES LIMITED
Registered Office. Plot No. 180, Sector-24, Faridabad, Haryana-121005.
Website: www.defrailtech.in
CIN: L30204HR2023PLC115548
BALANCE SHEET AS AT 31st March, 2026

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2.1	702.44	516.36
(b) Reserves and Surplus	2.2	1,680.59	382.14
Total Shareholders' Fund		**2,383.03**	**898.50**
2 Non-Current Liabilities			
(a) Long Term Borrowings	2.3	524.06	428.82
(b) Deferred Tax Liabilities (Net)	2.4	20.27	-
(c) Long Term Provisions	2.5	23.77	17.33
Total Non-Current Liabilities		**568.10**	**446.15**
3 Current Liabilities			
(a) Short Term Borrowings	2.6	135.17	575.43
(b) Trade Payables			
(i) Outstanding dues to micro and small enterprises	2.7	993.79	856.37
(ii) Outstanding dues to other than micro and small enterprises	2.7	548.01	240.43
(c) Other Current Liabilities	2.8	124.18	95.04
(d) Short Term Provisions	2.9	148.93	65.10
Total Current Liabilities		**1,950.09**	**1,832.36**
TOTAL EQUITY AND LIABILITIES		**4,901.22**	**3,177.01**
II. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	2.10	1,227.87	1,128.54
(ii) Intangible Assets	2.10	-	-
(b) Deferred Tax Assets (Net)	2.11	-	22.69
(c) Non Current Investments	2.12	89.10	89.10
(d) Long term Loans & advances	2.13	-	-
(d) Other non-current assets	2.13	29.79	29.97
Total Non-Current Assets		**1,346.76**	**1,270.30**
2 Current Assets			
(a) Inventories	2.14	1,661.50	706.84
(b) Trade Receivables	2.15	1,299.01	771.75
(c) Cash and Cash Equivalents	2.16	403.08	70.63
(d) Short-term loans and advances	2.17	-	-
(e) Other current assets	2.18	190.87	357.49
Total Current Assets		**3,554.46**	**1,906.72**
TOTAL ASSETS		**4,901.22**	**3,177.01**
Significant Accounting Policies	1		
Notes to Account	2		

Notes referred above are integral part of Balance Sheet.

AUDITOR'S REPORT
As per our separate report of even date attached.
For Shiv & Associates
Chartered Accountants
FRN : 009989N

Sd/-
CA Abhishek Vashisht
Partner
M. No.- 526307
UDIN: 26526307ZPJVKE9575
Place: Faridabad
Date: 20/05/2026

For and on behalf of the Board of Directors
DEFRAIL TECHNOLOGIES LIMITED

Sd/-
Ashi Aggarwal
Director
DIN: 09249635
Place: Faridabad

Sd/-
Vivek Aggarwal
Managing Director
DIN: 09249636
Place: Faridabad

Sd/-
Abhishek Aggarwal
Chief Financial Officer
PAN: AJVPA8512B
Place: Faridabad

Sd/-
Vaibhav Sharma
Company Secretary
M.No. - A71880
Place: Faridabad

DEFRAIL TECHNOLOGIES LIMITED
Registered Office. Plot No. 180, Sector-24, Faridabad, Haryana-121005.
Website: www.defrailtech.in
CIN: L30204HR2023PLC115548
PROFIT & LOSS FOR THE YEAR ENDING 31st MARCH, 2026

(` in Lacs)

	Particulars	Note No.	For the year ended 31.03.2026	For the year ended 31.03.2025
	Income:			
I.	Revenue from Operations	2.19	8,004.45	6,176.78
II.	Other Income	2.20	10.93	1.01
III.	**Total Income (I + II)**		**8,015.38**	**6,177.79**
IV.	**Expenses:**			
	Cost of Materials Consumed	2.21	5,681.66	4,212.88
	Changes in Inventories of Finished Goods & WIP	2.22	-754.48	-387.21
	Employee Benefits Expenses	2.23	1,227.88	791.82
	Finance Costs	2.24	90.16	103.84
	Depreciation and Amortization Expenses	2.10	80.89	62.69
	Other Expenses	2.25	1,096.75	1,006.78
V.	**Total Expenses**		**7,422.86**	**5,790.79**
VI.	**Profit/(Loss) Before Tax (III-V)**		**592.52**	**386.99**
VII.	**Tax Expenses:**			
	(1) Current tax		148.93	65.05
	(2) Deferred tax		42.96	-29.98
	(3) Provision for taxes of earlier years			-
VIII.	**Profit/(Loss) After Tax (VI-VII)**		**400.63**	**351.93**
IX.	**Earnings per Equity Share:**			
	Basic (in `)	2.27	7.26	**6.82**
	Diluted (in `)	2.27	7.26	**6.82**
	Face Value of Equity Share (in `)		**10**	**10**
	Significant Accounting Policies	1		
	Notes on Account	2		

Notes referred above are integral part of Statement of Profit & Loss.

AUDITOR'S REPORT
As per our separate report of even date attached.
For Shiv & Associates
Chartered Accountants
FRN : 009989N

Sd/-
CA Abhishek Vashisht
Partner
M. No.- 526307
UDIN: 26526307ZPJVKE9575
Place: Faridabad
Date: 20/05/2026

For and on behalf of the Board of Directors
DEFRAIL TECHNOLOGIES LIMITED

Sd/-
Ashi Aggarwal
Director
DIN: 09249635
Place: Faridabad

Sd/-
Vivek Aggarwal
Managing Director
DIN: 09249636
Place: Faridabad

Sd/-
Abhishek Aggarwal
Chief Financial Officer
PAN: AJVPA8512B
Place: Faridabad

Sd/-
Vaibhav Sharma
Company Secretary
M.No. - A71880
Place: Faridabad

DEFRAIL TECHNOLOGIES LIMITED
Registered Office. Plot No. 180, Sector-24, Faridabad, Haryana-121005.
Website: www.defrailtech.in
CIN: L30204HR2023PLC115548
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2026

	Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
A	**Cash Flow from Operating Activities:**		
	Net Profit/ (Loss) Before Tax	**592.52**	**386.99**
	Adjustment for: Non-cash & Non-operating expense		
	Depreciation	80.89	62.69
	Finance costs	90.16	103.84
	Provision for Gratuity	6.44	
	Interest Income		-
	Loss on sale of car		-
	Bad Debts Written Off		
	Other		39.59
	Operating Profit before Working Capital Changes	**770.02**	**593.11**
	Adjustment for:		
	Increase(Decrease) in Trade receivables	(527.25)	(700.97)
	Increase(Decrease) in Trade Payables	445.01	1,038.70
	Increase(Decrease) in Inventories	(954.75)	(701.99)
	Increase(Decrease) in Other Current Liabilities	29.15	160.66
	Increase(Decrease) in Short term Provision	83.84	
	Increase(Decrease) in Other Current Assets	166.62	(370.69)
	Increase(Decrease) in Other Non Current Assets	0.17	
	Increase(Decrease) in Long term Provision	-	
	Cash Generated from Operations	**12.79**	**18.82**
	Income Tax Paid	(148.93)	(76.23)
	Net Cash from Operating Activities - A	**(136.14)**	**(57.41)**
B	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment and Intangible Assets	(180.21)	(1,132.68)
	Non Current Investment	-	(89.10)
	Other Inflow(Outflow) of cash		(29.97)
	Interest Received		
	Net Cash from Investing Activities - B	**(180.21)**	**(1,251.75)**
C	**Cash Flow from Financing Activities**		
	Proceeds (Received) of Equity Share Capital & Security Premium	1,083.91	511.36
	Proceeds of Long Term Borrowings	191.62	605.47
	Repayment / Proceeds of Short Term Borrowings	(440.26)	414.92
	Repayment / Proceeds of Long Term Borrowings	(96.38)	(57.46)
	Other Inflow(Outflow) of cash		(2.59)
	Interest Paid	(90.16)	(103.84)
	Net Cash from Financing Activities - C	**648.72**	**1,367.86**
	Net Increase/(Decrease) in Cash & Cash Equivalents [A+B+C]	**332.37**	**58.70**
	Cash and Cash Equivalents as at the beginning of the year	70.63	11.92
	Repayment / Proceeds of Short Term Borrowings		
	Cash and Cash Equivalents as at the close of the year	403.08	70.63
	Net Increase/(Decrease) in Cash and Cash Equivalents	**332.45**	**58.70**

Note:

(a) Cash and Cash Equivalents consist of cash in hand and balances with banks (including fixed deposits) and bank overdraft which are repayable on demand and form an integral part of the entity's cash management. Cash and Cash equivalent included in the cash flow statement comprise of following balance sheet amounts as per Note no. 2.16

Cash and Cash Equivalents	71.72	69.77
Bank Overdraft		
Other Bank balance (Fixed deposits)	331.36	0.86
Total	**403.08**	**70.63**

(b) The above cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 on cash flow statement as notified under Companies (Accounting) Rules , 2014.

(c) Figures in brackets denote cash outflow.

AUDITOR'S REPORT
As per our separate report of even date attached.
For Shiv & Associates
Chartered Accountants
FRN : 009989N

Sd/-
Ashi Aggarwal
Director
DIN: 09249635
Place: Faridabad

Sd/-
Vivek Aggarwal
Managing Director
DIN: 09249636
Place: Faridabad

CA Abhishek Vashisht
Partner
M. No.- 526307
UDIN: 26526307ZPJVKE9575
Place: Faridabad
Date: 20-05-2026

Sd/-
Abhishek Aggarwal
Chief Financial Officer
PAN: AJVPA8512B
Place: Faridabad

Sd/-
Vaibhav Sharma
Company Secretary
M.No. - A71880
Place: Faridabad

(All amounts in ₹ lacs, unless otherwise stated)

1 **Background**

DEFRAIL TECHNOLOGIES LIMITED is a Company limited by shares domiciled in India, with its registered office situated at Plot no 180, Sector 24, Faridabad Sector 22, Faridabad, Haryana, India, 121005. The Company has been incorporated under Companies Act, 2013 on 9th October, 2023. The Company is primarily engaged in operations of manufacturing, buying , selling, importing , exporting and dealing in critical Air Brake Hose Assemblies (FP & BP) for Indian Railways, along with a wide range of high-performance rubber products tailored to meet the exacting standards of this key national infrastructure.

2 **Summary of Significant accounting policies**

i **Basis of Preparation**

The Standalone Summary Statement of the Assets and Liabilities of the Company as at 31st March 2026 and 31st March, 2025 the Statement of Profit and Loss and the statement of Cash Flow thereof (collectively referred to as 'Financial Statements') have been compiled by the management of the Company and These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the companies (Accounts) rules 2014 and companies (accounting standards) Rules, 2021 (as amended from time to time). The financial statements have been prepared on going concern on an accrual basis and under the historical cost convention. The financial statements are presented in Indian rupees and rounded off to the nearest lacs.

ii **Use of estimates**

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii **Property, Plant and Equipment and Intangible assets**

Property, Plant and Equipment

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its Intended use.

a. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone statement of profit and loss during the period in which they are incurred.

b. Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognized in the statement of profit and loss when the same in derecognized.

Intangible assets

Acquired intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

iv **Depreciation on property, plant and equipment**

Depreciation on Property, Plant & Equipment is provided to the extent of depreciable amount using Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in schedule II of The Companies Act,2013.

v **Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

vi **Revenue recognition**

Revenue is recognized to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.

vii **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks. Bank overdrafts are shown within borrowings in current liabilities in balance sheet.

viii **Employees Benefit**

Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Short-term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

ix **Foreign currency translation**

Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they occur.

x **Inventories and Work in progress**

Inventories are valued at lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct cost and related overheads.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

xi **Income taxes**

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit considered in determining the net profit or loss for the year.

Current tax

Provision for current tax is recognized on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Deferred tax

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

xii **Leases**

Operating leases - As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of lease.

xiii **Provisions, Contingent Liability and Contingent Asset**

Provisions

Provisions are recognized in terms of Accounting Standard 29 Provisions, Contingent Liabilities and Contingent Assets (AS-29), notified by the Companies (Accounting Standards) Rules, 2006, when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets

Contingent Assets are not recognized in the financial statements. involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of economic resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

xiv **Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

i. transactions of a non-cash nature;

ii. any deferrals or accruals of past or future operating cash receipts or payments;

iii. items of income or expense associated from investing or financing cash flows; and

Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows.

xv **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

DEFRAIL TECHNOLOGIES LIMITED

NOTE : 2.1 Share Capital

('in Lacs)

Particulars	No. of Shares	As at 31st March, 2026	No. of Shares	As at 31st March, 2025
Authorised				
Equity Share of ` 10 each	1,50,00,000	1,500.00	1,50,00,000	1,500.00
			1,50,00,000	**1,500.00**
Issued, Subscribed & Paid up				
Equity Share of ` 10 each	70,24,420	702.44	51,63,620	516.36
	70,24,420	702.44	51,63,620	516.36
Total	**70,24,420**	**702.44**	**51,63,620**	**516.36**

Notes:

Further Notes:

(1) Reconciliation of the Shares outstanding at the beginning and at the end of the year.

('in Lacs)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number	Amount	Number	Amount
Equity Shares:-				
Shares outstanding at the beginning of the year	5163620	516.36	50000	5.00
Shares Issued during the year	1860800	186.08		
Amalgamation			1240905	124.09
Bonus Issue			3872715	387.27
Redeemed during the period				
Shares outstanding at the end of the year	**70,24,420**	**702.44**	**51,63,620**	**516.36**

(2) Equity Shares:-

The Company has only one class of Equity having a par value of ` 10 per share. The holders of equity share are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meetings of the company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

(3) Detail of Shareholders holding more than 5% shares in the company.

Sl. No.	Name of Shareholder	As at 31st March, 2026		As at 31st March, 2025	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares					
1	Ashi Aggarwal	37,61,908	53.55%	37,61,908	72.85%
2	Dinesh Aggarwal	12,51,812	17.82%	12,51,812	24.24%
3	Abhishek Aggarwal	-		-	
4	Himanshu Aggarwal	-		-	
5	Vivek Aggarwal	-		-	
TOTAL		**50,13,720**	**71.38%**	**50,13,720**	**97.09%**

Note-2 : The Company had issued 1,60,83,392 equity shares of ` 10/- each as fully paid bonus shares during this financial year in the ratio of 16 equity share of ` 10/- each for every one equity shares held.

Note-3: The Company has made an Initial Public Offering as on June 24, 2024 with 64,32,000 shares with an issue size of Rs 64.32 Crores.

(4) Shareholding of Promoters

(i) Shares held by promoters as at 31th March, 2026

Sl. No.	Name of Promoters	As at 31st March, 2026		As at 31st March, 2025 (End)			As at 31st March, 2025 (Beginning)	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	% Change	No. of Shares held	% of Holding
Equity Shares								
1	Ashi Aggarwal	3761908	53.55%	37,61,908	72.85%	48.00%	12,425	24.85%
2	Dinesh Aggarwal	1251812	17.82%	12,51,812	24.24%	24.04%	100	0.20%
3	Abhishek Aggarwal	49700	0.71%	49,700	0.96%	-23.89%	12,425	24.85%
4	Himanshu Aggarwal	49700	0.71%	49,700	0.96%	-23.89%	12,425	24.85%
5	Nisha Aggarwal	400	0.01%	400	0.01%	-0.19%	100	0.20%
6	Priyanka Gupta	400	0.01%	400	0.01%	-0.19%	100	0.20%
7	Vivek Aggarwal	49700	0.71%	49,700	0.96%	-23.89%	12,425	24.85%
TOTAL		**51,63,620**		**51,63,620**			**50,000**	

Note : 2.2 Reserve & Surplus

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Revaluation Reserve		
Opening Balance	22.26	-
Additions during the year	-	22.26
Deductions during the year		-
Closing Balance	**22.26**	**22.26**
Security Premium		
Opening Balance	-	-
Additions during the year	1,090.91	384.68
Less IPO Expenses	(193.08)	
Deductions during the year	-	(384.68)
Closing Balance	**897.83**	**-**
Surplus/(Deficit) (Balance in Statement of Profit & Loss)		
Opening Balance	359.88	10.54
Add: Profit/(Loss) after tax as per Statement of Profit & Loss	400.62	351.93
Less: Deletion during the Year (Bonus share issued)	-	(2.59)
Closing Balance	**760.49**	**359.88**
Grand Total	**1,680.59**	**382.14**

Note : 2.3 Long Term Borrowings

('in Lacs)

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Non Current	Current Maturities	Total	Non Current	Current Maturities	Total
Loans & Advances from Related Parties						
Loans Director Unsecured	195.47		195.47	122.36		122.36
	195.47	-	195.47	122.36	-	122.36
Other Loans and Advances						
Unsecured Loans	323.63	-	323.63	166.79	64.48	231.27
Secured Loans Unsecured	140.12	-	140.12	139.67	510.96	650.62
	463.75	-	463.75	306.46	575.43	881.89
The Above amount includes						
Amount disclosed under the head Short term borrowings			-		(575.43)	(575.43)
(ii) Unsecured:-						
(A) Loans and Advances from Related Parties						
From Directors:-						
					-	
					-	
Total	659.22	-	659.22	428.82	-	428.82

Note : 2.3(a) Long Term Borrowings : Loans Director Unsecured

('in Lacs)

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Non Current	Current Maturities	Total	Non Current	Current Maturities	Total
Vivek Aggarwal	193.00		193.00	108.50		108.50
Ashi Aggarwal	-4.91		-4.91	0.20		0.20
Himanshu Aggarwal	0.00		0.00	0.85		0.85
Dinesh Aggarwal-Usl	1.46		1.46			
Abhishek Aggarwal	5.89		5.89	12.80		12.80
Total	195.45	-	195.45	122.36	-	122.36

Note : 2.3(b) Long Term Borrowings : Unsecured Loans

('in Lacs)

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Non Current	Current Maturities	Total	Non Current	Current Maturities	Total
Unsecured Loans - From Banks	305.05	-	305.05	122.03	28.26	150.29
Unsecured Loans - From Other Parties	18.58	-	18.58	44.76	36.21	80.98
Total	323.63	-	323.63	166.79	64.48	231.27

Note : 2.3(c) Long Term Borrowings : Secured Loans

('in Lacs)

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Non Current	Current Maturities	Total	Non Current	Current Maturities	Total
Secured Loans - From Banks	0.00	-	0.00		419.46	419.46
Secured Loans - From Other Parties	140.12	-	140.12	139.67	91.49	231.16
Total	140.12	-	140.12	139.67	510.96	650.62

Note : 2.4 Deferred Tax Liabilities

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liabilities:-		
Differences on Account of Depreciation	20.27	22.69
Total		22.69

Note : 2.5 Long Term Provisions

('in Lacs)

Particulars	As at 31st March, 2026			As at 31st March, 2025		
	Long term	Short term	Total	Long term	Short term	Total
Provision for Employee Benefits:-						
Provision for Gratuity	23.77	-	23.77	17.33	-	17.33
Other Provisions:-						
Current Tax Provisions		148.93	148.93		65.10	65.10
Provision for tax		-	-		-	-
Total	23.77	148.93	172.71	17.33	65.10	65.10

Note : 2.6 Short-Term Borrowings

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Current Maturities of Long-Term Borrowings	135.17	575.43
Total	**135.17**	**575.43**

Note : 2.7 Trade Payables

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Payable for Goods & Services		
i) Micro and Small Enterprises	993.79	856.37
ii) Others	548.01	240.43
Total	**1,541.81**	**1,096.80**

Notes:

1. Trade Payable Ageing

(a) Trade Payables aging schedule as at 31st March, 2026:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Year	More Than 3 Years	
A. MSME	993.79				993.79
B. Others	517.91				517.91
C. Disputed Dues-MSME					
D. Disputed Dues-Others				30.10	30.10
Total	**1,511.71**	**-**	**-**	**30.10**	**1,541.81**

(a) Trade Payables aging schedule as at 31st March, 2025:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Year	More Than 3 Years	
A. MSME	856.37				856.37
B. Others	210.33				210.33
C. Disputed Dues-MSME	-				-
D. Disputed Dues-Others	-			30.10	30.10
Total	**1,066.70**			**30.10**	**1,096.80**

Note : 2.8 Other Current Liabilities

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Other Payables :-		
-Salary & Wages Payable	53.68	53.56
-Statutory Dues	38.15	19.23
-Payable for Capital Goods		
-Audit Fee payable	6.00	6.00
-Electricity Expenses Payable	8.43	8.42
-Rent Payable		
-Security Expenses Payable		
-Repair & Maintenance Payable		
-Interest Payable	7.82	4.73
Expenses payable	10.09	
-Others	-	3.09
Total	**124.18**	**95.04**

Note : 2.8 Other Non Current investment

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Non-Trade Investment(Valued at cost unless stated otherwise)		
Investments in equity Instruments (Quoted) In Subsidiaries		-
Investment in subsidiaries quoted non-trade (Lower of cost and market value)	89.10	89.10
Gross investmetnt		
Net investment	**89.10**	**89.10**

Note : 2.13 Other Non Current Assets : security deposits ('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Security Deposits	29.79	29.97
Total	**29.79**	**29.97**

Note : 2.13 Other Non Current Assets : security deposits ('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Security Deposits	29.79	29.87
other receivables	-	0.10
Total	**29.79**	**29.87**

Note : 2.14 Inventories

(At lower of cost and net realisable value) ('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
As taken, valued & certified by the Managment		
Raw Materials	380.40	180.22
Work-in-Progress	472.92	192.22
Finished Goods	808.18	334.40
Total	**1,661.50**	**706.84**

Note : 2.15 Trade Receivables

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured considered good:	**1,299.01**	**771.75**
Total	**1,299.01**	**771.75**

Note : 2.16 Cash & Cash Equivalents

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Cash and Cash Equivalents:-		
a. Balances with banks		
-In Current Accounts	331.36	0.86
b. Cash In Hand	71.72	69.77
Total	**403.08**	**70.63**

Note : 2.18 Other Current Assets

('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Advance to staff	25.38	1.49
Advance recoverable in cash or in kind or value to be received	53.73	247.29
balance with government authorities	111.76	108.71
Total	**190.87**	**357.49**

Note : 2.19 Revenue From Operations

Particulars	As at 31st March, 2026	As at 31st March, 2025
Sales of Products		
Central sales	664.99	605.67
Export Sales	1.64	
Local sales	7,337.81	5,571.11
Total	**8,004.45**	**6,176.78**

Note : 2.20 Other Income

-

Particulars		As at 31st March, 2026	As at 31st March, 2025
Other non- operating income		10.93	1.01
Duty rebate	0.04		
Other Income	10.89		
Total	**10.93**	**10.93**	**1.01**

Note : 2.21 Cost of Materials Consumed

-

Particulars		As at 31st March, 2026	As at 31st March, 2025
Opening Stock		180.22	4.85
Add: Purchases		5,881.83	4,315.04
Add; other adjustment		-	73.21
Less: Closing Stock		380.40	180.22
Total	**-**	**5,681.66**	**4,212.88**

Note : 2.22 Change In Inventories

Particulars	As at 31st March, 2026	As at 31st March, 2025
Inventories at end of the year		
Manufactured Goods	808.18	334.40
Work-in-Progress	472.92	192.22
	1,281.10	**526.62**
increase/decrease in inventories		
Manufactured Goods	(473.78)	(194.99)
Work-in-Progress	(280.71)	(192.22)
Adjustment:		
purchase finished goods	-	139.41

Note : 2.23 Employees Benefit Expenses

Particulars	As at 31st March, 2026	As at 31st March, 2025
Salary, Wages and Bonus	1,122.24	719.21
Director remunernation	72.55	38.40
Staff Welfare Expenses	26.65	16.84
Gratuity	6.44	17.38
Total	**1,227.88**	**791.82**

Note: 2.24 Finance Costs

Particulars	As at 31st March, 2026	As at 31st March, 2025
Interest Expenses	76.43	89.71
Other Borrowing Costs	13.74	14.12
Total	**90.16**	**103.85**

Note : 2.25 Other Expenses

Particulars	As at 31st March, 2026	As at 31st March, 2025
Power and Fuel	168.77	125.84
Consultancy Expenses	14.11	7.56
Rates and Taxes	1.08	12.92
Insurance	14.79	23.10
Legal & Professional Charges	19.10	30.33
Testing and training charges	2.85	0.82
Consumption of stores and spare parts	507.05	348.16
Freight expenses	0.16	1.77
cartage inward	3.96	4.23
factory expenses	39.37	57.39
internet expenses	0.26	0.12
Promotional expenses	14.32	38.64
transport charges	37.90	31.01
postage expenses	0.08	0.80
loading and unloading	0.88	22.04
Bank charges	-	1.11
Office expenses	5.02	3.12
Repair and Maintenance - machinery	90.91	76.56
Repair and Maintenance - building	4.87	7.60
vehicle maintance expenses	2.71	1.32
Interest & Penalty	0.97	
computer mainatnce expenses	9.53	2.80
printing and stationary	7.20	3.96
telephone expenses	2.42	2.60
Cartage Outward	10.12	5.29
Auditor Remuneration	6.00	6.00
Travelling expenses	4.11	5.34
job work expenses	7.52	51.86
consumption of packing material	-	31.10
Donations	2.06	
rent	104.05	96.18
other expenditure	14.59	7.21
Total	**1,096.75**	**1,006.80**

OTHER NOTES:-

NOTE-28 RELATED PARTY DISCLOSURES - ACCOUNTING STANDARD-18

As required by Accounting Standard-18, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India.

(a) Related Parties:-

(i) Key Management Personnel (KMP):

1. Ashi Aggarwal	Director
2. Vivek Aggarwal	Director
3. Abhishek Aggarwal	Director & CFO
4. Vivek Karnavat	Director
5. Rajesh Aggarwal	Director
6. Neetu Dhulia	Director
7. Vikram Grover	Director
8. Vaibhav Sharma	C.S

(ii) Relative of Key Management Personnel:

1. Dinesh Aggarwal

(iii) Wholly Owned Subsidiary:

1. Impex Hi-Tech Rubber Private Limited

(b) Following are the details of the transactions with the related party: ('in Lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
(i) Managerial Remuneration to Key Management Personnel/Relative of KMP:		
• Abhishek Aggarwal	17.78	18.00
Priyanka Aggarwal	13.50	
Nisha Aggarwal	5.00	
• Vivek Aggarwal	17.78	18.00
• Ashi Aggarwal	18.50	
• Reimbursement - Abhishek Aggarwal		1.40
• Reimbursement - Vivek Aggarwal		1.00
(ii)Share Capital Issued:		
• Ashi Aggarwal		376.19
• Dinesh Aggarwal		125.18
• IPO Public Holding	186.08	
(iii)Unsecured Loan Borrowed:		
• Ashi Aggarwal		0.20
• Vivek Aggarwal	152.16	358.07
• Dinesh Aggarwal	1.46	
• Abhishek Aggarwal	38.00	38.90
• Himanshu Aggarwal		0.11
(iv) Unsecured Loan Repaid:		
• Abhishek Aggarwal	44.91	
• Himanshu Aggarwal	0.85	
• Vivek Aggarwal	67.66	
(v) Loans and Advance		
• Abhishek Aggarwal		21.10
• Ashi Aggarwal		
• Himanshu Aggarwal		1.05
• Vivek Aggarwal		278.58
(vi)Unsecured Loan Given:		
• Impex Hi-Tech Rubber Private Limited		237.15
(vii)Unsecured Loan Received:		
• Impex Hi-Tech Rubber Private Limited		114.31
(c) Following are the details of balance outstanding with the related party:		
Balances Payable at the end of the year:		
• Ashi Aggarwal	0.20	0.20
• Abhishek Aggarwal	5.89	12.8
• Vivek Aggarwal	193.00	108.50
• Dinesh Aggarwal	1.46	
• Himanshu Aggarwal	-	0.85
Balances Receivable at the end of the year:		
• Impex Hi-Tech Rubber Private Limited		122.85

NOTE-26 EARNINGS PER EQUITY SHARES

Particulars	Units of Measurement	At 31st March, 2026	At 31st March, 2025
(a) Profit after taxation and exceptional items	Lacs	400.62	351.93
(b) Weighted average number of shares outstanding during the year	No.	55.20	51.64
(c) Add: Dilutive Potential Equity Shares	No.	-	-
(d) No. of Equity Shares (b+c) for dilutive earnings per shares (of ` 10 each)	No.	55.20	51.64
(e)Nominal Value per share (In `)		10	10
(f) Basic Earning per share (in `) (a/b)		**7.26**	**6.82**
(g) Diluted Earning per share (in `) (a/d)		**7.26**	**6.82**

NOTE-28 CONTINGENT LIABILITIES & COMMITMENTS

('in Lacs)

Particulars	At 31st March, 2026	At 31st March, 2025
Contingent liabilities and commitments (to the extent not provided for)		
(I) Contingent liabilities	30.10	30.10
(a) Guarantees provided to customers		
(II) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
-Tangible assets	-	-
-Intangible assets	-	-

NOTE-27 RATIOS

Ratio	Units	Numerator (` in Lacs)	Denominator (` in Lacs)	31st March, 2026	31st March, 2025	
Current ratio	Times	3,554.46	1,950.09	1.82	1.15	
Debt-equity Ratio	Times	659.22	2,383.03	0.28	1.10	
Debt service coverage ratio	Times	682.68	659.22	1.04	-	
Return on equity Ratio	Percentage	400.63	1,640.76	24.42%	79.00%	
Inventory turnover ratio	Times	8,004.45	1,184.17	6.76	17.36	
Trade receivables turnover ratio	Times	8,004.45	1,035.38	7.73	14.66	
Trade payables turnover ratio	Times	8,004.45	1,319.30	6.07	7.49	
Net capital turnover ratio	Times	8,004.45	839.36	9.54	25.08	
Net profit ratio	Percentage	400.63	8,004.45	5.01%	0.06%	
Return on capital employed	Percentage	682.68	3,062.53	22.29%	26.00%	
Return on investment	NA			Nil	Nil	

NOTE : 2.10 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

(` in Lacs)

Particulars	Gross Block				Accumulated Depreciation & Impairment				Net Block	
	As at April 1, 2025	Addition for the year	Deductions/Adjustments	As at 31t March, 2026	As at April 1, 2025	Depreciation for the year	Deductions/Adjustments	As at 31t March, 2026	As at 31t March, 2026	As at 31st March, 2025
Property, Plant and Equipment										
Computer	0.49	4.79	-	5.29	0.33	0.38	-	0.71	4.58	0.17
Furniture & Fixtures	12.23	1.60	-	13.83	1.35	1.49	-	2.84	10.99	10.88
Land	297.96	-	-	297.96	-	-	-	-	297.96	297.96
Building	101.05	-	-	101.05	3.52	3.52	-	7.03	94.02	97.54
Refrigerator	-	-	-	-	-	-	-	-	-	-
Motorcar	37.99	-	-	37.99	8.64	8.63	-	17.28	20.72	29.35
Motorcycle	0.04	-	-	0.04	0.01	0.00	-	0.01	0.03	0.03
Office Equipment	23.53	21.27	-	44.80	3.85	7.25	-	11.10	33.70	19.68
Plant And Machinery	717.93	152.55	-	870.48	44.99	59.63	-	104.62	765.86	672.94
Total	**1,191.23**	**180.21**	**-**	**1,371.44**	**62.69**	**80.89**	**-**	**143.58**	**1,227.87**	**1,128.54**
Previous Year										

DEFRAIL TECHNOLOGIES LIMITED								
SCHEDULE OF FIXED ASSETS AS ON 31/03/2026								
PARTICULARS	**AS ON 01/04/2025**	**Addition Before 180 days**	**Addition After 180 days**	**Deletion**	**TOTAL**	**RATE OF DEP.**	**DEPRECIATION**	**AS ON 30/09/2025**
Office Equipment	17,44,284	14,40,300	6,86,963		38,71,547	15%	5,29,210	33,42,337
Computer	35,268	52,509	4,26,923		5,14,700	40%	1,20,496	3,94,204
Building	99,00,000				99,00,000	10%	9,90,000	89,10,000
Motor Car	10,72,436				10,72,436	15%	1,60,865	9,11,571
Furniture	11,17,263	31,774	1,28,189		12,77,226	10%	1,21,313	11,55,913
Plant & machinery	5,61,58,733	93,77,512	58,77,285		7,14,13,530	15%	1,27,34,464	5,86,79,066
Total	**7,00,27,984**	**1,09,02,095**	**71,19,360**	**-**	**8,80,49,439**		**1,46,56,348**	**7,33,93,091**

DEFRAIL TECHNOLOGIES LIMITED

Calculation of Provision for Tax as on 31st March, 2026

Particulars	Amount
Profit as per Profit and loss account	5,92,51,260
Add: dep as per Companies Act	80,89,106
Add: Exp disallowed	8,50,389
Less: Dep as per Income Tax Act	1,46,56,348
Taxable Profit	**5,35,34,407**
Income Tax@25%	1,33,83,602
Surcharge @7%	9,36,852
Total	**1,43,20,454**
Health and Education Cess @4%	5,72,818
Total Tax	**1,48,93,272**

DEFRAIL TECHNOLOGIES LIMITED

Calculation of Deffered Tax as on 31st March, 2026

(Figures in `)

Particulars	Amount	Particulars	Amount
WDV as Per Companies Act	8,30,57,894.55		
WDV as Per Income Tax Act	7,33,93,091.36		
Differrence	**96,64,803.19**	DTL @ 27.82%	26,88,748
Gratuity Exps as per Balancesheet	23,77,251		
Gratuity Exps allowed as per Income Tax	-		
Differrence	**(23,77,251)**	DTA @ 27.82%	(6,61,351)
		Closing balance of DTA(DTL)	**(20,27,397)**
		DTA Already created	**22,69,075**
Net Deffered tax asset shown in PL			**(42,96,472)**

Independent Auditor's Report

To the Members of

DEFRAIL TECHNOLOGIES LIMITED

Report on the Audit of the Consolidated Financial Statements for the year ended 31st March 2026.

Opinion

We have audited the accompanying Consolidated financial statements of DEFRAIL 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 changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the 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 Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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 that there are no such key Audit Matters to be reported.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 for the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statement

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure A**" a statement on matters specified in the paragraph 3 and 4 of the order for the company, to the extent applicable.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
(b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, Cash flow statement and notes to financial statements dealt with by this Report are in agreement with the relevant books of accounts.

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

(e) On the basis of the written representations received from the directors, as on 31st March 2026, taken on record by the Board of Directors and the report of the statutory auditors, none of the directors of the company is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

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

(g) The company being a public limited company, the other matters to be included in Auditor's Report in accordance with requirements of Section 197 (16) of the Act, as amended, in respect of whether the remuneration paid by Company to its directors during the year is in accordance with the provisions of Section 197 of the Act is applicable; and

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

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements — Refer Note 2.24 under the heading of "Contingent Liabilities & Commitments" to the 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 were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

iv)

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

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

v) There is no dividend declared or paid during the year by the company.

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

For Shiv & Associates

Chartered Accountants

Firm's Registration No.:009989N

CA Abhishek Vashisht
Partner

M.No: 526307

UDIN: 26526307XFWHCU7393

Place: Faridabad
Date : 20-05-2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of DEFRAIL TECHNOLOGIES LIMITED of even date)

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

1. In respect of its Property, Plant & Equipment and Intangible assets:

a) The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment.

b) The company has maintained proper records showing full particulars of Intangible Assets.

c) In our opinion, the Property, Plant & Equipment have been physically verified by the management at reasonable intervals, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

d) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the Company.

e) Based on our examination of records and according to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment including right-of-use assets during the year.

f) According to the information and explanations given to us and on the basis of our examination of the records of the company, there have been no proceedings initiated or pending against the *company* for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. a) In our opinion and according to the information and explanations given to us, inventory has been physically verified at reasonable intervals and the coverage and procedure of such verification by the management is appropriate and no discrepancy of 10% or more in aggregate in any class of inventory was noticed during the physical verification.

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

3. According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has granted loans to its subsidiary during the year. These loans have been duly recorded in the books of account maintained by the Company, and all relevant documents, agreements, and approvals relating to these loans have been made available for our verification. The loans granted are reflected appropriately in the Company's financial statements in accordance with the applicable accounting standards and statutory provisions.

4. According to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security.

5. According to the information and explanations given to us, the company has not accepted any deposits during the year, hence reporting under this clause is not applicable to the company.

6. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 for the products and services of the Company. Accordingly, reporting under Clause 3(vi) of the Companies (Auditor's Report) Order, 2020 is not applicable.

7. a) According to the information and explanation given to us and on the basis of our examination of the records, company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of customs, cess and any other material statutory dues to the appropriate authorities. There is no undisputed statutory due which is outstanding for more than six months from the date they become payable.

b) According to the information and explanation given to us, there are no dues as referred to in sub clause (a) which have not been deposited by the Company on account of disputes.

8. According to the information and explanation given to us and on the basis of our examination uf records of the company, the company does not have any transactions which have been surrendered or disclosed as income during the year in any tax assessment hence, reporting under this clause is not applicable to the Company.

9. a) According to the information and explanation given to us and on the basis of our examination of records of the company, the company has not

defaulted in repayment of the loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

c) c) The Company has utilized the loan obtained for the purpose for which they were obtained.

d) As per management the Company has not utilized its fund raised on short term basis for the long-term purposes.

e) According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has not taken any loans or borrowings from its subsidiary, joint venture, or any other related party during the year. Accordingly, reporting under Clause 3(ix)(f) of the Companies (Auditor's Report) Order, 2020 is not applicable.

10. a) In Our Opinion and According to the Information and Explanations given to us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of order 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) under section 42 and section 62 of the Companies Act,

11. a) According to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of audit.

b) According to the information and explanations given to us, no report under sub-section
(12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) The company has not received any whistle blower complaints during the year. Accordingly, reporting under this clause is not applicable.

12. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi company as per the Act. Accordingly, paragraph 3(xiij of the Order is not applicable to the company.

13. According to the information and explanations given to us and based on our

examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions, as required by the applicable accounting standards, have been disclosed in the financial statements.

14. According to the information and explanations provided to us and based on our examination of the records of the Company, the provisions of internal audit under Section 138 of the Companies Act, 2013 are not applicable to the Company, as it does not fall within the prescribed thresholds of turnover and borrowings. Accordingly, reporting under Clause 3(xiv) of the Companies (Auditor's Report) Order, 2020 is not applicable.

15. According to the information and explanations given to us and based on our examination of records the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.

16. a) In our opinion and according to the information and explanations given to us, the company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

b) The company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

17. The company has not incurred any cash losses in the current and in the immediately preceding financial year.

18. According to the information and explanations provided to us and based on our examination of the records of the Company, we report that during the year under review, no statutory auditor has resigned from their position. The Company has maintained proper records in this regard, and there are no matters pertaining to auditor resignation that require disclosure under Clause 3(xviii) of the Companies (Auditor's Report) Order, 2020.

19. According to the information and explanations given to us and based on our examination of records the company and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statement,

there is no material uncertainty exits on the date of audit report regarding the capability of company of meeting its existing liabilities and as and when they fall due within a period of one year from the balance sheet date.

20. According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company. Accordingly, reporting under Clause 3(xx) of the Order is not required.

21. According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has entered into transactions with its subsidiary during the year. These transactions have been properly recorded in the books of account maintained by the Company and are in accordance with the applicable provisions of the Companies Act, 2013.

For Shiv & Associates
Chartered Accountants
Firm's Registration No.:009989N

CA Abhishek Vashisht
Partner
M.No 526307
UDIN:
26526307XFWHCU7393
Place: Faridabad
Date: 20-05-2026

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 to the Members of DEFRAIL TECHNOLOGIES LIMITED of even date)

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Defrail Technologies Limited (“the Company”) as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on internal financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 orderly and efficient conduct of its business, including adherence to company's policy, 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 Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: -

1. Pertaining to maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of 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 receipt and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Shiv & Associates
Chartered Accountants
Firm's Registration No.:009989N

CA Abhishek Vashisht
Partner
M.No 526307
UDIN:
26526307XFWHCU7393
Place: Faridabad
Date: 20-05-2026

DEFRAIL TECHNOLOGIES LIMITED
Registered Office. Plot No. 180, Sector-24, Faridabad, Haryana-121005
Website: www.defrailtech.in
CIN: L30204HR2023PLC115548

CONSOLIDATED BALANCE SHEET AS AT 31st March,2026

(` in lacs)

Particulars	Note No.	For the year ended 31.03.2026	For the year ended 31.03.2025
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	2.1	702.44	516.36
(c) Reserves and Surplus	2.2	1,697.14	330.80
Total Shareholders' Fund		**2,399.58**	**847.16**
2 Non-Current Liabilities			
(a) Long Term Borrowings	2.3	762.00	575.23
(b) Deferred Tax Liabilities (Net)	2.4	36.26	54.34
(c) Long Term Provisions	2.5	29.09	22.68
Total Non-Current Liabilities		**827.35**	**652.25**
3 Current Liabilities			
(a) Short Term Borrowings	2.6	140.18	580.97
(b) Trade Payables			
(i) Outstanding dues to micro and small enterprises	2.7	1,002.98	879.59
(ii) Outstanding dues to other than micro and small enterprises	2.7	563.58	242.59
(c) Other Current Liabilities	2.8	140.72	112.30
(d) Short Term Provisions	2.9	148.93	66.18
Total Current Liabilities		**1,996.40**	**1,881.63**
TOTAL EQUITY AND LIABILITIES		**5,223.33**	**3,381.04**
II. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment and Intangible Assets	2.1		
(i) Property, Plant and Equipment		1,366.42	1,281.07
Non Current Investments			
(ii) Capital work-in-progress			-
(d) Other non-current assets	2.11	34.85	35.03
Total Non-Current Assets		**1,401.27**	**1,316.10**
2 Current Assets			
(a) Inventories	2.12	1,861.15	912.90
Other current assets			
(b) Trade Receivables	2.13	1,307.09	773.51
(c) Cash and Cash Equivalents	2.14	425.03	84.38
(d) Short-term loans and advances	2.15	228.79	294.16
Total Current Assets		**3,822.06**	**2,064.94**
TOTAL ASSETS		**5,223.33**	**3,381.04**
Significant Accounting Policies	1		
Notes on Account	2		

Notes referred above are integral part of Assets and Liabilities as Consolidated.

AUDITOR'S REPORT
As per our separate report of even date attached.
For Shiv & Associates
Chartered Accountants
FRN : 009989N

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

Sd/-
CA Abhishek Vashisht
Partner
M. No.- 526307
UDIN: 26526307XFWHCU7393
Place: Faridabad
Date: 20/05/2026

Sd/-
Ashi Aggarwal
Director
DIN: 09249635
Place: Faridabad

Sd/-
Vivek Aggarwal
Managing Director
DIN: 09249636
Place: Faridabad

Sd/-
Vaibhav Sharma
Company Secretary
PAN: KQTPS5777K
Place: Faridabad

Sd/-
Abhishek Aggarwal
CFO
PAN: AJVPA8512B
Place: Faridabad

DEFRAIL TECHNOLOGIES LIMITED
Registered Office. Plot No. 180, Sector-24, Faridabad, Haryana-121005.
Website: www.defrailtech.in
CIN: L30204HR2023PLC115548

CONSOLIDATED PROFIT AND LOSS FOR THE PERIOD ENDING 31.03.2026

(` in lacs)

	Particulars	Note No.	For the year ended 31.03.2026	For the year ended 31.03.2025
	Income:			
I.	Revenue from Operations	2.16	8,025.82	6,220.93
II.	Other Income	2.17	19.35	1.15
III.	**Total Income (I + II)**		**8,045.17**	**6,222.08**
IV.	**Expenses:**			
	Cost of Materials Consumed	2.18	5,684.82	4,229.14
	Changes in Inventories of Finished Goods, WIP & Stock-in-trade	2.19	(748.08)	(412.81)
	Employee Benefits Expenses	2.2	1,227.88	815.00
	Finance Costs	2.21	90.89	105.05
	Depreciation and Amortization Expenses		94.85	76.61
	Other Expenses	2.22	1,098.35	1,011.45
V.	**Total Expenses**		**7,448.72**	**5,824.43**
VI.	**Profit/(Loss) Before Tax (III-V)**		596.45	397.65
VII.	**Tax Expenses:**			
	(1) Current tax		148.93	66.1
	(2) Deferred tax		46.56	54.34
	(3) Provision for taxes of earlier years		-	-
VIII.	**Profit/(Loss) After Tax (VI-VII)**		**400.96**	**277.18**
IX.	**Earnings per Equity Share:**			
	Basic (in `)	2.23	7.26	5.37
	Diluted (in `)	2.23	7.26	5.37
	Face Value of Equity Share (in `)		10	10
	Significant Accounting Policies	1		
	Notes on Account	2		

AUDITOR'S REPORT
As per our separate report of even date attached.
For Shiv & Associates
Chartered Accountants
FRN : 009989N

Sd/-
CA Abhishek Vashisht
Partner
M. No.- 526307
UDIN: 26526307XFWHCU7393
Place: Faridabad
Date: 20/05/2026

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

Sd/-
Ashi Aggarwal
Director
DIN: 09249635
Place: Faridabad

Sd/-
Vivek Aggarwal
Managing Director
DIN: 09249636
Place: Faridabad

Sd/-
Vaibhav Sharma
Company Secretary
PAN: KQTPS5777K
Place: Faridabad

Sd/-
Abhishek Aggarwal
CFO
PAN: AJVPA8512B
Place: Faridabad

DEFRAIL TECHNOLOGIES LIMITED
Registered Office. Plot No. 180, Sector-24, Faridabad, Haryana-121005.
Website: www.defrailtech.in
CIN: L30204HR2023PLC115548

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2026

(` in lacs)

	Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
A	**Cash Flow from Operating Activities:**		
	Net Profit/ (Loss) Before Tax	**596.45**	**397.65**
	Adjustment for:		
	Depreciation	94.85	76.61
	Finance Cost	90.89	105.05
	Deferred tax adjustment	2.90	
	Provision for Gratuity	6.44	
	Revaluation Reserve		45.67
	Operating Profit before Working Capital Changes	**791.53**	**624.98**
	Adjustment for:		
	Inventories	(948.25)	(908.05)
	Increase in Trade Receivables	(533.58)	(702.72)
	Increase in Short term loans & advances	65.37	(138.79)
	Increase in Other Non current assets	0.18	25.71
	Increase in Trade Payable	444.38	762.64
	Increase in Provisions	82.75	62.48
	Increase in Other Current Liabilities	28.42	43.50
	Cash Generated from Operations	**(69.20)**	**(230.26)**
	Income Tax Paid	(148.93)	66.13
	Net Cash from Operating Activities - A	**(218.13)**	**(164.13)**
B	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment	(180.21)	(359.95)
	Non current Investment	-	-
	Purchase of Inventory in acquisition of business	-	(212.62)
	Purchase of Trade Receivables in acquisition of business	-	(260.96)
	Purchase of Short term loans & advances in acquisition of business	-	(150.21)
	Purchase of other non current assets in acquisition of business	-	(36.29)
	Purchase of Trade Payable & in acquisition of business	-	301.40
	Purchase of Other Current Liabilities in acquisition of business	-	65.75
	Purchase of Property, Plant and Equipment in acquisition of business	-	(784.86)
	Purchase of Short Term Borrowings in acquisition of business	-	247.29
	Purchase of Long Term Borrowings in acquisition of business	-	373.64
	Purchase of Cash in acquisition of business		(57.23)
	Net Cash from Investing Activities - B	**(180.21)**	**(874.06)**
C	**Cash Flow from Financing Activities**		
	Proceeds (Received) of Equity Share Capital	186.08	511.36
	Proceeds (Received) of Security premium	897.83	
	Proceeds of Long Term Borrowings	283.07	967.79
	Interest	(90.89)	(105.05)
	Repayment of Long Term Borrowings	(96.30)	(217.96)
	Repayment of Short Term Borrowings	(440.79)	(45.50)
	Net Cash from Financing Activities - C	**738.99**	**1,110.64**
	Net Increase/(Decrease) in Cash & Cash Equivalents [A+B+C]	**340.65**	**72.46**
	Cash and Cash Equivalents as at the beginning of the year	84.38	11.92
	Cash and Cash Equivalents as at the close of the year	425.03	84.38
	Net Increase/(Decrease) in Cash and Cash Equivalents	**340.65**	**72.46**
Note:			
(a)	Cash and Cash Equivalents consist of cash in hand and balances with banks.Cash and cash equivalent included in the cash flow statement comprise of following balance sheet amounts as per Note no. 2.14		
	Cash and Cash Equivalents	425.03	84.38
	Other Bank balance (Fixed deposits)	-	-
	Total	**425.03**	**84.38**
(b)	The above cash flow statement has been prepared under the 'Indirect Method' as set out in Accounting Standard -3 on cash flow statement as notified under Companies (Accounting) Rules , 2014.		
(c)	Figures in brackets denote cash outflow.		

AUDITOR'S REPORT
As per our separate report of even date attached.
For Shiv & Associates
Chartered Accountants
FRN : 009989N

Sd/
CA Abhishek Vashisht
Partner
M. No.- 526307
UDIN: 26526307XFWHCU7393
Place: Faridabad
Date: 20/05/2026

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

Sd/	Sd/-
Ashi Aggarwal	**Vivek Aggarwal**
Director	Managing Director
DIN: 09249635	DIN: 09249636
Place: Faridabad	Place: Faridabad
Sd/-	Sd/-
Vaibhav Sharma	**Abhishek Aggarwal**
Company Secretary	CFO
PAN: KQTPS5777K	PAN: AJVPA8512B
Place: Faridabad	Place: Faridabad

(All amounts in ₹ lacs, unless otherwise stated)

1 Background

DEFRAIL TECHNOLOGIES LIMITED is a Company limited by shares domiciled in India, with its registered office situated at Plot no 180, Sector 24, Faridabad Sector 22, Faridabad, Haryana, India, 121005. The Company has been incorporated under Companies Act, 2013 on 9th October, 2023. The Company is primarily engaged in operations of manufacturing, buying , selling, importing , exporting and dealing in critical Air Brake Hose Assemblies (FP & BP) for Indian Railways, along with a wide range of high-performance rubber products tailored to meet the exacting standards of this key national infrastructure.

2 Summary of Significant accounting policies

i Basis of Preparation

The Consolidated Summary Statement of the Assets and Liabilities of the Company as at 31st March 2026 and 31st March, 2025 the Statement of

Profit and Loss and the Statement of Cash Flow thereof (collectively referred to as 'Financial Statements') have been compiled by the management of the Company and These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the companies (Accounts) rules 2014 and companies (accounting standards) Rules, 2021 (as amended from time to time). The financial statements have been prepared on going concern on an accrual basis and under the historical cost convention. The financial statements are presented in Indian rupees and rounded off to the nearest lacs.

ii Use of estimates

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

iii Property, Plant and Equipment and Intangible assets

Property, Plant and Equipment

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its Intended use.

a. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone statement of profit and loss during the period in which they are incurred.

b. Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognized in the statement of profit and loss when the same in derecognized.

Intangible assets

Acquired intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

iv Depreciation on property, plant and equipment

Depreciation on Property, Plant & Equipment is provided to the extent of depreciable amount using Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in schedule II of The Companies Act,2013.

v **Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

vi **Revenue recognition**

Revenue is recognized to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.

vii **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks. Bank overdrafts are shown within borrowings in current liabilities in balance sheet.

viii **Employees Benefit**

Employee benefits in the form of Provident Fund and Employee State Insurance Scheme are defined contribution plans and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Short-term employee benefits: All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

ix **Foreign currency translation**

Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they occur.

x **Inventories and Work in progress**

Inventories are valued at lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct cost and related overheads.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

xi **Income taxes**

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit considered in determining the net profit or loss for the year.

Current tax

Provision for current tax is recognized on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Deferred tax

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

xii **Leases**

Operating leases - As a lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the period of lease.

xiii **Provisions, Contingent Liability and Contingent Asset**

Provisions

Provisions are recognized in terms of Accounting Standard 29 Provisions, Contingent Liabilities and Contingent Assets (AS-29), notified by the Companies (Accounting Standards) Rules, 2006, when there is a present legal or statutory obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities

Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets

Contingent Assets are not recognized in the financial statements. involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of economic resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

xiv **Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

i. transactions of a non-cash nature;

ii. any deferrals or accruals of past or future operating cash receipts or payments;

iii. items of income or expense associated from investing or financing cash flows; and

Cash and cash equivalents (including bank balances) are reflected as such in the Statement of Cash Flows.

xv **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

DEFRAIL TECHNOLOGIES LIMITED
NOTE : 2.1 Share Capital

Particulars	For the year ended	For the year ended 31.03.2025
Authorised		
Equity Share of ` 10 each		1,500.00
Total	1,500.00	1,500.00
Issued, Subscribed & Paid up		
Equity Share of ` 10 each	702.44	516.36
	702.44	516.36
Total	**702.44**	**516.36**
Issued, Subscribed & Not Fully Paid up		
Equity Share of ` 10 each	-	-
	-	-

Notes:

Further Notes:

(1) Reconciliation of the Shares outstanding at the beginning and at the end of the year.

(` in lacs)

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number	Amount	Number	Amount
Equity Shares:-				
Shares outstanding at the beginning of the year	51,63,620	516.36	50,000	5.00
Shares Issued during the year	18,60,800	186.08	51,13,620	511.36
Shares outstanding at the end of the year	**70,24,420**	**702.44**	**51,63,620**	**516.36**

(2) Equity Shares:-

The Company has only one class of Equity having a par value of ` 10 per share. The holders of equity share are entitled to receive dividends as declared from time to time and are entitled to one vote per share at the meetings of the company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

(3) Detail of Shareholders holding more than 5% shares in the company.

Sl. No.	Name of Shareholder	As at 31st March, 2026		As at 31st March, 2025	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares					
1	Ashi Aggarwal	37,61,905		37,61,905	72.85%
5	Dinesh Aggarwal	12,51,812		12,51,812	24.24%
		50,13,717		**50,50,992**	

(4) Shareholding of Promoters

(i) Shares held by promoters as at 31st March, 2026

Sl. No.	Name of Promoter	As at 31st March, 2026		As at 31st March, 2025		% Change during the year
		No. of Shares held	% of Holding	No. of Shares held	% of Holding	
Equity Shares						
1	Abhishek Aggarwal	49,700	0.71%	49,700	0.96%	-0.25%
2	Ashi Aggarwal	37,61,908	53.55%	37,61,908	72.85%	-19.30%
3	Dinesh Aggarwal	12,51,812	17.82%	12,51,812	24.24%	-6.42%
4	Himanshu Aggarwal	49,700	0.71%	49,700	0.96%	-0.25%
5	Nisha Aggarwal	400	0.01%	400	0.01%	0.00%
6	Priyanka Gupta	400	0.01%	400	0.01%	0.00%
7	Vivek Aggarwal	49,700	0.71%	49,700	0.96%	-0.25%
	Total	**51,63,620**	**73.51%**	**51,63,620**	**100.00%**	**-26.49%**

(5) Reconciliation of equity share capital (` in lacs)

Particulars	As at 31st March 2026	As at 31st March 2025
Balance at the beginning of the period/year		
- Number of shares	51,63,620	50,000
- Amount	516	5
Add: Shares issued during the period/year		
- Number of shares	18,60,800	1240905
- Amount	186.08	124.09
Add: Bonus Shares issued during the period/year		
- Number of shares		38,72,715
- Amount		387
Balance at the end of the period/year		
- Number of shares	70,24,420	51,63,620
- Amount	702.44	516.36
Capital account	**702.44**	**516.36**

(6) Details of Shares Issued

S.No	Name of Shareholder	Opening No. of Shares (01-Apr-25)	Fresh Issue of Shares	Bonus Shares (1:3)	Total Closing Shares (31-March-26)	Bonus Ratio	Remarks
1	Abhishek Aggarwal	49,700			49,700		
2	Ashi Aggarwal	37,61,908			37,61,908		
3	Dinesh Aggarwal	12,51,812			12,51,812		
4	Himanshu Aggarwal	49,700			49,700		
5	Nisha Aggarwal	400			400		
6	Priyanka Gupta	400			400		
7	Vivek Aggarwal	49,700			49,700		
8	IPO Public Holding	18,60,800			18,60,800		
	Total	**70,24,420**	**-**	**-**	**70,24,420**		

Note : 2.2 Reserve & Surplus

(` in lacs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Security Premium		
Opening Balance	-	-
Additions during the year	1,090.91	384.68
Less IPO Expenses	(193.08)	
Bonus share issued during the year		384.68
Closing Balance	**897.83**	**-**
Surplus/(Deficit) (Balance in Statement of Profit & Loss)		
Opening Balance	330.81	10.54
Add: Profit/(Loss) after tax as per Statement of Profit & Loss	400.96	277.18
Add: Adjustment of deferred tax		
Closing Balance	**731.77**	**287.72**
Less: Revaluation Reserve		45.67
Less: deferred tax adjustment	(67.54)	
Less: Bonus share issued during the year		(2.59)
Total	**1,697.14**	**330.80**

Note : 2.3 Long Term Borrowings

(` in lacs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
(i) Secured:-		
(A) From Banks		
Hdfc Car Loan- Slavia		5.02
Tata Capital Machine Loan	49.41	105.05
YES Bank		
Tata Capital limited Loan		34.62
(ii) Unsecured:-		
(A) From Banks		
IDFC First Bank	23.97	30.81
YES Bank (LAP) 1	249.34	91.22
(B) From Other Parties		
Aditya Birla Finance Ltd	6.35	17.13
Protium Finance Limited		4.69
L & T FINANCE		22.94
Others	(0.47)	-
(C) Loans and Advances from Related Parties		
Vivek Aggarwal	281.00	196.50
Ashi Aggarwal	143.55	53.60
Dinesh Agarwal	1.46	
Himanshu Aggarwal		0.85
Abhishek Aggarwal	7.39	12.80
TOTAL	**762.00**	**575.23**

Notes:-

S. No	Lender Name	Sanction Amount (in Rs.)	ROI	Primary and Collateral Security	Duration of Repayment (in months)	EMI Amount (in Rs.)	Last month & Year
1	Fedbank	20,42,000	17.25%	NA	36	73,057	January - 2025
2	Fullerton India	30,00,000	18.00%	NA	37	1,09,181	January - 2025
3	Tata Capital	25,25,000	18.50%	NA	36	91,919	January - 2025
4	Yes Bank Loan 1	59,60,582	9.75%	NA	69	1,13,189	September - 2029
5	Yes Bank Loan 2	58,17,783	9.75%	NA	64	1,16,331	September - 2029
7	IDFC First Bank	60,00,000	15.60%	NA	36	2,09,760	June - 2027
8	Tata Capital Machine Loan	2,37,00,000	17.25%	Machinery	36	7,78,716	May - 2027
9	Aditya Birla Group	40,00,000	16.00%	NA	36	1,40,629	June - 2027
10	L&T Finance Ltd	50,00,000	16.00%	NA	36	1,75,526	May - 2027
11	Protium Finance Ltd	19,94,512	12.64%	NA	34	70,939	November - 2026
12	Deutsche Bank	40,00,000	17.50%	NA	36	1,43,608	January - 2025
13	IDFC Bank	24,00,000	16.76%	NA	36	85,281	January - 2025
14	Clix Capital Service	20,00,000	18.50%	NA	36	73,050	January - 2025
15	HDFC Bank Ltd Loan	16,05,681		Vehicle (Mahindra Thar)	39	47,190	January - 2026

Note : 2.4 Deferred Tax Liability/Asset (Net)

(` in lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liability-Differences on Account of Depreciation & Gratuity	36.26	54.34
Total	**36.26**	**54.34**

Note : 2.5 Long Term Provisions

(` in lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits:-		
Provision for Gratuity	29.09	22.68
Total	**29.09**	**22.68**

Note : 2.6 Short-Term Borrowings

(` in lacs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Loans Repayable on Demand:		
(i) Secured:-		
(A) From Banks		
Yes Bank Current A/C	-	414.92
Current Maturities of Long-Term Borrowings	140.18	166.05
Total	**140.18**	**580.97**

Notes:-

S. No	Lender Name	Sanction Amount (in Rs.)	ROI	Primary and Collateral Security	Re-payment Schedule	EMI Amount (in Rs.)	Last month & Year
1	OD Yes Bank	2,50,00,000		H. no- 805, Sector-09, Faridabad	NA	2,00,000	OD Limit

Note : 2.7 Trade Payables

(` in lacs)

Particulars	For the year ended	For the year ended 31.03.2025
Payable for Goods & Services		
i) Micro and Small Enterprises	1,002.98	879.59
ii) Others	563.58	242.59
Total	**1,566.56**	**1,122.18**

Notes:

1. Trade Payable Aging

(a) Trade Payables aging schedule as at 31st March, 2026:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Year	More Than 3 Years	
A. MSME	1,002.98	-	-	-	**1,002.98**
B. Others	516.19	-	-	-	**516.19**
C. Disputed Dues-MSME	-	-	-	-	**-**
D. Disputed Dues-Others		-	-	30.10	**30.10**
Total	**1,519.17**	**-**	**-**	**30.10**	**1,549.27**

(b) Trade Payables aging schedule as at 31st March, 2025:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Year	More Than 3 Years	
A. MSME	879.59	-	-	-	**879.59**
B. Others	212.49	-	-	-	**212.49**
C. Disputed Dues-MSME	-	-	-	-	**-**
D. Disputed Dues-Others		-	-	30.10	**30.10**
Total	**1,092.08**	**-**	**-**	**30.10**	**1,122.18**

Note : 2.8 Other Current Liabilities

(` in lacs)

Particulars	For the year ended	For the year ended 31.03.2025
Advance From Customers		0.97
Other Payables :-		
-Salary & Wages Payable	64.88	67.89
-Statutory Dues	42.31	19.98
-Payable for Capital Goods		0.53
-Legal & Professional Charges Payable		-
-Electricity Expenses Payable	8.43	8.42
-Interest Payable	7.82	4.73
-Expenses Payable	10.09	
-Audit fee Payable	7.15	-
-Others	0.04	9.79
Total	**140.72**	**112.30**

Note : 2.9 Short Term Provisions

(` in lacs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Other Provisions:-		
Current Tax Provision	148.93	66.13
Provision for tax		
Provision for Employee Benefits:-		
Provision for Gratuity		0.05
Total	**148.93**	**66.18**

Note : 2.11 Other Non Current Assets

(` in lacs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Security Deposits	34.85	34.93
Other Receivables		0.10
Total	**34.85**	**35.03**

Note : 2.12 Inventories

(At lower of cost and net realisable value)

(` in lacs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
As taken, valued & certified by the Managment		
Raw Materials	409.80	209.63
Work-in-Progress	520.64	246.34
Finished Goods	930.71	456.94
Scrap		-
Total	**1,861.15**	**912.90**

Note : 2.13 Trade Receivables

(` in lacs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Unsecured considered good unless stated otherwise		
(a) Unsecured considered good	1,307.09	773.51
(b) Unsecured considered doubtful		-
Total	**1,307.09**	**773.51**

Notes:

* Trade receivables are non-interest bearing and are normally received in the Company's operating cycle

(a) Trade Receivables aging schedule as at 31st March, 2026:

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 Months	6 months - 1 year	1-2 Years	2-3 Year	More Than 3 Years	Total
Secured								
Undisputed – considered good	-	-	1,307.09	-	-	-	-	**1,307.09**
Undisputed – considered doubtful	-	-	-	-	-	-	-	**-**
Disputed – considered good	-	-	-	-	-	-	-	**-**
Disputed – considered doubtful	-	-	-	-	-	-	-	**-**
Unsecured								
Undisputed – considered good	-	-	-	-	-	-	-	**-**
Undisputed – considered doubtful	-	-	-	-	-	-	-	**-**
Disputed – considered good	-	-	-	-	-	-	-	**-**
Disputed – considered doubtful	-	-	-	-	-	-	-	**-**
Total	**-**	**-**	**1,307.09**	**-**	**-**	**-**	**-**	**1,307.09**

(b) Trade Receivables aging schedule as at 31st March, 2025:

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not Due	Less than 6 Months	6 months - 1 year	1-2 Years	2-3 Year	More Than 3 Years	Total
Secured								
Undisputed – considered good	-	-	773.51	-	-	-	-	**773.51**
Undisputed – considered doubtful	-	-	-	-	-	-	-	**-**
Disputed – considered good	-	-	-	-	-	-	-	**-**
Disputed – considered doubtful	-	-	-	-	-	-	-	**-**
Unsecured								
Undisputed – considered good	-	-	-	-	-	-	-	**-**
Undisputed – considered doubtful	-	-	-	-	-	-	-	**-**
Disputed – considered good	-	-	-	-	-	-	-	**-**
Disputed – considered doubtful	-	-	-	-	-	-	-	**-**
Total	**-**	**-**	**773.51**	**-**	**-**	**-**	**-**	**773.51**

Note : 2.14 Cash & Cash Equivalents

(` in lacs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Cash and Cash Equivalents:-		
a. Balances with banks		
-In Current Accounts	331.58	0.95
b. Cash In Hand	93.45	83.43
c. Deposits with original maturity upto three months	-	-
Total	**425.03**	**84.38**

Note : 2.15 Short-Term Loans and Advances

(` in lacs)

Particulars	For the year ended 31.03.2026	For the year ended 31.03.2025
Unsecured considered good:		
Advance to Vendors	1.78	1.43
Advance to Staff	25.38	1.49
Balance with Government Authorities:-	147.90	144.74
Others:-		
Advances recoverable in cash or in kind or value to be received	53.73	146.49
Total	**228.79**	**294.16**

Note : 2.16 Revenue From Operations

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Central & Local Sales	8,024.18	6,220.93
Export Sales	1.64	-
Total	**8,025.82**	**6,220.93**

Note : 2.17 Other Income

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Interest Income		0.12
Subsidy (Revenue Nature)		1.01
Other non-operating income	19.35	0.03
Total	**19.35**	**1.15**

Note : 2.18 Cost of Materials Consumed

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Opening Stock	209.63	43.82
Add: Purchases	5,884.99	4,394.94
Less: Closing Stock	409.80	209.63
Total	**5,684.82**	**4,229.14**

Note : 2.19 Change In Inventories of Finished Goods, WIP & Stock-in-trade

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Inventories at end of the year		
Manufactured Goods	930.71	456.94
Work-in-Progress	520.64	246.34
Stock-in-trade	-	-
Scrap	-	-
	1,451.35	**703.28**
Stock Adjustment from Acquisition		139.41
Inventories at Beginning of the year		
Manufactured Goods	456.94	55.43
Work-in-Progress	246.34	95.62
Stock-in-trade	-	-
Scrap	-	-
	703.28	**151.06**
Decrease/(Increase) In Stock	**(748.08)**	**(412.81)**

Note : 2.20 Employees Benefit Expenses

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Salary, Wages and Bonus	1,122.23	725.34
Contribution to Provident and Other fund		5.04
Staff Welfare Expenses	26.65	16.84
Gratuity	6.44	17.38
Director's Remuneration	72.56	50.40
Total	**1,227.88**	**815.00**

Note: 2.21 Finance Costs

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Interest Expenses	77.15	90.93
Other Borrowing Costs	13.74	14.12
Total	**90.89**	**105.05**

Note : 2.22 Other Expenses

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Power and Fuel	168.87	126.15
Consultancy Expenses	14.11	7.79
Rates and Taxes	1.22	13.00
Insurance	14.79	23.10
Legal & Professional Charges	19.33	30.33
Cartage Inward	3.96	
Cartage Outward	10.12	
Consumption of stores and spare parts	507.05	349.01
Freight Charge	0.16	1.87
Die & Tools Consumed		-
Factory Expenses	39.37	58.23
Business Promotion Expenses		30.27
Transportation Expenses	42.01	40.52
Labour Charges	0.88	22.04
Bank Charges	0.12	1.13
Office Expenses	7.47	8.04
Repair & Maintenance-Machinery	90.91	77.08
Repair & Maintenance-Builiding	4.87	7.60
Repair & Maintenance Expenses-Others	9.75	-
Vehicle Maintenance Expenses	2.71	1.32
IT & Communication Expenses	0.34	5.60
Bad Debts		-
Auditors' Remuneration	6.50	6.50
Consumption of Packing Materials		31.10
Selling and Distribution Expenses	14.32	15.28
Job Work	7.52	51.86
Rent	104.05	96.18
Donation	2.06	-
testing and training charges	2.85	-
Miscelleneous Expenses	23.02	7.44
Total	**1,098.35**	**1,011.45**

NOTE : 2.10 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (` in lacs)

(i) As at 31st March 2026

Particulars	Gross Block					Accumulated Depreciation & Impairment				Net Block	
	As at April 1, 2025	Addition for the year	Revaluation increase (decrease)	Deductions/Adjustments	As at 31st March 2026	As at April 1, 2025	Depreciation for the year	Deductions/Adjustments	As at 31st March 2026	As at 31st March 2026	As at 31st March, 2025
Property, Plant and Equipment											
Car	69.34			-	69.34	17.56	11.92	-	29.48	39.86	51.78
Computer	3.53	4.79		-	8.32	1.96	1.19	-	3.15	5.17	1.57
Furniture & Fixture	28.53	1.60		-	30.13	5.52	2.87	-	8.39	21.74	23.01
Land	297.96			-	297.96	-		-	-	297.96	297.96
Building	101.05			-	101.05	3.52	3.52	-	7.04	94.02	97.54
Office Equipment	26.43	21.27		-	47.70	4.95	7.57	-	12.52	35.18	20.59
Plant & Machinery	856.21	152.55		-	1,008.76	68.52	67.78	-	136.30	872.46	788.59
Motor Cycle	0.04			-	0.04	0.01		-	0.01	0.03	0.03
Total	**1,383.09**	**180.21**	**-**	**-**	**1,563.30**	**102.03**	**94.85**	**-**	**196.88**	**1,366.42**	**1,281.07**
		-									

OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:-

NOTE-2.23 NON-ADJUSTMENT ITEMS

No Audit qualifications for the respective periods which require any corrective adjustment in these Consolidated Financial Statements of the Company have been pointed out during the period.

NOTE-2.23 MATERIAL REGROUPINGS

Appropriate adjustments have been made in the consolidated summary statements of Assets and Liabilities, Profit & Loss and Cash flows wherever required by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

NOTE-2.23 RELATED PARTY DISCLOSURES - ACCOUNTING STANDARD-18

As required by Accounting Standard-18, "Related Party Disclosures" issued by the Institute of Chartered Accountants of India.

(a) Related Parties:-

(i) Key Management Personnel (KMP):

1. Ashi Aggarwal	Director
2. Vivek Aggarwal	Director
3. Abhishek Aggarwal	Director & CFO
4. Himanshu Aggarwal	Director
5. Vaibhav Sharma	C.S

(ii) Relative of Key Management Personnel:

1. Dinesh Aggarwal

(iii) Wholly Owned Subsidiary:

1. Impex Hi-Tech Rubber Private Limited

(b) Following are the details of the transactions with the related party: **(` in lacs)**

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
(i) Managerial Remuneration to Key Management Personnel/Relative of KMP:		
• Abhishek Aggarwal	17.78	18.00
• Priyanka Aggarwal	13.50	
• Nisha Aggarwal	5.00	
• Vivek Aggarwal	17.78	18.00
• Ashi Aggarwal	18.50	
• Reimbursement - Abhishek Aggarwal		1.40
• Reimbursement - Vivek Aggarwal		1.00
(ii)Share Capital Issued:		
• Ashi Aggarwal		376.19
• Dinesh Aggarwal		125.10
• Vivek Aggarwal		3.73
• Abhishek Aggarwal		3.73
• Nisha Aggarwal		0.03
• Priyanka Gupta		0.03
• Himanshu Aggarwal		3.73
• IPO Public Holding	186.08	
(iii)Unsecured Loan Borrowed:		
• Ashi Aggarwal	89.95	53.60
• Vivek Aggarwal	152.16	446.07
• Dinesh Aggarwal	1.46	
• Abhishek Aggarwal	39.50	
• Himanshu Aggarwal		0.11
(iv) Unsecured Loan Repaid:		
• Himanshu Aggarwal	0.85	1.05
• Abhishek Aggarwal	44.91	
• Ashi Aggarwal		
• Vivek Aggarwal	67.66	278.58
(v) Sale of Motor Vehicle:		
• Impex Hi-Tech Rubber Private Limited	-	
(vi) Purchase of Goods:		
• Impex Hi-Tech Rubber Private Limited	-	
(vii) Revenue from Operations:		
• Impex Hi-Tech Rubber Private Limited		
(viii)Unsecured Loan Given:		
• Impex Hi-Tech Rubber Private Limited	15.06	237.15
(ix)Unsecured Loan Received:		
• Himanshu Aggarwal	-	
• Impex Hi-Tech Rubber Private Limited		114.31

(c) Following are the details of balance outstanding with the related party:

(x) Balances Payable at the end of the year:		
• Ashi Aggarwal	143.55	53.60
• Abhishek Aggarwal	7.39	12.80
• Vivek Aggarwal	281.00	196.50
• Dinesh Aggarwal	1.46	
• Himanshu Aggarwal		0.85
(xi) Balances Receivable at the end of the year:		
• Himanshu Aggarwal		
• Impex Hi-Tech Rubber Private Limited	15.06	122.85

NOTE-2.23 Disclosure under “The Micro, Small and Medium Enterprises Development (‘MSMED’) Act,

Based on the intimation received by the Company, some of the suppliers have confirmed to be registered under “The Micro, Small and Medium Enterprises Development (‘MSMED’) Act, 2006”. Accordingly, the disclosures relating to amounts unpaid as at the year ended together with interest paid /payable are furnished below:

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
The principal amount remaining unpaid to supplier as at the end of the year	1,002.98	879.59
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act,	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when	-	-

NOTE-2.24 EARNINGS PER EQUITY SHARES

Particulars	Units	For the period ended 31.03.2026	For the year ended 31.03.2025
(a) Profit after taxation and exceptional items	(` in lacs)	400.96	277.18
(b) Weighted average number of shares outstanding during the year	Nos.	55,20,486	5163620
(c) Add: Dilutive Potential Equity Shares	Nos.	0	0
(d) No. of Equity Shares (b+c) for dilutive earnings per shares (of ` 10 each)	Nos.	55,20,486	5163620
(e)Nominal Value per share (In `)		10	10
(f) Basic Earning per share (in `) (a/b)		7.26	5.37
(g) Diluted Earning per share (in `) (a/d)		7.26	5.37

NOTE-2.24 CONTINGENT LIABILITIES & COMMITMENTS **(` in lacs)**

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Contingent liabilities and commitments (to the extent not provided for)	30.1	30.1
(I) Contingent liabilities	-	-
(a) Guarantees	-	-
(II) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
-Tangible assets	-	-
-Intangible assets	-	-

* The Company has disputed trade payables amounting to ₹ 30,09,591 under litigation. Based on legal advice and management’s assessment, the likelihood of an outflow of resources is not probable. Accordingly, no provision has been recognised in the financial statements

NOTE-2.25 AUDITORS REMUNERATION **(` in lacs)**

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Statutory Audit Fees	6.50	6.50
Tax Audit Fees		
Total	**6.50**	**6.50**

NOTE-2.26 VALUE OF IMPORT ON CIF BASIS IN RESPECT OF **(` in lacs)**

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
	-	-

NOTE-2.27 EARNING AND EXPENDITURE IN FOREIGN CURRENCY **(` in lacs)**

Particulars	For the period ended 31.03.2026	For the year ended 31.03.2025
Earning in Foreign Currency		-
Expenditure in Foreign Currency	-	4.92

NOTE-2.27 SEGMENT REPORTING

The Company operates in a single business and geographical segment. Accordingly, no separate disclosure of segment information is required as per Accounting Standard (AS)-17 Segment Reporting

NOTE-2.28 ADDITIONAL DISCLOSURES AS REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013

1. Title deeds of all immovable properties are held in name of the Company/Proprietor.
2. The Company has not revalued any of its Property, Plant & Equipment in the last three years.
3. The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.
4. The Company has not any CWIP and Intagible Assets under Development hence no details has been provided regarding aging.
5. The company has not any CWIP and Intangible Assets under development hence completion schedule for projects overdue or cost overruns as compared to original plan is not applicable to the company.
6. There is no any proceeding have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
7. The Company has not declared wilful defaulter by any bank or financial institution or other lender.
8. There are no charges or satisfaction which are yet to be registered with ROC beyond statutory period.
9. The company has complied with the number of layers prescribed under clause (87) of Section 2 of Companies Act, 2013 read with Companies (Restriction of Number of Layers) Rule, 2017.
10. The company has not provided nor taken any loan or advance to/from any other person or entity with the understanding that benefit of the transaction will go to a third party, the ultimate beneficiary.
11. The Company has not traded or invested in Crypto Currency or Virtual Currency.
12. (i) Ratios:

Ratio	Units	Numerator (` in Lacs)	Denominator (` in Lacs)	As at 31st March, 2026	As at 31st March, 2025
Current ratio	Times	3,822.06	1,996.40	1.91	0.70
Debt-equity Ratio	Times	902.18	2,399.58	0.38	1.36
Debt service coverage ratio	Times	687.34	231.07	2.97	1.85
Return on equity Ratio	Percentage	400.96	2,399.58	16.71%	52.65%
Inventory turnover ratio	Times	8,025.82	1,387.03	5.79	13.56
Trade receivables turnover ratio	Times	8,025.82	1,040.30	7.71	14.74
Trade payables turnover ratio	Times	5,884.99	1,344.37	4.38	7.45
Net capital turnover ratio	Times	8,025.82	1,825.66	4.40	(23.14)
Net profit ratio	Percentage	400.96	8,025.82	5.00%	4.46%
Return on capital employed	Percentage	687.34	3,338.02	20.59%	24.43%
Return on investment	NA			Nil	Nil
Net asset value	Rs.\Shares	2,399.58	5163620	46.47	16.41

(ii) Consideration of Elements of Ratio:

Ratio	Numerator	Denominator
Current ratio	Current Assets	Current Liabilities
Debt-equity Ratio	Total Debt	Shareholder's Equity-Revaluation Reserve
Debt service coverage ratio	Profit before Tax +Finance Cost	Repayment of Borrowings + Interest on Borrowings
Return on equity Ratio	Profit for the year	Average Shareholder's Equity
Inventory turnover ratio	Revenue from operations	Average Inventory
Trade receivables turnover ratio	Revenue from operations	Average trade receivables
Trade payables turnover ratio	Total Purchases + Other Expenses (excluding non-cash item)	Average Trade Payables
Net capital turnover ratio	Revenue from operations	Average Working Capital
Net profit ratio	Profit for the year	Revenue from operations
Return on capital employed	Profit before Tax +Finance Cost	Total Networth+ Total Debt+ Total Deferred Tax Liability
Return on investment	NA	NA
Net asset value	Shareholder's Fund	No. of Shares

NOTE-2.32 PREVIOUS YEAR FIGURES

The previous year's figures have also been regrouped, rearranged and re-classified wherever necessary to confirm to the current period's classification.

AUDITOR'S REPORT
As per our separate report of even date attached.
For Shiv & Associates
Chartered Accountants
FRN : 009989N

Sd/-
CA Abhishek Vashisht
Partner
M. No.- 526307
UDIN: 26526307XFWHCU7393
Place: Faridabad
Date: 20/05/2026

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

Sd/-
Ashi Aggarwal
Director
DIN: 09249635
Place: Faridabad

Sd/-
Vivek Aggarwal
Managing Director
DIN: 09249636
Place: Faridabad

Sd/-
Vaibhav Sharma
Company Secretary
PAN: KQTPS5777K
Place: Faridabad

Sd/-
Abhishek Aggarwal
CFO
PAN: AJVPA8512B
Place: Faridabad

INVESTOR INFORMATION

Investing in Sustainable Growth.

Defrail Technologies Limited is committed to maintaining the highest standards of corporate governance, transparency, and timely communication with its shareholders and the investment community. The Company believes that consistent disclosure practices, ethical business conduct, and strong governance are fundamental to creating long-term shareholder value.

As a company listed on the BSE SME Platform, Defrail is focused on enhancing investor confidence by ensuring compliance with applicable regulatory requirements and fostering open engagement with all stakeholders.

Investor Grievance Redressal.

The Company has established an effective mechanism for addressing investor queries and grievances promptly.

Compliance Officer.

Name: Vaibhav Sharma
Email: cs@defrailtech.com
Telephone: 0129- 487 8760

Investors may contact the Compliance Officer or the Registrar & Share Transfer Agent for assistance regarding shareholding, dividend-related matters (if applicable), dematerialisation, transmission, duplicate share certificates, or any other investor-related concerns.

Share Capital Structure.

Particulars	Details
Authorised Share Capital	₹ 15,00,00,000
Issued Share Capital	₹ 7,02,44,200
Paid-up Equity Share Capital	₹ 7,02,44,200
Face Value per Equity Share	₹10 each

Listing Information.

Particulars	Details
Stock Exchange	BSE Limited (SME Platform)
Listing Date	19 January 2026
Scrip Code	544677
ISIN	INE0ZE201010

Shareholding Pattern.

The shareholding pattern of the Company as on 31 March 2026 is as follows.

Category	No. of Shares	% Holding
Promoters & Promoter Group	51,63,620	73.51%
Public Shareholders	18,60,800	26.49%
Total	70,24,420	100.00%

Market Information.

Particulars	Details
Market Capitalisation (30 March 2026)	₹ 57.60 Crore
Closing Share Price (30 March 2026)	₹ 82
52-Week High	₹ 122
52-Week Low	₹ 64.55

Note* 31 March 2026 was a national holiday BSE stock exchanges was closed on 31 March 2026, so closing price are taken as on 30 March 2026 to calculate Market Capitalisation.

Dematerialisation of Shares.

The equity shares of the Company are available for trading in dematerialised form through:

- National Securities Depository Limited (NSDL)
- Central Depository Services (India) Limited (CDSL)

Investor Services.

Shareholders may contact the Company or the Registrar & Share Transfer Agent for assistance with:

- Dematerialisation / Rematerialisation of Shares
- Share Transfer / Transmission
- Nomination Facility
- Change of Address / Bank Details
- Duplicate Share Certificates (where applicable)
- Investor Grievances
- General Shareholder Assistance

Green Initiative.

The Company encourages shareholders to register their email addresses with their Depository Participants or the Registrar & Share Transfer Agent to receive electronic communications, Annual Reports, and other shareholder correspondence. This initiative promotes faster communication, reduces paper consumption, and supports environmental sustainability.

Investor Contact.

Company Secretary & Compliance Officer
Defrail Technologies Limited
Registered Office: Plot no 180 Sector 24 Faridabad -121005 Haryana
Email: cs@defrailtech.com
Website: defrailtech.in
Telephone: 0129- 487 8760