Porwal
Auto Components Ltd.

IRIS Certification

Date: 05th September, 2026

To,
General Manager-Listing,
BSE Limited.
1st Floor, New Trading Ring,
P.J. Towers, Dalal Street,
MUMBAI-400001

Sub: Submission of Annual Report for the Financial Year 2025-2026 along with Notice convening the 34th Annual General Meeting as per Regulation 34 of SEBI (LODR) Regulations, 2015.

Dear Sir/ Madam,

This is to inform that the 34th AGM of the Company is scheduled to be held on Monday, 28th September, 2026 at 01:00 P.M. (IST) through VC /OAVM, in compliance with relevant circulars issued by the MCA and the SEBI as amended from time to time. In accordance with theCirculars issued by the MCA and SEBI, the Annual Report of the Company for the Financial Year 2025-26 along with the Notice convening 34th AGM is being sent to those members of the Company whose email addresses are registered with the Company and/or Depository Participant(s).

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, please find enclosed herewith a copy of Annual Report of the Company for the financial year 2025-26 containing the Notice convening 34th AGM of the Company.

The Annual Report for the financial year 2025-26 along with Notice convening the 34th AGM is also uploaded on the Company's website at https://www.porwalauto.com/pdf/Annual%20Report Final 2025-26.pdf and the website of CDSL at www.evotingindia.com.

Kindly take the same on your record and acknowledge.

Thanking You,
Yours' Sincerely

For, **PORWAL AUTO COMPONENTS LIMITED**

HANSIKA MITTAL
Digitally signed by HANSIKA MITTAL
Date: 2026.09.05 19:19:41 +05'30'

HANSIKA MITTAL
COMPANY SECRETARY

Enclosure: Annual Report for the F.Y. 2025-26 alongwith Notice of AGM.

Regd. Office & Works:
Plot No. 209 & 215, Sector-1, Industrial Area,
Pithampur - 454 775. (M.P) - INDIA +91 7292 403608
admin@porwalauto.com www.porwalauto.com

CERTIFIED COMPANY
- ISO 9001:2015
- ISO 14001:2015
- IATF 16949:2016
- IRIS-ISO 22163:2023
- BIS 210:2009
- RDSO Approved for "A Class Foundry"

CIN-L29300MP1992PLC006912

CIN No. L29300MP1992PLC006912

PORWAL AUTO COMPONENTS LIMITED

34TH ANNUAL REPORT 2025 -2026

www.porwalauto.com

CORPORATE INFORMATION

01

BOARD OF DIRECTORS

MR. MUKESH JAIN -CHAIRMAN AND WHOLE TIME DIRECTOR
MR. DEVENDRA JAIN - MANAGING DIRECTOR
MR. GAUTAM CHAND KOTHARI -INDEPENDENT DIRECTOR
MR. NAVEEN KUMAR DHIMAN -INDEPENDENT DIRECTOR
MR. MOHIT HANDOO -INDEPENDENT DIRECTOR
MRS. SHALU ANAND -INDEPENDENT DIRECTOR

02

MANAGEMENT

MR. SHAILESH JAIN - CHIEF FINANCIAL OFFICER
MR. ATIN JAIN - CHIEF OPERATING OFFICER
MS. HANSIKA MITTAL -COMPANY SECRETARY

03

AUDITORS

Statutory Auditors
HN JHAVAR & CO. (CHARTERED ACCOUNTANTS INDORE)

Secretarial Auditor
MRS. SHRADDHA JAIN (PRACTICING COMPANY SECRETARY INDORE)

Cost Auditor
M/S NIKHIL JAIN & ASSOCIATES (COST ACCOUNTANTS INDORE)

04

BANKERS

STATE BANK OF INDIA
SME Branch, Indore (M.P.)
AXIS BANK LIMITED
YN ROAD, INDORE (M.P.)

05

STOCK EXCHANGE

BOMBAY STOCK EXCHANGE

06

REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Ltd.
(Formerly Link Intime India Private Ltd)
CIN : U67190MH1999PTC118368
C-101, Embassy 247, L. B. S. Marg, Vikhroli
(West), Mumbai - 400 083.
Tel. : +91 22 4918 6000.
Website: www.in.mpms.mufg.com
E Mail : investor.helpdesk@in.mpms.mufg.com

07

REGISTERED OFFICE & WORKS

CIN: L29300MP1992PLC006912
Plot No. 209 & 215, Sector No. 1,
Industrial Area, Pithampur, (M.P.) 454775
Tel: 07292-403608 Fax: 07292-405120
admin@porwalauto.com
www.porwalauto.com

NOTICE

NOTICE is hereby given that Thirty Fourth Annual General Meeting of the members of the Porwal Auto Components Limited will be held on **Monday, 28th September, 2026** at **01:00 P.M. (IST)** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

The proceedings of the Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered Office of the Company at Plot No. 209, Sector No.1, Industrial Area, Pithampur, District, Dhar, (M.P.) 454775 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS:

1. **Consideration & Adoption of Audited Financial Statements for the Financial Year ended 31st March, 2026 and the Reports of the Board of Directors and Auditors thereon**

   To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

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

2. **Appointment of Mr. Mukesh Utsavlal Jain (DIN: 00245111), as Whole Time Director and Chairman of the Company is liable to retire by rotation.**

   To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], Mr. Mukesh Utsavlal Jain (DIN: 00245111), as Whole Time Director and Chairman of the Company, who retires by rotation at this 34th Annual General Meeting, and being eligible for reappointment, the approval of members of the Company, be and is hereby reappointed as a as Whole Time Director and Chairman, liable to retire by rotation."

SPECIAL BUSINESS:

3. **Ratification of the remuneration payable to M/s Nikhil Jain & Associates, Cost Accountants, Indore (FRN: 006363) for the Financial Year 2026-27**

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

   "**RESOLVED THAT** in accordance with the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and approved by the Board of Directors of the Company, the members of the Company do hereby ratify and confirm the remuneration of Rs. 35,000/- for each year (Rupees Thirty-Five Thousand Only) plus applicable taxes and re-imbursement of expenses incurred to M/s. Nikhil Jain & Associates, Cost Accountants, Indore (FRN: 006363), who have been appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost accounting records maintained by the Company for the for the financial year 2026-27.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all the needful acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this resolution including filing of forms with concerned authorities."

4. To approve Material Related Party Transaction(s) to be entered into during the Financial Year 2026-27

To consider, and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Regulations 2(1)(zb), 2(1)(zc), 23(4) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended from time to time ('SEBI Listing Regulations'), and Sections 2(76), 177 and Section 188 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the applicable rules issued under the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force),the Company's Policy on "Related Party Transactions" and the applicable provisions of the Articles of Association of the Company, and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions and all other applicable laws and regulations, as amended, supplemented or re-enacted from time to time, and based on the recommendation of the Audit Committee and Board's Approval, the approval of the Members of the Company be and is hereby accorded to the Company for entering into and /or continuing with Material Related Party Transactions/contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) (including any modifications, alterations or amendments thereto), in the ordinary course of business and on arm's length basis with 'PORWAL DIESELS PRIVATE LIMITED' (herein after referred to as related party) of the Company within the meaning of the Act and the SEBI - LODR Regulations, as more particularly enumerated in the explanatory statement to the Notice, on and for an amount not exceeding in the aggregate of Rs. 50,00,00,000/- (Rupees Fifty crores only) for the financial year, i.e. 2026-27 and on such terms and conditions as may be agreed between the Company and related party;

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to this resolution and matters connected therewith or incidental thereto including settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all decisions from the powers herein conferred to, without being required to seek any further consent/approval from the Members of the Company.

RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects."

By the order of the Board of Directors
Porwal Auto Components Limited

Place: Pithampur
Date: 12th August, 2026

HANSIKA MITTAL
COMPANY SECRETARY

Notes:

1. The Ministry of Corporate Affairs ('MCA') vide its General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 20/2020 dated May 5, 2020 read with other related circulars including the latest being General Circular No. 03/2025 dated September 22, 2025 ('MCA Circulars'), had permitted to hold AGM through Video Conferencing ('VC')/ Other Audio Visual Means('OAVM') facility without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Act, SEBI Listing Regulations, MCA Circulars and SEBI Circulars, the 34th AGM of the Company is being held through VC/OAVM on Monday, 28th September, 2026 at 1:00 p.m. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at Plot No. 209, Sector No.1, Industrial Area, Pithampur, District, Dhar, (M.P.) 454775.

   Dispatch of Annual Report through electronic mode: In accordance with Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), read with Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 and such other circulars as applicable, issued by the Securities and Exchange Board of India ("SEBI"), Notice of the AGM and Annual Report are being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may note that who have not registered their e-mail address and those members who have become the members of the Company after Friday, 28th August, 2026 being the cut-off date for sending soft copy of the Notice of 34th AGM and Annual Report for the Financial Year 2025-2026 are available on the company website: https://www.porwalauto.com/, BSE: www.bseindia.com and CDSL: www.evotingindia.com. Additionally, in accordance with Regulation 36(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company is also sending a letter to Members whose e-mail IDs are not registered with Company/RTA/ DPs providing the weblink of Company's website from where the Annual Report for FY 2025-26 including the Notice of this AGM can be accessed. Members are also requested to register their e-mail address with their DPs/RTA to enable sending the Annual Reports/Communications in future through electronic means.

   Registrar and Transfer Agent: MUFG Intime India Pvt. Ltd (Formerly known Link Intime India Pvt. Ltd.) is the Company's Registrar and Transfer Agent

   E-voting Platform: Central Depository Services (India) Limited ('CDSL') shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 25 below.

2. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed and forms part of the Notice. The Board of Directors have considered and decided to include the Item Nos. 3 to 4 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

3. **Quorum**: Pursuant to the above MCA Circulars, physical attendance of the Members is not required at the AGM and attendance of Members through VC/OAVM facility will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013 ("the Act").

4. **Proxy, Attendance Slip and Route Map:** Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map with prominent landmark are not annexed to this Notice. However, in pursuance of Sections 112 and 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting through Board Resolution/Power of Attorney/Authority Letter, etc. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address at csshraddhajain@gmail.com with a copy marked to www.evotingindia.com and investors.pacl@gmail.com.

5. In case of joint holders, the Member whose name appears higher in the order of their names as per the Register of Members of the Company in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM and Members, who hold shares in multiple Demat accounts and those who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names, are advised to consolidate their holdings in single Demat account/ Folio.

6. The voting rights of Shareholders shall be in proportion of shares held by them to the total paid up equity shares of the Company as on **Monday, 21st September, 2026**, being the cut-off date.

7. **BOOK CLOSURE:** The Register of Members and Transfer Books of the Company will remain closed from **Tuesday, 22nd September, 2026 to Monday, 28th September, 2026 (both days inclusive)** for the purpose of AGM.

8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

9. The report on the Corporate Governance and Management Discussion and Analysis also forms part to the report of the Directors.

10. M/s. HN Jhavar and Co., Chartered Accountants, were appointed as Statutory Auditors of the Company at the 30th Annual General Meeting held on 28th September, 2022 to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2027. Pursuant to the Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and relevant documents referred to in this Notice of AGM, will be available electronically for the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members on the date of AGM,

i.e. Monday, 28th September, 2026. Members seeking to inspect such documents can send an email to investors.pacl@gmail.com.

12. As per the provisions of Section 72 of the Act, and SEBI vide. SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021, Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023 and 17th November, 2023 (now rescinded due to the issuance of the Master Circular for Registrar to an issue and Share Transfer Agent dates 07th May, 2024) has made it mandatory for all shareholders holding shares in physical form to furnish to the Company / RTA in Form ISR-1 and/or ISR-2 in hard copy form to the company/ RTA following details :

a) PAN
b) Contact details, Postal address with PIN Code, Mobile number, E-mail address
c) Bank account details (bank name and branch, bank account number, IFSC code)
d) Specimen signature

Shareholders can register their nomination details in Form SH-13 or they can choose to give declaration to opt out of Nomination by filing Form ISR-3.

In case of shareholder holding shares in physical form wishes to change the nominee or cancel the nomination then Form SH-14 needs to be filled.

The forms mentioned above are available on the website of the Company as well as on the website of RTA.

Members holding shares in electronic form are requested to give the nomination to their respective Depository Participants.

13. **General Information:**

a) **PAN, KYC, NOMINATION AND BANK DETAILS**
SEBI vide its Master Circular No. HO/38/13/ (4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 has mandated all listed entities to ensure that members holding shares in physical form shall update their PAN, KYC, Nomination and Bank account details (if not updated or provided earlier) through the respective RTA. Accordingly, members are requested to update the requisite details and the forms for the same are available at https://porwalauto.com/forms_and_process.html.

Service requests or investor complaints from any member cannot be processed by RTA until registration/updation of PAN, KYC, Nomination and Bank account details in the records of the Company's RTA. Members holding shares in electronic form are requested to submit their PAN, KYC, Bank and Nomination details to their depository participants.

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

a. For shares held in electronic form: to their Depository Participants (DPs)

b. For shares held in physical form: register/update the details in prescribed Form ISR-1 and other relevant forms with RTA of the Company at investor.helpdesk@in.mpms.mufg.com or by writing to them at M/s MUFG Intime India Private Limited, C-101, First Floor, 247 Park, LBS Marg, Vikhroli (W), Mumbai-400 083. Shareholders may download the prescribed forms from the Company's website at: https://porwalauto.com/forms_and_process.html.

c) In terms of the amendments to the SEBI Listing Regulations, with effect from 1st April 2019, requests for effecting transfer of securities in physical form shall not be processed unless the securities are held in dematerialized form with the depository, i.e. NSDL and CDSL. Members are, therefore, requested to demat their physical holding for any further transfer. Members can, however, continue to make request for various services other than transfer for securities held in physical form but the processing will be done in demat form.

d) Members who hold shares in the dematerialized form and desire a change / correction in the bank account details, should intimate the same to their concerned DPs and not to the Company's RTA. Members are also requested to give the MICR Code of their banks to their DPs. The Company / Company's RTA will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered as will be furnished by the DPs to the Company.

e) Members holding shares in physical form need to ensure that before submitting any service request their folios are KYC compliant. If the folios of physical security holders are not KYC compliant then the security holders need to comply with SEBI vide its Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, without which any investor service requests will not be processed. Members holding shares in electronic form have to approach their DPs for completing the nomination formalities.

f) **NRI Members are requested to:**
- change their residential status on return to India permanently.
- furnish particulars of bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code No., if not furnished earlier.

g) **Dematerialization of physical shares:** Members may please note that SEBI vide its Circular No. HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026, has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition.
For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the Company as well as on the website of MUFG Intime India Pvt. Ltd (Formerly known Link Intime India Pvt. Ltd.), Registrar and share transfer agent (RTA) The aforementioned form shall be furnished in hard copy form. It may be noted that any service request can be processed only after the folio is KYC compliant.

SEBI vide its Master Circular HO/38/13/(4)2026-MIRSD-POD/I/4298/2026 dated February 06, 2026 and SEBI(LODR) Regulations, 2015, has mandated that, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised ("Demat")form with a depository. In light of the same, shareholders are requested to kindly convert their physical shares in Demat form to avoid the hassle in the transfer of shares. The request for transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

However, for the purpose of ease of doing business and securing the rights of investors, SEBI, vide its Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, has introduced a special window for transfer and dematerialisation of physical securities which were sold/purchased prior to April 1, 2019. The special window is available from February 5, 2026 to February 4, 2027, subject to the conditions prescribed in the said Circular. The special window shall also be available for such transfer requests which were submitted earlier and were rejected/returned/ not attended to due to deficiency in the documents/process/or otherwise. The securities so transferred shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer. The shareholders may submit the requisite documents to Company's RTA to avail above facility of transfer of physical shares.

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

15. In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated 30th May 2022. As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated 31st July, 2023 (updated as on 20th December, 2023), introduced the Online Dispute Resolution (ODR) Portal. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars.

16. Pursuant to Section 124 and other applicable provisions, if any, of the Act, all dividend remaining unpaid and unclaimed for a period of 7 (seven) years from the date of declaration will be transferred to Investor Education and Protection Fund ('IEPF'), established by the Central Government. Accordingly, unpaid and unclaimed dividend for the FY 2017-18 has been transferred to the IEPF.

    In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), equity shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more from the date of declaration will also be transferred to IEPF, operated by the IEPF authority, pursuant to the IEPF rules.

    In compliance with the aforesaid rules, the Company has transferred equity shares pertaining to the FY 2017-18 to the IEPF, after providing necessary intimations to the relevant Members. Details of unpaid / unclaimed dividend and equity shares for the FY 2017-18 are uploaded on the website of the Company, as well as that of MCA (IEPF) and can be accessed through the link: www.iepf.gov.in. No claim shall lie against the

Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF, pursuant to the IEPF Rules.

Members can, however, claim both the unclaimed dividend amount and the equity shares from the IEPF Authority by making application in the manner provided in the IEPF rules. Members, who have so far not encashed the dividend warrant(s) for the FY 2018-19, are requested to make their claims to the Company's RTA on or before 28th October, 2026, failing which the unpaid / unclaimed dividend and the equity shares relating thereto for the FY 2018-19 will be transferred to the IEPF.

The Company is in compliance with the aforesaid IEPF Rules has sent individual notices to those Members whose shares are liable to be transferred to the IEPF and has also published notice in the newspapers. The Company has also uploaded full details of such unclaimed / unpaid dividend and the related shares due for transfer on the website of the Company at https://www.porwalauto.com/

Last date for claiming unclaimed and unpaid dividends declared by the Company for the financial year 2018-19 and thereafter.

Financial Year Ended	Date of declaration of dividend	Last date for claiming unpaid/unclaimed dividend
31st March 2019	28th September 2019	28th October 2026

Members are requested to verify the details and lodge their claims with the Company to avoid transfer of dividend and related shares to IEPF Account.

17. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA of the Company at MUFG Intime India Pvt. Ltd. (Formerly known Link Intime India Pvt. Ltd.), C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400083, in case the shares are held by them in physical form.

18. For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company's investor email-id investors.pacl@gmail.com , at least 7 days before the date of the AGM, mentioning their name, demat account no. /folio number; email ID, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same. Those Members who have registered themselves as a speaker will be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The Company reserves the right to restrict the number of speakers and time allotted to speak, as appropriate depending on the availability of time at the AGM for smooth conduct thereof.

19. **Investor Grievance Redressal**: The Company has designated an exclusive e-mail ID i.e investors.pacl@gmail.com to enable the investors to register their complaints / send correspondence, if any for the purpose of AGM.

20. **Webcast:** Members who are entitled to participate in the AGM can view the proceedings of AGM by logging in the website of CDSL i.e. www.evotingindia.com using the login credentials.

21. The Chairman shall at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting to all those members who are present/logged in at the AGM but have not cast their votes by availing the remote e-voting facility.

22. A person who has acquired the shares and has become a member of the Company after dispatch of notice of AGM and prior to the Cut-off date i.e. Monday, 21st September, 2026, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of AGM by following the procedure mentioned in this Notice.

23. **SCRUTINISER FOR E-VOTING:** Mrs. Shraddha Jain, Practicing Company Secretary (Membership No. ACS 39488) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

24. **DECLARATION OF RESULTS:**

A. The scrutinizer shall, immediately after the conclusion of voting during the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote evoting and make, within 2 (two) working days of conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson of the Company or the person authorized by him, who shall countersign the same.
B. Based on the scrutinizer's report, the Company will submit within 2(two) working days of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI Listing Regulation.
C. The results declared along with the scrutinizer's report, will be hosted on the website of the Company at www.porwalauto.com and on the website of CDSL i.e. www.evotingindia.com, immediately after the declaration of the result by the Chairperson or a person authorized by him in writing and communicated to the Stock Exchanges.
D. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Monday, 28th September, 2026 subject to receipt of the requisite number of votes in favour of Resolutions

25. **EVOTING INSTRUCTIONS:**

(i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 including the latest being General Circular No. 03/2025 dated September 22, 2025 ('MCA Circulars') and as per the Master Circular SEBI, vide its Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOININGVIRTUAL MEETINGSARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL 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.

(ii) The voting period begins on Friday, 25th September 2026 and ends on Sunday, 27th September 2026 at 5:00 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 21 September, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

(iv) 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.

(v) 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 above said SEBI Circular**,** Login method for e-Voting and joining virtual meetings **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 e-voting 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 or joining virtual

	meeting & voting during the meeting. 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 or joining virtual meeting & voting during the meeting 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 or joining virtual meeting & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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.comor contact at toll free no. 1800 2109911
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.co.in 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.

(vi) Login method for e-Voting and joining virtual meetings 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	Enter the Dividend Bank Details or Date of Birth (in

Bank Details **OR** Date of Birth (DOB)	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.

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

(viii) 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.

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

(x) Click on the EVSN for the relevant PORWAL AUTO COMPONENTS LIMITED on which you choose to vote.

(xi) 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.

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

(xiii) 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.

(xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

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

(xvi) 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.

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

(xviii) **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; investors.pacl@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERSATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

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

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

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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** (investors.pacl@gmail.com) / **RTA email id** (investor.helpdesk@in.mpms.mufg.com).

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 attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact attoll free no. 1800 2109911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Assistant Vice President, (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 toll free no. 1800 2109911.

By the order of the Board of Directors
Porwal Auto Components Limited

Place: Pithampur
Date: 12th August, 2026

HANSIKA MITTAL
COMPANY SECRETARY

EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 03

Ratification of the remuneration payable M/s Nikhil Jain & Associates, Cost Accountants, Indore (FRN: 006363) for the Financial Year 2026-27

The Board of Directors has, on the recommendation of the Audit Committee, approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the Financial Year 2026-27, as per the following details:

Name of the Cost Auditor	Cost Audit Fee
M/s. Nikhil Jain & Associates, Cost Accountants, Indore (FRN: 006363)	Rs. 35000/- for each year plus applicable taxes and re-imbursement of expenses incurred by them in connection with the audit

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought for the remuneration payable to the Cost Auditors for the Financial Year 2026-27by passing an **Ordinary Resolution** as set out at Item No. 03 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the ***Ordinary Resolution*** set out at Item No. 03 of the Notice for ratification by the members.

ITEM NO. 04

Approval of Material Related Party Transaction(s) to be entered into during the Financial Year 2026- 27.

In accordance with Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Related Party Transactions require prior approval of the Audit Committee and all material Related Party Transactions require approval of the shareholders through Ordinary Resolution.

The Securities and Exchange Board of India ('SEBI'), vide its notification dated 18th November 2025 notified SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025 ("Amendments") introducing amendments to the provisions pertaining to Related Party Transactions under the SEBI LODR Regulations.

The aforesaid amendments inter-alia included turnover based thresholds for determining materiality of Related Party Transactions by inclusion of Schedule XII to the SEBI LODR Regulations.

Amongst the transactions that the Company enters into with its related parties, the estimated value of the contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) of the Company with the Related Party mentioned below and also the 'Related Party Transactions' under Regulation 2(1)(zc) of the SEBI LODR Regulations, may exceed the threshold of Material Related Party Transactions within the meaning of Regulation 23(1) read with Schedule XII of the SEBI LODR Regulations as detailed above.

As per the amended SEBI LODR Regulations, omnibus approval granted by the shareholders for Material Related Party transactions at an Annual General Meeting of the Company shall be valid till the date of the next Annual General Meeting held within the timelines prescribed under section 96 of the Companies Act, 2013 or rules, notifications, or circulars issued thereunder.

Section 188 of the Companies Act, 2013 deals with Related Party Transactions and Sub section (1) of Section 188 of the Companies Act, 2013 provides that nothing in this sub section shall apply to any transactions entered into by the Company with Related party, which are in its ordinary course of business, other than transactions which are not on arm's length basis. In our Company, all the related party transactions are in the ordinary course of business and at arm's length basis.

The Members may note that the Company have been undertaking such transactions of similar nature with related parties in the past Financial Year, in the ordinary course of business and on arm's length after obtaining requisite approvals, including from the Audit Committee of the Company, as per the requirements of the applicable law.

Therefore, the approval under section 188 of the Companies Act is not required. Keeping in view the Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and intent of the Companies Act, 2013, the Audit Committee and the Board of Directors of the Company have approved in their respective meetings held on 27th May, 2026 and the approval of the shareholders of the Company is being sought at its Annual General Meeting to be held on 28th September 2026 for continuation and / or entering into new transactions, arrangements, contracts with Porwal Diesels Private Limited, up to an aggregate amount of Rs. 50,00,00,000/- (Rupees Fifty crores only) for each of the Financial Years, i.e. 2026-27.

Also, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated June 26, 2025, and SEBI Master Circular No. HO/49/14/14(7)2025-CFDPOD2/I/3762/2026 dated 30 January, 2026 ('SEBI Circulars') has introduced the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" ('Standards') to facilitate a uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the SEBI Listing Regulations read with the SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024 ('SEBI Circular').

The Standards inter alia requires listed entity to provide minimum information, in specified format, relating to the proposed RPTs, to the Members while seeking approval. The details as required under the Standard are set out in Schedule 1:

SCHEDULE 1

MINIMUM INFORMATION TO BE PROVIDED TO THE AUDIT COMMITTEE AND SHAREHOLDERS FOR APPROVAL OF RELATED PARTY TRANSACTIONS AS PER RPT INDUSTRY STANDARDS

PART-A

A1. Basic details of the related party

S. No.	Particulars	Details
1.	Name of the related party	Porwal Diesels Private Limited (PDPL)
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	To manufacture, trade, distribute, and provide services related to diesel engines, generators, automotive components, and allied engineering products.

A2. Relationship an ownership of the related Party

S. No.	Particulars	Details
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party - including nature of its concern (financial or otherwise) and the following: • Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. • Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	Enterprise of Relative of KMP

	• Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	

A3. Details of previous transactions with the related party

S. No.	**Particulars**	**Details**
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.	Amount: Rs. 1172.11 in lakhs Nature of the transaction: as provided below
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	Not Applicable
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	Nil

A(4). Amount of the proposed transaction(s)

S. No.	**Particulars of the information**	**Details**
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	Amount up to Rs. 50,00,00,000/- (Rupees Fifty crores only) per annum
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT ?	Yes
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	35.14%
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not Applicable
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available	Same as point 3

A(5) - Basic details of the proposed transaction

S. No.	Particulars of the information	Details
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	a. Sale, Purchase, Supply of any goods, materials b. Availment and / or supply of any services
2.	Details of each type of the proposed transaction	Finishing and Job work of Components manufactured by the Company
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	The shareholders' approval will be valid for the period commencing from the date of the Thirty Fourth Annual General Meeting i.e., 28th September 2026 upto the date of the Annual General Meeting of the Company to be held in the year 2027.
4.	Whether Omnibus approval is being sought	Yes
5.	Value of the proposed transaction during a financial year. (Rs. In lakhs). If the proposed transaction will be executed over more than one financial year, provide estimated breakup financial year-wise.	FY2026-27 – 50 Crores
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	Arrangement is commercially beneficial and the Company has benefitted from such transactions with Porwal Diesels Private Limited in the past and were also transacted in ordinary course of business and on arm's length basis and within the limits approved by Audit Committee and shareholders in their meetings, hence, the Material RPTs are recommended for approval of the Members.
7.	Details of the promoter(s)/director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether	The Managing Director and Whole Time Director are relative of

	directly or indirectly. a. Name of the director /KMP b. Shareholding of the director / KMP, whether direct or indirect, in the related party	the Directors of PDPL
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making	All relevant information has been appropriately disclosed herein for informed decision making.

PART B - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RELATED PARTY TRANSACTION

B1. Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances

1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	The party for sale, purchase or supply of goods or services and the procurement price has been fixed after taking into consideration comparable quotations/ pricing and commercial information obtained from unrelated third-party suppliers for entering into transaction at an arm's length price.
2.	Basis of determination of price	The price has been fixed on the basis of Arm's Length Pricing.
3.	In case of Trade advance (of upto 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the Related Party in relation to the transaction, specify the following: a. Amount of trade advance b. Tenure c. Whether same is self-liquidating?	Not Applicable

The material related party transactions entered into between the Company and Porwal Diesels Private Limited would be reviewed on a quarterly basis by the Audit Committee and the Board of Directors of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives except Mr. Devendra Jain, Managing Director; and Mr. Mukesh Utsavlal Jain, Whole Time Directors; and

Mr. Shailesh Jain, Chief Financial Officer of the Company and their relatives, are concerned or interested, financially or otherwise, in the above referred resolution.

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

Order of the Board of Directors
Porwal Auto Components Limited

Place: Pithampur
Date: 12th August, 2026

HANSIKA MITTAL
COMPANY SECRETARY

Registered office
Plot No.209, Sector No. 1,
Industrial Area,
Pithampur (M.P.) 454775

BOARDS' REPORT

To
The Members,
Porwal Auto Components Ltd.
Pithampur-454775

Your Directors have immense pleasure in presenting 34th (Thirty Fourth) Boards' Report of **Porwal Auto Components Ltd**, together with the Audited Financial Statements for the year ended 31stMarch, 2026.

1. PERFORMANCE OF THE COMPANY

The financial highlights and summarized financial results of the Company are given below:

(Rupees in lacs)

Particulars	As on 31.03.2026	As on 31.03.2025
Revenue from operations	14226.23	14044.67
Other Income	819.53	22.73
Total Expenses [excluding interest & depreciation]	13353.35	13,476.93
Profit before Interest, Depreciation & Tax	1692.41	590.47
Less: Depreciation	474.26	538.10
Less: Interest	12.29	33.05
Less: Exceptional items	0.00	0.00
Profit / (Loss) Before Tax	1205.86	19.32
Less: Tax Expenses		
Current Tax	213.35	03.23
Deferred Tax	0.00	0.00
Net Profit / (Loss) after Tax	992.51	16.09
Add: Amount brought forward from Last Year	1490.55	1474.46
Balance carried forward to Balance Sheet	2483.06	1490.55
Paid Up Capital	1510.00	1510.00

Your Company's Financial Statements for the year ended 31st March, 2026 are the financial statements prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable.

During the year under review the Company has reported a turnover of Rs. 14226.23 Lacs against the turnover of Rs. 14044.67 Lacs in the previous year. The overall expenses of the Company have also increased from Rs. 13476.93 Lacs to Rs. 13353.35Lacs. The Company has incurred a net profit of Rs. 992.51 Lacs as compared to net profit of Rs. 16.09 Lacs in the previous year. Your Company is trying their best to uplift the profit in the coming period.

2. OPERATIONS AND FUTURE OUTLOOK

The global automotive parts manufacturing industry is undergoing significant regional shifts in its manufacturing and supply chain strategies. These changes are primarily driven by geopolitical factors, trade policies, and the need for supply chain resilience amid global disruptions.Governments worldwide are implementing trade policies and tariffs that are reshaping the global automotive supply chain. For instance, the United States' 25% tariff on imported vehicles from Canada and Mexico has compelled automakers to reconsider their production locations. These tariffs could increase vehicle costs by up to US$7,000 for imports and US$3,000 for domestically manufactured vehicles, prompting companies to shift operations to the U.S. to mitigate financial impacts. To counteract these challenges, automotive companies are embracing localization and regionalization strategies. The United States-Mexico-Canada Agreement (USMCA) has encouraged automakers to source more components locally and establish regional manufacturing hubs.

India's auto components industry has significantly expanded its market share, driven by rising automobile demand from the growing middle class and strong global exports. The Bharat New Car Assessment Program (BNCAP) will boost the auto component value chain by driving advanced manufacturing, fostering innovation, and promoting global standards.

The Government of India's Automotive Mission Plan (AMP) 2006-26 has been instrumental in ensuring growth for the sector. The Indian automobile industry is expected to achieve a turnover of US$ 300 billion by 2026 by expanding at a CAGR of 15% from its current revenue of US$ 74 billion.

The industry recorded a turnover of ₹7.60 lakh crore ($85.9 billion), registering a growth of 12.7% in rupee terms over the previous fiscal, as per Automotive Component Manufacturers Association of India (ACMA). The industry also witnessed labour shortages, specifically in small and medium enterprises, in the wake of the West Asia war that led to workers moving to their native places as the cost of living in towns and cities increased due to the rise in energy costs. "The medium- to long-term outlook for the Indian auto component industry remains positive. Growing domestic demand, infrastructure-led economic growth, expanding manufacturing investments, deeper global integration through Free Trade Agreements and increasing global sourcing from India are creating significant opportunities for the sector. For the FY 2026 performance was driven by robust domestic demand, higher vehicle production, sustained investments in capacity and technology and steady export growth despite an increasingly uncertain global environment.

Looking ahead to 2027 and beyond, the Company intends to focus on capacity enhancement, technology upgradation, process improvement, cost optimisation, product development and better utilisation of resources. The Company will continue to evaluate opportunities to expand its product portfolio and customer base, particularly in the automotive, railway, defence and energy sectors. The Company will continue to focus on **energy efficiency, reduction of material wastage, productivity improvement and adoption of appropriate automation and technology** across its manufacturing operations. The Company will also evaluate suitable opportunities in renewable and non-conventional energy based on their commercial viability and long-term potential.

The Company has successfully implemented Lost Foam Casting Technology as part of its ongoing efforts towards technological advancement and process improvement. The Company is continuously working on further upgrading and optimising the technology with a focus on improving product quality, process efficiency, productivity and manufacturing capabilities. The successful implementation of Lost Foam Casting has strengthened the Company's ability to manufacture complex and precision cast components and cater to evolving customer requirements. Going forward, the Company will continue to invest in process development, technology enhancement and automation to further improve the efficiency and competitiveness of its foundry operations.

In the coming years, the Company plans to further strengthen and modernise its manufacturing capabilities through the installation of a High Pressure Moulding Line (HPML), representing an important step towards the adoption of advanced foundry technology. The proposed HPML is expected to enhance production capacity, improve productivity and process consistency, and enable better control over product quality and dimensional accuracy. The technology is also expected to facilitate greater automation, optimise utilisation of resources and reduce rejection and rework, thereby improving overall operational efficiency. The Company believes that the adoption of HPML technology will strengthen its manufacturing capabilities and enable it to cater to increasing customer requirements across various industrial sectors while providing a strong platform for sustainable growth in the coming years.

Looking ahead, the Company remains cautiously optimistic about its growth prospects and is committed to strengthening its manufacturing capabilities, enhancing production capacity and continuously upgrading its processes and technologies. The Company will focus on improving productivity, product quality and operational efficiency while developing new business opportunities across various industrial sectors. Increased emphasis will also be placed on customer diversification and expansion into international markets to enhance the Company's export presence. With a continued focus on capacity enhancement, technology advancement, operational excellence and market expansion, the Company aims to build a strong and sustainable platform for long-term growth and value creation for its stakeholders.

3. STATE OF COMPANY’S AFFAIRS

Discussion on state of Company’s affair has been covered as part of the Management Discussion and Analysis. Management Discussion and Analysis for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming a part of this Annual Report.

4. CAPITAL STRUCTURE & STOCK OPTIONS

During the Financial Year 2025-26, there was no change in the capital structure of the Company.

- **Authorized Share Capital**
  The authorized share capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty CroresOnly)divided into 20,00,00,00(Two Crore) Equity Shares of Rs. 10/- each.

- **Paid Up Share Capital**
  The paid-up equity share capital of the Company is Rs. 15,10,00,000 /- (Rupees FifteenCroresTen Lakhs Only) divided into 1,51,00,000(RupeesOneCroreFifty One Lakhs Only) Equity Shares of Rs. 10/- each.

  During the year under review, the Company has not issued shares with differential votingright neither granted stock option nor sweat equity. Further, the Company not issued anydebenture bonds and any non-convertible securities.The Company’s equity shares are listed with the Bombay Stock Exchange Limited.

  - **Issue of Equity Shares with Differential Rights:**
    During the period under review, the Company has not issued any Equity Shares with Differential Rights.

  - **Issue of Employee Stock Options:**
    During the period under review, the Company has not issued any Employee Stock Options as stated in Rule 12(9) of Companies (Share Capital and Debenture

Rules,2014) read with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

- **Issue of Sweat Equity Shares:**
  During the period under review, the Company has not issued any sweat equity shares as specified in Rule 8(13) of Companies (Share Capital and Debenture Rules, 2014) read with SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

5. TRANSFER TO RESERVES, IF ANY

During the year under review, there was no amount transferred to any of the reserves of the Company.

6. DIVIDEND

Your Directors have not recommended any Dividend for the year under review.

7. TRANSFER OF UNCLAIMED DIVIDEND/ SHARES TO INVESTOR EDUCATION & PROTECTION FUND AUTHORITY

During the Financial Year 2025-26 and in pursuance to the provisions of Section 124(5) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the unclaimed and unpaid dividends amount for the year 2017-18 on the due date as specified in the Notice of the AGM to the Investors Education and Protection Fund ("IEPF") Account established by the Central Government.

An amount ofRs. 414798/-in respect of unpaid/unclaimed dividend declared for the FY 2017-2018 was in processof transfer to the Investor Education and Protection Fund Authority by the Company during the year ended 31st March, 2026.The details of dividend amount transferred to IEPF are available on the Company's website at web-link https://www.porwalauto.com/unpain.html.

Further, pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the shares on which dividend remains unclaimed for seven consecutive years or more shall be transferred to IEPF account after giving due notices to the concerned shareholders.The Company has uploaded full details of such shareholders and shares due for transfer to IEPF Authority on its website at https://www.porwalauto.com/investor.html. Various steps are being taken on an ongoing basis to reach out to shareholder, through emails and other means, requestingthem to claim shares which are due for transfer to IEPF. The Company had sent individual notices and also advertised in the newspapers seeking action from the Members who have not claimed their dividends for seven consecutive years or more. Mr. Shailesh Jain is appointed as the Deputy Nodal Officer for coordinating with the Investor Education and Protection Fund (IEPF) Authority and for smooth functioning in relation to the same.

8. DEPOSITS

During the year under review, the Company did not accept any deposits within the meaning of provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

9. MATERIAL CHANGES AND COMMITMENTS

During the Financial Year 2025–26, the Company amended its Articles of Association and adopted a new set of Memorandum of Association to align with the provisions of the Companies Act, 2013, including amendments to the Main Object Clause thereof. These amendments were duly authorized by the members of the Company through the passing of a Special Resolution in the Annual General Meeting in accordance with the provisions of Section 110 of the Companies Act, 2013. The amendment has been duly approved by the concerned authority including Registrar of Companies (ROC), as required under the applicable provisions of the Act.

However, subsequent to the closure of the Financial Year, pursuant to the approval of the Members by way of a Special Resolution passed at the Extra-Ordinary General Meeting (“EGM”) of the Company held on 05th June, 2026, the Company issued and allotted 17,54,384 Equity Shares of face value of Rs. 10/- each at an issue price of Rs. 57/- per Equity Share, including a premium of Rs. 47/- per Equity Share, to Non-Promoters on a preferential basis, in accordance with the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time. The shares were allotted to the shareholders pursuant to the approval of the Board of Directors at its meeting held on 09th July, 2026.

Further, pursuant to the aforesaid approval of the Members, the Company issued and allotted 3,94,735 Warrants to the Promoter Group on a preferential basis, each Warrant being convertible into one Equity Share of face value of Rs. 10/- each, at an issue price of Rs. 57/- per Warrant, comprising a face value of Rs. 10/- and a premium of Rs. 47/- per Warrant, subject to the terms and conditions of the issue and the applicable provisions of the Companies Act, 2013, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, rules and regulations. The said warrants were allotted, pursuant to the approval of the Board of Directors at its meeting held on 09th July, 2026, upon receipt of 25% upfront margin i.e Rs. 56,24,973.75/- (Rupees Fifty-Six Lacs Twenty-Four Thousands Nine Hundred and Seventy-Three and Seventy-Five Paise only). Each Warrant holder is entitled to receive one equity share of the Company against one Warrant held by him/her. The warrant holders may apply for conversion their warrants into fully paid-up equity shares within 18 (Eighteen) months from the date of warrant allotment, upon payment of the remaining balance of Rs 42.75 per warrant.

Except for the aforesaid, there have been no other material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this Report.

10. SUBSIDIARY, ASSOCIATE COMPANIES OR JOINT VENTURE

The Company does not have any subsidiary, joint venture or associate Company.

11. ANNUAL RETURN

Pursuant to provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of theCompanycan be accessed atCompany’s website at web linkhttps://www.porwalauto.com/other_information.html .

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL

At the year ended 31st March, 2026, the Board of Directors comprised of two Executive directors and four Non-Executive Independent Directorsincluding one Woman Director. The Company has one Chief Financial Officer and a Company Secretary.

The details of changes in the directors and KMP are as follows:

Retire By Rotation

In accordance with the provisions of Section 152 of the Act and in terms of the Articles of Association of the Company, Mr. Mukesh Utsavlal Jain (DIN: 00245111) as Whole-Time Director, retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting.

Changes in the Board during the Financial Year 2025-26:

During the Financial Year under review, the Board of Directors, at its meeting held on 13th August, 2025, considered and approved the re-appointment of Mr. Mukesh Utsavlal Jain (DIN: 00245111) as Whole-Time Director, designated as Chairman of the Company, for a further term of three years commencing from 01st August, 2026 to 31st July, 2029. The said re-appointment was subsequently approved by the Members of the Company by passing a Special Resolution at the Annual General Meeting held on 26th September, 2025, in accordance with the applicable provisions of the Companies Act, 2013, the rules made thereunder and other applicable laws, rules, regulations, guidelines and statutory requirements, as amended from time to time.

Further, the Board of Directors, at its meeting held on 13th August, 2025, appointed Mr. Mukesh Utsavlal Jain (DIN: 00245111) as the Chairman of the Company. Mr. Mukesh Utsavlal Jain continues to serve the Company in his capacity as Whole-Time Director.

Further, the Board of Directors, at its meeting held on 13th August, 2025, considered and approved the re-appointment of Mr. Devendra Jain (DIN: 00232920) as Managing Director of the Company for a further term of three years commencing from 1st August, 2026 to 31st July, 2029. The said re-appointment was subsequently approved by the Members of the Company by passing a Special Resolution at the Annual General Meeting held on 26th September, 2025, in accordance with the applicable provisions of the Companies Act, 2013, the rules made thereunder and other applicable laws, rules, regulations, guidelines and statutory requirements, as amended from time to time.

The Board places on record its appreciation for the valuable contribution and guidance provided by the Directors and looks forward to their continued association and contribution towards the growth and development of the Company.

KEY MANAGERIAL PERSONNEL

In pursuance of the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Mukesh Utsavlal Jain(DIN–00245111), Chairman& Whole-Time Director, Mr. Devendra Jain (DIN-00232920) as Managing Director, Mr. Shailesh Jain and Ms. Hansika Mittal are the Chief Financial Officer (CFO) and Company Secretary (CS)of the Company respectively

Independent Directors:

The Independent Directors on the Board of the Company comprise of Mr. Mohit Handoo, Mr. Naveen Kumar Dhiman, Mr. Gautam Chand Kothari &Mrs. Shalu Anand.

Disqualifications of Directors

During the year declarations received from the Directors of the Company pursuant to Section 164 of the Companies Act, 2013. The Board appraised the same and found that none of the director is disqualified for holding office as director.

Further the Certificate from Practicing Company Secretary has been obtained who certified that none of the directors of the Company disqualified for holding office as director of the Company is enclosed with this Board Report.

13. MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

a. **Board Meetings:** During the year under review the Board has met 4 (four) times viz**28th May, 2025; 13th August, 2025; 13th November, 2025; and 06th February, 2026**.The details of meetings of the Board and the attendance of Directors are provided in the Corporate Governance Report.

b. **Committee Meetings:** During the year under review, the Committees duly met and the details of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report.

c. **Separate Meeting of Independent Director:** During the year under review, a separate meeting of Independent Directors was held on 20thMarch, 2026.

14. PERFORMANCE EVALUATION OF THE BOARD

Pursuant to the provisions of Companies Act 2013 and regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India, the Nomination and Remuneration Committee of the Company has defined the evaluation criteria and procedure for the Performance Evaluation process for the Board, its Committees and Directors.

The Board of Directors has carried out an Annual Performance Evaluation of its own performance, Independent Directors, the Directors and the Committees. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole. The criteria on the basis which the evaluation has been carried out are explained in the Corporate Governance Report.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as board composition and structure, effectiveness of board processes, information and functioning, etc. as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The Performance of the Committee was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of the committee, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee reviewed the performance of individual director on the basis of criteria such as the contribution of the individual directors to the board and committee meeting like preparedness

on the issues to be discussed, meaningful and constructive contribution and inputs in meeting, etc.

15. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors on the Board of the Company comprise of Mr. Mohit Handoo, Mr. Naveen Kumar Dhiman, Mr. Gautam Chand Kothari &Mrs. Shalu Anand.

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence.

Further, they are not debarred from holding the office of director pursuant to any SEBI order or any such other authority. All the Independent Directors of the Company have registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs and have confirmed their compliance with Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

In the opinion of the Board, all independent directors possess strong sense of integrity and having requisite experience, qualifications and expertise as well as they are independent of the management and has no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a. In the preparation of the Annual Accounts for the Financial Year ended on 31st March, 2025, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit for the year ended on that period.
c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
d. The Directors had prepared the annual accounts on a going concern basis.
e. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
f. The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

17. COMMITTEES OF THE BOARD OF DIRECTORS

Your Company has 3 (Three) committees which have been constituted as a part of the good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

Audit Committee:

The Company has constituted an Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on 31st March, 2026, the Audit Committee of the Company comprised three Directors, namely Mr. Gautam Chand Kothari, Chairperson, Mr. Mohit Handoo and Mr. Naveen Kumar Dhiman, Members.

The Audit Committee functions in accordance with its terms of reference and the applicable provisions of the Companies Act, 2013, the SEBI LODR Regulations and other applicable laws and regulations. The Committee, inter alia, reviews the financial reporting process, financial statements, internal control systems, audit matters and other matters falling within its terms of reference.

During the year under review, the recommendations made by the Audit Committee were duly considered, accepted and approved by the Board of Directors.

The other Committees of the Board as on 31st March, 2026are:

i. Nomination and Remuneration Committee
ii. Stakeholders Relationship Committee

The details with respect to the composition, powers, roles, terms of reference, Meetings held and attendance of the Directors at such Meetings of the relevant Committees are given in detail in the Report on Corporate Governance of the Company which forms part of this Report.

18. NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013, and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has formulated a policy relating to the remuneration for the Directors, key managerial personnel (KMP) and other employees which was approved and adopted by the Board. The policy is available on the website of the Company at https://www.porwalauto.com/policies.html.

Other Policies:

The other policies adopted by the Company pursuant to the provisions of the Companies Act, 2013 and SEBI Regulations are placed on the Company's website at https://www.porwalauto.com/policies.html.

19. AUDITORS:

a. STATUTORY AUDITOR

Pursuant to the provisions of section 139 of the Act and the rules framed there under, at the 30th Annual General Meeting held on 28th September 2022, of M/S. HN Jhavar and Co., Chartered Accountants, Indore (ICAI Firm Registration Number: 000544C) holding valid certificate issued by the Peer Review Board of the ICAI, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2027.

The Company has received a certificate from the Statutory Auditors confirming their eligibility and willingness for their appointment and affirmation that the appointment is in accordance with Section 139 read with Section 141 of the Act.

In accordance with Notification No. GSR 432(E) issued on 07th May, 2018 by the Ministry of Corporate Affairs the appointment of statutory auditors is not required to be ratified at every Annual General Meeting.

EXPLANATION TO AUDITOR'S REMARK

The Auditors in their report have referred to the notes forming part of the Accounts which are self-explanatory and does not contain any qualification, reservation or adverse remark or disclaimer.

REPORTING OF FRAUD BY STATUTORY AUDITORS

There was no fraud in the Company, which was required to be reported by statutory auditors of the Company under sub-section (12) of section 143 of Companies Act, 2013.

b. SECRETARIAL AUDITOR

Pursuant to the Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') read with Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has mandated that Secretarial Auditors to be appointed or re-appointed by the shareholders, based on the recommendation of the Board of Directors, for a maximum of two terms of five consecutive years each, at the Annual General Meeting.

In alignment with the aforementioned regulatory framework including the amendments made by SEBI and the provisions of the Companies Act, 2013 regarding Secretarial Audit and appointment of Secretarial Auditor and as mentioned in the previous year's Annual Report, the Board of Directors, upon the recommendation of the Audit Committee, approved and recommended to the Shareholders for their approval, the appointment of Mrs. Shraddha Jain, peer reviewed Practicing Company Secretary, as the Secretarial Auditor of the Company for a term of five consecutive financial years, commencing from Financial Year 2025–26 to Financial Year2029–30.

Further, the Members of the company, at the 33rd AGM held on 26th September, 2025, approved the aforementioned appointment of **Mrs. Shraddha Jain**, a peer reviewed Practicing Company Secretary as the Secretarial Auditor of the Company.

The Secretarial Audit Report for the Financial Year ended on March 31, 2026 is annexed herewith marked as **Annexure-I** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

ANNUAL SECRETARIAL COMPLIANCE REPORT:

As per SEBI Regulations and Circulars/Guidelines issued thereunder, the Annual Secretarial Compliance Report issued by Mrs. Shraddha Jain, peer reviewed Practicing Company Secretary has been submitted to theStock Exchange and is annexed as Annexure II to this Board's Report.

c. COST RECORD AND COST AUDIT

Pursuant to Section 148 of the Companies Act,2013 ('the Act') read with Rule 8 of the Companies(Accounts) Rules,2014, it is stated that the cost accounts and records are made and maintained by the Company as specified by the Central Government under Section 148(1) of the Companies Act,2013.

The Board had appointed M/s. Nikhil Jain & Associates, Cost Accountants, Indore (FRN: 006363), as Cost Auditor for conducting the audit of cost records of the Company for the Financial Year 2025-2026.

The Board of Directors of the Company on recommendation of Audit Committee, in pursuance of Section 148 of the Companies Act, 2013, at Board Meeting held on 27th May, 2026 appointed M/s. Nikhil Jain & Associates, Cost Accountants, Indore (FRN: 006363), for conducting the audit of the cost accounting records maintained by the Company for the Financial Year 2026-2027. They have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from acting as Cost Auditors.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the members in the ensuing Annual General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s. Nikhil Jain & Associates, Cost Auditors is included in the Notice convening the Annual General Meeting.

The Cost Audit Report does not contain any qualification, reservation or adverse remark.

d. INTERNAL AUDITOR

The Board had appointed M/s. Nishi Agrawal and Company, Chartered Accountants, Indore (FRN: 014983C) as the Internal Auditor for conducting internal audit and review of the operations and systems of the Company for the Financial Year 2025-2026

Further, the Board of Directors, on the recommendation of the Audit Committee,at Board Meeting held on 27th May, 2026 re-appointed M/s. Nishi Agrawal and Company, Chartered Accountants, Indore (FRN: 014983C) as the Internal Auditor of the Company to conduct the internal audit and review of the operations and systems of the Company for the Financial Year 2026-27 under provisions of Section 138 of the Companies Act, 2013 read with Rule 13(1)(a) of the Companies (Accounts) Rules, 2014.

20. <u>INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY.</u>

The Company has in place adequate internal financial controls commensurate to the size and nature of its business. The Company has policies and procedures in place for ensuring orderly and efficient conduct of its business and operations including adherence to the Company's policies, the safeguarding of its Assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The details of internal control systems are given in the Management

Discussion and Analysis Report attached to this Report. An independent internal audit function is an important element of the Company's internal control systems. This is executed through an internal audit programme and periodic review by the management and the Audit Committee.

During the year under review, M/s. Nishi Agrawal and Company, (FRN:014983C), Chartered Accountant, are engaged as Internal Auditors of the Company, with the audit processes and procedures. The Audit Committee has satisfied itself on the adequacy and effectiveness of the internal financial control systems laid down by the management. The Statutory Auditors have confirmed the adequacy of the internal financial control systems over financial reporting.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security are provided in Note Nos. 5 and 6 to the Financial Statements.

22. WEBSITE

As per provisions of the Regulation 46 of the SEBI (LODR), 2015 all necessary information as required to be given to the shareholders/ stakeholders, is available at https://www.porwalauto.com/index.html. Shareholders/ stakeholders are requested to refer to investor section.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the Financial Year 2025-2026, all contracts/ arrangements/ transactions entered into by the Company with its related parties were reviewed and approved by the Audit Committee and the Board. Prior omnibus approvals were obtained from the Audit Committee for related party transactions which were of repetitive nature, entered in the ordinary course of business and on an arm's length basis. No transaction with any related party was in conflict with the interest of the Company.

All Related Party Transactions that were entered into during the Financial Year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of Section 188 of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Therefore, there is no particulars of contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013 which needs to be disclosed in the prescribed form AOC-2 and may be treated as not applicable. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's web-linkhttps://www.porwalauto.com/policies.html. However, the related party transactions as covered under Indian Accounting Standards (IND AS 24) have been disclosed in the Note No. 32 of Notes to Accounts of the financial statements for the year under review.

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

The details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached as **Annexure-III** to this report.

25. RISK MANAGEMENT

The Company recognizes that risk is an integral and unavoidable component of business and is committed to managing the risk in a proactive and efficient manner. The Company as part of business strategy has in place a mechanism to identify, assess, monitor risks and mitigate various risks with timely action. The Board periodically reviews the risks and suggests steps to be taken to control the risks.

26. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant or material orders passed by the Regulators / Courts which would impact the future operations / going concern status of the Company.

27. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, the Company has in place a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of illegal activities, unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy and also to report insider trading violations as well as reporting of instances of leak of unpublished price sensitive information. It also provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil mechanism and Whistle Blower policy of the Company was received by the Company. The Whistle Blower Policy has been posted on the website of the Companyhttps://www.porwalauto.com/pdf/Vigil_Mechanism.pdf.

28. HUMAN RESOURCES

Our relations with the employees are very cordial. Your directors would like to place on record their appreciation of the commitment and efficient services rendered by all employees of the Company, without whose wholehearted efforts, the overall satisfactory performance of the Company would not have been possible.

29. DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The prescribed particulars of employees required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure IV** and forms the part of this Board Report.

30. PARTICULARS OF EMPLOYEES

During the year, there was no employee drawing remuneration in excess of Rs. 1,02,00,000/- p.a. or Rs. 8,50,000/- p.m. Accordingly, information required to be given pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has not been givenhere.Further the particulars of top ten employees in terms of remuneration drawn required under section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended is enclosed as **Annexure V**and forms the part of this Board Report.

31. CHIEF FINANCIAL OFFICER AND MANAGING DIRECTOR CERTIFICATION

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended 31stMarch, 2026 which is enclosed as forms the part of this Board Report.

32. VOTING RIGHTS OF EMPLOYEES

During the year under review the Company has not given loan to any employee for purchase of its own shares as per section 67(3)(c) of Companies Act, 2013.

33. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued shares under Employee's Stock Options scheme during the year under review.

34. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES

The Company has not issued Sweat Equity Shares during the year under review.

35. CORPORATE GOVERNANCE REPORT

Your Company is committed to maintaining high standards of corporate governance, transparency, integrity and accountability in all its operations. The Company has consistently followed sound governance practices and has adopted several such practices even before they became statutory requirements. The Company believes that ethical conduct, transparency and responsible decision-making are fundamental to effective corporate governance and are essential for building and maintaining the trust of its stakeholders and achieving sustainable long-term growth.

As per Regulation 34(3) read with Schedule V of the Listing Regulations, your Company and its Board has been complying with Corporate Governance practices as set out in a separate report in pursuance of requirement of Para C of Schedule V SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as **Annexure VI**. A Certificate obtained from Mrs. Shraddha Jain, Practicing Company Secretary, confirming compliance of the Corporate Governance as stipulated under the said Regulations is also enclosed herewith in the Report and the same is enclosed as forms the part of this Annual Report.

36. CORPORATE SOCIAL RESPONSIBILITY

During the Financial Year under review, the provisions of Section 135 of the Act relating to the constitution of a Corporate Social Responsibility Committeeare not applicable to theCompany.

37. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Statement in pursuance of requirement of Regulation 34(2)(e) and Para B of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015 is attached to this report as **Annexure - VII.**

38. LISTING AT STOCK EXCHANGE

The Equity shares of the Company are listed on Bombay Stock Exchange Limited, Mumbai and the Listing Fee for the year 2026-27 has been duly paid.

The Company has complied with SEBI (LODR) Regulations, 2015 including payment of Annual Listing Fees up to March 31, 2027 to BSELimited.

39. INSURANCE

The Company's assets are adequately insured against the loss of fire and other risks, as considernecessary by the Management from time to time.

40. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing

Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your Company for the Financial Year ending 31st March, 2026.

41. DEPOSITORY SYSTEM

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). As per the SEBI (Listing Obligations & Disclosure Requirements) (Fourth Amendment) Regulations, 2018, vide Gazette notification dated 08th June, 2018 & 30th November, 2018 mandated that Share transfer shall be mandatorily carried out in dematerialised form only w.e.f. from 01st April, 2019. In view of the numerous advantages offered by the Depository System, members are requested to avail the facility of Dematerialisation of the Company's shares on either of the Depositories mentioned as aforesaid.

42. CONVENING ANNUAL GENERAL MEETING (AGM) THROUGH AUDIO-VISUAL MEANS FACILITY:

The Circular No. 09/2024 dated 19th September, 2024, General Circular No. 03/2025 dated 22nd September, 2025issued by Ministry of Corporate affairs (MCA) and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by Securities and Exchange Board of India (SEBI) permitted convening the Annual General Meeting through Video Conference ('VC')/Other Audio-Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the MCA and SEBI Circulars, applicable provisions of the Act and the Listing Regulations, the 34th Annual General Meeting of your Company will be convened and conducted through VC / OAVM.

43. PROVISION OF VOTING BY ELECTRONIC MEANS THROUGH REMOTE E-VOTING AND E-VOTING AT THE AGM:

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, your Company will facilitate E-voting. The upcoming AGM will be held via VC/OAVM, with no physical meeting. Arrangements with CDSL ensure remote e-voting. Details are included in the AGM notice.

44. ENVIRONMENT AND SAFETY

Environment, Health and Safety are among the core values of your Company. In order to promote zero accident culture, your Company has conducted various training & awareness programs.

Employees are encouraged to report all incidents so that preventive actions can be taken to avoid any mishap. Environment sustainability is paramount to any industry and your Company is conscious of its responsibility towards the impact of its operations on the environment.

The Health and Safety of employees is paramount and the Company stand on Environment, Health and Safety of its employees and it is clearly outlined in Policy. The Company's Environment, Health & Safety (EHS) strategies are directed towards achieving the greener and safe operations across all units by optimising the usage of natural resources and providing a safe and healthy workplace.

Your Company believes that healthy and hygienic work environment not only benefits the workforce but it also increases the productivity andworks as a retention tool.

45. INDUSTRIAL RELATIONS

Industrial relations remained cordial throughout the year. Your Directors recognize and appreciate the sincere, hard work, loyal, dedicated efforts and contribution of all the employees in the growth and performance of the Company during the year.

The Company continues to accord a very high priority to both industrial safety and environmental protection and these are ongoing processes at the Company's plant and facilities to maintain high awareness levels. The Company as a policy re-evaluates safety standards andpractices from time to time in order to raise the bar of safety for its people as well as users and customers.

46. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMENAT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment.

Details of complaints during Financial Year 2025-2026, are as follows:

S.No	PARTICULARS	Number
1	Number of Complaints of Sexual Harassment received during the year	0
2	Number of Complaints disposed off during the year	0
3	Number of cases pending for more than ninety days	0

It may be noted that during the year 2025-2026, no grievance/complaint from any women employee was reported.Further, during the year under review.

47. COMPLIANCE OF SECRETARIAL STANDARD

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

48. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDERTHE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) ANDTHEIR STATUS

During the year under review and till date of this Report, the Company has neither made any application against anyone nor any proceedings were pending against the Company under the Insolvency and Bankruptcy Code, 2016.

49. **DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE ATTHE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILETAKING LOANS FROM THE BANKS OR FINANCIAL INSTITUTION ALONGWITHTHE REASONS THEREOF**

There are no such events occurred during the period from April 01, 2025 to March 31, 2026, thus no valuation is carried out for the one-time settlement with the Banks or Financial Institutions.

50. **OTHER STATUTORY DISCLOSURES**

a. **Change in Nature of Business:** During the year under review, there has been no change in the nature of the business of the Company.

b. **Revision of Annual Financial Statements:** There was no case of revision in financial statement during the year.

c. **Cash Flow Statement:** The Cash Flow Statement of the Company for the financial year ending on 31st March, 2026 has been prepared in accordance with Ind AS 7. The 'Statement of Cash Flows' is attached and forms part of the financial statements of the Company.

d. **Details with respect to the Compliance of the provision relating to the Maternity Benefits Act 1961:** The Company is in compliance with the provisions of the Maternity Benefit Act, 1961. All eligible female employees are granted maternity benefits in accordance with the provisions of the Act, including paid maternity leave, nursing breaks, and protection from dismissal during maternity leave. No employee has applied for maternity leave during the financial year 2025-2026.

51. **ACKNOWLEDGEMENTS**

Your Company's organizational culture upholds professionalism, integrity and continuous improvement across all functions, as well as efficient utilization of the Company's resources for sustainable and profitable growth.

Your Directors would like to place on record their appreciation for the continued co-operation and support received by the Company during the year from its customers, suppliers, bankers, financial institutions, business partners and other stakeholders

For and on behalf of the Board of Directors
Porwal Auto Components Limited

Date:12th August, 2026
Place: Pithampur

Mukesh Jain	**Devendra Jain**
Whole time Director	Managing Director
(DIN - 00245111)	(DIN - 00232920)

Registered office
Plot No. 209, Sector No. 1,
Industrial Area,
Pithampur (M.P.) 454775
CIN: L29300MP1992PLC006912

ANNEXURE – I

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies *(Appointment and Remuneration Personnel) Rules, 2014]*

To,
The Members,
PORWAL AUTO COMPONENTS LIMITED
(L29300MP1992PLC006912)
Plot No. 209, Sector 1,
Industrial Area, Pithampur
M.P. - 454775

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PORWAL AUTO COMPONENTS LIMITED (CIN: L29300MP1992PLC006912)**, (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 Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2026 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31st March 2026 according to the provisions of:

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

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;

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 and amendments from time to time;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *which is not applicable to the company during audit period*

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;*which is not applicable to the company during audit period*

e. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021;*which is not applicable to the company during audit period*

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

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; *which is not applicable to the company during audit period*

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *which is not applicable to the company during audit period*

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

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

i. Secretarial Standardsrelating to Board Meetings and General Meetings issued by The Institute of Company Secretaries of India and amendments made thereunder.

ii. The Securities and Exchange Board of India (Listing obligations And Disclosure Requirements) Regulations, 2015 and amendments made thereunder ("Listing Regulations")

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

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in case of meeting at shorter notice, necessary consent has been sought at the meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings.

All decisions at Board Meetings and Committee(s) Meetings are carried through unanimously as recorded in the meetings of the Board and Committee(s) of the Board, as the case may be.

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

I further report that during the audit period:

During the Financial Year 2025–26, the Company amended its Articles of Association and adopted a new set of Memorandum of Association to align with the provisions of the Companies Act, 2013, including amendments to the Main Object Clause thereof. These amendments were duly authorized by the members of the Company through the passing of a Special Resolution in the Annual General Meeting held on 26th September, 2025 in accordance with the provisions of Section 110 of the Companies Act, 2013. The amendment has been duly approved by the concerned authority including Registrar of Companies (ROC), as required under the applicable provisions of the Act.

I further report that during the audit period except as stated below there were no major events/ actions have taken place having a major bearing on the Company's affairs in pursuance to the above referred laws, rules, regulations, guidelines, standards etc.

Place: Indore
Date: 12th August, 2026

SHRADDHA JAIN
PRACTISING COMPANY SECRETARY
M. No.: ACS 39488
C P No.: 14717
PR No.: 1765/2022
UDIN: A039488H001094432

NOTE: This report is to be read with Annexure A which forms an integral part of this report.

Annexure A

To,
The Members,
PORWAL AUTO COMPONENTS LIMITED
(L29300MP1992PLC006912)
Plot No. 209, Sector 1,
Industrial Area, Pithampur
M.P. - 454775

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

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

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, Ihave followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

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

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

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

Place: Indore
Date: 12thAugust, 2026

SHRADDHA JAIN
PRACTISING COMPANY SECRETARY
M. No.: ACS 39488
C P No: 14717
PR No.: 1765/2022
UDIN: A039488H001094432

ANNEXURE – II

ANNUAL SECRETARIAL COMPLIANCE REPORT OF PORWAL AUTO COMPONENTS LIMITED

For the financial year ended 31st March, 2026

[Under Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Shraddha Jain, Practicing Company Secretary, have examined:

(a) all the relevant documents and records to the extent made made available to me and explanation provided by **PORWAL AUTO COMPONENTS LIMITED** (CIN: L29300MP1992PLC006912),("the Listed Entity")

(b) the filings/ submissions made by the listed entity to the BSE Limited,

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the Financial year ended 31st March, 2026 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

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

(b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *which is not applicable to the Company during the Review Period*

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

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *which is not applicable to the Company during the Review Period*

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat

Equity) Regulations, 2021; *which is not applicable to the Company during the Review Period*

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; *which is not applicable to the Company during the Review Period*

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

(h) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018 to the extent applicable

and circulars/guidelines issued thereunder and based on the above examination, I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regu-lation/ Circular No.	Deviations	Action taken by	Type of Action	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Man-age-ment Re-sponse	Re-marks
Not Applicable										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observation/ Remarks of the Practicing Company Secretary (PCS) in the previous reports	Observations made in the Secretarial Compliance Report for the year ended 31st March, 2026	Compliance requirement (Regulations/ Circulars/ guidelines including specific clause)	Details of Violation/ Deviations and actions taken/ penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
Not Applicable						

(c) I hereby report, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations /Remarks by PCS*
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	-
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI	Yes	-
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/ section of the website	Yes	-
4.	**Disqualification of Director:** None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	-
5.	**Details related to subsidiaries of listed entities have been examined w.r.t.:** a. Identification of material subsidiary companies b. Disclosure requirement of material as well as other subsidiaries	NA	The listed entity does not have any subsidiary company or material subsidiary company.

6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	-
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	-
8.	**Related Party Transactions:** a. The listed entity has obtained prior approval of Audit Committee for all related party transactions; or b. In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee.	Yes N.A	- All the related party transactions are with prior approval of Audit Committee.
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under.	Yes	-
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.	Yes	No actions taken during the review period.

12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries:** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entity.	N.A	There is no case of resignation of Auditor during the period under review.
13.	**Additional Non-compliances, if any:** No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc. except as reported above.	Yes	-

I further report that the listed entity is in compliance/ not in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations.- **NOT APPLICABLE**

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. My responsibility is to report based upon my examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.
5. It is the responsibility of the Company's management to maintain records and establish appropriate systems for ensuring compliance with applicable SEBI Regulations, circulars, and guidelines issued from time to time and to ensure the adequacy and operational effectiveness of such systems.

Place: Indore
Date: 30/05/2026

Shraddha Jain
ACS No.: 39488
C P No.: 14717
PR No.: 1765/2022
UDIN No.: A039488H000554277

ANNEXURE – III

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

The information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31stMarch, 2026is given here below and forms part of the Boards' Report.

A. Conservation of Energy:

i. **The steps taken or impact on conservation of energy:** The Company undertakes various initiatives for energy conservation through continuous improvements in operational efficiency, equipment upgradation, modernisation etc. Following measures have been taken by different Businesses of the Company:

- Company ensures that the manufacturing operations are conducted in the manner wherebyoptimum utilization and maximum possible savings of energy is achieved.
- Upgradation of Machineries and installation of new machineries based on fuel or powerefficiency.
- Monitoring the maximum demand and power load factor on daily basis.
- Educate staff on energy-saving practices and promote energy-conscious behavior.
- Replacement of inefficient motors with energy efficient motors.
- Reduce waste and improve workflow efficiency.

ii. **The steps taken by the Company for utilizing alternate sources of energy**
The Company has installed Solar Plants at its manufacturing location for using solar energy as a source in place of conventional sources. Continuously assess the effectiveness and efficiency of the installed systems and make improvements as needed.

iii. **Capital Investment on Energy Conservation Equipments**
The Company continues to accord significant importance to conservation of energy, optimization of energy consumption and adoption of renewable sources of energy as part of its commitment towards environmental protection and sustainable business practices.

The Company has setup solar power plant in the year 2013-14 for environment protection andconservation of energy. The Company has invested Rs. 11.97 crores as capital investment onenergy conservation equipment.

The Company has setup another solar power plant in the year 2017-18 of three mega watt forthe captive consumption. The Company has invested Rs. 13.49 crores as capital investment.

The electricity generated from the aforesaid Solar Power Plants is captively utilized by the Company for its operational requirements, thereby reducing its dependence on conventional sources of electricity and promoting efficient utilization of renewable energy. The Company continuously focuses on the upgradation, modernization and optimization of its Solar Power Plants, equipment and related systems to enhance their efficiency, generation capacity and operational performance.

The Company focuses on investments aiming to reduce usage of conventional energy, energy conservation projects and increase the generation of solar energy and optimization of energy utilization and also upgradation of equipment to achieve higher operational efficiencies for current business practices.

B. Technology Absorption

i. The efforts made towards technology absorption

The company is focusing efforts on investing in advanced machinery, enhancing staff training, integrating cutting-edge software, and fostering R&D initiatives. Additionally, they are collaborating with technology partners and continuously upgrading systems to drive efficiency and innovation.

The Company has successfully implemented Lost Foam Casting Technology as part of its focus on technological advancement and process improvement. The Company continues to upgrade and optimize the technology to enhance product quality, process efficiency, productivity and manufacturing capabilities. The technology has strengthened the Company's ability to manufacture complex and precision cast components and meet evolving customer requirements. The Company will continue to focus on technology enhancement, process development and automation to improve the efficiency and competitiveness of its foundry operations.

The Company plans to further modernize its manufacturing capabilities through the installation of a High Pressure Moulding Line (HPML), an advanced foundry technology that uses automated, high-pressure moulding to produce moulds with greater precision, consistency and repeatability. The technology is expected to enhance production capacity and productivity while improving dimensional accuracy, process control and product quality. Increased automation and efficient resource utilization are also expected to reduce rejection, rework and manual intervention, thereby improving overall operational efficiency. The adoption of HPML will strengthen the Company's manufacturing capabilities and enable it to efficiently meet evolving customer requirements.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution

The Company is committed to develop innovative technologies and creating a knowledge base for manufacturing high quality and economical products. The quality of the Company's products has improved and also there was reduction in the cost of the Company's products, whenever the Company took steps towards technology absorption. There is a perennial effect of technology absorption in the quality of and on the cost of the Company's products.

iii. In case of imported technology (imported during the last three years reckoned fromthe beginning of the financial year) –

The Company has adopted Lost Foam technology, an advanced imported method, to enhance manufacturing. This technology improves precision and performance of components, leveraging cutting-edge international innovations to boost efficiency and product quality.

iv. Expenditure on Research & Development –

Research & Development activities are being carried out as part of the Company's normal business activities. This initiative focuses on driving innovation, enhancing product performance, and optimizing manufacturing processes. These efforts are designed to keep the company competitive and responsive to the evolving demands of the industry. In order to maintain its position, your Company is continuouslyupgrading its technology to meet the ever increasing demands of its customers. The Companyis regular in adding new equipments for testing. During the year the

Company has made an investment of Rs. 25.07 Lacs approximately towards Research and Development. We have also focused on knowledge management, capturing, and sharing valuable insights and best practices across the organization.

C. Foreign exchange earnings and Outgo-

Particulars	2025-26	2024-25
Foreign exchange earnings	7.32 Crore	7.48 Crore
Foreign exchange outgo:		
Travelling Expenses	1.66 Lacs	13.05 Lacs
Repairing/Service	5.65 Lacs	Nil
Capital Goods	3.06 Lacs	Nil
Purchase Pattern Jig & Fixture	5.02 Lacs	

Date: 12th August, 2026
Place: Pithampur

For and on behalf of the Board of Directors
Porwal Auto Components Limited

Registered office
Plot No. 209, Sector No. 1,
Industrial Area,
Pithampur (M.P.) 454775
CIN: L29300MP1992PLC006912

Mukesh Jain
Whole time Director
(DIN - 00245111)

Devendra Jain
Managing Director
(DIN - 00232920)

ANNEXURE – IV

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2025-26, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2025-26are as under:

S. No.	Name of Director/KMP and Designation	Designation	Remuneration of Director/KMP for Financial Year 2025-26	% Increase/decrease in Remuneration in the Financial Year 2025-26	Ratio of Remuneration of each Director to median remuneration of employees
1.	Mr. Devendra Jain	Managing Director	36,00,000	0%	21.41 : 1
2.	Mr. Mukesh Utsavlal Jain	Whole-Time Director	36,00,000	0%	21.41 : 1
4.	Mrs.ShaluAnand	Independent Non-Executive	-	-	NA
5.	Mr. Gautam Chand Kothari	Independent Non-Executive	-	-	NA
6.	Mr. Naveen Kumar Dhiman	Independent Non-Executive	-	-	NA
7.	Mr. MohitHandoo	Independent Non-Executive	-	-	NA
8.	Mr. ShaileshUtsavlal Jain	CFO	27,00,000	0%	NA
9.	Ms. Hansika Mittal	Company Secretary	12,00,000	0%	NA

Note:
None of the Independent Directors of the Company received any remuneration during the Financial Year 2025-26

(ii) **The percentage increase in the median remuneration of employees in the Financial Year**:8.31%

(iii) **The number of permanent employees on the rolls of Company as on March 31, 2026:** 395 employees

(iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the last Financial Yeari.e. 2025-26 was 2.39%

(v) The key parameters for any variable component of remuneration availed by the directors are approved by the Board of Directors based on the recommendation of Nomination & Remuneration Committee.

(vi) It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

By order of the Board of Directors of
PORWAL AUTO COMPONENTS LIMITED

PLACE: Pithampur
DATE: 12th August, 2026

Registered office
Plot No. 209, Sector 1,
Industrial Area Pithampur,
(M.P.) - 454775

Mr. Mukesh Jain
Whole Time Director
(DIN: 00245111)

Mr. Devendra Jain
Managing Director
(DIN: 00232920)

ANNEXURE – V

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(2) & 5(3) OF CHAPTER XIII, THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AND FORMING PART OF THE BOARDS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2026.

S. No.	Name	Designation	Remuneration received During the Financial Year (In Rs.)	Qualification and Experience	Date of Joining	Age	Last employment
1	Mr. Devendra Jain	Managing Director	36,00,000	B. E. (Mech), 50Years experience of Business & Industry	03.02.1992	71 Years	Porwal Diesels Pvt. Ltd., Pithampur
2	Mr. Mukesh Utsavlal Jain	Whole Time Director	36,00,000	Graduate in Commerce, 50Years experience of Business & Industry	31.03.1998	69 Years	PorwalUdhyog
3	Mr. Praveen Sinha	President (Oper.)	27,72,000	B. Tech , MCA ; 44 Years	25.11.2015	65 Years	Priyanshi Casting Pvt. Ltd., Pithampur
4	Mr. ShaileshUtsavlal Jain	CFO	27,00,000	B. Com; 47 Years	01.04.1999	67 Years	Porwal Diesels Pvt. Ltd., Pithampur
5	Mr. Atin Jain	Chief Operating Officer	27,00,000	MBA (Foreign), 24 Years	01.04.2014	48 Years	Porwal Diesel Pvt. Ltd., Pithampur
6	Mr. Anish Jain	Commercial Manager	24,00,000	BBA MBA, 18 Years	01.04.2008	38 Years	……
7	Mr. Nutan Joshi	Maintenance Manager	13,62,000	B. Sc , DME ; 47 Years	05.09.2015	65 Years	Pioneer Enginee. P. Ltd. Ujjain
8	Mr. Sunil Lanjewar	Quality Manager	12,90,000	B.E. (Mech), 30 Years	19.09.2006	48 Years	Raneka Industries Ltd., Pithampur
9	Mr. Narendra Malakar	NPD Manager	12,24,000	B. E. (Mech), 28 Years	02.02.2010	45 Years	-----
10	Mr. GirdhariTirole	Accounts & Finance Manager	11,22,000	M. Com., MBA Finance; 41 years	02.02.1995	59 Years	N. K. Machines Pvt. Ltd., Indore
11	Mr. Anil Mendiratta	Marketing Manager	10,99,800	B.A. ; 37 Years	01.05.2014	58 Years	Phooltas Temper Pvt. Ltd. New Delhi

12	Mr. Rajesh Kumar Sahu	H R Manager	10,62,000	B. A. 41 years	02.02.2001	55 Years	Gomtesh Engineering, Pithampur
13	Mr. Vipin Kumar Paliwal	General Manager	9,00,000	B. E. (Mech), 52 Years experience of Business & Industry	07.06.2005	66 Years	Jalpadevi Engineering Pvt Ltd., Pithampur
14	Mr. Brijendra Kumar Gupta	Assistant Manager (IT Deptt)	6,96,000	MCA; 22 years	01.04.2015	46 Years	Sonic Biochem Pvt Ltd

1. None of the employees holds 2% or more of the paid up equity share capital of the Company as per clause (iii) of sub-rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
2. Mr. Devendra Jain, Mr. Mukesh Utsavlal Jain and Mr. Shailesh Utsavlal Jain are Brothers, Mr. Atin Jain and Mr. Anish Jain are relatives of KMP. All the above employees are permanent employees of the Company.

By order of the Board of Directors of
PORWAL AUTO COMPONENTS LIMITED

PLACE: Pithampur
DATE:12th August, 2026

Registered office
Plot No. 209, Sector 1,
Industrial Area Pithampur,
(M.P.) - 454775
CIN: L29300MP1992PLC006912

Mr. Mukesh Jain
Whole Time Director
(DIN: 00245111)

Mr. Devendra Jain
Managing Director
(DIN: 00232920)

ANNEXURE-VI

CORPORATE GOVERNANCE REPORT 2025-26

[Pursuant to Regulation 34(3) read with Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]
(Forming part of the Board Report of Porwal Auto Components Limited)

The Directors are pleased to present the Corporate Governance Report of the Company for the financial year ended March 31, 2026, in accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations").

Corporate Governance is an integral part of the Company's business philosophy and is founded on the principles of integrity, transparency, accountability, fairness and responsible leadership. The Company believes that strong governance practices are essential for sustainable growth, effective risk management and long-term value creation for all stakeholders.

The Company is committed to maintaining high standards of ethical conduct, regulatory compliance and transparency in its business operations. The Board and its Committees provide effective oversight of strategic, financial, operational and compliance matters and periodically review the Company's governance framework.

In addition to financial performance, the Company recognizes the growing importance of sustainability, ESG practices, stakeholder engagement, cybersecurity and responsible use of technology. The Company continues to strengthen its systems and processes to address emerging risks and changing stakeholder expectations.

Your Company believes that strong corporate governance isfundamental to enhancing and sustaining investor trust. YourCompany continually strengthens its governance standardsand internal frameworks to align with evolving regulatoryexpectations and global best practices.

The Company is committed to conducting its business responsibly and ethically while creating sustainable and long-term value for all stakeholders.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance is built on the core principles of integrity, transparency, accountability, fairness and responsible business conduct. The Company believes that effective governance is fundamental to sustainable growth, long-term value creation and maintaining the confidence of its stakeholders. Accordingly, the Company seeks to conduct its affairs with a high degree of ethical standards and in compliance with applicable laws, regulations and internal policies.
Corporate Governance is considered not merely as a statutory obligation, but as an integral part of the Company's business philosophy and decision-making framework. The Company endeavours to promote a culture of responsible leadership, sound judgement, openness and accountability, while safeguarding the interests of shareholders, employees, customers, business partners and the wider community.

The Company's governance philosophy is aligned with its mission:

"To continually enhance the stakeholders' value through global competitiveness while contributing to society."

Your Company believes that sustainable profitability should go hand in hand with responsibility towards all stakeholders. The Company therefore places emphasis on independence, accountability, responsibility, transparency, trusteeship and adequate disclosure as the fundamental pillars of its governance framework. These principles support informed decision-making, effective oversight and responsible management of the Company's resources.

The Company has adopted comprehensive Governance Guidelines covering key aspects of the Board's functioning, including the composition and role of the Board, Chairman and Directors, Board diversity, tenure of Directors, retirement age and Board Committees. The Guidelines also provide a framework for the nomination and appointment of Directors, remuneration, induction and familiarisation of Directors, and evaluation of Board effectiveness.

The Company also recognizes the increasing importance of sustainability, stakeholder engagement, risk oversight, digital governance and responsible business practices as essential elements of modern Corporate Governance. These areas complement the Company's existing governance framework and support its objective of creating sustainable value.

In India, Corporate Governance standards for listed companies are regulated by the Listing Regulations. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time and as applicable, with regard to Corporate Governance, including relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) from time to time.

The Company's Board structure and the constitution, roles and responsibilities of its various Committees form an important part of its governance architecture and are detailed in the subsequent sections of this Report.

2. BOARD OF DIRECTORS

a. Composition& Category:

Your Company comprises of eminent and distinguished personalities with proficiency and vast experience in diversified sectors with an optimum mix of management and financial experts thereby ensuring the best interest of its stakeholders. Our Company has a balanced and diverse Board, which includes independent professionals and confirms to the provisions of the Companies Act, 2013 ('the Act') and the Listing Regulations. The Directors possess requisite qualification, experience and expertise in their respective functional areas, which enable them to discharge their responsibilities and provide effective leadership to the management. In designing the Board composition, number of factors is considered which include educational background, professional experience, gender, skills and knowledge among others.

The Board of Directors comprised of Six Directors, 2 (Two) are Executive Directors and 4(Four) are Non-Executive Independent Directors includes one Woman Director. The position of Chairman and Managing Director are held by different individuals, where Chairman of the Board is an Executive Chairman. Memberships or Chairmanships of the stipulated Board Committees held by all Directors are within the limits specified under Regulation 26(1) of the Listing Regulations. None of the Directors holds directorships in more than 20 companies, including 10 public companies, pursuant to the provisions of Section 165, and all the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Companies Act, 2013. Further, the other directorships held by all Directors, including Independent Directors, are within the limits prescribed under the Listing Regulations.

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

Name of Director	Category
Mr. Devendra Jain	Managing Director
Mr. MukeshUtsavlal Jain	Whole-Time Director
Mr. Gautam Chand Kothari	Independent Non-Executive
Mr. Naveen KumarDhiman	Independent Non-Executive
Mr. MohitHandoo	Independent Non-Executive
Mrs. ShaluAnand	Independent Non-Executive
Mr. ShaileshUtsavlal Jain	Chief Financial Officer
Ms. Hansika Mittal	Company Secretary

***Note**: Mr. Devendra Jain and Mr. Mukesh Jain has been re-appointed as Managing Director and Whole-Time Director of the Company respectively for a further period of three consecutive years commencing from 1st August, 2026 to 31st July, 2029 each.*

All Directors possess relevant qualifications and experience in general corporate management, marketing, finance and other allied fields which enable them to effectively contribute to the Company in their capacity as Directors.

Independent Directors:

The term Independent Director has been defined under Section 149 of the Companies Act, 2013 and rules framed there under and Regulation 16 of the Listing Regulations.

During the year under review, all Independent Directors of the Company fulfilled the criteria of independence as specified under Section 149(6) of the Companies Act, 2013, and Regulation 16(1)(b) of the Listing Regulations and have furnished declarations of independence to that effect pursuant to Section 149(7) of the Companies Act, 2013, and Regulation 25(8) of the Listing Regulations. The said declarations of independence were reviewed and taken on record by the Board, and in the opinion of the Board, all Independent Directors of the Company fulfil the criteria of independence and all conditions specified in the Listing Regulations and are independent of the management.

The Company has complied with the provisions with respect to appointment and term of appointment of Independent Directors which are consistent with the Act and Listing Regulations. The Independent Directors on the Board of the Company are given a formal appointment letter inter alia containing the terms of appointment, role, duties and responsibilities etc. The terms and conditions of appointment are disclosed on the website at https://porwalauto.com/policies.html.

None of the Independent Directors have resigned before the expiry of their respective tenures during the year under review.

The skills, expertise, and competencies of the Directors, as identified by the Board in the context of the business(es) of the Company, are provided in this Report. These skills, expertise, and competencies are available in the present mix of the Directors of the Company

A separate meeting of the Independent Directors was held on20thMarch, 2026 without the attendance of non- Independent Directors and other members of the Management. All the Independent Directors took part in the discussion. At the said meeting, the Independent Directors reviewed the performance of non-independent directors, the Board as a whole and the Chairman of the Company. They also assessed the quality, quantity, timeliness of flow of information and adequacy of information between the Company's management and the Board.

b. Board Procedure and its Meetings:

The Board meets at least four times every calendar year to review the results and other items on the agenda. Theagenda is circulated well in advance to the Board/Committee members along with comprehensive background information on the items in the agendato enable the Board and Committees to arrive atappropriate decisions.
The Board in its meeting reviews the existing policies and programmes and also formulatesvarious strategiesfor the enhancement of the Company and stakeholder's value. The Board considers matters relating to business, production, finance, marketing, personnel, materials and general administration also.The maximum gap between any two Board meetings was not more than one hundred and twenty days. In addition to the scheduled meetings, additional Board Meetings are convened as and when necessary, depending upon the business requirements of the Company.
During the Financial year, the BoardmetFour timesason:

i. ***28thMay, 2025;***
ii. ***13thAugust, 2025;***
iii. ***13thNovember, 2025;***
iv. ***06th February, 2026;***

All Directors are provided the opportunity to suggest matters for inclusion in the agenda for consideration by the Board. Directors are expected to attend meetings of the Board and its Committees, dedicate adequate time, and meet as frequently as necessary to effectively discharge their responsibilities.

All material information, including such information as prescribed under Part A of Schedule II of Sub-Regulation (7) of Regulation 17 of the Listing Regulations, is circulated in advance or placed before the Board during the meeting.

c. Details of attendance of each Director at Board Meetings and at the last year's Annual General Meeting with particulars of their other Directorships and Chairman/Membership of Board Committees showing the position as on 31st March, 2026are given in the following table

S. No.	Name of the Director	Category	Attendance at Board meeting	Attendance at last AGM	No. of Directorship (including this Company)	No. of Committee membership position (including this Company)*		Shareholding of Non Executive Director
						Chairman	Member	
1	Mr. Devendra Jain (DIN: 00232920)	Managing Director	4	Yes	1	-	-	-
2	Mr. MukeshUtsavlal Jain (DIN:00245111)	Whole-Time Director	4	Yes	1	-	1	-
3	Mr. Naveen Kumar Dhiman (DIN: 10273058)	Independent Non-Executive	4	Yes	2	-	1	-
4	Mr. Gautam Chand Kothari (DIN: 00115063)	Independent Non-Executive	4	Yes	3	2	2	-
5	Mr. Mohit Handoo (DIN: 10274798)	Independent Non-Executive	4	Yes	1	-	2	-
6	Mrs. Shalu Anand (DIN :10738711)	Independent Non-Executive	4	Yes	1	-	-	-

** Includes only Audit Committee and Stakeholders' Relationship Committee.*

-Details of Directors who holds Directorship in another Listed Company: NA

d. Separate Meeting of Independent Directors: Pursuant to the Regulation 25(3) of the SEBI (LODR) Regulations, 2015 and Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 20th March, 2026, without the attendance of Non-Independent Directors and members of management. They discussed following at the meeting:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;

- Evaluation of the quality, quantity and timelines of flow of information between the Management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction on the overall performance of the Directors and the Board as a whole. The Independent Directors also expressed satisfaction on the Board's freedom to express views on matters transacted at meetings.

Attendance in Independent Directors meeting:

Name of Director	No. of Meetings Held	No. of Meetings Attended
Mr. Naveen Kumar Dhiman	1	1
Mr. Gautam Chand Kothari	1	1
Mr. MohitHandoo	1	1
Mrs. ShaluAnand	1	1

e. Inter-se relationship among directors:

Mr. Devendra Jain and Mr. Mukesh Jain are Brothers.

f. Familiarization Programme:

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector.The Company periodicallypresents updates at the Board/Committee meetings tofamiliarize the Directors with the Company's strategy, businessperformance including Company's productofferings, finance, risk, key statutoryand regulatory updates, human resources and other relatedmatters. The Board has an active communication channel with themanagement, which enables Board members to raise queries,seek clarifications for enabling a good understanding of theCompany and its various operations.

Further details of familiarization programme are available on the Company's website at https://porwalauto.com/policies.html.

g. Key Board Skills, Expertise and Competence:

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its Committees.

In view of the objectives and activities of our Business, the Company requires skills/ expertise/ competencies in the areas of Finance, Regulatory, Strategy, Business Leadership, Automotive Technology, Human Resources, risk and Governance.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively. The Board periodically evaluates the need for change in its composition and size.

The Members of the Board are committed to ensuring that the Board is in compliance with the highest standard of Corporate Governance. In terms of the requirement of the Listing Regulation, the Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company, which are currently available with the Board along with the names of the Directors, who have such skill/expertise/ competence, are given below:-

1.Knowledge on Company's businesses, policies and business culture major risks / threats andpotential opportunities and knowledge of the industry in which the Company operates.

2.Behavioural skills - attributes and competencies to use their knowledge and skills to contributeeffectively to the growth of the Company.

3.Business Strategy, Sales & Marketing, Corporate Governance, Forex Management,Administration,Decision Making.

4. Financial and Management skills.

5. Technical / Professional skills and knowledge in relation to Company's business.

NAME OF DIRECTORS	SKILLS				
	Knowledge onCompany's businesses etc.	**Behaviouralskills**	**Business Strategy, Sales &Marketing etc**	**Financial and Management skills**	**Technical / Professional skills etc.**
Mr. Devendra Jain	√	√	√	√	√
Mr. MukeshUtsavlal Jain	√	√	√	√	√
Mr. Naveen Kumar Dhiman	√	√	√	√	√
Mr. Gautam Chand Kothari	√	√	√	√	√
Mr. Mohit Handoo	√	√	√	√	√

Mrs. ShaluAnand	√	√	√	√	√

These skills/ competencies are broad-based, encompassing multiple domains of expertise/ experience. Each Director may possess varied combinations of attributes/ experience. While all the Board members broadly possess the identified skills/ competence

h. Note on Directors Appointment/Re-appointment

Changes in the Board during the financial year 2025-26:

During the Financial Year under review, the Board of Directors, at its meeting held on 13th August, 2025, considered and approved the re-appointment of Mr. MukeshUtsavlal Jain (DIN: 00245111) as Whole-Time Director, designated as Chairman of the Company, for a further term of three years commencing from 01st August, 2026 to 31st July, 2029. The said re-appointment was subsequently approved by the Members of the Company by passing a Special Resolution at the Annual General Meeting held on 26thSeptember, 2025, in accordance with the applicable provisions of the Companies Act, 2013, the rules made thereunder and other applicable laws, rules, regulations, guidelines and statutory requirements, as amended from time to time.

Further, the Board of Directors, at its meeting held on 13thAugust, 2025, appointed Mr. MukeshUtsavlal Jain (DIN: 00245111) as the Chairman of the Company. Mr. MukeshUtsavlal Jain continues to serve the Company in his capacity as Whole-Time Director.

Further, the Board of Directors, at its meeting held on 13thAugust, 2025, considered and approved the re-appointment of Mr. Devendra Jain (DIN: 00232920) as Managing Director of the Company for a further term of three years commencing from 1st August, 2026 to 31stJuly, 2029. The said re-appointment was subsequently approved by the Members of the Company by passing a Special Resolution at the Annual General Meeting held on 26thSeptember, 2025, in accordance with the applicable provisions of the Companies Act, 2013, the rules made thereunder and other applicable laws, rules, regulations, guidelines and statutory requirements, as amended from time to time.

Resignation / Discontinuation of Independent Director(s):

There were no resignation noted in the Financial Year 2025-26.

Changes in the Board subsequent to the financial year 2025-26:

During the year under review there were no changes in the Composition of Board of Directors of the Company.

i. Performance Evaluation of Independent Director:

The Nomination and Remuneration Committee of the Board reviewed the criteria laid down for the performance evaluation of all Directors. The performance evaluation has been done by the entire Board of Directors, except the Director concerned being evaluated.

j. Board's Functioning and Procedures:

The Board plays a pivotal role in ensuring good governance. Its style of functioning isdemocratic. The Members of the Board have always had complete freedom to express their opinion and decisions are taken on the basis of a consensus arrived at after detailed discussion. The members are also free to bring up any matter for discussion at the Board Meetings with the permission of the Chairman.

The Board's role, functions, responsibility and accountability are clearly defined. In addition to its primary role of setting corporate goals and monitoring corporate performance, it directs and guides the activities of the management towards the set goals and seeks accountability with a view to ensure that the corporate philosophy and mission viz., to create long term sustainable growth that translates itself into progress, prosperity and the fulfilment of stakeholders' aspirations, is accomplished. It also sets standards of corporate behavior and ensures ethical behavior at all times and strict compliance with Laws and Regulations.

The required information including information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the LODR Regulations is made available to the Board of Directors.

All the items on the agenda are accompanied by notes giving comprehensive information on the related subject and in certain matters such as financial/business plans, financial results, detailed presentations are made. The agenda and the relevant notes are sent in advance separately to each Director to enable the Board to take informed decisions.

The minutes of the meetings of the Board are individually given to all directors for their comments, if any and are noted at the subsequent Board Meeting. The Minutes of the various Committees of the Board are also individually given to the respective Committee members and thereafter tabled for noting purpose at the subsequent Board Meeting, in compliance with Secretarial Standards issued by the Institute of Company Secretaries of India.

k. Shareholding of Executive Directors and Non- Executive Directors as on March 31, 2026.

S. No.	Category	Shares Held
1.	Executive Director	653154
2.	Non-Executive Director	--

As on the date of this Report, none of the Non-Executive Directors of the Company hold any equity shares or convertible instruments in the Company, either in their individual capacity or jointly with others. This disclosure is in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

l. Confirmations that in the opinion of the Board, the Independent directors fulfil the conditions specify in these regulations and are independent of the Management.

In the opinion of the Board, all Independent Directors of the Company meet the criteria of independence as prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board further confirms that all Independent Directors are independent of the management and do not have any pecuniary relationship or transactions with the Company, its promoters, its management, or its subsidiaries that may affect their independence.

3. COMMITTEES OF THE BOARD:

The Board of Directors has constituted various Committees with specific terms of reference to ensure effective working of the Company andin compliance with the provisions of the Companies Act, 2013, rules framed thereunder, Listing Regulations and other applicable regulations, guidelines, circulars and notifications of Securities and Exchange Board of India ("SEBI"). These Committees operates as empowered agents of the Board of Directors. There are various Committees of the Board of Directors, which have been entrusted with adequate powers to discharge their roles & responsibilities.

The Board Committees are set up by the Board and play a crucial role in the governance structure of the Company and deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board and the Chairpersons of the respective Committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the Committees are submitted to the Board for approval. The Minutes of the meetings of all Committees of the Board are placed before the Board for noting purpose.The Composition of the following Committees of the Board as on 31stMarch 2026 are as under:

a. Audit Committee;
b. Nomination and Remuneration Committee;
c. Stakeholder Relationship Committee;

The above mentioned Committees consist of appropriate number of Executive Directors andNon-executiveIndependent Directors. Detailed terms of reference, composition, meetings, attendance and other relevant details of these committees are as under:

a. AUDIT COMMITTEE:

The composition of the Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and with Regulation 18(1) of the SEBI (LODR) Regulations. The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors.It addresses itself to matters pertaining to adequacy of internal controls, reliability of financial statements/other management information, adequacy of provisions for liabilities, and whether the audit tests are appropriate and scientifically carried out and that they are aligned with the realities of the business, adequacy of disclosures, compliance with all relevant statutes and other facets of Company's operation that are of vital concern to the Company.

i. Terms of reference

The terms of reference of the Audit Committee includes the matters specified in Part C of Schedule II to the SEBI (LODR) Regulations, 2015 and also as required under Section 177 of the Companies Act, 2013 which includes oversight of the Company's financial reporting process and disclosure of its financial information, review of financial statements, review of systems and controls, approval or any subsequent modification of transactions of the Company with related parties, review report of the internal auditor etc.

ii. Composition and Meetings:

The Company has an Audit Committee and Mr. Gautam Chand Kothari, Chairperson of the Audit Committee is a Non-Executive Independent Director of the Board who has relevant accounting and financial expertise.

During the financial year ended 31stMarch,2026, four (4) Audit Committee Meetings were held and the dates on which the said meetings were held are as follows:

i. 28th May, 2025;
ii. 13th August, 2025;

iii. 13th November, 2025;
iv. 06thFebruary, 2026;

The Composition and attendance record of the members at the meeting is as under:

Name	Category	Number of Meetings	
		Held	Attended
Mr. GautamChandKothari	Chairman, Non-Executive Independent Director	4	4
Mr. Naveen KumarDhiman	Member, Non-Executive Independent Director	4	4
Mr. MohitHandoo	Member, Non-Executive Independent Director	4	4

b. NOMINATION AND REMUNERATION COMMITTEE

In terms of the provisions of Section 178(3) of the Act and Regulation 19(4) read with Part D of Schedule II to the Listing Regulations. The Nomination and Remuneration Committee comprises only independent directors. The Committee oversees key processes by which the Company recruits new members to its Board, and the processes by which the Company recruits, motivates and retains outstanding senior management as well as the Company's overall approach to human resources management.

i. Terms of reference

The terms of reference of the Nomination and RemunerationCommittee includes the matters specified in Part D of Schedule II to the SEBI (LODR) Regulations, 2015 which broadly includes determination and recommendation for appointment/removal of Executive,Non-Executive and Independent Directors to the Board etc.

ii. Composition and Meetings

The Nomination and Remuneration Committee comprises of three Directors, out of which all the Directors areNon-Executive Independent Director. The Committee is chaired by Mr.GautamChandKothari, who is aNon-ExecutiveIndependentDirector.

During the financial year ended on 31stMarch, 2026, One meeting of Nomination and Remuneration Committee was held and the date on which the said meeting was held is:

i. 13th August, 2025

The composition and attendance record of the members at the meeting is as under:

Name	Category	Number of Meetings	
		Held	Attended
Mr. Gautam Chand Kothari	Chairman, Non-Executive Independent Director	1	1
Mr. Naveen Kumar Dhiman	Member, Non-Executive Independent Director	1	1
Mr. MohitHandoo	Member, Non-Executive Independent Director	1	1

Criteria for Performance Evaluation

Annual Board Evaluation is an important component of our corporate governance framework. This involves a comprehensive and transparent assessment, providing candid feedback and constructively using the results of the evaluation process to continuously augment the overall effectiveness of the Board. The Board firmly believes that a robust Board Evaluation helps in delivering greater value to the Company and all its stakeholders.

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Executive Directors, Non-Executive Directors including Independent Directors and Board as a Whole.

The criteria for Performance Evaluation are as under:

For Executive Directors, Non-Executive Directors including Independent Directors:

The Board carries out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Committees as mandated under the Act, the Listing Regulations and the Executive Remuneration Policy of your Company, as amended from time to time. The performance evaluation of Non-independent Directors and the Board as a whole was carried out by the Independent Directors. The performance of the Chairman of the Board was also reviewed, taking into account the views of the Executive, Non-executive and Independent Directors.

For Board as a whole:

The criteria for evaluation of the Board, interalia, includes, Proper mix of competencies and experience, composition and diversity, induction programme, team work,integrity Understanding of the legal requirements, setting of goals, Compliances with corporate governance regulations andguidelines, Adequacy of attendance and participation by the Board members, Frequency of BoardMeetings,Understanding of the risk attached with the business structure, Monitoring the Company's internal controls andcompliance, Appropriateness of effective vigil mechanism, Succession plan for the Management.

For Board Committee:

The criteria for evaluation of the Board Committee, interalia, includes, Constitution of Committee, the terms of reference, Independence of the Committee, Reporting the Committees to the Board, Reviews its mandate and performance, Proactive measures to perform its functions, Suggestion and recommendation of committee, Fulfillment of its functions as assigned by the Board, frequency of the Committee meetings, Adequacy of attendance and participation in the Committee meetings, discussions and decision making.

iii. REMUNERATION OF DIRECTORS

The Board has, on the recommendation of the NRC framed a policy on Remuneration of Directors and Senior Management Employees, which is available on the Company's website at https://porwalauto.com/policies.html.Performance Review System is primarily based on competencies and values. The Company closely monitors growth and development of top talent in the Company to align personal aspiration with the organisation's goal.

- **Remuneration to Executive Directors**

  There were no pecuniary relationships or transactions between your Company and its Non-executive/Independent Directors during the year. The remuneration package of the Managing Director is determined by the NRC, which is in accordance with the remuneration policy of theCompany. A fair portion of the remuneration is linked to the Company's performance, thereby creating a strong alignment of interest with members.The details of remuneration for the year ended on 31stMarch,2026 to Executive Directors are as follows:

Name of Directors	Designation	Remuneration
Mr. Devendra Jain	Managing Director	Rs. 36,00,000
Mr. MukeshUtsavlal Jain	Whole Time Director	Rs. 36,00,000

- **The Companydoes not pay any fixed component and performancelinked incentives to any of its Directors.**

- **The Company does not have any service contract with any of its directors.**

- **The Company has not granted any stock option to any of its Director/employees.**

- **The Company has not paid any fees or compensation to the Executive Directors except the remuneration mentioned above.**

c. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with Section 178 of the Companies Act, 2013 and the rules made thereunder and Regulation 20 of SEBI (LODR), 2015, the Company has duly constituted a Stakeholders' Relationship Committee (SRC). The Stakeholders Relationship Committee oversees various activities that lead to improve and effective shareholder services like review of adherence to the service standards adopted for shareholder services, measures taken for reducing the timelines for redressal of shareholder and investor grievances, transfer/transmission of shares, issue of duplicate share certificates, dematerialisation / rematerialisation of shares, IEPF matters and related matters. The Committee meets as often as required.

i. Terms of reference

The terms of reference of the Stakeholders Relationship Committee includes the matters specified in Part D of Schedule II to the SEBI (LODR) Regulations, 2015 which broadly includes to consider and resolve the grievances of the security holders including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends etc.

ii. Composition and Meetings

The Stakeholders' Relationship Committee ('SRC') comprises of two Non-Executive Independent Directors and one Executive Director. The composition of the SRC complies with the requirements of the Listing Regulations and the Act. The Committee is chaired by Mr. GautamChandKothari, who is a Non- Executive Independent Director.

During the financial year ended on 31st March, 2026, four (4) meetings of Stakeholders Relationship Committee were held and the dates on which the said meetings were held are:

i. ***28thMay, 2025;***
ii. ***13thAugust, 2025;***
iii. ***13th November, 2025;***
iv. ***06th February, 2026;***

The composition and attendance record of the members at the meeting is as under:

Name	Category	Number of Meetings	
		Held	**Attended**
Mr. GautamChandKothari	Chairman, Non-Executive Independent Director	4	4
Mr. MohitHandoo	Member, Non-Executive Independent Director	4	4
Mr. MukeshUtsavlal Jain	Member, Executive Director	4	4

Details of Complaints received during the year are given in table below and all were solved to the satisfaction of the shareholders resolved. No complaint was pending as on March 31st, 2026.

S.NO	PARTICULARS OF INVESTOR GRIEVANCES	NUMBER OF INVESTORS GRIEVANCES
1.	Complaints received during the Year	Nil
2.	Complaints disposed of during the Year	Nil
3.	Complaints pending at the end of the year	Nil

DISCLOSURES:

COMPLIANCE OFFICER

Company Secretary is the general compliance officer of the Company except specifically provided otherwise for specific purposes.

Plot No. 209, Sector No. 1,
Industrial Area, Pithampur, (M. P.) 454775
Email: admin@porwalauto.com
cs@porwalauto.com
Telephone: 07292-405101
Fax: 07292-403608
www.porwalauto.com

4. GENERAL BODY MEETINGS

a. Details of the General Body Meetings held during last three years:

AGM/EGM	Date	Venue	Time
AGM-2023	29th September, 2023	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	01:00 PM
AGM-2024	27th September, 2024	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	01:00 PM
AGM- 2025	26th September, 2025	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	01:00 PM

NOTE:
The proceedings of the Annual General Meeting of the Members of the Company, held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")on 29th September, 2023, 27th September, 2024 and 26th September, 2025 shall be deemed to be conducted at the Registered Office of the Company at Plot No. 209, Sector No. 1, Industrial Area, Pithampur, (M.P.) 454775.

b. Details of Special Businesses Transacted in last Threeyears General Body Meetings are as under:

AGM/EGM	Date	Special Business Transacted
AGM-2023	29th September, 2023	• Ratification of the remuneration payable to M/s. A. K. Jain & Associates, Cost Accountants,Indore (FRN: 101472) for the financial year ending March 31, 2024. • Appointment of Mr. MohitHandoo (DIN - 10274798) as the Independent Director of Company. • Appointment of Mr. Naveen Kumar Dhiman (DIN: 10273058) as the Independent Director of Company. • Appointment of Mr. Gautam Chand Kothari (DIN: 00115063) as the Independent Director of Company. • To approve Material Related Party Transaction(s) to be entered into during the Financial Year 2024-25, 2025-26 and 2026-27
AGM-2024	27th September, 2024	• Ratification of the remuneration payable to M/s Nikhil Jain & Associates, CostAccountants, Indore (FRN: 006363) for the financial year ended on 31st March, 2024 &31st March, 2025. • Appointment of Mrs. ShaluAnand (DIN - 10738711) as the Independent Director ofCompany.

AGM-2025	26th September, 2025	• Ratification of the remuneration payable to M/s Nikhil Jain & Associates, Cost Accountants, Indore (FRN: 006363) for the financial year ended on 31st March, 2025 & 31st March, 2026. • Appointment of Mrs. Shraddha Jain, Practicing Company Secretary as Secretarial Auditor of the Company for the Financial Year 2025-26 till the Financial Year 2029-30. • Re-appointment of Mr. MukeshUtsavlal Jain (DIN-00245111) as the Whole Time Director and Chairman of the Company. • To Re-appoint Mr. Devendra Jain (DIN-00232920) as Managing Director of the Company. • Approval for Alteration in the Object Clause of the Memorandum of Association of theCompany. • Approval for Alteration in Article of Association of the Company. • Adoption of new set of Memorandum of Association of the Company

- No Extra-ordinary General Meeting of the shareholders was held during the year.
- No special resolutions were passed nor proposed to be passed during 2025-26 through postal ballot.

5. MEANS OF COMMUNICATION

a. **Quarterly and Annual FinancialResults**: The Board of Directors of the Company approves and takes on record the Quarterly, Half Yearly and Yearly Financial Results in the performance prescribed by SEBI (LODR) Regulations, 2015within 45/60 days of the end of the respective quarter or financial year.

b. **Newspaper publications on Financial Results:** The Quarterly/ Half yearly/ Annual Results of the Company are published in accordance with the SEBI (LODR) Regulations, 2015 in newspapers viz. "Free Press", (English) and "Chhotha Sansar" (Hindi).

c. **Website:** The Company's website www.porwalauto.comcontains a dedicated segment called 'Investors Corner', where all the information as may be required by the Shareholders is available including quarterly results, shareholding pattern, stock exchange disclosures, Annual Reports, Policies, additional disclosures including IEPF related details etc. in accordance with Regulation 46 of Listing Regulations.

d. **Annual Report and Annual General Meeting:**The Annual Reports are emailed to Members and others entitled to receive them. The Annual Report is also available on the Company's website at www.porwalauto.com. The Company also provides live webcast facility of its AGM in co-ordination with CDSL. The Notice of the AGM along with the Annual Report for financial year 2026 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. However, Members desiring a physical copy of the Annual Report for financial year 2026, may either write to us or email us on investors.pacl@gmail.comto enable the Company to dispatch a copy of the same. Please include details of Folio No./DP ID and Client ID and holding details in the said communication.

e. **Official Media releases and presentations made to Institutional Investors/Financial Analysts:** No official media releases and presentationsare made by the Company other than its website.

f. **SEBI Complaints Redressal System (SCORES):**A centralised web-based complaints redressal system, which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned Company and online viewing by the investors of actions taken on the complaint and its current status. Further, SEBI vide Circular dated July 31, 2023, read with Master circular dated December 28, 2023, as amended, expanded the scope of investors complaints and by establishing a common Online Dispute Resolution Portal ('ODR Portal') which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market.

g. **UPLOADING ON BSE LISTING CENTRE**: The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on BSE Listing Centre for BSE.

h. **Reminder to investors:** Pursuant to the provisions of the Act, the Company sends reminder letters to those Members whose unpaid/unclaimed dividends and shares are liable to be transferred to the IEPF.

6. GENERAL SHAREHOLDERS INFORMATION

a. **Annual General Meeting:**
The Date, Time & Venue of the 34thAnnual General Meeting to be held on Monday, the 28thday of September 2026 at 01:00 PM through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") deemed to be conducted at the Registered Office of the Company.

b. **Financial Year:**The financial year covers the period from 1stApril 2025to 31st March 2026.

c. **Financial Calendar** **(Tentative)**

Results for the Quarter ending 30thJune, 2025:First Fortnight of August, 2025
Results for the Quarter ending 30thSept, 2025: First Fortnight of November,2025
Results for the Quarter ending 31stDec, 2025: First Fortnight of February, 2026
Results for the Quarter ending 31stMar, 2026: Second Fortnight of May,2026

d. Dividend

The Board of Directors of the Company has not declared any dividend on equity share for the financial year 2025-2026.

e. Book Closure

Tuesday, 22nd September,2026toMonday, 28th September, 2026(both days inclusive)for the purpose of AGM.

f. Listing

- **Stock Exchange**: Bombay Stock Exchange Limited
- **Stock Code:**532933
- **ISIN No.:** INE386I01018
- Listing Fees has been paid for 2026-2027.

g. Plant Location

Plot No. 209&215, Sector No. 1, Industrial Area,
Pithampur, Distt. DHAR (M.P.) 454775
Tel: 07292-403608, Fax: 07292-405120
admin@porwalauto.com,www.porwalauto.com

h. Registered Office:

Porwal Auto Components Limited
CIN: L29300MP1992PLC006912
Plot No. 209, Sector No. 1, Industrial Area, Pithampur, (M. P.) 454775

i. Investor Correspondence Address

- **Registrars and Share Transfer Agents**

MUFG Intime India Private Limited
(formerly known Link Intime India Private Limited)
C 101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai 400 083
Tel: +91 22 49186000
Tel:+91 8108116767
Fax: +91 22 49186060
E Mail: nishad.patil@in.mpms.mufg.com,
investor.helpdesk@in.mpms.mufg.com

- **Compliance Officer**

Porwal Auto Components Limited
CIN: L29300MP1992PLC006912
Plot No. 209, Sector No. 1,

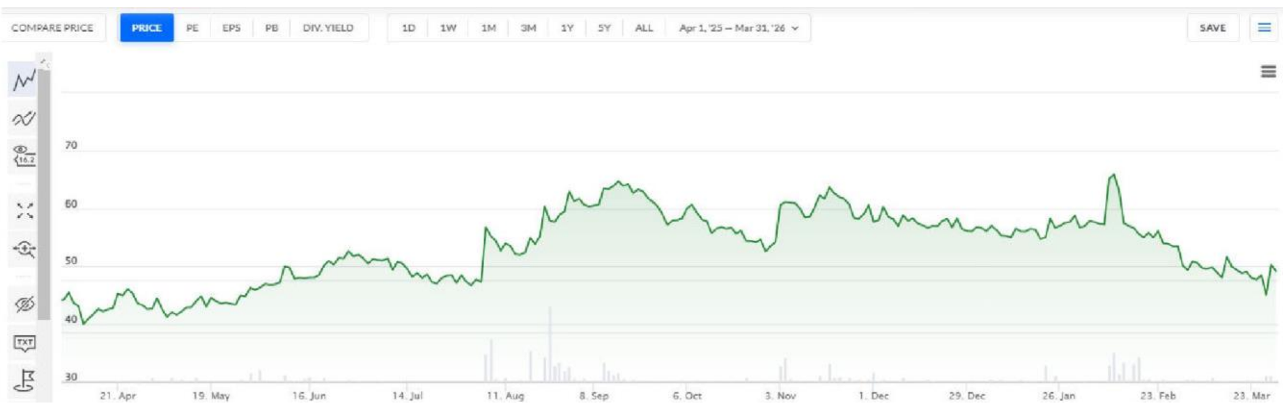
Industrial Area, Pithampur, (M. P.) 454775
Tel: 07292-403608
Fax: 07292-405120
E Mail: cs@porwalauto.com , investors.pacl@gmail.com

j. Market Price Data:

High/Low/Close during each month in the last Financial YearMonthly highs and lows Quotes at the BSE 2025-26

Year	High(Rs.)	Low(Rs.)	Close(Rs.)
Mar 2026	56.77	42.30	50.30
Feb 2026	70.88	52.11	53.47
Jan 2026	60.30	51.95	58.77
Dec 2025	61.49	53.50	56.80
Nov 2025	65.00	52.55	60.56
Oct 2025	62.90	50.95	54.25
Sep 2025	66.00	56.20	57.93
Aug 2025	66.75	46.00	59.48
Jul 2025	54.90	45.30	46.75
Jun 2025	53.53	44.80	52.04
May 2025	49.99	37.00	45.98
Apr 2025	51.35	37.00	42.70

k. Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc;



l. Share Transfer System:

In terms of Regulation 40(1) of the SEBI - LODR Regulations, as amended from time to time, securities can be transferred (including transmission and transposition) only in dematerialized form. As per the notifications/ circulars/ guidelines issued by SEBI from time to time has mandated that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for (a) issue of duplicate securities certificate; (b) claim from Unclaimed Suspense Account; (c) Renewal/ Exchange of securities certificate; (d) Endorsement; (e) Sub-division/ Splitting of securities certificate; (f) Consolidation of securities certificates/folios; (h) Transmission, and (i) Transposition, which were earlier allowed in physical form. SEBI has issued the Master Circular for Registrar to an issue and Share Transfer Agent, has made it mandatory for all shareholders holding shares in physical form to furnish to the Company / RTA in Form ISR-1 and/or ISR-2 in hard copy form to the company/ RTA the necessary details. Further,the forms for the above request are available on the website of the Company at https://porwalauto.com/forms and process.html. In view of the same and to eliminateall risks associated with physical shares and avail variousbenefits of dematerialisation, Members are advised todematerialise the shares held by them in physical form.Members can contact the Company orMUFGIntime India Pvt. Ltd. (formerly known Link Intime India Private Limited), forassistance in this regard.

Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company. Share transfer request is processed within stipulated time, subject to documents being valid and complete in all respects. A summary of transfer/ transmission of securities of the Company is placed before the Stakeholders' Relationship Committee from time to time.

m. Distribution of shareholding as on 31st March, 2026:

Distribution of shareholding (Rupees)

SHAREHOLDING OF NOMINAL SHARES	NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	SHARE AMOUNT RS.	PERCENTAGE OF TOTAL
1 – 5000	6155	79.9247	9515380	6.3016
5001 -- 10000	738	9.5832	5923630	3.9229
10001 – 20000	399	5.1811	5845290	3.8711
20001 -- 30000	138	1.792	3558470	2.3566
30001 -- 40000	48	0.6233	1711800	1.1336
40001 -- 50000	35	0.4545	1648740	1.0919
50001 -- 100000	86	1.1167	6233820	4.1284
100001 -- **********	102	1.3245	116562870	77.1940
TOTAL	7701	100	151000000	100

Distribution of shareholding (Shares)

SHAREHOLDING OF NOMINAL SHARES	NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	NO. OF SHARES	PERCENTAGE OF TOTAL
1 – 500	6155	79.9247	951538	6.3016
501 – 1000	738	9.5832	592363	3.9229
1001 – 2000	399	5.1811	584529	3.8711
2001 – 3000	138	1.792	355847	2.3566
3001 – 4000	48	0.6233	171180	1.1336
4001 – 5000	35	0.4545	164874	1.0919
5001 – 10000	86	1.1167	623382	4.1284
10001 – **********	102	1.3245	11656287	77.1940
TOTAL	7701	100	15100000	100

n. Dematerialization of shares as on 31.03.2026:

CATEGORY	NO. OF SHARES	PERCENTAGE (%)
Total number of Dematerialized shares with NSDL	87,46,586	57.92
Total number of Dematerializedshares with CDSL	60,58,114	40.12
PHYSICAL	2,95,300	1.96
TOTAL	**1,51,00,000**	**100**

o. Shareholding Pattern as on 31st March, 2026:

Sr. No.	Category	No. of Shares Held	Percentage of Shareholding
1.	Promoters & Promoter Group	6111221	40.47%
2.	Corporate Bodies	3521789	23.32%
3.	Indian Public	4789866	31.72%
4.	Clearing Member	77165	0.51%
5.	Hindu Undivided Family	232337	1.54%
6.	NRIs/OCBs	55465	0.36%
7.	Investor Education And Protection Fund	312157	2.07%
	TOTAL	**1,51,00,000**	**100%**

p. Outstanding GDR's/ADR's/Warrant's/Convertible instruments and their impact on equity-

The Company has not issued any GDRs/ADRs/Warrants or any convertible Instruments.

However, subsequent to the closure of the Financial Year, pursuant to the approval of the members by way of a Special Resolution passed at the Extra-Ordinary General Meeting held on 05th June

2026, the Company has approved the issuance and allotment of up to 3,94,735 Warrants, each convertible into one Equity Share of face value of Rs. 10/- each, at an issue price of Rs. 57/- per Warrant/Equity Share, including a premium of Rs. 47/- per share, to the Promoter Group on a preferential basis.

q. **Commodity price risk or foreign exchange risk and hedging activities:**YourCompany does not deal in any commodity or foreign exchange; hence it is not directly exposed to any commodity price risk or foreign exchange risk and hedging activities.

r. **List of Credit Ratings obtained by the Company along with any revisions thereto during therelevant financial year, for all debt instruments of the Company or any fixed depositprogramme or any scheme or proposal of the Company involving mobilization of funds,whether in India or abroad:** Your Company does not have any securities other than equity shares thus it does not obtain any credit ratings.

s. **DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:**
The Company has 6160 shares in the Demat suspense account/unclaimed suspense account lying at the end of the year.

7. <u>OTHER DISCLOSURES:</u>

a. **Related Party Transactions**

During the year 2025-26, the Company had transactions with related parties as defined under the Companies Act, 2013and Regulation 23 of Listing Regulations.All transactions entered into by the Company during the year with related parties were in the ordinary course of business and on arm's length pricing basis.All related party transactions have prior approval of the Audit Committee and are reviewed by the Audit Committee on a quarterly basis.There are no materially significant transactions with the related parties that had potential conflict with the interest of the Company. Further details of related party transactions are as per Accounting Standard 18 and are presented in Notes to Accounts in the Annual Report.

Your Company has formulated a Policy on Related Party Transactions which has been posted on the website of the Company and can be accessed through web link https://www.porwalauto.com/policies.html.

Related Party Transactions are disclosed in Note No. 32 to the financial statement in the Annual Report along with detail of such transaction entered by the Company with related parties have been disclosed. The Audit Committee had reviewed and approved the related party transactions as mandatoryrequirement under Regulation 23 of the Securities and Exchange Board of India (Listing Obligations andDisclosure Requirements) Regulations, 2015.

b. **Details of non-compliance by the Company, penalties,structures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Markets during the last three years**

There was no such instance.

c. **Vigil Mechanism/ Whistle Blower Policy**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal activities, unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy and also to report insider trading violations as well as reporting of instances of leak of unpublished price sensitive information.The Company has a Vigil Mechanism Policy under which the employees are free to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy. The same is posted on the website of the Company at https://www.porwalauto.com/policies.html. It is hereby affirmed by the Boardthatno personnel have been denied access to the Audit Committee to lodge their grievances.

d. **Compliance with mandatory requirements**

The Company has complied with all the mandatory requirements of the SEBI (LODR) Regulations, 2015 during the year.

The Company has adopted certain non-mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, there were no audit qualifications in the Financial Statements of the Company. The Company continues to follow best practices and robust financial reporting processes to ensure that its Financial Statements are presented with an unmodified audit opinion.

e. **REPORT ON CORPORATE GOVERNANCE**

A report on Corporate Governance forms part of this Annual Report of the Company and is being sent to the shareholders accordingly.

Disclosures of Compliance with Corporate Governance Requirements

The Company has complied with Corporate Governance Requirements as specified in Regulation 17 to 27 of LODR.The Company has complied with Clause (b) to (i) of sub regulation (2) of Regulation 46, relating to website disclosures. The Company's website contains a separate section 'Investor Relations' where members can access the details of the Board, Policies, the Board Committee, financials, details of unclaimed dividend and shares transferred/ liable to be transferred to IEPF, Stock exchange disclosures etc.

f. **Disclosure of commodity price risks and commodity hedging activities.**

Your Company does not deal in any commodity and hence is not directly exposed to any commodity price risk.

g. **Disclosure of Accounting Treatment**

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 and other relevant provisions of the Act.

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

Your Company did not raise funds in any manner during the financial year.

i. Certificate on Non-disqualification of Directors

Pursuant to Schedule V to the Listing Regulations, theCompany has obtained a Certificate from Mrs. Shraddha Jain, PracticingCompanySecretary(M.No.: ACS 39488) certifying that none of the directors on the Board of the Company as on 31stMarch, 2026 have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority and the same has been annexed to this report.

j. Acceptance of recommendations of any Committee of the Board

During the year, your Company had accepted all the recommendations made by the committees of Board.

k. Payment of Fee for services by the Company

Your Company has paid the fee of Rs. 95,000/- for services provided by the Statutory Auditor during the year.

l. Prevention of Sexual Harassment

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the sexual harassment of women at the workplace (Prevention, Prohibition &Redressal) Act 2013. An Internal Complaint Committee has been set up to redress complaints received regarding sexual harassment. During the year no complaints of Sexual Harassment were received.

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

PARTICULARS	Number
Number of cases pending as on the beginning of the financial year	NIL
Number of complaints filed/received during the year	NIL
Number of complaints disposed off during the year	NIL
Number of cases pending as on the end of the financial year	NIL
Number of cases pending for more than ninety days, if any	NIL

n. Disclosure of Subsidiaries

Your Company does not have any material subsidiary.

o. OTHER USEFUL INFORMATION FOR SHAREHOLDERS:

- **Common And Simplified Norms For Investor Service Request**

  As per circulars issued by SEBI from time to time;the Company has sent/will be sending outindividual letters to all the Shareholders holdingshares of the Company in physical form for furnishing their PAN, KYC details and Nomination. The aforesaid communication is also available on the website of the Company. The Shareholders are requested to go through the communication available on the web link https://porwalauto.com/forms_and_process.html.

Members who are yet to update details in their physical folios are, therefore, urged to furnish PAN, KYC and Choice ofNomination by submitting the prescribed forms duly filled, to the RTA by email from their registered email id to investor.helpdesk@in.mpms.mufg.comor by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) at C-101, Embassy 247, L.B.S. Marg, Vikhroli (West), Mumbai – 400083.

- **SEBI SPECIAL WINDOW FOR TRANSFER AND DEMATERIALISATION OF PHYSICAL SECURITIES:**

SEBI vide Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated 30th January, 2026 has provided a special window for transfer-cum-dematerialisation of physical securities from 05thFebruary, 2026 to 04thFebruary, 2027. Eligible shareholders may contact the Company or its RTA for more details.

- **Unclaimed Shares/Dividend**

Pursuant to Section 124 and other applicable provisions, if any, of the Act, all dividend remaining unpaid and unclaimed for a period of 7 (seven) years from the date of declaration will be transferred to Investor Education and Protection Fund ('IEPF'), established by the Central Government. Accordingly, unpaid and unclaimed dividend for the FY 2017-18, has been transferred/in the process of transfer to the IEPF.

In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), equity shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more from the date of declaration will also be transferred to IEPF, operated by the IEPF authority, pursuant to the IEPF rules.

In compliance with the aforesaid rules, the Company has transferred/ in the process of transfer equity shares pertaining to the FY 2017-18 to the IEPF, after providing necessary intimations to the relevant Members. Details of unpaid / unclaimed dividend and equity shares for the FY 2017-18 are uploaded on the website of the Company, as well as that of MCA (IEPF) and can be accessed through the link: www.iepf.gov.in. No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF, pursuant to the IEPF Rules.

Members can, however, claim both the unclaimed dividend amount and the equity shares from the IEPF Authority by making application in the manner provided in the IEPF rules. Members, who have so far not encashed the dividend warrant(s) for the FY 2018-19, are requested to make their claims to the Company's RTA on or before 28th October, 2026, failing which the unpaid / unclaimed dividend and the equity shares relating thereto for the FY 2018-19 will be transferred to the IEPF.

The Company is in compliance with the aforesaid IEPF Rules has sent individual notices to those Members whose shares are liable to be transferred to the IEPF and has also published notice in the newspapers. The Company has also uploaded full details of such unclaimed / unpaid dividend and the related shares due for transfer on the website of the Company at https://www.porwalauto.com/

8. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis is a part of the Annual report and annexed separately.

9. <u>CODE OF CONDUCT</u>

In terms of the requirement of Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing and Disclosure Obligations) Regulations 2015 ["SEBI (LODR), 2015"] & Section 149(8) read with Schedule IV of the Companies Act, 2013 ("the Act"), the Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and the Members of the Senior Management. It has been posted at the website of the Company. All Board members and senior management personnel affirm their compliance with the Code on annual basis. The said code is available on the website of the Company.A declaration signed by the Managing Director to this effect is annexed separately tothis report.

10. <u>CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING</u>

The Company has adopted a Code for Prevention of Insider Trading as per SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors and Designated Employees/ persons who could have access to the Unpublished Price Sensitive Information are governed by the said Code.

For and on behalf of the Board of Directors
Porwal Auto Components Limited

Date: 12.08.2026
Place: Pithampur

Mukesh Jain	**Devendra Jain**
Whole time Director	Managing Director
(DIN - 00245111)	(DIN - 00232920)

Registered office
Plot No. 209, Sector No. 1,
Industrial Area,
Pithampur (M.P.) 454775
CIN: L29300MP1992PLC006912

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026

[Pursuant to Part E of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To,
The Members,
PORWAL AUTO COMPONENTS LIMITED
(L29300MP1992PLC006912)
Plot No. 209, Sector 1,
Industrial Area, Pithampur
M.P. - 454775

I have examined the compliance of conditions of Corporate Governance by **PORWAL AUTO COMPONENTS LIMITED** (hereinafter called the Company), for the year ended on 31st March, 2026 as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V any other relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the relevant records/documents maintained by the Company furnished to me for my review and report on Corporate Governance as approved by the Board of Directorsfor the period from 1st April, 2025 to 31st March, 2026. I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of certification.

The Compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. My examination was limited to the procedure and implementation thereof,adopted by the Company for ensuring the compliance of the conditions of Corporate Governance and was carried out in accordance with the guidance note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India. It is neither an audit, nor an expression of opinion on the financial statements of the Company.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations given to me and representation made by the Directors and the management, I confirm that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, 2015.

In my opinion and to the best of my information and according to the explanations given to me, I report that the Company has complied with the conditions of Corporate Governance.

Date: 12/08/2026
Place: Indore

SHRADDHA JAIN
PRACTICING COMPANY SECRETARY
ACS: 39488
CP. No. 14717
PR No.: 1765/2022
UDIN: A039488H001094476

DECLARATION

(COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS)

Porwal Auto Components Limited is committed to conducting its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics.

As provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the Board Members and Senior Management for the year ended 31st March 2026.

FOR, PORWAL AUTO COMPONENTS LIMITED
Sd/-
DEVENDRA JAIN
MANAGING DIRECTOR
(DIN:00232920)

MD / CFO CERTIFICATION

To,
The Board of Directors,
Porwal Auto Components Ltd.
Pithampur

As provided under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Porwal Auto Components Limited ("the Company"), certify the following to the Board that for the year ended 31stMarch, 2026:

(a) We have reviewed the Audited Financial Statements for the Financial Year ended on 31st March 2026 and that to the best of our knowledge and belief:

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

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

(b) There are, to the best of our knowledge and belief, there are no transactions entered into by the listed entity during the financial year, which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We acceptresponsibilityfor establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectifythese deficiencies.

(d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:

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

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

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

Place: Pithampur
Date: 27/05/2026

SHAILESH JAIN	**DEVENDRA JAIN**
CHIEF FINANCIAL OFFICER	MANAGING DIRECTOR
	(DIN: 00232920)

ANNEXURE – VII

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

CAVEAT

This Management Discussion and Analysis ("MD&A") contains certain forward-looking statements relating to the Company's business, operations, financial performance, prospects, plans, strategies, objectives and future outlook. Such statements are based on the Company's current expectations, estimates, assumptions and assessments and are subject to various risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied in such statements.

The performance of the Auto-Components industry is influenced by a range of factors, including developments in domestic and global automotive markets, changes in vehicle production and demand, volatility in the prices and availability of key raw materials, foreign exchange movements, interest rates, regulatory and environmental requirements, technological developments, and changes in customer preferences. The industry is also exposed to risks arising from dependence on Original Equipment Manufacturers (OEMs), supply-chain disruptions, geopolitical developments, trade policies, changes in import and export regulations, and the transition towards electric, hybrid and other alternative-fuel vehicles.

The information contained in this MD&A has been prepared based on information, data and sources considered by the Company to be reasonable and reliable as of the date of this Report. However, the Company does not guarantee the completeness, accuracy or reliability of such information and undertakes no obligation to publicly update, revise or modify any forward-looking statements, whether as a result of new information, future events or otherwise, except where required under applicable laws and regulations.

Readers are advised that the statements and information contained in this MD&A should not be construed as a guarantee or assurance of future performance. Investors and other stakeholders are advised to exercise due caution and undertake their own independent assessment and analysis before making any investment or other business decisions based on the information contained in this Annual Report.

The Company does not undertake to provide any assurance that the anticipated results or developments referred to in forward-looking statements will be achieved, and actual outcomes may vary depending on the circumstances and factors prevailing from time to time. This MD&A should be read in conjunction with the Company's financial statements, notes thereto and other disclosures forming part of the Annual Report for FY2025–26.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Indian automotive industry is one of the key pillars of the country's manufacturing sector and plays an important role in supporting economic growth, employment generation, industrial development, and technological advancement. The industry comprises a broad ecosystem of vehicle manufacturers, auto-component manufacturers, suppliers, dealers, and service providers, with strong linkages across the manufacturing and infrastructure sectors.

The automotive industry can broadly be classified into passenger vehicles, commercial vehicles, two-wheelers, and three-wheelers, supported by a large and diversified auto-components ecosystem. India has developed a well-established automotive manufacturing base, supported by a growing domestic market, a strong supplier network, skilled manpower, increasing localization, and improving manufacturing capabilities. The auto-components sector forms an integral part of this ecosystem, supplying components and systems to both domestic OEMs and international customers.

The Indian automotive industry continues to evolve in response to changing consumer preferences, technological advancements, regulatory requirements, and global supply-chain developments. Increasing demand for safety, comfort, fuel efficiency, connectivity, and improved vehicle performance is encouraging OEMs and component manufacturers to invest in advanced technologies and product development. At the same time, the industry is witnessing a gradual transition towards electric and alternative-fuel mobility, creating new opportunities across the automotive value chain.

Key Industry Developments:

Electrification and Alternative Fuels:
The transition towards electric mobility is gaining momentum, supported by government policies, improving charging infrastructure, technological advancements, and increasing consumer awareness. While electric vehicle adoption is progressing at different rates across vehicle segments, two-wheelers, three-wheelers, and urban mobility applications are witnessing increasing electrification. CNG, hybrid, and other alternative-fuel technologies are also contributing to the diversification of India’s mobility ecosystem.

Increasing Localization:
The industry is witnessing greater emphasis on domestic sourcing and localization of critical automotive components. Government initiatives, including the Production Linked Incentive (PLI) Scheme for automobiles and auto components, are encouraging investments in advanced automotive technologies, domestic manufacturing capabilities, and supply-chain development. This is expected to strengthen India’s position as a competitive manufacturing and sourcing destination.

Technology and Product Innovation:
Automotive manufacturers and component suppliers are increasingly adopting automation, advanced manufacturing processes, digital technologies, and Industry 4.0 practices. Demand is also increasing for lightweight, high-strength, precision-engineered, and technologically advanced components that can improve vehicle efficiency, safety, durability, and performance.

Growth of the Auto-Components Sector:
India’s auto-components industry has developed into an important manufacturing and export-oriented sector. Component manufacturers serve domestic OEMs as well as global customers across various vehicle platforms. Increasing outsourcing by OEMs, greater localization, and the diversification of global supply chains are creating opportunities for Indian component manufacturers to expand their domestic and international presence.

Export Opportunities and Global Integration:
Indian automotive manufacturers and component suppliers are increasingly integrated into global automotive supply chains. India’s competitive manufacturing costs, engineering capabilities, skilled workforce, and improving quality standards provide opportunities to increase exports and develop relationships with global OEMs and Tier-1 suppliers. International

trade agreements and the diversification of global sourcing strategies may further support export growth.

Infrastructure and Government Support:
Continued investments in roads, logistics, transportation infrastructure, and industrial development are expected to support automotive demand over the medium to long term. Government initiatives aimed at strengthening manufacturing, promoting clean mobility, improving infrastructure, and enhancing domestic value addition are expected to remain important growth drivers for the sector.

India has made significant strides in its global trade integration, reaching a crucial milestone in the long negotiated Free Trade Agreement (FTA) with the European Union (EU). The structural framework agreed upon in late FY 2025-26 paves the way for substantial tariff reductions, enhanced market access for Indian textiles, pharmaceuticals, and engineering goods, and establishes mutually beneficial terms for digital trade and services.

India's growing integration with global trade networks is creating new opportunities for the automotive and auto-components industry. The India–UK Comprehensive Economic and Trade Agreement (CETA), which came into force in July 2026, provide Indian exporters with significantly improved market access to the UK. The agreement liberalises 99% of UK tariff lines for Indian exports, while India has committed to liberalising or reducing tariffs across approximately 90% of its tariff lines. The agreement is expected to enhance the competitiveness of Indian manufacturers and create additional opportunities for sectors including engineering goods and auto components.

For the Indian auto-components industry, improved access to the UK market could support export diversification and strengthen the participation of Indian manufacturers in global automotive supply chains. The reduction of trade barriers, together with India's competitive manufacturing capabilities, engineering expertise and expanding supplier ecosystem, is expected to provide opportunities for domestic component manufacturers to deepen relationships with international OEMs and Tier-1 suppliers.

India has also achieved significant progress in strengthening its trade relationship with the United States. In February 2026, India and the United States announced a framework for an interim trade agreement, under which the United States agreed to reduce the reciprocal tariff applicable to Indian goods to 18%, while both countries committed to further negotiations towards a broader Bilateral Trade Agreement. The framework also envisages greater cooperation in technology, supply-chain resilience, rules of origin and the reduction of non-tariff barriers.

These developments are particularly relevant for the auto-components industry, as the diversification of global supply chains and the search for reliable, cost-competitive sourcing destinations continue to create opportunities for Indian manufacturers. The emerging trade environment could enable Indian auto-component companies to expand their export footprint, diversify their customer base and strengthen their position as global suppliers.

Going forward, the Company intends to leverage these evolving trade opportunities by focusing on product quality, technological capabilities, manufacturing efficiency and adherence to international standards. Expanding export markets, developing relationships with global customers and increasing the share of value-added and precision-engineered components will remain important areas of focus as the Company seeks to participate more actively in the global automotive supply chain.

FAVOURABLE POLICY MEASURES AIDING GROWTH

1. **Production Linked Incentive Scheme(PLI):**
   This scheme encourages companies to invest in expanding their manufacturing capabilities, enhancing production efficiency, and developing new technologies. It also helps reduce the dependency on imports and supports the growth of domestic supply chains. The Union Cabinet's PLI Scheme for the automotive sector, with an allocation of $3.5 billion, provides financial incentives of up to 18% to bolster domestic manufacturing of advanced automotive technology products and attract investment in the automotive value chain. This scheme is effective from April 01, 2022, for a period of five years.

2. **Automotive Mission Plan 2016-26 (AMP 2026):**
   This plan includes goals for increasing production capabilities, enhancing research and development (R&D) efforts, and expanding exports. For auto components companies, this translates into opportunities for growth through increased demand for locally manufactured parts and a stronger focus on technological innovation.

   AMP 2026 aims to propel the Indian Automotive industry to be the engine of the ''Make in India" programme as it is amongst the foremost drivers of the Manufacturing sector. Indian Automotive sector is likely to contribute in excess of 12% of the country's GDP and compromise more than 40% of its manufacturing sector.The Automotive industry has achieved the target of incremental employment creation of 25 million jobs and shall generate an additional 65 million jobs in the future.

3. **National Automotive Testing and research and development (R&D) Infrastructure Project (NATRiP):**
   NATRIP aims to enhance the testing and R&D infrastructure for automotive components and vehicles in India.By providing state-of-the-art facilities for testing and development, this initiative supports innovation and quality assurance for auto components companies. Funded entirely by the Government of India, with a total cost of Rs. 3727.30 Crore, NATRiP is designed to enhance global automotive excellence and support low-cost manufacturing and product development.

4. **Skilling and Training Programs:**
   Government initiatives aimed at enhancing the skills of the workforce, such as vocational training and skill development programs, benefit the auto components sector by providing a skilled labour pool. Well-trained professionals contribute to higher productivity and innovation within the industry.

5. **Government Incentives for R&D and Innovation:**
   The Indian government offers various incentives for research and development activities, including tax benefits and grants. These incentives are designed to encourage companies to invest in innovative technologies and develop advanced automotive components. By taking advantage of these incentives, companies can drive technological advancements and maintain a competitive edge in the market.

COMPANY'S OVERVIEW:

Porwal Auto Components Limited ("Porwal Auto" or "the Company"), incorporated in 1992 is an established engineering and manufacturing company based in Pithampur, Madhya Pradesh. Over more than three decades, the Company has developed specialised capabilities in the manufacture of ferrous castings and machined components for critical applications. Its product portfolio comprises Ductile Iron, Grey Iron and Alloy Steel castings and machined components, serving customers across the automotive, engineering, railway, defence, agriculture and other industrial applications. The Company operates from its manufacturing facility at Pithampur and continues to build on its manufacturing heritage through investments in technology, quality and capacity.

Porwal Auto has established itself as one of the major foundry units in Central India, with specialised capabilities in Green Sand and Vacuum Assisted Lost Foam Casting (VLFC) processes. The Company's moulding operations are automated to support consistency and repeatability in casting quality. Its capabilities enable the manufacture of complex and intricately shaped castings for critical applications, with individual casting weights ranging from approximately 1 kg to 900 kg. The Company has developed its capabilities to address varying customer requirements across product complexity, size and application.

The Company's manufacturing capabilities extend across the casting value chain, supported by modern moulding, core-making, melting and machining facilities. Its foundry infrastructure includes high-pressure moulding systems as well as heavy moulding capabilities, including sodium silicate, CO_2 sand and no-bake moulding for applications requiring larger castings. The Company's core-making facilities comprise automated cold-box and amine cold-box systems, while its VLFC process enables the manufacture of complex castings with intricate geometries. These capabilities provide the Company with flexibility to manufacture a broad range of components in line with customer-specific requirements.

Porwal Auto also has an in-house machining facility comprising Horizontal Machining Centres (HMCs), Vertical Machining Centres (VMCs), CNC turning, Vertical Turret Lathes (VTLs) and conventional machines. The machining infrastructure is supported by tool presetting and advanced coordinate measuring systems, including 3D CMM facilities, enabling precise dimensional inspection of machined components. The integration of casting and machining capabilities enables the Company to offer value-added components and assemblies while maintaining greater control over manufacturing processes, quality and delivery.

Quality and metallurgical excellence form an integral part of the Company's manufacturing philosophy. Porwal Auto has an in-house NABL-accredited laboratory and a range of chemical, metallurgical, sand and metrological testing facilities. Its testing infrastructure includes spectrometers, carbon-sulphur analysis, microscopy and hardness testing, sand-testing equipment and coordinate measurement systems. The Company also undertakes non-destructive testing, destructive inspection and dimensional verification as part of its quality-control processes. These capabilities support stringent control over raw materials, metallurgical properties, dimensional accuracy and product performance.

The Company currently has a production capacity of approximately 21,600 MT per annum and is in the process of expanding this capacity by an additional 1,200 MT per annum. The expansion is intended to strengthen the Company's ability to cater to increasing customer requirements and support growth across its target markets. Alongside capacity enhancement, the Company continues to focus on improving productivity, reducing rejection, rework and wastage, optimising manufacturing processes and enhancing overall operational efficiency.

Porwal Auto has developed a diversified customer and industry presence. The Company's customer base and business relationships span commercial vehicles, railways and locomotives, railway coach manufacturing, defence, engineering, pumps and valves, agriculture and tractor equipment and other industrial applications. Its customers and business relationships including VE Commercial Vehicles Limited, Indian Railways, Bharat Heavy Electricals Limited, JCB India, CG Power & Industrial Solutions, VosslohCogifer Signaling India, Case New Holland Construction Equipment, Brakes India and TAFE Tractors, among others. This diversified exposure enables the Company to address requirements across multiple end-use applications and reduce dependence on any single industry segment.

The Company's focus on technology is reflected in its adoption of advanced casting and simulation practices aimed at improving product quality and process efficiency. Its quality systems incorporate Advanced Product Quality Planning (APQP), process controls, gating and risering design, metallurgical controls and simulation technologies. The Company seeks to identify and address potential casting defects at the design and process-development stage, thereby improving consistency, reducing rework and supporting reliable product performance.

Sustainability and responsible resource utilisation are also becoming an important part of the Company's operating approach. Porwal Auto has installed two solar power generation plants of 1.80 MW and 3.0 MW, aggregating to 4.80 MW, at Village Karodia, Tehsil Tarana, District Ujjain, Madhya Pradesh, for captive consumption. The Company has stated its intention to progressively enhance its power-generation capacity to up to 10 MW by 2030. The increased use of renewable energy is expected to support the Company's efforts towards energy conservation and more efficient resource utilisation.

With a strong foundation in ferrous casting and machining, Porwal Auto is focused on strengthening its capabilities in complex and value-added components while expanding its addressable market. The Company's strategic priorities include capacity expansion, technology enhancement, continuous improvement in quality, reduction in rejection and wastage, greater operational efficiency and development of long-term customer relationships. The Company seeks to leverage its experience in casting technology, integrated manufacturing capabilities and established customer relationships to participate in emerging opportunities across automotive, railway, defence, agricultural, engineering and industrial applications.

As Porwal Auto progresses into its next phase of growth, the Company remains committed to combining manufacturing expertise, technological advancement, quality consciousness and responsible business practices. With a continued focus on customer requirements and operational excellence, the Company aims to strengthen its position as a dependable engineering solutions provider and create sustainable long-term value for its customers, shareholders, employees and other stakeholders.

OPPORTUNITIES AND THREATS:

OPPORTUNITIES:

The Indian auto-components industry is undergoing a significant transformation, supported by rising vehicle demand, increasing localization, technological advancements and the evolving requirements of domestic and global OEMs. The transition towards electric and alternative-fuel mobility, expansion of global sourcing from India, increasing demand for precision-engineered components and greater adoption of advanced manufacturing technologies are creating new avenues for growth. These developments provide opportunities for the Company to strengthen its product portfolio, enhance manufacturing capabilities, expand its customer base and increase its presence in both domestic and international markets.

1. **Growth in the Indian automotive and commercial vehicle ecosystem:** India continues to offer a favourable long-term environment for auto-component manufacturers, supported by increasing vehicle penetration, infrastructure development, replacement demand and the expansion of domestic manufacturing capabilities. The commercial vehicle segment remains particularly relevant for Porwal Auto given its established presence as an OEM supplier in this segment. The Company's capabilities in ductile iron, grey iron and alloy steel castings, along with machining capabilities, position it to participate in the increasing demand for reliable and value-added components.

2. **Railway modernisation and infrastructure spending:** Continued investments in railway infrastructure, locomotive manufacturing, passenger coaches, signalling and related modernisation programmes provide an attractive opportunity for the Company. Porwal Auto already supplies components to various railway establishments and has experience in manufacturing components for locomotives and railway coach manufacturing units. Increasing localisation and domestic sourcing requirements could create opportunities for the Company to deepen its participation in this sector.

3. **Defence indigenisation:** The Government's continued emphasis on self-reliance and domestic manufacturing in defence presents an opportunity for specialised engineering and casting companies. Porwal Auto's experience in manufacturing components for defence applications provides a platform to pursue additional opportunities in this segment. The Company's ability to manufacture complex castings and maintain stringent testing and quality controls can support its participation in applications requiring durability and dimensional precision.

4. **Export market expansion:** Expanding into international markets represents an important avenue for diversifying the Company's customer base and reducing dependence on domestic

demand. Porwal Auto has identified increasing exports of high-quality cast components and developing relationships with international OEMs and Tier-1 suppliers as a strategic priority. India's growing acceptance as a competitive manufacturing and sourcing destination provides an opportunity to leverage the Company's casting and machining capabilities for global customers.

5. Advanced casting and manufacturing technologies: Increasing demand for complex, lightweight, precision-engineered and cost-efficient components is creating opportunities for manufacturers with specialised casting capabilities. Porwal Auto's expertise in Green Sand and Vacuum Assisted Lost Foam Casting (VLFC), together with its machining and inspection infrastructure, provides a foundation for developing more complex and higher-value components. Continued investment in automation, process optimisation, simulation and advanced manufacturing technologies can further improve productivity, quality and cost competitiveness.

6. Diversification across end-use industries: The Company's presence across commercial vehicles, defence, locomotives, railway coach manufacturing and public-sector applications provides opportunities to diversify its revenue base. Further expansion into engineering, pumps and valves, agricultural equipment and other industrial applications can help the Company utilise its existing manufacturing capabilities across a wider range of products and customers.

7. Renewable energy and operational efficiency: The Company's investment in captive solar power provides an opportunity to improve energy self-reliance and manage long-term energy costs. The Company currently has solar power generation facilities aggregating 4.80 MW and has stated its intention to increase its power-generation capacity to up to 10 MW by 2030. Greater renewable-energy utilisation can also strengthen the Company's sustainability profile and support the requirements of customers increasingly focused on lower-carbon supply chains.

THREATS:

1. Cyclical nature of the automotive industry: A significant portion of the Company's business is linked to automotive and commercial vehicle applications. Any slowdown in vehicle production, economic activity, freight movement, infrastructure spending or replacement demand could adversely affect volumes and capacity utilisation. Changes in customer production schedules may also result in fluctuations in order volumes and operating performance.

2. Raw material and energy price volatility: Foundry operations are exposed to fluctuations in the prices of key raw materials, including ferrous metals, steel, scrap and other consumables, as well as energy costs. Since the Company's manufacturing processes are energy intensive, significant increases in electricity, fuel or other input costs could exert pressure on margins, particularly where such increases cannot be fully passed on to customers.

3. Intensifying competition: The Indian casting and auto-component industry is competitive, with manufacturers competing on quality, technology, cost, delivery capability and customer relationships. Increasing competition from domestic and international suppliers could place pressure on pricing and margins. Maintaining technological competitiveness and continuously improving productivity will therefore remain important to preserve the Company's market position.

4. Technology transition in the automotive industry: The transition towards electric vehicles and other emerging mobility technologies may alter the demand profile for certain conventional automotive components. Components associated with internal-combustion

powertrains may face structural changes over the longer term. The Company will need to continuously evaluate its product portfolio and develop capabilities for components relevant to evolving vehicle architectures.

5. Customer concentration and OEM dependency: The Company's business is significantly linked to OEMs and institutional customers. Changes in customer sourcing strategies, vendor rationalisation, pricing negotiations, insourcing, programme discontinuation or delays in new product launches could affect order volumes and revenue visibility. Continued customer diversification and expansion into new geographies and applications will therefore be important.

6. Stringent quality and regulatory requirements: Customers in automotive, railway and defence applications increasingly require stringent quality, traceability, testing and certification standards. Any failure to consistently meet specified quality, delivery or technical requirements could result in rejection, additional costs, loss of business or reputational impact. The Company therefore needs to continuously invest in quality systems, testing infrastructure, technology and employee capabilities.

7. Global economic and geopolitical uncertainties: The Company's planned expansion into export markets could expose it to fluctuations in foreign exchange rates, changes in international trade policies, tariffs, logistics costs, geopolitical developments and demand conditions in overseas markets. Such factors may affect the competitiveness and profitability of exports.

8. Environmental and sustainability-related requirements: Foundry operations are subject to increasing environmental expectations relating to energy consumption, emissions, waste management and resource utilisation. Compliance with evolving environmental standards may require additional investments in technology, energy efficiency and process improvements. At the same time, customers may increasingly favour suppliers with demonstrable sustainability credentials, making continuous improvement in this area essential.

9. Execution risk associated with capacity expansion: The Company is undertaking an additional 1,200 MT per annum capacity expansion over its existing 21,600 MT per annum capacity. Timely commissioning, effective utilisation of the expanded capacity, securing corresponding customer programmes and achieving targeted productivity levels will be important to realise the expected benefits from the investment.

OUTLOOK:

The global automotive parts manufacturing industry is undergoing significant regional shifts in its manufacturing and supply chain strategies. These changes are primarily driven by geopolitical factors, trade policies, and the need for supply chain resilience amid global disruptions.Governments worldwide are implementing trade policies and tariffs that are reshaping the global automotive supply chain. For instance, the United States' 25% tariff on imported vehicles from Canada and Mexico has compelled automakers to reconsider their production locations. These tariffs could increase vehicle costs by up to US$7,000 for imports and US$3,000 for domestically manufactured vehicles, prompting companies to shift operations to the U.S. to mitigate financial impacts.To counteract these challenges, automotive companies are embracing localization and regionalization strategies. The United States-Mexico-Canada Agreement (USMCA) has encouraged automakers to source more components locally and establish regional manufacturing hubs.

India's auto components industry has significantly expanded its market share, driven by rising automobile demand from the growing middle class and strong global exports. The Bharat New Car Assessment Program (BNCAP) will boost the auto component value chain by driving advanced manufacturing, fostering innovation, and promoting global standards.

The Government of India's Automotive Mission Plan (AMP) 2006-26 has been instrumental in ensuring growth for the sector. The Indian automobile industry is expected to achieve a turnover of US$ 300 billion by 2026 by expanding at a CAGR of 15% from its current revenue of US$ 74 billion.

The industry recorded a turnover of ₹7.60 lakh crore ($85.9 billion), registering a growth of 12.7% in rupee terms over the previous fiscal, as per Automotive Component Manufacturers Association of India (ACMA). The industry also witnessed labour shortages, specifically in small and medium enterprises, in the wake of the West Asia war that led to workers moving to their native places as the cost of living in towns and cities increased due to the rise in energy costs. "The medium- to long-term outlook for the Indian auto component industry remains positive. Growing domestic demand, infrastructure-led economic growth, expanding manufacturing investments, deeper global integration through Free Trade Agreements and increasing global sourcing from India are creating significant opportunities for the sector. For the FY26 performance was driven by robust domestic demand, higher vehicle production, sustained investments in capacity and technology and steady export growth despite an increasingly uncertain global environment.

Looking ahead to 2027 and beyond, the Company intends to focus on capacity enhancement, technology upgradation, process improvement, cost optimisation, product development and better utilisation of resources. The Company will continue to evaluate opportunities to expand its product portfolio and customer base, particularly in the automotive, railway, defence and energy sectors.The Company will continue to focus on **energy efficiency, reduction of material wastage, productivity improvement and adoption of appropriate automation and technology** across its manufacturing operations. The Company will also evaluate suitable opportunities in renewable and non-conventional energy based on their commercial viability and long-term potential.

The Company has successfully implemented Lost Foam Casting Technology as part of its ongoing efforts towards technological advancement and process improvement. The Company is continuously working on further upgrading and optimising the technology with a focus on improving product quality, process efficiency, productivity and manufacturing capabilities. The successful implementation of Lost Foam Casting has strengthened the Company's ability to manufacture complex and precision cast components and cater to evolving customer requirements. Going forward, the Company will continue to invest in process development, technology enhancement and automation to further improve the efficiency and competitiveness of its foundry operations.

In the coming years, the Company plans to further strengthen and modernise its manufacturing capabilities through the installation of a High Pressure Moulding Line (HPML), representing an important step towards the adoption of advanced foundry technology. The proposed HPML is expected to enhance production capacity, improve productivity and process consistency, and enable better control over product quality and dimensional accuracy. The technology is also

expected to facilitate greater automation, optimise utilisation of resources and reduce rejection and rework, thereby improving overall operational efficiency. The Company believes that the adoption of HPML technology will strengthen its manufacturing capabilities and enable it to

cater to increasing customer requirements across various industrial sectors while providing a strong platform for sustainable growth in the coming years.

Looking ahead, the Company remains cautiously optimistic about its growth prospects and is committed to strengthening its manufacturing capabilities, enhancing production capacity and continuously upgrading its processes and technologies. The Company will focus on improving productivity, product quality and operational efficiency while developing new business opportunities across various industrial sectors.Increased emphasis will also be placed on customer diversification and expansion into international markets to enhance the Company's export presence. With a continued focus on capacity enhancement, technology advancement, operational excellence and market expansion, the Company aims to build a strong and sustainable platform for long-term growth and value creation for its stakeholders.

DISCUSSION ON FINANCIALPERFORMANCE WITH RESPECTTO OPERATIONAL PERFORMANCE:

During the year under review the Company has reported a turnover of Rs. 14226.23 Lacs against the turnover of Rs. 14044.67 Lacs in the previous year, reflecting an increase of approximately Rs. 181.56 Lacs (approx). The overall expenses of the Company have decreased from Rs. 14048.08Lacs to Rs. 13839.90 Lacs. The Company has incurred a net profit of Rs. 992.51Lacs as compared to profit of Rs16.09 Lacs in the previous year. Your Company is trying their best to uplift the profit in the coming period.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

HUMAN RESOURCES / INDUSTRIAL RELATIONS

The human resource plays a vital role in the growth and success of an organization. The Company has maintained cordial and harmonious relations with employees across various locations. The Company has built a competent team to handle challenging assignments. As on 31st March, 2026, there were 395 permanent employees on the roll of the Company. Our Company shares good industrial relations which improves the morale of the employees. Employees work with great zeal with the feeling in mind that the interest of employer and employees is one and the same i.e. to increase production. Every worker feels that he is a co-owner of the gains of industry. Complete unity of thought and action is placed in organization. Keeping employee wellbeing foremost, we have embraced the post-pandemic way of life and work. It has increased the place of workers in the society. During the year, the Company has taken several initiatives to further strengthen its human resource base to meet its current & future growth plans. The Company strives to enhance the technical, work related and general skills of employees on a continuous basis. There was unity of purpose among the employees to continuously strive for all round improvements in work practices & productivity Industrial relations were cordial throughout the year at all locations.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations are as follows:

Ratio	Ratio in Year 2026	Ratio in Year 2025	% of Change (Compare 2025& 2026)	Reason for Change (2026)
Debtors Turnover	6.97	9.38	-25.68%	The trade receivable turnover ratio in 2026 is 6.97 against 9.38 in 2025, indicating poor collection from debtors during the year.
Debt Equity Ratio	0.012	0.003	273.89%	Over the course of the year, the company has acquired various vehicle loans, leading to increase in Debt Equity Ratio.
Net Profit Margin	0.070	0.001	5990.88%	There has been increase in Net profit margin ratio from 0.001 to 0.070 in 2026.
Return on networth and Compared to immediately previous financial year	0.136	0.003	5229.08%	Since there has been increase in net profit margin in current year, there has been increase in Return on net worth ratio from 0.003 to 0.136 in 2026.
Inventory Turnover Ratio	6.85	9.17	-25.31%	The Inventory turnover ratio of 2026 is 6.85 against 9.17 of 2025, which suggests further decline in inventory control.
Interest Coverage Ratio	106.344	1.769	5910.36%	The interest coverage ratio has been increased from 1.769 in 2025 to 106.344 in 2026.
Operating Profit Margin Ratio	0.086	0.003	2605.15%	Since there has been increase in net profit margin in current year, there has been increase in Operating profit margin ratio from 0.003 to 0.086 in 2026.

DISCLOSURE OF ACCOUNTING TREATMENT

Your Company's financial statements for the year ended 31st March, 2026 are the financial statements prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. During the Financial Year, there was no change in the Accounting Treatment in preparation of Financial Statements.

Date: 12th August, 2026
Place: Pithampur

For and on behalf of the Board of Directors
Porwal Auto Components Limited

Registered office
Plot No. 209, Sector No. 1,
Industrial Area,
Pithampur (M.P.) 454775
CIN: L29300MP1992PLC006912

Mukesh Jain
Whole time Director
(DIN - 00245111)

Devendra Jain
Managing Director
(DIN - 00232920)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
PORWAL AUTO COMPONENTS LIMITED
(L29300MP1992PLC006912)
Plot No. 209, Sector 1,
Industrial Area, Pithampur, M.P. – 454775

I have examined the relevant registers, records, forms, returns and disclosures provided by the Directors (as enlisted in Table A); to **PORWAL AUTO COMPONENTS LIMITED** bearing CIN: **L29300MP1992PLC006912**; having registered office at Plot No. 209, Sector 1,Industrial Area, Pithampur, M.P. – 454775 (hereinafter referred to as **'the Company'**) for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read withSchedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)Regulations, 2015.

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

i. Documents available on the website of the Ministry of Corporate Affairs;
ii. Verification of Directors Identification Number (DIN) status at the website of the Ministry of Corporate Affairs; and
iii. Disclosures provided by the Directors (as enlisted in Table A) to the Company.

I hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on 31st March, 2026.

TABLE A

S.No.	Name of the Directors	DIN	Date of Appointment
1	Mr. Devendra Jain	00232920	01/08/2011
2	Mr. Mukesh Utsavlal Jain	00245111	01/08/2011
3	Mr. Gautam Chand Kothari	00115063	11/08/2023
4	Mr. Naveen Dhiman	10273058	11/08/2023
5	Mr. Mohit Handoo	10274798	11/08/2023
6	Mrs. Shalu Anand	10738711	21/08/2024

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

Place: Indore
Date: 12th August, 2026

SHRADDHA JAIN
PRACTISING COMPANY SECRETARY
ACS No: 39488
C P No: 14717
PR No.: 1765/2022
UDIN: A039488H001094487

INDEPENDENT AUDITORS' REPORT

To the Members of PORWAL AUTO COMPONENTS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Porwal Auto Components Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis For Opinion

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

Key Audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. no.	Key Audit Matter	How our audit addressed the key audit matter
1	**Capitalisation of Property Plant and Equipment(PPE)** : The company has invested in PPE during the year ended 31st March 2026. The significant level of capital expenditure requires considerations to ensure that the capitalisation of PPE meets the specific recognition criteria in Indian Accounting Standards (Ind AS) 16 Property, Plant and Equipment.	Our audit included assessing the nature of PPE capitalised by the Company to test the validity of the amounts classified with source documentation and evaluating whether assets capitalised meet the recognition criteria in Ind AS 16. We have tested the design, implementation and operating effectiveness of controls in respect of capital work in progress and capitalisation of PPE.

Information Other than the Financial Statements and Auditor’s 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 Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon.

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

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

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

Management’s Responsibility for the Financial Statements

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

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

The Board of Directors are 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015, as amended.

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

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

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

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

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

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 30 (Contingent Liabilities) to the financial statements.

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

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

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

(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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

(vi) Based on our examination, which included test checks, the Company has a widely used ERP as its accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that (a) database level logs records only the modified values; and (b) the audit trail (edit log) for modification made by certain users with specific access was not enabled for a part of the year. During the course of performing our procedures, we did not notice any instance of the audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention. Also, refer note 47 to the standalone financial statements.

3. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement of the matters specified in paragraph 3 and 4 of the order.

For H.N. Jhavar & Co.
Chartered Accountants
Firm Reg. No.000544C

(CA Ashish Saboo)
Partner
M.No.079657
UDIN: 26079657ZQPHCU5244
Place: Indore
Date: 27/05/2026

Annexure – A to the Auditors' Report

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 PORWAL AUTO COMPONENTS LIMITED ("the Company") as of 31 March 2026 in conjunction with our audit of the Ind-AS 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 judgment, including the assessment of the risks of material misstatement of the Ind-AS financial statements, whether due to fraud or error.

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

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 H.N. Jhavar & Co.
Chartered Accountants
Firm Reg. No.000544C

(CA Ashish Saboo)
Partner
M.No.079657
UDIN: 26079657ZQPHCU5244
Place: Indore
Date: 27/05/2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements section of our report of even date)

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that –

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Intangible Assets.

(b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

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

(d) The company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company the Management has conducted physical verification of the inventories at reasonable intervals. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verifications.

(b) The Company has been sanctioned working capital limits in excess of Rs. Five crores in aggregate from a bank on the basis of security of the current assets. Quarterly returns or statements filed by the company with such bank are in agreement with the books of accounts of the Company.

(iii) The Company has made investments in shares of various companies and units of mutual funds and granted unsecured loans to employees during the year, in respect of which:

(a) The company has not provided any loans and advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments regular as per the stipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to the parties covered under section 185 of the Act. The company has not given any loans and guarantees but has made investments in the securities of other body corporate in respect of which provisions of section 186 of the Act have been complied with.

(v) According to the information and explanations given to us, The Company has not accepted any deposits from public within the meaning of Section 73 and 74 of the Act and the rules framed there under to the extent notified.

(vi) According to the information and explanations given to us, The Company has made and maintained the cost records as the Central Government has prescribed under of sub- section (1) of Section 148 of the Act, for the nature of industry in which the Company is doing business.

(vii) (a) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Excise Duty, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Excise Duty, Custom Duty, Goods and Service Tax, Cess and other material statutory dues, as applicable were in arrears as at 31st March 2026 for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us and based on the records of the Company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax, Excise Duty, Custom Duty, Value Added Tax, Goods and Service Tax, Cess and other statutory dues as at 31st March 2026 which have not been deposited on accounts of any disputes are as follows:

Name of the statute	Nature of dues	Disputed Amount	Period to which the amount relates	Forum where dispute is pending
MP VAT Tax	Vat Tax	Rs. 2.48 Lakh	F.Y. 2013-14	MP Commercial Tax Appellate Board, Bhopal
Income Tax Act	Income Tax Demand	Rs. 477.92 Lakh	A.Y. 2018-19	Appeal filed before Commissioner of Income Tax Appeals
Income Tax Act	Income Tax Demand	Rs. 202.77 Lakh	A.Y. 2017-18	Appeal filed before Commissioner of Income Tax Appeals
Income Tax Act	Income Tax Demand	Rs. 89.02 Lakh	A.Y. 2016-17	Appeal filed before Commissioner of Income Tax Appeals
Income Tax Act	Income Tax Demand	Rs. 6.17 Lakh	A.Y. 2015-16	Appeal filed before Commissioner of Income Tax Appeals

(viii) As per our opinion, there were no transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to the bank. The company does not have dues to financial institution, government or debenture holders as at the balance sheet date.

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

(c) The term loans obtained during the year by the Company have been applied for the purposes for which they were obtained.

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

(e) The Company does not have subsidiaries, associates or joint ventures. Hence the reporting requirements of paragraph 3(ix)(e) of the Order are not applicable.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence the reporting requirements of paragraph 3(ix)(f) of the Order are not applicable.

(x) (a) In our opinion, and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xi) (a) No material fraud on or by the Company has been noticed or reported during the year nor have we been informed of any such case by the Management.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report

(c) As represented by the management, there are no whistle blower complaints received by the company during the year

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting as per paragraph 3(xii) of the Order is not required.

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

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

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

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

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

(b) The Company does not have any Core Investment Companies which are part of the group.

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified company in Schedule VII to the Companies Act in compliance with the provisions of Section 135 of the said Act. Further the company has not undertaken any ongoing project as a part of CSR Accordingly, reporting under clause 3(xx)(a) and (b) of the Order are not applicable for the year.

(xxi) In our Opinion, there have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the company included in the consolidated financial statements. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For H.N. Jhavar & Co.
Chartered Accountants
Firm Reg. No.000544C

(CA Ashish Saboo)
Partner
M.No.079657
UDIN: 26079657ZQPHCU5244
Place: Indore
Date: 27/05/2026

AUDTIORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
PORWAL AUTO COMPONENTS LIMITED

We have examined the compliance of conditions of Corporate Governance by Porwal Auto Components Limited, for the year ended on 31 March, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

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

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

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India which requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

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

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For H.N. Jhavar & Co.
Chartered Accountants
Firm Reg. No.000544C

(CA Ashish Saboo)
Partner
M.No.079657
UDIN: 26079657ZQPHCU5244
Place: Indore
Date: 27/05/2026

Porwal Auto Components Ltd
CIN: L29300MP1992PLC006912
BALANCE SHEET AS AT 31 MARCH 2026

Amount in Lacs

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	3	3122.14	3632.26
Capital work-in-progress	3	3.02	1.50
Intangible assets	4	19.07	8.64
Financial assets			
Investments	5	1078.29	1128.29
Loans	6	364.83	130.67
Other Financial Assets (Security Deposits)	7	659.23	654.12
		5246.59	**5555.49**
Current assets			
Inventories	8	1867.87	1399.85
Financial assets			
Trade receivables	9	2039.75	1496.55
Cash and cash equivalents	10	4.73	2.12
Bank balance other than cash and cash equivalents	11	34.49	24.89
Loans	12	9.08	13.93
Other receivables	13	3.62	0.54
Other current assets	14	235.87	23.39
		4195.42	**2961.27**
Total Assets		**9442.01**	**8516.76**
Equity and liabilities			
Equity			
Share capital	15	1510.00	1,510.00
Other equity	16	5775.06	4782.55
Total Equity		**7285.06**	**6292.55**
Non-current liabilities:			
Financial liabilities			
Loan Term Borrowings	17	90.49	20.65
Other financial liabilities		.00	875.00
		90.49	**895.65**
Current liabilities:			
Financial liabilities			
Borrowings	17	577.24	343.97
Trade payables	19	845.04	575.54
Other current financial liabilities	20	77.55	37.12
Other current liabilities	21	566.62	371.93
Current tax liabilities (net)		**2066.46**	**1328.55**
Total equity and liabilities		**9442.01**	**8516.76**

Significant Accounting Policies

As per report of even date

For H N Jhavar & Co
Chartered Accountants
Firm Reg No. 000544C
(CA Ashish Saboo) Partner (M. N. 079657)

UDIN : 26079657ZQPHCU5244
Place : Indore
Date : 27/05/2026

For and on behalf of board

Devendra Jain
Managing Director
DIN: 00232920

Mukesh Jain
Whole Time Director
DIN: 00245111

Hansika Mittal
Company Secretary

Shailesh Jain
Chief Financial Officer

Porwal Auto Components Limited

CIN L29300MP1992PLC006912

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

Amount in lacs

Particulars	Note No.	31st March, 2026	31st March, 2025
Revenue from operations	22	14226.23	14044.67
Other income	23	819.53	22.73
TOTAL INCOME		**15045.76**	**14067.40**
EXPENSES			
Cost of materials consumed	24	7475.93	7420.20
Purchases of stock-in-trade	25	.00	-
Changes in inventories of finished goods (including stock-in-trade) and work-in-progress	26	-535.86	148.07
Employee benefits expenses	27	1541.86	1360.51
Finance costs	28	111.32	184.69
Depreciation and amortization expenses		474.26	538.10
Other expenses	29	4772.38	4396.52
TOTAL EXPENSES		**13839.90**	**14048.08**
Profit before exceptional items and tax		**1205.86**	**19.32**
Exceptional items		.00	.00
Profit before tax		**1205.86**	**19.32**
Tax expenses			
Current tax		213.35	3.23
Deferred tax credit/(charge)		-	-
PROFIT FOR THE YEAR		**992.51**	**16.09**
Other Comprehensive Income		**0.00**	**0.00**
Total Comprehensive Income for the period		**992.51**	**16.09**
Earnings per equity share			
Basic (Face value of Re. 10 each)		**6.57**	**0.11**
Diluted (Face value of Re. 10 each)		**6.57**	**0.11**

The accompanying notes are an integral part of these financial statements

Significant Accounting Policies

For H N Jhavar& Co
Chartered Accountants
Firm Reg No. 000544C

(CA Ashish Saboo)
Partner
M. N. 079657
UDIN : 26079657ZQPHCU5244
Place : Indore
Date : 27/05/2026

For and on behalf of board

Devendra Jain
Managing Director
DIN: 00232920

Mukesh Jain
Whole Time Director
DIN: 00245111

Hansika Mittal
Company Secretary

Shailesh Jain
Chief Financial Officer

PORWAL AUTO COMPONENTS LIMITED
CIN: L29300MP1992PLC006912
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2026

Amount in lacs

PARTICULARS	As at 31 March 2026	As at 31 March 2025
Operating Activities		
Profit before tax	1205.86	19.32
Add: Extraordinary Item	.00	.00
Add: Depreciation	474.26	538.10
Add: Interest/ Finance Cost	111.32	184.69
Add: Current tax	-213.35	-3.23
Less: Non Operating Income	-21.95	-5.40
Cash Flow from operating activities	**1556.13**	**733.47**
Less Decrease CL (including bank borrowings)	737.90	-90.20
Add Decrease in current assets	-1221.93	-413.27
Less tax paid	.00	.00
Less Interest Paid	-111.32	-184.69
Net Cash from Operating Activities	**960.78**	**45.31**
Investing Activities		
Inflow:		
Subsidy Received	254.00	167.92
Short Provision W/ o	.00	.00
Sale of Fixed Assets/Invesments	218.07	18.00
Outflow:		
Increase in Fixed Assets	-448.88	-319.52
Decrease in Capital WIP	-1.52	-1.50
Increase in Non current Assets	-189.27	-18.22
Net Cash from Investing Activities	**-167.60**	**-153.33**
Financial Activities		
Inflow:		
Net Change in Long term Borrowing	69.84	9.76
Net Change in Other current liabilities	-875.00	100.00
Net Non Operating Income	24.20	12.93
Net Cash from Financial Activities	**-780.96**	**122.70**
Opening Cash	27.01	12.32
Cash Surplus/Deficit	12.22	14.69
Closing Cash	**39.23**	**27.01**

This is the cash flow statement referred to in our report of even date.
As per report of even date

For and on behalf of board

For H N Jhavar & Co
Chartered Accountants
Firm Reg No. 000544C

Devendra Jain
Managing Director
DIN 00232920

Mukesh Jain
Whole Time Director
DIN 00245111

(CA Ashish Saboo)
Partner, M. N. 079657

UDIN : 26079657ZQPHCU5244
Place : Indore
Date : 27/05/2026

Hansika Mittal
Company Secretary

Shailesh Jain
Chief Financial Officer

PORWAL AUTO COMPONENTS LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026
Note 15 & 16
EQUITY SHARE CAPITAL

For the year ended 31st March 2026		
Balance as of 1st April 2025	Changes in Equity shares capital during the year	Balance as of 31st March 2026
1510	0	1510

For the year ended 31st March 2025		
Balance as of 1st April 2024	Changes in Equity shares capital during the year	Balance as of 31st March 2025
1510	0	1510

OTHER EQUITY

	Securities Premium Reserve	General Reserve	Retained Earning	Total
Balance as at 31st march 2024	3260.00	32.00	1474.46	4766.47
Profit for the year ended 31st March 2025	0.00	0.00	16.09	16.09
Other comprehensive income	0.00	0.00	0.00	0.00
Total comprehensive income	0.00	0.00	0.00	0.00
Dividends	0.00	0.00	0.00	0.00
Dividend distribution tax on dividend	0.00	0.00	0.00	0.00
Income Tax for earlier years	0.00	0.00	0.00	0.00
Transfer from retained earnings	0.00	0.00	0.00	0.00
Transfer to General Reserve	0.00	0.00	0.00	0.00
Balance As at 31 March 2025	**3260.00**	**32.00**	**1490.55**	**4782.55**
Profit for the year ended 31st March 2026	0.00	0.00	992.51	992.51
Other comprehensive income	0.00	0.00	0.00	0.00
Total comprehensive income	0.00	0.00	0.00	0.00
Dividends	0.00	0.00	0.00	0.00
Dividend distribution tax on dividend	0.00	0.00	0.00	0.00
Income Tax for earlier years			0.00	0.00
Transfer from retained earnings	0.00	0.00	0.00	0.00
Transfer to General Reserve	0.00	0.00	0.00	0.00
Balance As at 31 March 2026	**3260.00**	**32.00**	**2483.06**	**5775.06**

This is the Changes in Equity referred to in our report of even date.

As per report of even date
For H N Jhavar & Co
Chartered Accountants
Firm Reg No. 000544C

(CA Ashish Saboo)
Partner
M. N. 079657
UDIN : 26079657ZQPHCU5244
Place : Indore
Date : 27/05/2026

For and on behalf of board

Devendra Jain
Managing Director
DIN 00232920

Mukesh Jain
Whole Time Director
DIN 00245111

Hansika Mittal
Company Secretary

Shailesh Jain
Chief Financial Officer

Note 5: Investments	31 March 2026	31 March 2025
Investments in unquoted equity Instruments		
Investments at fair value through OCI (fully paid)	1.25	1.25
Unquoted equity shares		
Quoted equity shares		
Mutual Funds (Quoted) units of Rs. 10/- each unless otherwise specified		
493038.126(493038.126) units of Aditya Birla Sunlife Silver ETF FoF Reg-G	.00	50.00
508545.728(508545.728) units of Axis Special Situations Fund Reg (G)	55.00	55.00
458254.33(458254.33) units of DSP Global Innovation FoF Reg(g)	42.00	42.00
489269.223(489269.223) units of HDFC Banking & Financial Fund Reg(G)	50.00	50.00
77899.094(77899.094) units of ICICI Prudential Equity and Debt (G)	95.29	95.29
70858.135 (0) units of ICICI Manufacturing Fund	25.00	25.00
7217.679 (0) units of ICICI Multi asset Fund	50.00	50.00
7864.511(7864.511) units of ICICI Prudential Technology-G	12.00	12.00
19844.630 (19844.630) units ICICI Prudential Value Discovery (G)	24.00	24.00
86503.690 (86503.690) units IDFC Core Equity Reg (G)	38.25	38.25
68949.676 (68949.676) units of Invesco India Financial Services (G)	50.00	50.00
249987.501 (0) units of Invesco Manufacturing fund	25.00	25.00
22575.416 (0) units of Motilal Oswal Multi cap fund	25.00	25.00
249987.501 (0) units of SBI Innovative Opportunities Fund	25.00	25.00
93519.237(93519.237) units of Invesco India Midcap Fund (G)	70.00	70.00
43109.499(43109.499) units Kotak Equity Opportunity Reg (G)	62.00	62.00
226626.969(226626.969) units of L & T India Value Fund (G)	81.00	81.00
351629.126 {351629.126) units of Mirae Asset Banking & Financial Services Fu Reg (G)	40.00	40.00
337253.488{337253.488) units of PGIM India Flexi Cap Reg (G)	75.00	75.00
36242.467(36242.467) units of SBI Focused Equity Fund (G)	75.00	75.00
49910.323 {49910.323) units TATA Equity PE (G)	67.50	67.50
842844.652(842844.652)Unit of Mirae Asset Multicap Fund Reg-G	90.00	90.00
9160.572 (9160.572)Unit of SBI Magnum Ultra short Duration Reg-G	.00	.00
(Mutual Fund Units of 44,98,892.605 {49,91,930.731) units NAV as on 31.03.20 Rs. 20,46,11,557/- (P.Y. 20,92,97,141/-)		
	1078.29	**1128.29**

Note 6: Loans	31st March 2026	31st March 2025
Loans (secured good unless otherwise stated)		
Capital advances	319.05	85.72
Supplier advances paid	25.00	25.00
Deposits and balances with government authorities		
Income Tax Deposit	19.12	19.12
GST demand	1.66	0.83
VAT Claim Receivable	0.00	0.00
	364.83	**130.67**

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

	31st March 2026	31st March 2025
7: Other non-current assets		
OTHER FINANCIAL ASSETS		
Deposit	206.62	206.68
Others	6.29	2.22
Porwal Auto Components Limited Unit II	446.32	445.23
	659.23	**654.12**

Note 8: Inventories	31st March 2026	31st March 2025
Raw materials (at cost)	370.87	490.20
Work in progress (at cost)	390.33	72.73
Finished goods (at lower of cost and net realisable value)	979.53	711.68
Stores and spares	127.14	125.24
	1867.87	**1399.85**

Note 9: Trade and other receivables	31 March 2026	31st March 2025
Trade receivables	2039.75	1496.55
	2039.75	**1496.55**

	31st March 2026	31st March 2025
Trade receivables		
Undisputed Trade Receivables - Considered Good		
Not Due		
Less Than 6 Months	1109.87	1109.87
6 Months - 1 year	386.68	386.68
1 Year- 2 year	.00	.00
2 Year - 3 year	.00	.00
More Than 3 Years	.00	.00
Total trade receivables	**1496.55**	**1496.55**

Note 10: Cash and cash equivalents	**31st March 2026**	**31st March 2025**
Balances with banks		
In current accounts	4.14	1.08
In deposit accounts	-	-
Cheques on hand		-
Cash on hand	.60	1.04
	4.73	**2.12**

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

	31st March 2026	**31st March 2025**
Note 11: Bank balance other than cash and cash equivalents		
Margin money with banks	34.49	24.89
Earmarked bank balance towards dividend		-
	34.49	**24.89**

The Group has pledged a part of its bank deposits to fulfill collateral requirements. Refer to Note 26 for further details.

Note 12: Loans	**31st March 2026**	**31st March 2025**
Loans to employees	9.08	13.93
	9.08	**13.93**

Note 13: Other receivables	**31st March 2026**	**31st March 2025**
Other loans and advances		
Advance for trade	.00	.00
Advance for capital goods	3.62	.54
	3.62	**0.54**

Note 14: Other current assets	**31st March 2026**	**31st March 2025**
GST Refund Receivable (Cess)	.00	0.06
Input Tax Credit	3.84	0.89
Prepaid expenses	220.85	17.08
Advance tax and TDS and TCS	11.18	5.36
	235.87	**23.39**

15. Statement of changes in equity for the year ended 31 March 2026

Note 15: Share Capital	As at 31 March 2026	As at 31 March 2025
Authorised 20,000,000 Equity Shares of Rs. 10/- Each (20,000,000 Equity Shares of Rs. 10/- Each)	2,000.00	2,000.00
Issued and Subscribed and Paid up capital 15,100,000 Equity shares of Rs. 10/- Each (15,100,000 Equity shares of Rs. 10/- Each)	1,510.00	1,510.00

The company has only one class of equity shares having par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(a) Reconciliation of Equity Shares

Equity Shares	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Amount	No. of Shares	Amount
Balance as at the beginning of the year	15100000	1,510.00	15100000	1,510.00
Balance as at the end of the year	15100000	1,510.00	15100000	1,510.00

(b) Shareholders holding more than 5% shares in the company

Shares held by	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	Amount	No. of Shares	Amount
Flag Vittawas Limited	2750000	18.21%	2750000	18.21%
Porwal Finsec Private Limited	3215000	21.29%	3215000	21.29%

c) Shareholding of promoters at the end of the year

Promoter Name	As at 31 March 2026			As at 31 March 2025		
	No. of Shares	% of Total Shares	% change during the year	No. of Shares	% of Total Shares	% change during the year
Flag Vittawas Limited	2750000	18.21%	-	2750000	18.21%	-
Surendra Jain	389280	2.58%	-	389280	2.58%	-
Devendra Jain	352299	2.33%	-	352299	2.33%	-
Mukesh Jain	300855	1.99%	-	300855	1.99%	-
Gajendra Utsavlalji Jain	275989	1.83%	-	275989	1.83%	-
Shailesh Utsavlal Jain	253960	1.68%	-	253960	1.68%	-

Chandanbai Utsavlal Jain	164000	1.09%	-	164000	1.09%	-
Sunita Jain	114600	0.76%		114600	0.76%	
Pramila Jain	110000	0.73%	-	110000	0.73%	-
Manju Jain	265172	1.76%	-	109266	0.72%	-
Pushpa Jain	95000	0.63%	-	95000	0.63%	-
Premlata Jain	92000	0.61%	-	92000	0.61%	-
Atin Gajendra Jain	147489	0.98%	-	139518	0.92%	-
Santosh Aidasani	75000	0.50%	-	75000	0.50%	
Arshui Jain	72500	0.48%	-	72500	0.48%	-
Devendra Jain HUF	69000	0.46%	-	69000	0.46%	-
Gajendra Jain HUF	66000	0.44%	-	66000	0.44%	-
Mukesh Jain HUF	59000	0.39%	-	59000	0.39%	-
Sejal Jain	34500	0.23%	-	34500	0.23%	-
Sonali Parekh	30800	0.20%	-	30800	0.20%	-
Parul Atin Jain	42700	0.28%	-	26500	0.18%	-
Richa Devendra Jain	24000	0.16%	-	24000	0.16%	-
Reema Devendra Jain	23000	0.15%	-	23000	0.15%	-
Shailesh Jain HUF	20500	0.14%	-	20500	0.14%	-
Surendra Jain HUF	19500	0.13%	-	19500	0.13%	-
Cherry Sanman Kapale	17500	0.12%	-	17500	0.12%	-
Rohan Jain	84250	0.56%	-	30750	0.20%	-
Anish Jain	75828	0.50%	-	75828	0.50%	-
Riti Dawra	9000	0.06%	-	9000	0.06%	-
Shikha Gawade	669	0.00%	-	669	0.00%	-
Swati Jain	18105	0.12%	-	-	-	
Palak Jain	58725	0.38%	-	-	-	
Total	**6111221**	**40.47 %**	-	**5800814**	**38.42%**	**0**

16. Other equity

Securities premium account	
At 31 March 2025	3260.00
Add: Premium on issue of shares allotted pursuant to exercise of ESOP	-
Add: Premium on QIP and preferential allotment of equity shares	-
At 31 March 2026	3260.00
General reserve	
At 31 March 2025	32.00
At 31 March 2026	32.00
Retained earnings	
At 31 March 2025	1490.55
Add: Profit during the year	992.51
Add: Other Comprehensive Income	.00

Less: Income tax/Wealth tax of earlier years	.00
Less: Transfer to debenture redemption reserve	.00
At 31 March 2026	**2483.06**
Total other equity	
At 31 March 2026	**5775.06**
At 31 March 2025	**4782.55**

Note 17: Long Term Borrowings

	Effective interest rate	Maturity	31st March 2026	31st March 2025
Vehicle loan from banks				
HDFC Bank Car Loan (Jeep)	8.75%	To be repaid by July 2026 in 33 monthly installments of Rs. 71880/- each.	0.00	1.42
HDFC Bank Car Loan (Jeep)	8.54%	To be repaid by December 2027 in 37 monthly installments of Rs. 51333/- each.	13.06	19.22
PUNJAB NATIONAL BANK CAR LOAN (Mukesh Jain)	7.60%	To be repaid by January 2029 in 36 monthly installments of Rs. 93456/- each.	18.04	.00
UCO BANK CAR LOAN (Anish Jain BMW)	7.55%	To be repaid by December 2028 in 37 monthly installments of Rs. 140081/- each.	24.80	.00
UCO BANK CAR LOAN (Devendra Jain)	7.55%	To be repaid by January 2029 in 36 monthly installments of Rs. 93440/- each.	18.04	.00
UCO BANK CAR LOAN (Shailesh Jain)	7.55%	To be repaid by December 2028 in 37 monthly installments of Rs. 93388/- each.	16.54	.00

(All loans secured by hypothecation of specific vehicles)

Total Secured Loans			**90.49**	**20.65**
Total non-current interest bearing loans and borrowings			**90.49**	**20.65**

Current borrowings
Loan repayable on demand (from bank)
Secured loans

Working capital loan from banks		
From SBI SSI Branch Indore	577.24	174.80
Secured by way of hypothecation of present and future stock of raw material, stock in process, finished goods, stores and spares, and book debts and first charge over the fixed assets of the company situated at Plot No. 209 Sector I, Pithampur. The loans are further secured by way of personal guarantee of three directors. The loan is repayable on demand and carries interest @ 8.40% p.a.		
From SBI SSI EPC	0.00	93.60
Secured by way of hypothecation of entire raw material, stock in process, finished goods, consumables, stores and spares etc at the firm's premises/ site or at such at other places as may be approved by the Bank from time to time including goods in transit/ shipment/ outstanding money / book-debts/ receiveables etc. Factory/site located at Plot No. 209 lndustrial Area Sector-1, pithampur, Dist Dhar, Madhya Pradesh.The loans is further secured by way of personal guarantee of three directors. The loan is repayable on demand and carries interest @ 7.40% p.a.		
	577.24	**268.41**

Loan from other Body Corporates		
Porwal Diesels Pvt. Ltd.	0.00	75.56
Current maturity of long term loans		
Hdfc Bank Car Loan (Innova)	.00	2.75
Hdfc Bank Car Loan (Jeep)	.00	8.19
Federal Bank (Fortuner)	6.16	4.25
Punjab National Bank Car Loan	11.21	.00

(Mukesh Jain)		
Uco Bank Car Loan (Anish Jain Bmw)	16.81	.00
Uco Bank Car Loan (Devendra Jain)	11.20	.00
Uco Bank Car Loan (Shailesh Jain)	11.21	.00
Total current borrowings	**633.83**	**359.16**
Less: Amount clubbed under "other current liabilities"	56.59	15.19
Net current borrowings	**577.24**	**343.97**

Ind AS 107 only requires disclosure of information that enables users of the financial statements to evaluate the significance of financial instruments for its financial position and performance. Ind AS compliant Schedule III requires that a company to disclose terms of repayment of term loan and other loan. Accordingly, to comply with the requirement of Ind AS compliant Schedule III the group has disclosed effective interest rate and maturity date for all the borrowings.

Note 18: Deferred Tax

Deferred tax relates to the following:	31st March 2026	31st March 2025
Accelerated depreciation for tax purposes	-	-
Disallowances and Losses available for offsetting against future taxable income	-	-
MAT credit entitlement	-	-
Deferred tax expense/(income)		
Net deferred tax assets/(liabilities)		

Reflected in the balance sheet as follows:

	31st March 2026	31st March 2025
Deferred tax assets	-	-
Deferred tax liabilities	-	-
Deferred tax liabilities, net	-	-

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Note 19: Trade payables	31 March 2026	31 March 2025
Trade payables	**845.04**	**575.54**
MSME		
Not Due	-	-

Less Than 1 Year	-	-
1 Year - 2 Year	-	-
2 year - 3 year	-	-
More than 3 year	-	-
Others		
Not Due		
Less Than 1 Year	845.04	575.54
1 Year - 2 Year	-	-
2 year - 3 year	-	-
More than 3 year	-	-
	845.04	**575.54**

Note 20: Other current financial liabilities

	31 March 2026	31 March 2025
Current maturities of long term debt	56.59	15.19
Payables for capital expenditure	6.93	7.89
Advance against trade	14.03	14.03
	77.55	**37.12**

Note 21: Other current liabilities	31 March 2026	31 March 2025
(a) Provision for employee benefits		
Bonus Payable	43.01	39.75
Leave Encashment (unfunded)	58.39	48.74
E.S.I.C. Payable	1.37	1.62
Good Work Reward	21.89	15.91
Canteen Expenses Payable	.00	.00
Professional Tax Payable	.30	.30
Professional Tax Payable (Company)	.03	.03
Provident Fund Payable	9.77	5.37
Salary and Wages Payable	91.73	81.49
(b) Others (Specify nature)		
Provision for Income Tax	213.35	3.23
TDS Payable	6.60	15.63
Power & Fuel Payable	74.52	70.23
Freight Payable	6.40	1.06
Clearing & Forwading	1.97	00
Consultancy Fees Payable	.31	.00
Telephone Expenses Payable	.04	.04
Audit Fees Payable	.95	.95
Professional Charges Payable	.60	.60
Water Charges Payable	1.98	1.53
GST Payable	33.42	85.45

	566.62	**371.93**

22. Revenue from operations

	31st March 2026	31st March 2025
Sale of products		
CI & SG Iron Automobile Components	13875.80	13813.88
Solar Power	350.43	230.79
Scarp	.00	-
	14226.23	**14044.67**

23. Other income

	31st March 2026	31st March 2025
Interest income	2.20	.77
Income from Sale of Mutual Funds	22.00	12.17
Export Incentives	9.64	9.80
Profit on Sale of Fixed Assets	785.68	0.00
	819.53	**22.73**

24. Cost of materials consumed	31st March 2026	31st March 2025
Raw Material Consumed		
Inventory at the beginning of the year	383.12	254.14
Add: Purchases	7050.07	7112.25
Less: inventory at the end of the year	-313.39	-383.12
Cost of raw material and components consumed	**7119.81**	**6983.26**

Details of stores and consumables consumed	31st March 2026	31st March 2025
Inventory at the beginning of the year	125.24	119.46
Add: Purchases	358.02	442.72
Less: inventory at the end of the year	-127.14	-125.24
Cost of raw material and components consumed	**356.13**	**436.94**
Total Consumption	**7475.93**	**7420.20**

25. Purchases of stock-in-trade	31st March 2026	31st March 2025
Inventory at the beginning of the year	-	-
Add: Purchases	-	-
Less: inventory at the end of the year	-	-
Cost of raw material and components consumed		
	-	-

26. Changes in inventories of finished goods (including stock-in-trade) and work-in-progress

	31st March 2026	31st March 2025
Opening Stock		
Work-in-Process	72.73	239.65
Finished Goods	711.68	711.66
Stock-in-Trade	107.07	88.24
Less: Closing Stock		
Work-in-Process	390.33	72.73
Finished Goods	979.53	711.68
Stock-in-Trade	57.49	107.07
	-535.86	**148.07**

27. Employee benefits expenses	**31st March 2026**	**31st March 2025**
Salaries, wages and bonus	1390.52	1225.15
Contribution to provident and other funds	98.99	82.91
Gratuity expense	9.65	10.00
Staff welfare expense	42.70	42.45
	1541.86	**1360.51**

28. Finance costs

	31st March 2026	31st March 2025
Interest		
- On fixed period loan	11.45	25.11
Finance charges		
Interest and bank charges	.84	7.94
Bank charges and bill discounting charges	99.03	151.64
Total interest expense	111.32	184.69
Total finance cost	**111.32**	**184.69**

29. Depreciation and amortization expense	**31st March 2026**	**31st March 2025**
Depreciation of tangible assets	474.26	538.10
	474.26	**538.10**

30. Other expenses	**31st March 2026**	**31st March 2025**
Manufacturing Expenses		
Commission	93.75	80.61
Contract Wages	863.44	783.13
Freight Inward	167.30	176.06
Insurance Expenses	7.18	9.15
Job work Charges	1695.94	1475.11

Miscellaneous Factory Overhead	36.61	46.86
Power & fuel	1343.23	1248.66
Provident Fund Contractor	.32	.16
Repairs & Maintenance	79.95	76.01
Solar Power Line Charges	1.00	.92
Telementry Expenses	.09	3.70
Selling & Distribution Expenses		
Advertisement Expenses	1.51	1.52
Business Promotion & Exhibition Expense	16.20	.40
Computer software Development expense	2.84	2.52
Customer Entertainment Expenses	4.64	5.88
Warehouse Charges - Export	83.71	44.55
Freight Outward	161.30	176.86
GST Expense Audit Objection	.57	-
Inspection and Testing	.72	1.82
Petition Filing Fees	.00	-
Selling Expenses	.54	.57
Turnover Discount	.00	.00
Tax Expenses (CST)	17.14	2.31
Website Design Expense	.03	.04
Establishment Expenses		
Auditor's Remuneration	.95	.75
Books & Periodicals	.16	.47
Consultancy Fees	34.92	41.17
Conveyance Expenses	.30	.42
Donation	.00	.75
Late Delivery Charges (L.D.)	41.63	64.49
Lease Rent	2.23	10.11
Legal Expenses	15.96	25.41
Membership & Subscription	1.35	3.13
Office Expenses	8.42	7.95
Loss on sale of assets	2.25	7.53
Postage & Courier Charges	0.75	1.00
Petition Filing Fees	1.00	0.00
Professional fees	8.26	12.02
Property Tax	.00	2.12
Rebate & Discount	.00	-
Registration for filing fees	.00	.20
Stamp Paper Expenses	.00	.00
Stationary & printing	12.28	12.11
Sundry Balances written off	0.00	0.00
Telephone Expenses	4.91	4.80
Tender Fees	.00	.00
Training & seminar	1.68	2.06
Travelling Expenses	38.35	46.33
Vehicle Running & Maintenance	18.98	16.87
	4772.38	**4396.52**

Payments to the auditor:		
As auditor		
Audit fee	0.75	0.60
Tax audit fee	0.20	0.15
	0.95	**0.75**

Details of CSR expenditure:	**31st March 2026**	**31st March 2025**	
Gross amount required to be spent by the group during the year	Nil	Nil	
Amount spent during the year ending on 31 March 2026	**Nil**	**Nil**	**Total**
Construction/acquisition of any asset	-	-	-
On purposes other than above	-	-	-
Amount spent during the year ending on 31 March 2025	**Nil**	**Nil**	**Total**
Construction/acquisition of any asset	-	-	-
On purposes other than above	-	-	-

Note 3: Property, Plant and Equipment

Particulars	Manufacturing Division																Solar Plant - Division 1				Solar Plant - Division 2					
	Freehold land	Leasehold land	Building at Plot No 209	Building at Plot No 215	Plant &machinery	Material Handling equipments	Tools and Pattern	Electrical Installations	Testing Equipments	Auxillary Equipments	Furnitures and Fixtures	Office equipments	Computer	Vehicles	Air Pollution Equipment	Plant and Machinery	Land (Freehold)	Factory Building	Computer	Solar Plant	Land (Free-hold)	Factory Building	Office Equipments	Solar Plant	Computer	Total
Cost																										
At 31 March 2025	187.38	24.62	1332.37	327.68	389.33	653.86	523.83	253.13	54.37	1628.95	12.49	67.59	65.21	251.17	32.12	610.05	24.05	40.30		1165.56	63.32	14.78	1.42	1318.76	.52	9042.84
Additions	1.93		14.06	27.03		67.98	25.08	6.00	12.64	72.98	1.07	7.48	4.26	182.38		14.51			.40							437.79
Subsidy			-73.66		-22.00	-30.00	35.00			-93.34																-254.00
Disposals	- 189.32													-58.99												-248.31
At 31 March 2026	.00	24.62	1272.76	354.71	367.33	691.84	513.91	259.13	67.01	1608.58	13.56	75.07	69.47	374.56	32.12	624.56	24.05	40.30	.40	1165.56	63.32	14.78	1.42	1318.76	.52	8978.33
Depreciation And impairment																										
At 31 March 2025	.00	.00	651.42	52.19	348.25	383.67	285.62	144.10	37.31	1311.16	8.04	49.47	59.65	106.08	29.37	470.48	.00	11.0		863.02	.00	4.08	1.36	593.77	.50	5410.58
Depreciation charge for the year			38.35	10.82	18.18	38.98	22.73	23.48	3.09	108.49	.56	6.02	2.62	29.80		8.54		1.02	.10	76.71		.58		83.52		473.61
Disposals														28.00												28.00
At 31 March 2026	.00	.00	689.78	63.01	366.43	422.66	308.35	167.58	40.40	1419.64	8.60	55.49	62.27	107.89	29.37	479.03	.00	12.0	.10	939.74	.00	4.66	1.36	677.29	.50	5856.19
Net Book Value																										
At 31 March 2026	.00	24.62	582.98	291.70	.90	269.18	205.55	91.56	26.61	188.94	4.96	19.58	7.20	266.67	2.75	145.53	24.05	28.2	.29	225.83	63.32	10.12	.06	641.47	.03	3122.14
At 31 March 2025	187.38	24.62	680.94	275.49	41.08	270.18	238.21	109.03	17.06	317.79	4.45	18.12	5.56	145.08	2.75	139.56	24.05	29.25	.00	302.54	63.32	10.70	.06	724.99	.03	3632.26

Net Book Value

Details of Capital Work in Progress

Particulars	**At 31 March 2026**	**At 31 March 2025**
Building	0	0
Plant, property and equipment	0	0
Pre-operative Expenses	3.02	1.50
	3.02	1.50

Note 4: Intangible assets

Particulars	**Softwares and licenses**
Cost	
At 31 March 2025	20.45
Additions	11.09
Disposals	
At 31 March 2026	31.53
Amortization and impairment	
At 31 March 2025	11.81
Additions	.66
Disposals	
At 31 March 2026	12.46
Net Book Value	
At 31 March 2026	19.07
At 31 March 2025	8.64

PORWAL AUTO COMPONENTS LIMITED

Notes to the Ind AS financial statements for the year ended March 31, 2025

NOTE 1

1.1 COMPANY OVERVIEW

Porwal Auto Components Limited (referred to as "the Company" hereinafter) was incorporated Porwal Auto Components Ltd. was incorporated in the year 1992 as an ancillary to M/s. Eicher Motors Limited now VE Commercial Vehicles Ltd. (A Volvo group and Eicher Motors joint venture). Porwal Auto Components Ltd is involved in the manufacture of a variety of Ductile Iron, Grey Cast Iron Steel and Steel Alloy Casting Components and Subassemblies. PACL caters to various sectors including Automobile, Engineering, Pumps and Valves, Agriculture and Tractor Equipments etc.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with the Indian Accounting Standards (herein referred to as 'IND AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of Companies Act 2013, read with Companies (Indian Accounting Standards) Rules 2015 (as amended).

The financial statements have been prepared and presented under historical cost convention, on accrual and going concern basis of accounting. The Accounting policies are applied consistently in presenting these financial statements.

The classification of assets and liabilities of the Company into current or non-current is based on the criterion specified in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(a) Functional and Presentation currency:

The financial statements are prepared in Indian Rupees, which is the Functional and Presentation currency for the Company.

(b) Use of Estimates:

The preparation of Financial Statement in accordance with IND AS requires use of estimates and assumptions for some items, which might have effect on their recognition and measurement in the Balance Sheet and Statement of Profit and Loss. The actual amounts realized may differ from these estimates. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as Management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized, and if material, their effects are disclosed in the notes to financial statements.

b) Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

SIGNIFICANT ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

a) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and excise duty.

Revenue from sales is recognized when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery. Revenues from sale of byproducts are included in revenue.

Revenue from sale of power is recognized when delivered and measured based on rates as per

Bilateral contractual/collective agreements with buyers and at rate arrived at based on the principles laid down under the relevant power purchase agreements/regulations in vogue as applicable.

Export benefits are accounted on recognition of export sales. Dividend income is recognized when the right to receive payment is established. Interest income is recognized using effective rate of interest method.

b) Property, Plant and Equipment

(i) Property, plant and equipment

The Company has applied Ind AS 16 for all of its property, plant and equipment. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ii) Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

(iii) Depreciation

Assets in the course of development or construction and freehold land are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use. Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on Straight Line Basis over its expected useful life as per the rates prescribed under schedule II to the Companies Act, 2013 or re-assessed useful life based on technical evaluation as follows:

Factory Building	-	30 Years
Plant and Machinery	-	8 Years
Material Handling Equipment	-	8 Years
Tools and Patterns	-	8 Years
Electrical Installation	-	10 Years
Testing Equipments	-	10 Years
Auxiliary Equipment	-	8 Years
Furniture and Fixture	-	10 Years
Office Equipment	-	5 Years
Computer	-	3 Years
Vehicle	-	8 Years
Air Pollution Equipment	-	15 Years
Plant and Machinery	-	15 Years

Solar Plant	-	15 Years
Intangible Asset	-	5 Years

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit derived from such costs. The carrying amount of the remaining previous overhaul cost is charged to the statement of profit and loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit. When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

c) Intangible assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

d) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

e) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f) Impairment of Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

g) Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is related as deferred income and released to the statement of profit and loss over the expected useful lives of the assets concerned. When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

h) Inventories

Inventories are valued at the lower of cost and net realizable value except scrap and by products which are valued at net realizable value. Costs incurred in bringing the inventory to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Obsolete inventories are identified and written down to net realizable value. Slow moving and defective inventories are identified and provided to net realizable value.

i) Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales/ value added taxes/ GST paid on acquisition of assets or on incurring expenses. Expenses and assets are recognized net of the amount of sales/ value added taxes paid/GST, except:

When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

j) Employee benefit schemes

(i) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

Compensated absences:

Compensated absences accruing to employees and which can be carried to future periods but where there are restrictions on availment or encashment or where the availment or encashment is not expected to occur wholly in the next twelve months, the liability on account of the benefit is determined actuarially using the projected unit credit method.

(ii) Post-employment benefits

Gratuity

The company has obtained Group Gratuity Insurance policy from LIC of India to cover its Gratuity liability and is making annual payment of the liability calculated by them.

Provident Fund

Eligible employees of the Company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

k) Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS. Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability. Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

l) Foreign currency transactions

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined. All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

m) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

n) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 “Statement of Cash Flows”, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

o) Research and development

Revenue expenditure towards research and development is charged to the statement of profit and loss in the year it is incurred. Capital expenditure on research and development related to property, plant and equipments is included in the cost of related property, plant and equipments.

30. CONTINGENT LIABILTIES

a.	Guarantee issued by Bank on behalf of the company (including LC)	Rs. 41,47,049/- (Rs. 39,88,017/-)
b.	Estimated amount of contracts remaining unexecuted on capital account and not provided for	Rs. 9,88,20,845/- (Rs. 45,00,000/-)
c.	VAT Input Disallowed for financial year 2013-14	Rs. 2,48,526/- (Rs.2,48,526/-)
d.	Income Tax Demand for Assessment Year 2018-19	Rs. 4,77,91,740/- (Rs. 4,77,91,740/-)
e.	Income Tax Demand for Assessment Year 2017-18	Rs. 2,02,77,340/- (Rs. 2,02,77,340/-)
f.	Income Tax Demand for Assessment Year 2016-17	Rs. 89,01,600/- (Rs 89,01,600/-)
g.	Income Tax Demand for Assessment Year 2015-16	Rs.6,17,010/- (Rs. 6,17,010/-)

31. EARNING PER SHARE–

PARTICULARS	**2025-26**	**2024-25**
Profit after tax as per Profit & Loss Account (Rs.)	9,92,50,651	16,08,699
Weighted Average number of Equity Shares outstanding (Nos.)	1,51,00,000	1,51,00,000
Basic and Diluted Earnings Per Share (Face value Rs. 10 per share) (Rs.)	6.57	0.11

32. RELATED PARTY TRANSACTIONS

Related Parties with whom transactions have taken place during the year: *(As indicated by management and relied upon by auditors)*

1. Relationship

   a. Key Managerial Personnel and Relatives

      Mr. Devendra Jain, Managing Director
      Mr. Surendra Jain, Whole Time Director
      Mr. Mukesh Jain, Whole Time Director
      Mr. Shailesh Jain, Chief Financial officer
      Ms. Hansika Mittal, Company Secretary
      Porwal Diesels Pvt. Ltd, Enterprise
      Mr. Anish Jain, Relative of KMP
      Mrs. Palak Jain, Relative of KMP

2. Transactions carried out with related parties referred above are as under:-

Particulars	With Key Management Personnel	Entities owned or significantly influenced by Key Management Personnel	Relative of Key Management Personnel/Director and their enterprises	Associate and subsidiary companies
Remuneration	Rs. 99,00,000/- (Rs. 1,06,80,000/-)	Nil (Nil)	Rs. 28,45,200/- (Rs. 28,45,200/-)	Nil (Nil)
Purchase of Goods	Nil (Nil)	Nil (Nil)	Rs. 1,65,55,288/- (Rs. 1,87,24,990/-)	Nil (Nil)
Sale of Goods	Nil (Nil)	Nil (Nil)	Nil (Rs. 1,22,37,052/-)	Nil (Nil)
Job work paid	Nil (Nil)	Nil (Nil)	Rs. 10,04,70,055/- (Rs. 9,21,47,955/-)	Nil (Nil)
Interest received	Nil (Nil)	Nil (Nil)	Nil (Nil)	Nil (Nil)
Interest Given	Nil (Nil)	Nil (Nil)	Rs. 1,85,283/- (Rs. 23,95,774/-)	Nil (Nil)

Disclosure in respect of material transactions with related parties during the year (included in 2 above):

Remuneration

Related Party	Current Year	Previous Year
Mr. Devendra Jain	Rs. 36,00,000/-	Rs. 36,00,000/-
Mr. Mukesh Jain	Rs. 36,00,000/-	Rs. 36,00,000/-
Mr. Surendra Jain	Nil	Rs. 7,80,000/-
Mr. Shailesh Jain	Rs. 27,00,000/-	Rs. 27,00,000/-

Purchase of Goods

Related Party	Current Year	Previous Year
Porwal Diesels Pvt. Ltd.	Rs. 1,65,55,288/-	Rs. 1,87,24,990/-

Job Work Paid

Related Party	Current Year	Previous Year
Porwal Diesels Pvt. Ltd.	Rs. 10,04,70,055/-	Rs. 9,21,47,995/-

Interest Received

Related Party	Current Year	Previous Year
Porwal Diesels Pvt. Ltd.	Nil	Nil

Interest Given

Related Party	Current Year	Previous Year
Porwal Diesels Pvt. Ltd.	Rs. 1,85,283/-	Rs. 23,95,774/-

Loans and Advances (Dr)

Related Party	Current Year	Previous Year
Porwal Diesels Pvt. Ltd.	Nil	Nil

Loans and Advances (Cr)

Related Party	Current Year	Previous Year
Porwal Diesels Pvt. Ltd.	Nil	Rs. 75,56,197/-

Sundry Creditors (Cr)

Related Party	Current Year	Previous Year
Porwal Diesels Pvt. Ltd.	Rs. 98,19,923/-	Rs. 78,40,684/-

Sundry Debtors (Dr)

Related Party	Current Year	Previous Year
Porwal Diesels Pvt. Ltd.	Nil	Nil

33. VALUE OF STORES, SPARES AND PACKING MATERIAL CONSUMED

	2025-26		2024-25	
	Amount in Rs	% of Consumption	Amount in Rs	% of Consumption
Imported	5,02,275/-	1.41	0	0
Indigenous	3,51,10,440/-	98.59	4,36,94,227/-	100
TOTAL	**3,56,12,715/-**	**100**	**4,36,94,227/-**	**100**

34. VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

	2025-26	2024-25
Raw Material and Stock in trade	Nil	Rs. 76,61,460/-
Stores, Spares and Packing Material	Rs. 5,02,275/-	Nil
Capital Goods	Rs. 3,06,228/-	Nil

35. EXPENDITURE IN FOREIGN CURRENCY

	2025-26	2024-25
Repairing	Rs. 5,65,751/-	Nil
Travelling	Rs. 38,116/-	Rs. 13,05,066/-
Capital Goods	Nil	Nil

36. **Fair Value Measurement (IND AS 113)**
The management assessed that fair value of all current assets and current liabilities are realizable at the value as shown in the financial statements of the company. Financial assets of the company are stated at cost. The market value of the financial assets are being disclosed in Note No. 5.

37. Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

38. **UTILISATION OF BORROWED FUNDS, SHARE PREMIUM OF ANY OTHER SOURCE OF FUNDS**

i. 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").

ii. No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties").

39. **RELATIONSHIP WITH STRUCK OFF COMPANIES**

The Company does not have any transactions or balances with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year and previous year.

40. The Company does not have any transactions not recorded in books of accounts that has been surrendered or disclosed as income during the year and previous year in the tax assessments under the Income Tax Act, 1961.

41. The Company has not traded or invested in any crypto currency or virtual currency during the year and previous year.

42. There has been no fraud by the Company or on the Company during the year and previous year.

43. Previous year's figures have been have been regrouped / restated wherever necessary to confirm to current year's presentation.

44. Solvency Ratios

S. No.	Particulars	Year 2024-25	Year 2023-24	Variance	Ratio Formula
1	Current Ratio	2.03	2.23	-8.91%	Current Assets/Current Liabilities
2	Debt Equity Ratio	0.012	0.125	-90.15%	Long Term Debt/ Equity Shareholders Fund
3	Debt Service Coverage ratio	2.27	1.44	57.61%	(Profit after Tax+Non Cash Items)/(Interest+Installme nt)
4	Return on Equity ratio	0.136	0.003	5229.08%	Profit after Tax/ Equity Shareholders Fund
5	Inventory Turnover Ratio	7.03	9.30	-24.38%	Cost of goods sold/Inventory
6	Trade Receivable Turnover Ratio	6.97	9.38	-25.68%	Credit Sales/ Accounts Receivables
7	Trade Payables Turnover Ratio	8.77	13.13	-33.22%	Credit Purchase/Accounts payable
8	Net Capital Turnover Ratio	1.95	2.23	-12.51%	Revenue from Operations/Equity Shareholders Fund
9	Net Profit Ratio	0.070	0.001	5990.88%	Profit after Tax/Revenue from Operations
10	Return on Capital Employed	0.1808	0.0324	457.7%	Earnings before Interest & Tax/Capital Employed
11	Return on Investment	0.105	0.002	5465.04%	Profit after Tax/Total Assets

As per our report of even date

For H.N. Jhavar & Co.
Firm Reg. No. 000544C
Chartered Accountants

For and on behalf of the Board

(CA Ashish Saboo)
Partner
M.N. 079657
UDIN: 26079657ZQPHCU5244
Place: Indore
Date: 27/05/2026

Devendra Jain
Managing Director
DIN 00232920

Mukesh Jain
Whole Time Director
DIN 00245111

Haniska Mittal
Company Secretary

Shailesh Jain
Chief Financial Officer