August 20, 2026

To

THE CORPORATE RELATIONSHIP DEPT BSE Limited I Floor, New Trading Ring, Rotunda Building, P.J.Towers, Dalal Street, Fort, Mumbai - 400 001. **SCRIP CODE: 517059**	M/s. National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E),Mumbai – 400 051 Tel :+91 22 26598235/36, 26598346 Fax : +91 22 26598237/38 Symbol: **SALZERELEC**

Dear Sir,

Sub : 41st Annual General Meeting – Annual Report 2025-26
Ref : Our letter dt. 23.05.2026 - Intimation of date of AGM

In continuation of our letter dated May 23, 2026, intimating the 41st Annual General Meeting scheduled to be held on September 12, 2026, we, pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereby submit the Annual Report for the financial year 2025-26 along with the Notice of the 41st AGM of the Company to be convened through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

In accordance with the applicable MCA and SEBI Circulars, the aforesaid Annual Report and AGM Notice are being sent to the shareholders at their registered e-mail addresses and are also available on the Company's website at the following link:

https://www.salzergroup.net/documents/Annual_Report_2025-26.pdf

The Company has provided e-voting facility to its shareholders (holding shares either in physical or dematerialized form) to exercise their right to vote by electronic means on the businesses specified in the Notice convening the AGM. The schedule of the 41st AGM of the Company and other related details are furnished below

Event	Date	Time
Cut-off date to vote on AGM resolutions	4th September, 2026	NA
Record Date -AGM	28th August, 2026	NA
Commencement of remote e-voting	7th September, 2026	09:00 a.m. IST
End of remote e-voting	11th September, 2026	05:00 p.m. IST
AGM	12th September, 2026	11:30 a.m. IST

We request you to take the same on record.

Thanking you Yours faithfully
For SALZER ELECTRONICS LIMITED

MURUGESAN.K.M.

K M MURUGESAN
COMPANY SECRETARY

salzer

ENGINEERING TOMORROW

Powering Progress
Creating Possibilities.

ANNUAL REPORT
2025-26

SALZER ELECTRONICS LIMITED

RESILIENCE | FOCUS | INNOVATION

INDEX READING

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41st ANNUAL GENERAL MEETING INFORMATION

Date	:	September 12, 2026
Day	:	Saturday
Time	:	11.30 am
Mode	:	Video Conferencing (VC)/ Other Audio Visual Means (OAVM)

Remote e-Voting Information

e-Voting period starting on	: September 07, 2026 Monday (9.00 AM)
e-Voting period ending on	: September 11, 2026 Friday (5.00 PM)
EVEN No.	: 140395

PLANT LOCATION

Unit - I
Samichettipalayam, Jothipuram (Via)
Coimbatore - 641 047.

Unit - II

Chinnamaddampalayam,
Coimbatore - 641 019.

Unit - III
#2, Gudalur Village
Samichettipalayam,Jothipuram (Via),
Coimbatore - 641 047.

Unit - IV
SF. No. 863, Coimbatore Main Road,
Bettathapuram, Coimbatore - 641 104

Unit- V
SF. No. 882/3, Coimbatore Main Road,
Bettathapuram, Coimbatore - 641 104

Annur Plant
570/2, Opp. Annur Power House,
Kariyampalayam Post, Annur, Coimbatore - 641 653

Hosur Plant
SF. No. 722/1 &2, 725, Thorapalli Road,
Hosur Taluk, Krishnagiri District - 635 109.
Tamil Nadu

Cautionary Statement

Certain expectations and projections regarding the future performance of the company referred in the Annual Report constitute forward-looking statement. These expectations and projections are based on the currently available competitive, financial and Economic data, along with the Company's Operating Plans and are subject to certain future events and uncertainties which could cause actual results to differ materially from those indicated by such statements.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. N Rangachary
(Chairman - Non Executive and
Non Independent Director) DIN: 00054437

Mr. R Doraiswamy
(Managing Director) DIN: 00003131

Mr. D Rajesh Kumar
(Joint Managing Director) DIN: 00003126

Mrs. Priya Bhansali
(Independent Director) DIN: 00195848

Mr. S Raman
(Independent Director) DIN: 02511138

Mr. Sharat Chandra Bhargava
(Independent Director) DIN: 00008146

Mr. V Sankaran
(Non-Executive & Non Independent Director) DIN: 00003141

Mr. Vishnu Rangaswamy
(Non-Executive & Non Independent Director) DIN: 00793090

CHIEF FINANCIAL OFFICER

Mr. K Raman

COMPANY SECRETARY

Mr. K M Murugesan

BOARD COMMITTEES

a) Audit Committee

Mrs. Priya Bhansali - Chairperson
Mr. S Raman
Mr. N Rangachary

b) Nomination and Remuneration Committee

Mr. S Raman - Chairman
Mr. Sharat Chandra Bhargava
Mr. V Sankaran

c) Stakeholders Relationship Committee

Mr. N Rangachary - Chairman
Mrs. Priya Bhansali
Mr. D Rajesh Kumar

d) Corporate Social Responsibility Committee

Mr. N Rangachary - Chairman
Mr. R Doraiswamy
Mr. D Rajesh Kumar
Mr. S Raman

STATUTORY AUDITORS

M/s. Swamy & Ravi,
Chartered Accountants,
90, Co-operative "A" Colony
K K Pudur, Coimbatore - 641 038

INTERNAL AUDITORS

M/s. DAT Associates
8/36, L. R. G. Layout, 5th Street, A. B. T. Road,
Karuvampalayam,T iruppur - 641 604.

SECRETARIAL AUDITOR

M/s. G V & Associates
Company Secretary in Practice
G V Enclave, 18/30, Ramani Street,
K K Pudur, Saibaba Colony,
Coimbatore - 641 038

COST AUDITOR

Mr. Ramasubramania Raja
OTT, B.COM, BGL,MBA, FCS & ACMA
4A, First Floor, SR Iyer Layout,
Near All India Radio,
Trichy Road, Coimbatore - 641045

REGISTERED OFFICE

Samichettipalayam (PO)
Jothipuram (Via),
Coimbatore - 641 047.
Tel: 0422-4233600 / 2692531
E-mail: cs@salzergroup.com
Website: www.salzergroup.net

SHARE TRANSFER AGENT (PHYSICAL & DEMAT)

M/s GNSA Infotech Private Limited
Nelson Chambers, 'F' block,
4th Floor #115, Nelson Manickam Road, Aminthakarai,
Chennai - 600 030.
Tel: 044-42962025
E-mail :sta@gnsaindia.com

LISTING ARRANGEMENTS

BSE Limited
and
National Stock Exchange of India Limited

OUR BANKERS

M/s. Canara Bank
M/s. HDFC Bank Limited
M/s. Axis Bank
M/s. IDFC First Bank Limited &
M/s. ICICI Bank Limited

Message from the Managing Director

Dear Shareholders,

Engineering has always been at the heart of Salzer. Every product we manufacture, every technology we develop and every market we enter is driven by a simple belief—that engineering has the power to improve industries, strengthen infrastructure and create lasting value. It is this philosophy that inspires the theme of this year's Annual Report, Engineering Tomorrow.

The financial year 2025–26 has been another significant milestone in Salzer Electronics Limited's journey. It was a year that reaffirmed our commitment to engineering excellence, sharpened our strategic capabilities, and demonstrated our resilience in an evolving business environment.- The theme of this Annual Report, "Engineering Tomorrow," reflects our dedication to developing products and solutions that power progress and create possibilities for our customers, industries, and society.

"Built on Engineering. Driven by Innovation."

Robust Growth and Operational Resilience

Despite global headwinds and evolving market dynamics, your Company recorded a healthy 24% growth in revenue in FY26, reaffirming the confidence our customers place in our products, technologies, and capabilities. This performance was driven by sustained demand across our core businesses, active expansion into new markets, and our unwavering focus on operational excellence.

While revenue growth remained robust, profitability was moderated by elevated input costs, pricing pressures in certain specific segments, and delays in scaling up our Smart Meter business. These factors, though temporary, impacted our margins during the year. However, we chose to focus on strengthening the fundamentals of our business rather than pursuing short-term gains at the expense of long-term value creation.

Diversifying for the Future

India today stands at the centre of one of the world's largest industrial and infrastructure transformations. Investments in power, manufacturing, automation, mobility and digital infrastructure continue to create long-term opportunities for engineering companies with strong technology and manufacturing capabilities. We believe Salzer is well positioned to participate meaningfully in this growth story.

Over the years, Salzer has evolved from a manufacturer of quality electrical products into a diversified engineering enterprise. Today we hold a growing presence across Industrial Switchgear, Wires & Cables, Building Products, Energy Management, and Smart Metering Solutions. Each of these businesses represents an important pillar of our long-term growth strategy, allowing us to capture emerging opportunities across global markets. Our continued investments in engineering, technology, and manufacturing capabilities reinforce our confidence in building sustainable value for the future.

The Smart Meter business, in particular, continues to represent a significant opportunity. While the pace of execution across the industry was slower than expected, the underlying demand remains strong. With governments and utilities accelerating investments in power distribution reforms and digital infrastructure, we are well positioned to participate meaningfully in this transformational journey. We believe the investments we have made in technology, manufacturing capabilities, and strategic partnerships will begin to translate into stronger business outcomes in the coming years.

Our continued focus on global markets remains an important pillar of our strategy. As customers increasingly diversify their sourcing base, India's manufacturing ecosystem presents significant opportunities. We continue to strengthen our global relationships while investing in quality, certifications and engineering capabilities required competing internationally.

Commitment to Financial Discipline

Our core values of innovation, customer-centricity, and operational discipline continues to guide every decision we make. At the same time, we remain focused on enhancing manufacturing efficiencies, strengthening our supply chain, expanding exports, and improving profitability through value-added products and prudent cost management. These efforts reflect our belief that engineering excellence must always translate into greater value for our customers and stakeholders.

Recognising the importance of financial discipline, your Company has intensified its focus on strengthening the balance sheet. We have initiated several measures to optimise inventory levels, accelerating receivable collections, and improving overall working capital efficiency. These initiatives are expected to shorten the working capital cycle, enhance cash flows, reduce finance costs. As we continue to scale, maintaining a healthy balance between growth and financial prudence will remain a key strategic priority.

Outlook: Engineering Tomorrow

Looking ahead, we are highly optimistic. The macroeconomic environment is encouraging, our order pipeline is healthy, and the strategic initiatives undertaken over the past few years have positioned us for sustainable growth. While market uncertainties are inevitable, we entered into this financial year with renewed confidence, stronger capabilities, and a clear vision for the future.

On behalf of the Board of Directors, I extend my sincere appreciation to our employees, customers, suppliers, bankers, business partners, shareholders, and all other stakeholders for their continued trust and unwavering support. Their confidence inspires us to strive for excellence every day.

With engineering as our foundation and innovation as our driving force, Salzer Electronics Limited is well positioned to convert today's opportunities into tomorrow's possibilities.

Together, we will continue Engineering Tomorrow — Powering Progress. Creating Possibilities.

Date: August 04, 2026
Place: Coimbatore

R. Doraiswamy
Managing Director

salzer
Engineering Tomorrow

INDUSTRIAL SWITCHGEARS

THE SWITCHGEAR LEADER.
POWERING INDUSTRIES WORLDWIDE

ENGINEERING TOMORROW.
POWERING EVERY POSSIBILITY.

For over four decades, Salzer has been powering industries with trusted, precision-engineered switching and control solutions. Our products are built to perform where reliability matters most—delivering safety, efficiency and uncompromising performance across demanding applications worldwide.

From critical infrastructure and industrial operations to the factories of tomorrow, our comprehensive Switchgear portfolio is engineered to thrive in challenging environments while meeting stringent international standards.

Driven by innovation and strengthened by decades of customer trust, we continue to push the boundaries of engineering—creating smarter, safer and more reliable solutions that power progress and shape the future.

- SAFETY YOU CAN TRUST
- ENGINEERED FOR EXCELLENCE
- INNOVATION THAT POWERS
- GLOBAL PRESENCE

40+ YEARS OF ENGINEERING EXCELLENCE

50+ PRODUCT VARIANTS

TRUSTED BY LEADING OEMS & INDUSTRIAL CUSTOMERS

INTERNATIONAL CERTIFICATIONS & APPROVALS

EXPORTING TO **50+** COUNTRIES

7 STATE-OF-THE-ART MANUFACTURING FACILITIES

A COMPLETE RANGE FOR EVERY APPLICATION

CONTROL & OPERATING SOLUTIONS

Rotary Switches • Load Break Switches • Cam Switches
Changeover Switches • Isolators

PANEL ACCESSORIES

Terminal Blocks • Connectors • Distribution Blocks
Interface Modules • Cable Ducts

PROTECTION & CONTROL SOLUTIONS

Motor Starters • Contactors • Relays • Control Devices
MPCB • RCCB • MCB • Isolators

POWERING DIVERSE INDUSTRIES

- Industrial Automation
- Power Distribution
- Renewable Energy
- Oil & Gas
- Infrastructure & Utilities
- Railways & Transportation
- Marine
- OEM & Panel Builders

ENGINEERING TOMORROW,
DELIVERING EXCELLENCE TODAY.

salzer
Engineering Tomorrow

WIRES & CABLES

CONNECTING POSSIBILITIES.

DELIVERING RELIABILITY.

ENAMELLED COPPER WIRES

Excellent conductivity, high temperature resistance and superior insulation for motors, transformers, relays and a wide range of electrical applications.

ENGINEERING TOMORROW, POWERING EVERY CONNECTION.

At Salzer, our Wires & Cables are engineered to deliver superior performance, safety and durability across a wide spectrum of applications. From industrial automation and power distribution to infrastructure and residential use – our products are built to withstand the toughest conditions and exceed global standards.

With advanced manufacturing, stringent quality control and commitment to innovation, we create cables that ensure efficient conductivity, long life and complete peace of mind. Every product we produce is a promise of trust, every connection a step towards a smarter, safer tomorrow.

SIGNAL & DATA CABLES

High performance cables for signal transmission, control systems and communication networks with low interference and high reliability.

SAFETY & RELIABILITY
Engineered for maximum safety with high-quality insulation, superior conductivity and fire resistance.

WIDE PRODUCT RANGE
A comprehensive portfolio of wires and cables for industrial, commercial and residential needs.

SUPERIOR QUALITY
Manufactured using high-grade raw materials with rigorous testing at every stage.

MEETING GLOBAL STANDARDS
Products compliant with national & international standards for assured performance.

SUSTAINABLE BY DESIGN
Environment-friendly processes and materials for a greener tomorrow.

WIRE HARNESS & FLEXIBLE BUSBARS

Reliable electrical connection solutions for automotive, industrial and electronic applications. Wire harnesses supports power and control wiring, Flexible busbars for high conductivity, flexibility and space - saving connections in panels, UPS systems, stabilizers and windmills etc

WIRES & CABLES

combines quality, safety & performance to provide reliable electrical connectivity for homes, buildings, industries & infrastructure projects.

STRONG CONNECTIONS.
STRONGER FUTURE.
Engineering Tomorrow, one connection at a time.

BUILT FOR EVERY CONNECTION

INDUSTRIAL MACHINERY	POWER DISTRIBUTION	INFRASTRUCTURE PROJECTS	AUTOMATION & CONTROL SYSTEMS	RESIDENTIAL WIRING	RAILWAYS & TRANSPORTATION	RENEWABLE ENERGY

Engineering Tomorrow

BUILDING SEGMENT PRODUCTS

SMARTER LIVING. SAFER SPACES.

Salzer's Building Segment delivers innovative, high-quality electrical solutions that seamlessly combine **safety, performance and aesthetics.**

Our wide range of products is designed to enhance convenience, ensure protection and deliver superior reliability for modern homes, commercial spaces and infrastructure projects.

DISTRIBUTION BOARDS

- Robust enclosure for Safe Power Distribution
- High durability & corrosion resistance
- Customised solutions for all applications

PROTECTION DEVICES

- MCBs, RCCBs, RCBOs
- Advanced protection against overloads, short Circuits & leakage
- Tested for safety and performance

MODULAR SWITCHES & ACCESSORIES

- Stylish, orgonemic & durable designs
- Wide range of switches, modular plates & accessories
- Enhances aesthetics of every space

EV CHARGERS

- AC Residential Chargers
- DC fast Chargers for commercial establishments

WIFI SMART SWITCHES & SENSORS

- Fan regulators, remote controls & electronic devices
- Smart, convenient & energy efficient
- Designed for modern living & automation

ENGINEERED TO DELIVER MORE

SAFE & RELIABLE
Products meets highest safety standards

SUPERIOR QUALITY
Rigorous Testing Ensures Long-Lasting Performance

STYLISH & MODERN
Contenporary designs that complement any interior

SMART & CONVENIENT
Solutions that Bring Ease, Efficiency & Comfort to Everyday Life

ENERGY EFFICIENT
Designed to save energy & support sustainable living

IDEAL FOR EVERY APPLICATION

RESIDENTIAL HOMES

APARTMENTS & VILLAS

OFFICES & COMMERCIAL SPACES

HOSPITALS & INSTITUTIONS

RETAIL & MALLS

HOTELS & HOSPITALITY

INFRASTRUCTURE PROJECTS

ENGINEERING TOMORROW,
POWERING BETTER SPACES.

From protection to performance, from safety to style – Salzer Building Segmant Products power the spaces where life happens.

SALZER ELECTRONICS LIMITED - FY26 - STANDALONE FINANCIAL NUMBERS

ENGINEERING VALUE. DELIVERING GROWTH.

A legacy of performance built on engineering excellence, discipline, and trust.

₹327	10.21%	0.92
BOOK VALUE PER SHARE	RETURN ON CAPITAL EMPLOYED	DEBT EQUITY RATIO

1,715 Crore	141 Crore	54 Crore
SALES	OPERATING PROFIT	NET PROFIT

FY26
- Sales - ₹ 1,715 Cr
- Export Business - ₹ 361 Cr
- Operating Profit - ₹ 141 Cr
- Net Profit - ₹ 54 Cr

FY25
- Sales - ₹ 1,383 Cr
- Export Business - ₹ 379 Cr
- Operating Profit - ₹ 125 Cr
- Net Profit - ₹ 62 Cr

FY24
- Sales - ₹ 1,136 Cr
- Export Business - ₹ 305 Cr
- Operating Profit - ₹ 110 Cr
- Net Profit - ₹ 43 Cr

FY23
- Sales - ₹ 1,013 Cr
- Export Business - ₹ 259 Cr
- Operating Profit - ₹ 91 Cr
- Net Profit - ₹ 36 Cr

FY22
- Sales - ₹ 784 Cr
- Export Business - ₹ 182 Cr
- Operating Profit - ₹ 64 Cr
- Net Profit - ₹ 22 Cr

Engineering Excellence

Operational Discipline

Customer Trust

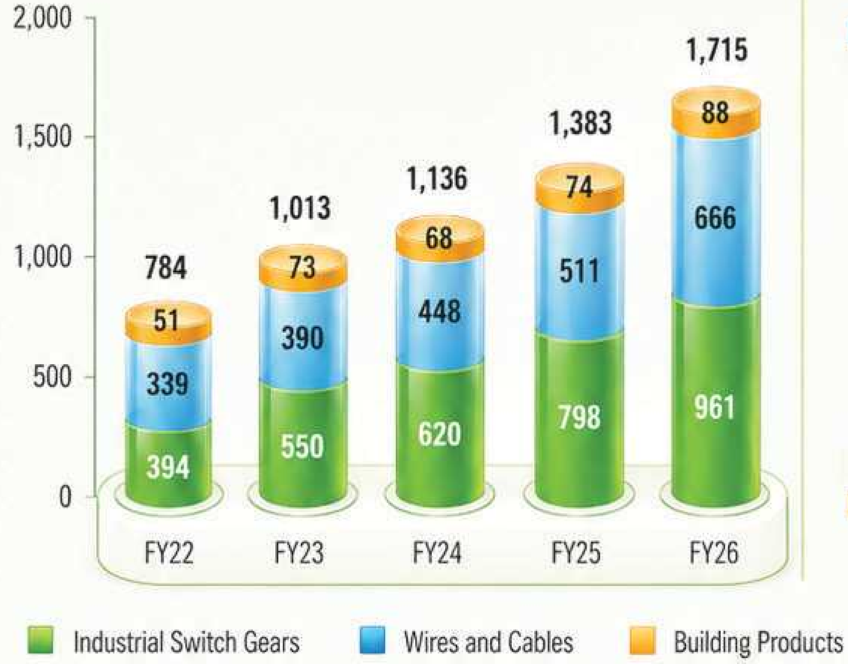
Sustainable Value Creation

Innovation Led Growth

STANDALONE FINANCIAL NUMBERS

BUSINESS PERFORMANCE

SEGMENT WISE SALES (₹ in Crore)



REVENUE CONTRIBUTION (FY26)

KEY FINANCIAL RATIOS

RETURN ON CAPITAL EMPLOYED (%)

DEBT EQUITY RATIO (x)

Every number reflects our promise.
Every milestone strengthens our journey.
Every innovation drives a better tomorrow.

ENGINEERING TOMORROW.

salzer
Engineering Tomorrow

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 41st Annual General Meeting of the Members of Salzer Electronics Limited will be held on Saturday, September 12,2026 at 11.30 A.M through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) with virtual presence of the shareholders to transact the following business

Ordinary Business:

1. **Adoption of Standalone and Consolidated Financial Statements for the period ending March 31,2026**

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

   "RESOLVED THAT the Standalone and Consolidated Audited Financial Statements for the year ended March 31,2026, together with the Board's Report and the Auditors' Report thereon as circulated to the Members and presented to the meeting be and are hereby approved and adopted."

2. **Declaration of the Dividend on the Equity Shares**

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

   "RESOLVED THAT a dividend of Rs.2.50 (Rupees Two and Fifty Paise only) per Equity Share of face value of Rs.10/- each (25%), fully paid-up, as recommended by the Board of Directors, be and is hereby declared for the Financial Year ended March 31, 2026, and that the same be paid out of the profits of the Company for the said financial year to those members whose names appear in the Register of Members/beneficial owners as on the Record Date fixed by the Company for this purpose."

3. **Appointment of a Director in place of Mr. N. Rangachary (DIN: 00054437), Non-executive, Non-Independent Director, who retires by rotation and being eligible, offers himself for re-appointment**

   To consider and if thought fit, to pass the following resolutions as the special resolutions:

   "RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, Regulation 17(1A) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. N. Rangachary (DIN: 00054437), Chairman and Non-Executive & Non-Independent Director, who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, and who has attained the age of seventy-five years, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation, and shall continue to hold office as Chairman and Non-Executive & Non-Independent Director of the Company.

   "RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) or any Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

4. **Appointment of a Director in place of Mr. V Sankaran (DIN: 00003141), Non-executive, Non-Independent Director, who retires by rotation and being eligible, offers himself for re-appointment**

   To consider and if thought fit, to pass the following resolutions as the special resolutions:

   "RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, Regulation 17(1A) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. V Sankaran (DIN: 00003141), Non-Executive & Non-Independent Director, who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, and who has attained the age of seventy-five years, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation, and shall continue to hold office as Non-Executive & Non-Independent Director of the Company.

   "RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) or any Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

Special Business

5. **Re-appointment of Mr. D Rajesh Kumar (DIN: 00003126) as Joint Managing Director for another term of five years effective October 01,2026**

   To consider and, if thought fit, to pass the following resolution as the special resolutions:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Schedule V to the Act and Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Nomination and Remuneration Committee, the consent of the Members be and is hereby accorded to the re-appointment of Mr. D. Rajesh Kumar (DIN: 00003126) as Joint Managing Director of the Company for a period of five (5) years commencing from October 01, 2026 and ending on September 30, 2031, on the following terms and conditions of remuneration:":

1). Salary:

Rs. 6,50,000/- (Rupees Six Lakhs Fifty Thousand only) per month with an annual increment of Rs. 50,000/- (Rupees Fifty Thousand only) per month every year for five years with effect from October 01, 2026.

2). Commission:

Commission at the rate of 2.5% on the net profits of the Company, payable annually.

3). Perquisites and Other Allowances and Benefits:

a) House Rent Allowance:

No accommodation shall be provided by the Company. House Rent Allowance shall be 50% of the salary, subject to payment of 10% of the salary by the appointee towards rent.

b) Medical Allowance:

Reimbursement of medical expenses incurred by him and his family, subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

c) Leave Travel Concession:

Once in a year for himself and his family members by Air or AC First Class to any place in India.

d) Personal Accident Insurance:

Premium not exceeding Rs. 50,000/- per annum.

e) Club Fees:

Fees of clubs subject to a maximum of two clubs. This shall not include admission and life membership fees.

f) Provident Fund / Superannuation / Annuity Fund:

Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or collectively, are not taxable under the Income-tax Act, 1961.

g) Gratuity:

Gratuity payable at a rate not exceeding fifteen (15) days' salary for each completed year of service.

h) Leave Encashment:

Encashment of leave at the end of the end of every calendar year during the tenure

i) Sitting Fees:

He shall not be entitled to any sitting fees for attending meetings of the Board of Directors or Committees thereof.

"RESOLVED FURTHER THAT the afore-mentioned remuneration shall be payable notwithstanding that the remuneration exceeds the limits prescribed under Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in any year during the tenure of his re-appointment."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the tenure of his office, the aforesaid remuneration payable to Mr. D. Rajesh Kumar shall be treated as minimum remuneration and shall be governed by the provisions of Part II, Section II of Schedule V to the Companies Act, 2013, and other applicable provisions of the Act, as amended from time to time."

"RESOLVED FURTHER THAT, pursuant to the provisions of Section 152 of the Companies Act, 2013, the office of Mr. D. Rajesh Kumar as Joint Managing Director shall be liable to retirement by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to vary, alter, revise or modify the terms and conditions of the said appointment and remuneration, within the overall limits approved herein and in accordance with the applicable provisions of the Companies Act, 2013, and to do all such acts, deeds, matters and things, and execute all such documents, instruments and writings as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

6. Ratification of the Remuneration to the Cost Auditor for the financial year 2026-27

To consider and if thought fit, to pass the following resolution as an ordinary resolutions:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors)

Rules, 2014, and other applicable rules, if any (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of Rs.1,90,000/- (Rupees One Lakh Ninety Thousand only) per annum, exclusive of applicable taxes and reimbursement of out-of-pocket expenses, payable to CMA A. R. Ramasubramania Raja (Membership No. 32458), Cost Accountant, Coimbatore, who has been appointed by the Board of Directors of the Company, on the recommendation of the Audit Committee, as the Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year 2026–27, be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) or any Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By the order of the Board of Directors

K M Murugesan
Company Secretary
M No.A25953

Date: August 08,2026
Place: Coimbatore

Notes

1. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act") with respect to the Ordinary and Special business as set out in the Notice is annexed hereto.

2. The Ministry of Corporate Affairs ("MCA") vide its General Circular No. 20/2020 dated 5th May 2020 and General Circular No.03/2025 dated 22nd September 2025 permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and the MCA Circulars, the AGM of the Company is being held through VC / OAVM.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars / SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (in PDF/ JPEG format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution / Authorisation shall be sent to the Scrutiniser by email through its registered email address vasudevanacs@gmail.com with a copy marked to evoting@nsdl.com.

5. The Company has fixed Friday, August 28, 2026 as the Record Date for the purpose of determining the eligibility of Members entitled to receive the dividend for the financial year 2025–26, if declared at the ensuing Annual General Meeting.

6. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025 the Company shall make the payment of Dividend to the Shareholders only in Electronic mode and payment of Dividend by way of cheque/warrant has been dispensed with.

7. Members whose shareholding is in the electronic mode are requested to update bank account details (Bank Account Number, Name of the Bank, Branch, IFSC, MICR code and place with Postal Identification Number Code) to their respective Depository Participant(s) and not with the Company. Regular updation of bank particulars is intended to prevent fraudulent activities

8. The Company has entered into agreements with National Securities Depository Limited **("NSDL")** and Central Depository Services (India) Limited **("CDSL")** to facilitate holding of equity shares in dematerialised form. The depository system eliminates several risks and inconveniences associated with holding shares in physical form, such as bad deliveries, fraudulent transfers, fake certificates, theft or loss of share certificates, delays in transfer and mutilation of certificates. It also offers several benefits, including exemption from stamp duty on transfer of securities, enhanced liquidity, faster settlement of transactions and reduced transaction costs. Members who are still holding equity shares in physical form are encouraged to dematerialise their holdings by opening a demat account with a Depository Participant and converting their physical share certificates into electronic form.

9. **Dematerialisation of Shares and Updation of KYC Details**

   In terms of the Securities and Exchange Board of India ("SEBI") Regulations and the applicable circulars issued from time to time, requests for transfer of securities held in physical form are not processed by listed entities or their Registrar and

Share Transfer Agents ("RTA"), except in cases of transmission or transposition of securities.

a. Pursuant to the SEBI Master Circular dated February 06, 2026, read with the operational guidelines issued by SEBI, listed entities are required to issue securities only in dematerialised ("demat") form while processing investor service requests, including transmission, transposition, issue of duplicate share certificates, renewal or exchange of share certificates, endorsement, sub-division/splitting, consolidation of share certificates and other permissible requests. Accordingly, upon processing a valid request, the Company/ Registrar and Share Transfer Agent ("RTA") shall credit the securities directly to the demat account of the concerned Member.

b. Further, in terms of the aforesaid SEBI Master Circular, Members holding shares in physical form are required to furnish/ update their Permanent Account Number ("PAN"), nomination, contact details, bank account particulars and specimen signature with M/s. GNSA Infotech Private Limited, the Registrar and Share Transfer Agent of the Company. Members are requested to submit the prescribed Investor Service Request ("ISR") forms along with the requisite supporting documents to the RTA for updating their records.

c. Members may note that, unless the aforesaid KYC details are duly updated, they shall not be able to avail investor services relating to their physical shareholding, except in accordance with the applicable SEBI circulars. Further, dividend and other permissible payments in respect of such physical holdings shall be made only through electronic mode upon successful updation of the requisite details with the RTA.

10. Change of Address and Other Contact Details

a. Members holding shares in dematerialised form are requested to promptly notify any change in their address, e-mail address, mobile number, bank account details or other KYC particulars to their respective Depository Participant(s) ("DPs"). Members holding shares in physical form are requested to intimate such changes to M/s GNSA Infotech Private Limited, the Registrar and Share Transfer Agent ("RTA") of the Company, along with the prescribed forms and supporting documents, in accordance with the applicable SEBI circulars.

b. Members are requested to ensure that their complete postal address, including the correct Postal Index Number ("PIN") Code, is updated in the records maintained with the Depository Participant(s) or the RTA, as applicable, to facilitate timely communication and delivery of correspondence.

11. **Non-Resident Indian ("NRI") Members** are requested to promptly inform the Company, its Registrar and Share Transfer Agent or their respective Depository Participant(s), as applicable, of:

a. any change in their residential status upon returning to India for permanent settlement; and

b. the particulars of their NRE/NRO bank account maintained with a bank in India, if the same have not been furnished earlier, together with any subsequent changes thereto.

12. As per the provisions of Section 72 of the Act, the facility for making nominations is now available to individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the RTA of the Company or can download the same from the Company's website namely www.salzergroup.net Members holding shares in electronic form must approach their Depository Participant(s) for completing the nomination formalities.

13. Members are requested to make all correspondence in connection with shares held by them by addressing their letters directly to the Company Secretary of the Company or its RTA, namely, M/s. GNSA Infotech Private Limited, by quoting the Folio number or the Client ID number with DP ID number.

14. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

15. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary / RTA of the Company.

16. **Transfer of Unclaimed Dividend and Corresponding Shares to the Investor Education and Protection Fund ("IEPF")**

a. Members are requested to note that, pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, dividends remaining unpaid or unclaimed for a period of seven consecutive years from the date of their transfer to the Company's Unpaid Dividend Account are required to be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government.

b. In accordance with the provisions of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, all equity shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years or more are also required to be transferred by the Company to the demat account of the IEPF Authority.

c. The details of the unclaimed dividends and the Members whose shares are due for transfer to the IEPF are available on the Company's website at www.salzergroup.net.

d. Members whose unclaimed dividend and/or corresponding shares have been transferred to the IEPF may claim the same by making an On-line application to the IEPF Authority in Form IEPF-5, along with the prescribed documents, in accordance with the applicable provisions of the Companies Act, 2013 and the IEPF Rules.

e. Details of Dividend that remains unclaimed from the Company from the financial year 2018-19 and relevant due date for transfer to IEPF Account

FY ended	Declaration Date	Last date for encashment	Due Date
2018-19 (31.03.2019)	10.08.2019	14.09.2026	13.10.2026
2019-20 (31.03.2020)	Not declared		
2020-21 (31.03.2021)	13.09.2021	18.10.2028	16.11.2028
2021-22 (31.03.2022)	10.09.2022	15.10.2029	13.11.2029
2022-23 (31.03.2023)	09.09.2023	14.10.2030	12.11.2030
2023-24 (31.03.2024)	14.09.2024	19.10.2031	18.11.2031
2024-25 (31.03.2025)	12.09.2025	18.10.2032	17.11.2032

17. In compliance with the aforesaid MCA Circulars and the Listing Regulations, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email address is registered with the Company / RTA / Depository Participants as on August 07, 2026, a date fixed for determination of shareholders entitled for receipt of Annual Report 2025-26 along with the Notice of 41st AGM. Further, a letter providing the web link including the exact path where the complete details of the Annual Report is available will be sent to the Shareholders who have not registered their email address. Members may note that the Notice and Annual Report 2025-26 is also available on the Company's website www.salzergroup.net, websites of the Stock Exchanges i.e., BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL www.evoting.nsdl.com. Further, pursuant to the Listing Regulations, the Company will be sending a hard copy of the Annual Report to those Shareholders who request for the same.

18. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

19. Pursuant to Section 393 of the Income tax Act, 2025, the Company shall be required to deduct tax at source ("TDS") from dividends paid to Shareholders at the prescribed rates set out therein. For the prescribed rates for various categories, Shareholders are requested to refer to the Income Tax Act, 2025 and the amendments thereof. Shareholders are requested to update their Residential Status, Category as per Income Tax Act ("IT Act"), Permanent Account Number ("PAN") with the Company/ RTA (in case of shares being held in physical mode) and depositories (in case of shares being held in demat mode) immediately. A resident individual Shareholder having PAN and entitled to receive dividend amount exceeding Rs.10,000/- and who is not liable to pay Income Tax, can submit a yearly declaration in Form No. 121, to avail the benefit of non-deduction of tax at source to our RTA before August 31,2026. Shareholders are requested to note that in case their PAN is not registered with the DP/Company, tax will be deducted at the applicable higher rate.

20. Tax Deduction at Source ("TDS") on Dividend

a. Pursuant to the provisions of Section 393 of the Income-tax Act, 2025, the Company is required to deduct tax at source ("TDS") from the dividend paid to Shareholders at the rates prescribed thereunder. Shareholders are requested to refer to the relevant provisions of the Income-tax Act, 2025 and the rules made thereunder for the applicable TDS rates based on their residential status and category.

21. Tax Treaty Benefits for Non-Resident Shareholders

a. Non-resident Shareholders, including Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs), may avail themselves of the beneficial tax rates under the applicable Double Taxation Avoidance Agreement ("DTAA") entered into between India and their country of tax residence, subject to furnishing the prescribed documents in accordance with the provisions of the Income-tax Act, 2025.

b. For this purpose, eligible non-resident Shareholders are required to submit, as applicable, a valid Tax Residency Certificate ("TRC"), Form No. 41, a declaration confirming beneficial ownership of the shares and eligibility to claim treaty benefits, a declaration regarding the absence of a Permanent Establishment in India, and such other documents or information as may be prescribed or required.

c. The prescribed forms and detailed instructions are available on the website of the Registrar and Share Transfer Agent ("RTA"). The requisite declarations and documents should be submitted on or before August 31, 2026 to enable the Company to apply the applicable DTAA tax rates while deducting tax at source on dividend payments. A separate communication in this regard will also be sent to the eligible Shareholders.

22. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

23. Online Dispute Resolution ("ODR") Mechanism

a. In accordance with the applicable circulars issued by the Securities and Exchange Board of India ("SEBI"), the Company has registered on the **SMART ODR** (Securities Market Approach for Resolution through Online Dispute Resolution) Portal to facilitate resolution of investor disputes through online conciliation and/or arbitration. Members may access the SMART ODR Portal to initiate dispute resolution, in accordance with the framework prescribed by SEBI.

b. Members are requested to note that any grievance should first be lodged with the Company or its Registrar and Share Transfer Agent ("RTA"). If the grievance remains unresolved or the Member is not satisfied with the resolution provided, the Member may escalate the complaint through the SEBI Complaints Redress System **(SCORES)** Portal in accordance with the applicable SEBI guidelines. Only after exhausting the available grievance redressal mechanism, including the SCORES process, may the Member initiate dispute resolution through the SMART ODR Portal in accordance with the applicable SEBI circulars.

c. The detailed framework governing the Online Dispute Resolution mechanism is available in the relevant SEBI circulars and on the websites of SEBI and the SMART ODR Portal.

24. The brief profile of the Director seeking re-appointment, including details of his qualifications, experience, directorships, membership/chairmanship of committees, shareholding in the Company and inter-se relationship with other Directors and Key Managerial Personnel, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI"), is annexed to this Notice.

25. Members holding shares in physical form are requested to register/update their e-mail address, mobile number and other KYC details with **M/s. GNSA Infotech Private Limited,** the Registrar and Share Transfer Agent ("RTA") of the Company. Members holding shares in dematerialised form are requested to register/update the same with their respective Depository Participants. This will enable the Company to send all communications, including statutory documents, through electronic mode.

26. The Annual Report of the Company, including the audited financial statements (consolidated and standalone) and other statutory reports for the financial year ended March 31, 2026, is available on the Company's website. The financial statements of the Company's subsidiaries are also available for inspection in accordance with the applicable provisions of the Companies Act, 2013. Members desirous of obtaining a copy of the financial statements of any subsidiary company may write to the Company, and the same shall be made available electronically.

VOTING THROUGH ELECTRONIC MEANS

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, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI"), and the relevant circulars issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI"), the Company is providing its Members the facility to exercise their voting rights by electronic means in respect of the businesses set out in this Notice.

The Company has engaged the services of **National Securities Depository Limited ("NSDL")** to provide the facility of remote e-voting before the AGM and e-voting during the AGM. Members may cast their votes electronically through the NSDL e-voting system from a place other than the venue of the AGM ("remote e-voting") or during the AGM, in the manner set out below.

The Board of Directors has appointed M/s. G V and Associates, Company Secretaries as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.

Members are requested to carefully read the instructions relating to remote e-voting and e-voting during the AGM to understand the process for accessing the NSDL e-voting system and casting their votes electronically.

The Members are further requested to note the following:

i. Any person who acquires equity shares of the Company and becomes a Member after the dispatch of the Notice of the AGM and holds shares as on the **cut-off date**, shall be entitled to avail the facility of remote e-voting or e-voting during the AGM by following the procedure specified in this Notice. A person who is not a Member as on the cut-off date shall treat this Notice for information purposes only.

ii. Members who have cast their votes through remote e-voting prior to the AGM may attend and participate in the AGM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), but shall not be entitled to cast their votes again during the AGM.

Instructions for Members for Remote e-Voting

The remote e-voting period shall commence on **September 07, 2026 at 9:00 A.M. (IST)** and shall end on **September 11, 2026 at 5:00 P.M. (IST)**. During this period, Members holding shares either in physical form or in dematerialised form as on the **cut-off date, September 04, 2026,**, may cast their votes electronically. The remote e-voting module shall be disabled by NSDL immediately thereafter, and remote e-voting shall not be allowed beyond the said date and time.

The voting rights of the Members shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date.

How do I vote electronically using the NSDL e-Voting System?

The process for voting electronically through the NSDL e-Voting system consists of the following two steps:

Step 1: Access to the NSDL e-Voting System.

a. Login method for e-Voting and joining virtual meeting for Individual Shareholders holding securities in demat mode

In terms of SEBI Master Circular dated 30th January 2026, 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

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. 
Individual Shareholders holding securities in demat mode with CDSL	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 Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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 & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

b. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a. If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c. How to retrieve your 'initial password'?
      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

5. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a. Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b. Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
7. Now, you will have to click on "Login" button.
8. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle are active.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to vasudevanacs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on**"Upload Board Resolution / Authority Letter"** displayed under **"e-Voting"** tab in their login.

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

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 cs@salzergroup.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@salzergroup.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances relating to the e-Voting facility on the day of the AGM shall be the same as those of the person designated for Remote e-Voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

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

4. 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.

5. Members who wish to register themselves as speaker shareholder (to speak at the AGM) are requested to write to the Company, from their registered email address mentioning their name, DPID & Client ID/ Folio No, PAN, Mobile No. on or before September 10, 2026, (upto 5:00 PM IST) to cs@salzergroup.com. Those members who have registered themselves as a speaker shareholder will only be allowed to express their views/ask questions during AGM.

   i. M/s G V and Associates, Company Secretaries has been appointed as Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

   ii. The Chairman of the AGM shall, after the conclusion of the discussion on the resolutions set out in the Notice, allow e-voting during the AGM to those Members who are participating through VC/OAVM and have not cast their votes through remote e-voting. Upon conclusion of the voting process, the e-voting facility shall be disabled by NSDL.

   iii. The Scrutiniser appointed by the Company shall, after the conclusion of e-voting during the AGM, first count the votes cast electronically during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company. The Scrutiniser shall, not later than two working days from the conclusion of the AGM, submit a consolidated Scrutiniser's Report on the total votes cast in favour of or against each resolution, if any, to the Chairperson or to any other person authorised by the Board in writing, who shall countersign the same and declare the results forthwith.

   iv. The results declared along with the Scrutiniser's Report shall be placed on the website of the Company, the website of **National Securities Depository Limited ("NSDL")**, and shall also be communicated to **BSE Limited** and the **National Stock Exchange of India Limited**, where the equity shares of the Company are listed, immediately after the declaration of the results, in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanatory Statement

Explanatory Statement in terms of Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Item No. 3 & 4

Pursuant to the provisions of Section 152 of the Companies Act, 2013 ("the Act"), not less than two-thirds of the total number of directors of a public company (excluding Independent Directors) and the are liable to retire by rotation, and out of such directors, at least one-third are required to retire at every Annual General Meeting.

In accordance with the above provisions, Mr. N. Rangachary (DIN: 00054437), Chairman and Non-Executive, Non-Independent Director, and Mr. V. Sankaran (DIN: 00003141), Non-Executive, Non-Independent Director, retire by rotation at the this Annual General Meeting and, being eligible, have offered themselves for re-appointment.

Mr. N. Rangachary and Mr. V. Sankaran have been distinguished members of the Board whose leadership, wisdom and strategic counsel have made a significant contribution to the Company's growth and governance over the years. Their extensive industry experience, deep understanding of business and regulatory matters, and sound commercial judgment have consistently enabled the Board to make informed and balanced decisions on matters of strategic importance.

Throughout their tenure, they have provided invaluable guidance in shaping the Company's long-term vision, strengthening its corporate governance framework, evaluating strategic opportunities, and navigating complex business and economic challenges. Their ability to offer independent, objective and pragmatic perspectives has greatly enriched the quality of the Board's deliberations and decision-making process.

As the Company continues to pursue its long-term growth strategy, expand its business operations and strengthen its market position, the Board believes that the continued association of Mr. N. Rangachary and Mr. V. Sankaran will be of immense value to the Company and its stakeholders. Their institutional knowledge, strategic insight, mentorship to the management and unwavering commitment to the highest standards of governance will continue to provide stability and direction to the Board.

Considering their outstanding contributions, proven leadership, integrity, rich experience and continued active participation in the affairs of the Company, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on August 08, 2026, formed the considered opinion that the re-appointment and continuation of Mr. N. Rangachary and Mr. V. Sankaran as Non-Executive, Non-Independent Directors of the Company, notwithstanding that they have attained the age of seventy-five years, would be in the best interests of the Company and its shareholders.

Accordingly, the Board recommends the Special Resolutions set out at Item Nos. 3 and 4 of the accompanying Notice relating to the re-appointment of Mr. N. Rangachary and Mr. V. Sankaran as Non-Executive, Non-Independent Directors of the Company, liable to retire by rotation, for the approval of the Members.

The Company has received consent both from Mr. N. Rangachary and Mr. V. Sankaran in terms of Section 152(5) of the Companies Act 2013 with requisite declaration to the effect that they declared that they are not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013.

Save and except as stated above, Mr. N. Rangachary, and Mr. V. Sankaran and their respective relatives, to the extent of their shareholding, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the Special Resolutions set out at Item Nos. 3 and 4 of the accompanying Notice.

All relevant documents and papers relating to Item Nos. 3 and 4 referred to in the accompanying Notice and this Explanatory Statement shall be available for inspection by the Members during business hours on all working days up to the date of the Annual General Meeting. Members desirous of inspecting the same may send an e-mail to cs@salzergroup.com, and the relevant documents will be made available for inspection.

Item No.5

Mr. D. Rajesh Kumar (DIN: 00003126) was re-appointed as Joint Managing Director and Chief Financial Officer of the Company for a period of five (5) years commencing from October 1, 2021 and ending on September 30, 2026, on the terms and conditions approved by the shareholders at the 36th Annual General Meeting held on September 13, 2021. Accordingly, his present term of office as Joint Managing Director is valid up to September 30, 2026.

Upon the appointment of Mr. K. Raman as Chief Financial Officer of the Company with effect from April 01, 2026, Mr. D. Rajesh Kumar relinquished the office of Chief Financial Officer and has since continued to serve as Joint Managing Director for the remainder of his current term, ending on September 30, 2026.

Mr. D. Rajesh Kumar has been associated with the Company for more than three decades and has played a pivotal role in its growth and transformation. Over the years, he has acquired extensive expertise in finance, strategic planning, corporate governance, treasury management and business operations. He has been instrumental in strengthening the Company's financial position, implementing robust internal control systems and supporting key initiatives relating to capacity expansion, product diversification and market development. His leadership has contributed significantly to the Company's sustained growth, prudent capital allocation and long-term value creation for stakeholders. Under his leadership, the Company has achieved a robust sales CAGR of approximately 23% during the last five financial years, underscoring the effectiveness of its strategic initiatives and execution.

In addition to his financial acumen, Mr. Rajesh Kumar possesses a deep understanding of the Company's manufacturing processes, customer requirements and industry dynamics, enabling him to provide valuable strategic direction to the management team. He has consistently fostered a culture of integrity, operational excellence and innovation across the organization. His rich experience, sound business judgment and unwavering commitment to the Company's vision continue to be invaluable assets. The Board is of the view that his continued association as Joint Managing Director will provide stability and continuity in leadership and will further advance the Company's strategic objectives and sustainable growth initiatives.

Considering the foregoing, the Nomination and Remuneration Committee, at its meeting held on August 08, 2026, recommended the re-appointment of Mr. D. Rajesh Kumar as Joint Managing Director of the Company for a further term of five (5) years commencing on October 01, 2026, and determined his remuneration as set out in the Resolution. Pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), the Audit Committee, at its meeting held on August 08, 2026, also approved the remuneration payable to Mr. Rajesh Kumar. Thereafter, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee and the approval of the Audit Committee, at its meeting held on August 08, 2026, and subject to the approval of the Members at the ensuing Annual General Meeting, approved the re-appointment of Mr. D. Rajesh Kumar as Joint Managing Director for a further term of five (5) years with effect from October 01, 2026, on the remuneration set out in the Resolution.

Pursuant to the provisions of Sections 196, 197, 198 and 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the re-appointment of the Joint Managing Director is subject to the approval of the shareholders of the Company at a General Meeting. Accordingly, the requisite resolution is set out as Item No. 5 of the Notice for the approval of the Members.

Further, Regulation 17(6)(e) of SEBI LODR Regulations requires the approval of the shareholders by way of a Special Resolution where the annual remuneration payable to an executive director who is a promoter or a member of the promoter group exceeds Rs.5 Cr or 2.5% of the net profits of the Company, whichever is higher or where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity. Since the remuneration payable to Mr. D. Rajesh Kumar during his tenure as Joint Managing Director may exceed the aforesaid limits, the approval of the shareholders is also being sought by way of a Special Resolution pursuant to Regulation 17(6)(e) of the Listing Regulations.

Mr. D. Rajesh Kumar, is not disqualified from being appointed as a Director in terms of Section 164 of the Act and is not debarred from holding the office of Director by virtue of any Securities and Exchange Board of India ("SEBI") order or any other such authority.

Mr. D. Rajesh Kumar to comply with the Company's Code of Conduct for Board of Directors and Senior Management Personnel, Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons, as amended from time.

The disclosure as required under Schedule V of the Companies Act, 2013, Regulation 36 of SEBI LODR Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") has been annexed and forms part of this Notice. Based on the above points, the Board recommends the Resolution as set out in Item No. 5 of the Notice for approval of the Members as a Special Resolution.

Except Mr. R Doraiswamy, Managing Director, being his father, and Mr. D Vishnu Rangaswamy, Non Executive Non Independent Director being his younger brother, none of the Directors or Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 6

Pursuant to the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to conduct the audit of the cost records maintained by the Company in respect of such products and services as may be prescribed under the Companies (Cost Records and Audit) Rules, 2014.

Based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on May 23, 2026, approved the appointment of CMA A. R. Ramasubramania Raja (Membership No. 32458), Cost Accountant, Coimbatore, as the Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year 2026–27**.**

The Board has also approved a remuneration of Rs.1,90,000/- (Rupees One Lakh Ninety Thousand only) per annum, exclusive of applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the audit, subject to ratification by the Members.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, the Board recommends the Ordinary Resolution set out at Item No. 5 of the accompanying Notice for approval by the Members.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 5 of the accompanying Notice.

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ANNEXURE TO NOTICE DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS 2015

Name of the Director	Mr. N Rangachary	Mr.V. Sankaran	Mr. D Rajesh Kumar
DIN	00054437	00003141	00003126
Category	Non Executive and Non-Independent Direct	Non Executive and Non-Independent Direct	Joint Managing Director
Date of Birth	10/06/1938 / Age : 88 Years	19/03/1943 / Age : 83 Years	25/09/1971 / Age : 55 years
Date of first Appointment on the Board	09/08/2024 (Being the date on which he was appointed as a Non-Executive and Non-Independent Director)	09/08/2024 (Being the date on which he was appointed as a Non-Executive and Non-Independent Director)	22/12/2001
Qualification	He holds membership in Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and the Institute of Cost Accountants of India.	He holds Master's Degree in Commerce and a Membership in Institute of Cost Accountants of India and Institute of Company Secretaries of India. He also holds a Postgraduate Diploma in Management Accounting from Jamnalal Bajaj Institute of Management Studies, Bombay (University of Bombay)	He holds degree in Bachelor of Engineering and Master of Business Administration (USA)
Brief profile and nature of their expertise in specific functional areas	He was an IRS officer having over 44 years of experience under the Government of India, Ministry of Finance. He had also served as a Chairman of Central Board of Direct Taxes and also first Chairman of Insurance Regulatory and Development Authority (IRDA) from 1996 till June 2003 and retired. Further, he was also an advisor to the Government of Andhra Pradesh – Finance department during the period 2002 – 2008. He is a Honorary Member of Indian Institute of Actuaries.	He has over 46 years of experience in reputed companies both in public sector and Private Sector in various areas of Finance and General Management	He has been associated with the Company for more than three decades and has played a pivotal role in its growth and transformation. Over the years, he has acquired extensive expertise in finance, strategic planning, corporate governance, treasury management and business operations. He has been instrumental in strengthening the Company's financial position, implementing robust internal control systems and supporting key initiatives relating to capacity expansion, product diversification and market development. His leadership has contributed significantly to the Company's sustained growth, prudent capital allocation and long-term value creation for stakeholders
Terms and conditions of appointment	Liable to retire by rotation. The appointment shall be governed by the Resolution passed by the Shareholders at their Meeting(s).	Liable to retire by rotation. The appointment shall be governed by the Resolution passed by the Shareholders at their Meeting(s).	As reported under Item No.5 of the Notice
Remuneration paid for the financial year 2025-26	Information disclosed in the Corporate Governance Report annexed to the Annual Report	Information disclosed in the Corporate Governance Report annexed to the Directors Report	Information disclosed in the Corporate Governance Report annexed to the Directors Report
Remuneration proposed to be paid	He is entitled to sitting fees for attending the meetings of the Board and its Committees.	He is entitled to sitting fees for attending the meetings of the Board and its Committees.	As reported under Item No.5 the Notice

NOTICE (Contd.)

Name of the Director	Mr. N Rangachary	Mr.V. Sankaran	Mr. D Rajesh Kumar
Number of Board Meetings attended during the year	Information disclosed in the Corporate Governance Report annexed to the Directors Report	Information disclosed in the Corporate Governance Report annexed to the Directors Report	Information disclosed in the Corporate Governance Report annexed to the Directors Report
Directorships held in other companies/ Firm.	1. Unico Housing Finance Private Limited 2. Srirangai Trustee Services Private Limited	Smile Electronics Limited	Director in Alera India Private Limited, Kaycee Electricals India Limited, Sri Ram Arts Centre Private Limited, Salzer EV Infra Private Limited, Salzer Exports Limited, K R Health Care Private Limited, Kaycee Industries Limited, Madras Radiators and Pressings Limited, and Salzer Energy Solutions Private Limited. Nominee Director in Ultrafast Chargers Private Limited.
Memberships / Chairmanships of committees across all other companies	NIL	Member of CSR Committee and NRC Committee in Smile Electronics Limited	1. Member of Audit Committee and NRC Committee in Kaycee Industries Limited. 2. Member of Audit Committee and NRC Committee in Madras Radiators and Pressings Limited
Resignation from listed entities in the past three years if any	1. Orient Green Power Company Limited, 2. Kaycee Industries Ltd	NIL	NIL
Number of Board Meetings attended during the FY 2025-26	Five	Five	Five
Shareholding in the Company	NIL	NIL	2,62,420 shares -1.48%
Inter se relationship, if any	NIL	NIL	Son of Mr. R Doraiswamy, Managing Director and Brother of Mr.Vishnu Rangaswamy, Non Executive and Non Independent Director

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DIRECTORS' REPORT

The Directors are pleased to present the 41st Annual Report of the Company together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31,2026.

The disclosures and information contained in this Report are furnished in compliance with the requirements of Section 134 and other applicable provisions of the Companies Act, 2013 read with the rules made thereunder, as well as the relevant provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

1. PERFORMANCE REVIEW:-

Financial Summary of the Company (₹ in Cr)

PARTICULARS	Standalone		Consolidated	
	For the Year Ended 31/03/2026	For the Year Ended 31/03/2025	For the Year Ended 31/03/2026	For the Year Ended 31/03/2025
i. Revenue from operations	1,715.19	1,382.92	1,758.38	1,418.33
ii. Other Income	1.75	5.43	1.49	5.34
iii. Total Revenue (i + ii)	**1,716.94**	**1,388.35**	**1,759.87**	**1,423.67**
iv. Expenses				
a. Cost of materials consumed	1,359.36	1,082.67	1,366.26	1,082.96
b. Purchase of Stock in trade	-	-	14.70	12.68
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	-29.22	-34.02	-30.20	-33.69
d. Employee benefit expenses	65.26	53.89	71.75	58.97
e. Finance Cost	47.40	40.80	47.76	41.13
f. Depreciation and amortisation expense	26.01	22.29	27.32	23.42
g. Other expenses	178.36	155.45	188.81	163.52
h. Total Expenses	**1,647.17**	**1,321.08**	**1,686.40**	**1,348.99**
v. Profit before exceptional and extraordinary items and tax (iii-iv)	69.77	67.27	73.47	74.68
vi. Exceptional Items	0.65	15.18	-	-
vii. Profit before tax (v+vi) & extraordinary items	70.42	82.45	73.47	74.68
viii. Extraordinary items	-	-	-	-
ix. Profit before tax	**70.42**	**82.45**	**73.47**	**74.68**
x. Tax expense:	16.59	20.20	18.45	22.19
xi. Share of Profit from Associates	NA	NA	-1.24	-0.02
xii. Profit for the period - After Tax (ix-x-xi)	**53.83**	**62.25**	**53.78**	**52.47**
xiii. Earnings per equity share:				
(1) Basic (in Rs.)	30.44	35.30	29.94	29.75
(2) Diluted (in Rs.)	30.44	35.21	29.94	29.75
xiv. Reserves and Surplus	561.39	512.60	574.97	526.27

2. PROGRESSION IN THE YEAR

The Indian economy demonstrated remarkable resilience during FY 2025-26, maintaining its position as one of the fastest-growing major economies in the world. Strong domestic consumption, sustained government capital expenditure, robust services sector growth, and improving manufacturing activity supported economic expansion. Inflation remained largely under control, aided by stable food prices and prudent monetary policy, while infrastructure investments continued to strengthen the country's long-term growth prospects.

Globally, FY26 was marked by geopolitical tensions, trade uncertainties, supply chain disruptions, and fluctuating energy prices. Despite these challenges, India benefited from its diversified economic structure, expanding digital economy, and growing integration with global value chains. The country also witnessed healthy growth in exports, particularly in services, reflecting its increasing competitiveness in the global market.

While external risks such as slowing global demand, trade barriers, and geopolitical conflicts persisted, India's strong macroeconomic fundamentals, policy reforms, and investment-driven growth provided a solid foundation for sustainable economic development and long-term value creation.

The electrical equipment and industrial engineering sector continued to benefit from sustained investments in power infrastructure, industrial automation and renewable energy, electrification and manufacturing expansion under the Government's infrastructure development initiatives. These structural growth drivers continue to create long-term opportunities for companies with strong engineering capabilities, diversified product portfolios and manufacturing excellence.

During FY 2025-26, the Company delivered a strong standalone revenue performance, with revenue from operations increasing by 24% to Rs.1,715.19 crore from Rs.1,382.92 crore in the previous year. The company had a broad-based growth across Industrial Switchgear, Wires & Cables and Building Products, supported by a strong customer engagement, continued market expansion and improved manufacturing efficiencies.

Operating profit increased by 13% to Rs.141.43 crore as against Rs.124.93 crore in FY 2024-25, reflecting the Company's ability to sustain operational growth despite a challenging cost environment. Profit Before Tax (before exceptional income) stood at Rs.69.77 crore compared to Rs.67.27 crore in the previous year, registering a growth of 4%.

During the year, the Company faced significant cost pressures arising from the sharp increase in the prices of key raw materials, particularly silver, copper, and plastics, which impacted operating margins. Consequently, the operating Profit margin in the year moderated to 8.25% from 9.03% in the previous year. Despite these headwinds, the Company continued to maintain pricing discipline, improve operational efficiencies and optimize product mix, somewhat limiting the overall impact on profitability.

Profit after Tax stood at Rs.53.83 crore as against Rs.62.25 crore in FY 2024-25. The decline was primarily attributable to the significant exceptional gain recognized in the previous year arising from the sale of shares held in Kaycee Industries Limited. Excluding the impact of such exceptional income, the Company's core business operations continued to demonstrate resilience and profitability.

3. EXPORTS BUSINESS

The export market during FY 2025–26 was significantly impacted by global trade disruptions arising from tariff impositions by major economies, persistent geopolitical tensions, supply chain disruptions and subdued demand across certain international markets. These developments affected export-oriented industries worldwide, including Indian engineering and electrical product manufacturers. Consequently, the Company's export business witnessed a de-growth of around 10% during the year. As a result, the contribution of exports to the Company's total revenue declined to 21%, compared to over 25%**,** a level consistently maintained over the past several years. Despite these un-favourable trends, Asia and North America continued to be the Company's largest export destinations, reflecting its strong market presence and long-standing customer relationships in these regions. The Company's export portfolio remained well diversified, with Toroidal Transformers, Wire Harnesses and Sensors continuing to be the key contributors to export revenue. The Company remains focused on expanding its global footprint by strengthening customer engagement, diversifying markets and introducing value-added products to drive sustainable export growth in the coming years.

The Company also continued to strengthen its export ecosystem by working closely with global OEM customers, expanding product certifications and enhancing engineering support for international markets. These initiatives are expected to improve competitiveness and support export recovery once global demand normalises.

4. INDIVIDUAL DIVISION'S PERFORMANCE AND CONTRIBUTIONS

i. Industrial Switch Gear Division:

The Industrial Switchgear segment continued to be the Company's largest business vertical and a significant contributor to its overall revenue during FY 2025–26. Demand remained healthy across industrial automation, infrastructure, power distribution and renewable energy sectors, supported by ongoing investments in manufacturing and electrification. The Company's comprehensive portfolio of rotary switches, load break switches, changeover switches and other switching solutions continued to serve a wide spectrum of industrial applications in domestic and international markets. The Company's emphasis on product quality, application-specific solutions, continuous product development and strong customer relationships supported the segment's performance during the year. Looking ahead, increasing investments in industrial automation, power infrastructure and energy-efficient technologies are expected to provide sustained growth opportunities for the segment. During the year, the Company continued to invest in new product development, application engineering and manufacturing automation to strengthen its competitive position. The continued expansion of the product portfolio and focus on higher value-added products are expected to further enhance the segment's long-term profitability.

The business recorded a robust growth of 21% over the previous year and accounted for 56% of the Company's total revenue, reflecting sustained demand across key end-user industries and the strength of the Company's product portfolio.

The Industrial Switchgear segment recorded a strong performance during FY 2025–26, with revenue increasing by 21% to Rs.961.47 crore from Rs.795.16 crore in the previous year. EBITDA grew by 16%, reflecting healthy operational performance. The EBITDA margin stood at 11.37%, compared to 11.82% in FY 2024–25, with higher input costs exerting marginal pressure on margins despite the strong growth in revenue.

Over the past five years, the Industrial Switchgear business has emerged as the Company's strongest growth engine, delivering a robust 5-year CAGR of 30%. This sustained performance underscores Salzer's ability to capitalize on growing opportunities in industrial automation, power infrastructure and renewable energy, while continuously expanding its product portfolio, strengthening customer relationships and enhancing its presence across domestic and international markets.

The Industrial Switchgear segment recorded broad-based growth across its key product categories during FY 2025–26. Three-Phase Electrical Transformers emerged as the fastest-growing product line, registering a growth of 46%, reflecting strong demand from power distribution and industrial applications. Custom Control Panels and Sensors also delivered robust growth of 38% and 30%, respectively, driven by increasing adoption of automation and intelligent electrical systems. The broad-based growth across almost all major product categories reflects the strength of the Company's diversified product portfolio and reduced dependence on any single product line. This balanced growth also demonstrates Salzer's ability to participate across multiple end-user industries including power, automation, OEMs, infrastructure and renewable energy.

ii. Wires and Cables

The Wires and Cables segment continued to be the second-largest contributor to the Company's revenue during FY 2025–26, supported by steady demand from infrastructure, industrial and residential applications. The Company's diverse portfolio of flexible cables, control cables, data cables and specialty wires caters primarily to the domestic market, serving a wide spectrum of OEMs, industrial customers and project requirements. Demand remained supported by ongoing investments in infrastructure development, industrial expansion and increasing electrification across the country.

The Wires and Cables industry continues to be highly competitive, with the presence of both organized and unorganized manufacturers resulting in pricing pressures and the need for continuous product differentiation. Despite these challenges, the Company sustained its performance through its unwavering focus on product quality, manufacturing excellence, timely deliveries and long-standing relationships with OEM customers.

The Wires and Cables segment recorded revenue of Rs.666 crore during FY 2025–26, as against Rs.514 crore in the previous year, registering a healthy year-on-year growth of 30%. The segment accounted for 39% of the Company's total revenue during the year. Growth was supported by sustained demand from infrastructure, industrial and residential applications.

Over the past five years, the Wires and Cables division has demonstrated consistent growth, with revenue increasing from Rs.320.62 crore in FY21 to Rs.665.49 crore in FY26, representing a healthy 5-year CAGR of 16%. The Company continues to focus on increasing the share of value-added specialty cables and OEM-focused products, which are expected to improve margins while strengthening long-term customer relationships.

iii. Building Products

The Building Products segment is the Company's Business-to-Consumer (B2C) business vertical, offering a comprehensive range of products including Modular Switches, Wires & Cables, Miniature Circuit Breakers (MCBs), Distribution Boards and Changeovers. The segment operates in a highly fragmented and intensely competitive market, characterized by the significant presence of unorganized players, resulting in persistent pricing pressures and relatively modest growth.

Salzer's Building Products segment posted revenue of Rs.87 crore in FY26, reflecting a 9% year-on-year growth. Although the segment currently represents around 5% of standalone revenue, it continues to provide the Company with an important presence in the retail electrical products market and offers significant long-term growth potential through expansion of the distribution network and product portfolio.

5. CONSOLIDATED FINANCIAL PERFORMANCE

The Company delivered a healthy consolidated performance during FY 2025–26, with revenue increasing by 24% to Rs.1,758.38 crore, compared to Rs.1,418.33 crore in the previous year with a strong growth of 24%. Operating Profit grew by 10% to Rs.147.06 crore, reflecting improved business volumes despite continued cost pressures. Consolidated Profit after Tax increased to Rs.53.78 crore, representing a 2% growth over the previous year. The consolidated performance reflects the resilience of the Group's diversified business model and continued contribution from its subsidiaries despite a challenging operating environment.

6. KEY SIGNIFICANT DEVELOPMENTS

a. Renewed focus on the Energy Management Business

As reported in our previous Annual Report, the Company, after a gap of five years, has re-entered the Energy Management business by securing a significant Energy Efficiency Project from the Greater Bengaluru Authority (GBA), formerly known as the Bruhat Bengaluru Mahanagara Palike (BBMP), Bengaluru.

The project, valued at approximately Rs.192 crore, involves the implementation of a Centralized Control and Monitoring System (CCMS) and the replacement of conventional streetlights with energy-efficient LED streetlights across the East Zone and a part of the Bommanahalli Zone of Bengaluru.

The contract is being executed through Effilume Private Limited, a Special Purpose Vehicle (SPV), in which Salzer Electronics Limited holds a 49% equity stake, while the remaining 51% is held by Schnell Energy Equipments Private Limited, a company with proven expertise in executing and managing large-scale street lighting and energy efficiency projects.

The project is progressing as per the implementation schedule and is expected to be completed during the second quarter of FY27. Upon commencement of operations, the project is expected to start contributing to the Company's revenue from the same quarter, thereby strengthening our presence in the Energy Management business. The successful execution of this project will establish an important reference for securing similar smart lighting and energy efficiency projects across India, thereby creating a scalable platform for future growth.

b. Poised for Scalable Growth in Smart Metering

The Smart Meter Programme under the Government of India's Revamped Distribution Sector Scheme (RDSS), with an overall outlay of approximately Rs.3.04 lakh crore and Gross Budgetary Support of Rs.97,631 crore, continues to represent one of the most significant long-term growth opportunities in the Indian power sector. However, the pace of implementation across the industry has been slower than originally envisaged due to a combination of factors, including consumer resistance arising from perceived billing concerns, communication network constraints, integration with legacy distribution infrastructure, extended tendering and testing cycles, and labour-related challenges. Consequently, the Government has extended the target date for installation of approximately 25 crore smart meters from March 31, 2026 to March 31, 2028.

The slower rollout has resulted in a deferment of purchase orders from Advanced Metering Infrastructure Service Providers (AMISPs), impacting the order inflow across the industry, including your Company, and consequently affecting the anticipated scale of operations and revenue from the Smart Meter business during the year. Notwithstanding these short-term challenges, Salzer continues to remain confident of the long-term potential of this business. During the year, the Company continued to strengthen its manufacturing capabilities, product certifications and customer engagement initiatives to ensure readiness for large-scale deployment. The Company believes that its investments in technology, manufacturing infrastructure and strategic partnerships position it favourably to capitalize on the next phase of smart meter implementation.

c. Overseas Venture

Salzer Electronics Arabia Limited ("SEAL"), the Company's wholly owned subsidiary incorporated in the Kingdom of Saudi Arabia, has been established to cater to the growing demand for the Company's products across Saudi Arabia and the wider Gulf Cooperation Council (GCC) region. The establishment of the manufacturing facility is progressing as planned, with a proposed capital expenditure of approximately Rs.10 crore. The facility is expected to commence commercial operations towards the end of the second quarter or the beginning of the third quarter of the Current Financial year.

The Saudi Arabian venture marks a significant milestone in the Company's international expansion strategy and is expected to strengthen Salzer's presence in the Middle East. Leveraging the region's growing investments in infrastructure, industrial development and energy transition, the subsidiary is expected to make a meaningful contribution to the Company's revenue and profitability over the next three to five years while enhancing its global footprint.

d. Innovation & Technology

Engineering innovation has always been one of the defining strengths of Salzer Electronics Limited. As technology continues to reshape industries and customer expectations evolve, the Company remains committed to developing innovative products and engineering solutions that deliver higher performance, enhanced reliability and greater value.

During FY 2025–26, the Company continued to invest in product engineering, manufacturing technologies, process automation and quality enhancement across its business verticals. These investments are focused not only on developing new products but also on continuously improving existing product platforms, manufacturing efficiency and customer-specific engineering solutions.

Salzer's engineering teams work closely with customers to understand emerging application requirements and develop products that meet evolving industry standards in industrial automation, power distribution, renewable energy, building electricals, energy management and smart metering. The Company's integrated design, testing and manufacturing capabilities enable faster product development, improved quality and shorter time-to-market.

In parallel, the Company continues to strengthen its manufacturing infrastructure through automation, digital process controls and continuous improvement initiatives that enhance productivity, consistency and operational excellence. These initiatives support Salzer's commitment to delivering world-class products while maintaining high standards of quality, safety and reliability.

The Board believes that innovation is not a one-time activity but a continuous journey. By investing in engineering talent, technology and advanced manufacturing capabilities, the Company is building a strong foundation for sustainable growth and reinforcing its position as a trusted engineering solutions partner for customers across India and global markets.

7. DIVIDEND

At its meeting held on May 23, 2026, the Board of Directors considered and recommended a final dividend of 25% (Rs. 2.50 per Equity Share of face value of Rs.10 each) for the Financial Year ended March 31, 2026. The total cash outflow on account of the proposed dividend is approximately Rs.4.42 crore.

The proposed dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting. Upon such approval, the dividend will be paid within the prescribed statutory time limit to those members whose names appear in the Register of Members or in the records of the Depositories, as the case may be, as on the Record Date fixed for the purpose.

8. CAPITAL STRUCTURE

As on 31st March 2026, the Authorized, Issued, Subscribed and Paid-up Share Capital is as follows

Authorised Share Capital	Rs.19,00,00,000/- comprising of 1,90,00,000 Equity shares of Rs.10/- each and Rs.1,00,00,000/- - Comprising 10,00,000 Non Cumulative Convertible Preference Shares of Rs.10/- each
Subscribed and Paid-up Share Capital	Rs.17,68,27,370/- comprising of 1,76,82,737 Equity shares of Rs.10/- each

During the year under review,

The Company has not issued Equity Shares with differential rights as to dividend, voting or otherwise.

The Company has not issued Equity Shares (including Sweat Equity Shares) to employees of the Company, under any scheme.

The Company has not resorted to any buyback of the Equity Shares.

The Company has not undertaken any share issues either on a private placement basis or preferential allotment basis or Right issues basis.

9. AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

During the year under review, your Company has not amended any Provisions in the Memorandum and Articles of Association.

10. CORPORATE GOVERNANCE

Your Company remains committed to maintaining the highest standards of Corporate Governance and continue to adhere to sound governance practices in the conduct of its business. The Company has complied with the Corporate Governance requirements specified under Regulations 17 to 27 and Regulation 46, read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

Pursuant to the said Regulations, the Report on Corporate Governance forms an integral part of this Annual Report and is annexed hereto as **Annexure – 1**.

The certificate issued by the Statutory Auditor confirming compliance with the conditions of Corporate Governance, as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Directors' Report.

The Board believes that strong corporate governance continues to be a key enabler of sustainable value creation and remains committed to maintaining high standards of transparency, accountability and ethical business conduct.

11. RESERVES

The Company had transferred an amount of Rs.50 Lakh from the profits for the financial year 2025-26 to the General Reserve.

12. LIQUIDITY

The Company has adequate cash and cash equivalents in its Books as at March 31, 2026 to effectively take care of all current liabilities.

13. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year, the nature of the business of your Company – Manufacturing of Electrical Installation Products- has not changed.

14. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which financial statements relate and the date of this report.

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

During the year under review and up to the date of this Report, no significant orders have been passed by any Court in India, Tribunal, or Regulatory Authority which would impact the Company's going concern status or have a material bearing on its future operations.

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

The Company has established a robust and effective Internal Financial Controls (IFC) framework designed to ensure the orderly and efficient conduct of its business, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, timely preparation of reliable financial information, and compliance with applicable laws and regulations. The internal control framework is periodically reviewed, documented through well-defined policies and procedures, and continuously strengthened through automation and digital initiatives to enhance operational efficiency and system reliability.

In view of the evolving business and regulatory environment, the Company proactively identifies and evaluates financial reporting risks associated with key business processes and significant financial statement line items. Appropriate internal controls are designed and implemented to mitigate such risks and are reviewed periodically to address changes in business operations, information technology systems and regulatory requirements. The Corporate Accounts function plays an active role in the design, implementation and validation of process improvements, including changes impacting financial reporting systems.

The Company's internal control mechanism also encompasses periodic physical verification of inventories, property, plant and equipment, and cash balances, in accordance with established policies. No material discrepancies were observed during the year under review. Significant accounting estimates and judgements applied in the preparation of the financial statements are based on well-established accounting policies and, wherever considered necessary, are supported by expert opinions. Such estimates and judgements are subject to appropriate review by the Audit Committee.

The Company has an independent and risk-based Internal Audit function that periodically evaluates the adequacy and operating effectiveness of internal controls across business functions. The findings and recommendations of the Internal Auditors are reviewed by the Audit Committee, which monitors the implementation of corrective actions. In addition, the Company has established a comprehensive Code of Conduct and a Whistle Blower Policy to foster ethical business practices, transparency, accountability and a strong governance culture across the organization.

Based on the evaluation carried out during the year, the Board is of the opinion that the Company's Internal Financial Controls with reference to the financial statements are adequate and operating effectively.

17. DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES

With reference to the shareholdings held by the Company as at March 31, 2026, your Company has following subsidiary Companies

a. Subsidiaries

i. Kaycee Industries Limited

ii. Salzer Kostad EV Chargers Private Limited

b. Wholly Owned Subsidiaries

iii. Salzer EV Infra Private Limited

iv. Salzer Electronics Arabia Limited

c. Step-down subsidiary

v. Salzer Emarch Electromobility Private Limited (Step down subsidiary of Salzer EV Infra Private Limited)

d. Associate Entity

vi. Effilume Private Limited

vii. Aurawin Solutions Private Limited

e. Step –down Associate Entity

viii. Ultra –Fast Chargers Private Limited

Performance Analysis of aforesaid Entities

i. Kaycee Industries Limited (Subsidiary)

Presently, Salzer holds a 71.70% equity stake in Kaycee Industries Limited ("Kaycee"). During the financial year 2025–26, Kaycee reported a revenue of Rs.60.05 crore, registering a growth of 13% over the previous financial year 2024–25. However, its profit was down by 15% owing to the unprecedented increase in input costs.

In spite of the temporary challenges arising out of the spiralling raw material costs, Kaycee is on a strong trajectory owing to its established position in the market and has been able to deliver consistent performance during the year. The Company remains well-positioned to sustain its growth momentum in the years ahead.

Over the last five financial years, the Company has demonstrated a strong growth trajectory, with revenue increasing from Rs.22.70 crore in FY21 to Rs.60.05 crore in FY26**,** representing a healthy 5-year CAGR of approximately 21.5%**.** Profit After Tax (PAT) has grown even more robustly, rising from Rs.0.85 crore to Rs.4.98 crore during the same period, translating into an impressive 5-year CAGR of approximately 42.4%**.** This sustained performance reflects the Company's continued focus on operational excellence, product diversification, market expansion and value creation for its stakeholders.

Kaycee continues to strengthen the Group's position in precision electrical products and complements Salzer's existing industrial switchgear portfolio.

ii. Salzer Kostad EV Charges Private Limited (Subsidiary)

Salzer Kostad EV Chargers Private Limited was incorporated with the primary objective of establishing fast charging stations for electric vehicles, in collaboration with Kostad, an Austrian technology partner. However, the venture was subsequently assessed to be operationally unviable and failed to generate any economic value.

Accordingly, the Board of Directors, at their meeting held on May 24, 2025, approved the write-off of the entire equity investment of Rs.83 Lakh, representing a 67% shareholding in the said subsidiary. The investment has been fully impaired during the financial year 2024–25, in accordance with the requirements of Indian Accounting Standard (Ind AS) 36 – *Impairment of Assets.*

Eventually, Salzer Kostad has filed an application with the Registrar of Companies for striking off its name from the Register of Companies pursuant to Section 248 of the Companies Act, 2013, as the Company has decided to discontinue its operations through the said entity.

iii. Salzer EV Infra Private Limited (Wholly Owned Subsidiary)

Salzer EV Infra Private Limited, a wholly owned subsidiary of the Company, has been established as an investment vehicle to channel strategic investments into companies engaged in the electric vehicle (EV) sector and energy-related ventures. During the year, the Company has not generated any revenue from operations, and has been taking efforts to do Energy business in the near future

iv. Salzer Electronics Arabia Limited (Wholly Owned Overseas Subsidiary)

Salzer Electronics Arabia Limited ("SEAL"), the Company's wholly owned subsidiary incorporated in the Kingdom of Saudi Arabia, has been established to cater to the growing demand for the Company's products across Saudi Arabia and the wider Gulf Cooperation Council (GCC) region. The establishment of the manufacturing facility is progressing as planned, with a proposed capital expenditure of approximately Rs.10 crore.

v. Salzer EMarch Electromobility Pvt. Ltd (Step down subsidiary)

Your Company, through its wholly owned subsidiary Salzer EV Infra Private Limited**,** had formed a joint venture entity, Salzer EMarch Electomobility Private Limited, in association with EMarch LLP, with the objective of developing and manufacturing electric vehicle conversion kits for auto-rickshaws. However, the proposed project was subsequently evaluated and found to be operationally unsustainable, with no economic returns realised from the investment. Accordingly, the Board of Directors, at their meeting held on May 24, 2025, approved the write-off of the entire investment of Rs.34.75 Lakh, representing a 98.50% equity holding in the step-down subsidiary, Salzer EMarch Electromobility Private Limited.

The said investment has been fully impaired in the financial year 2024–25, in accordance with the principles of Indian Accounting Standard (Ind AS) 36 – Impairment of Assets**,** and has been appropriately accounted for in the consolidated financial statements of the Company .

vi. Effilume Private Limited (Associate Entity)

As reported earlier in this Report, Effilume Private Limited is a Special Purpose Vehicle (SPV) jointly promoted by Salzer Electronics Limited and Schnell Energy Equipments Private Limited, wherein the former holds a 49% equity stake and the latter holds the remaining 51% equity stake.

Effilume Private Limited is implementing the Energy Efficiency Project valued at approximately Rs.192 crore, awarded by the Greater Bengaluru Authority (GBA) during the financial year 2024–25.

vii. Aurawin Solutions Pvt Ltd (Associate Entity)

An investment of Rs.0.30 Lakh was made in the company primarily to facilitate participation in smart meter tenders in some states and to explore opportunities in the smart metering segment.

viii. Ultra-Fast Chargers Pvt Ltd (step-down associate entity through Kaycee Industries Limited)

Ultra-Fast Chargers Private Limited is a step-down associate entity of Salzer Electronics Limited through its subsidiary, Kaycee Industries Limited. Kaycee Industries Limited holds a 30% equity stake in Ultra-Fast Chargers Private Limited, which was acquired in October 2024.

The Company is engaged in the business of developing and marketing charging infrastructure and solutions for electric vehicles, catering to the growing demand for EV charging networks across the country.

During the financial year 2025-26, Ultra-Fast Chargers Private Limited reported revenue of Rs.5.53 Crore. The investment aligns with the Group's strategic focus on emerging opportunities in the electric mobility and sustainable energy sectors.

18. DEPOSITS

During the Financial year under review, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act 2013 read with Companies (Acceptance of Deposits) Rules, 2014. As such there was no deposit outstanding as at March 31, 2026.

19. AUDITORS

a. Statutory Auditor

The Shareholders, at the 39th Annual General Meeting held on September 14, 2024, approved the appointment of M/s. Swamy & Ravi, Chartered Accountants (Firm Registration No. 004317S), Coimbatore, as the Statutory Auditors of the Company for a term of five consecutive years, commencing from the conclusion of the 39th Annual General Meeting until the conclusion of the 44th Annual General Meeting, covering the financial year 2028–29.

M/s. Swamy & Ravi, Chartered Accountants, have furnished a certificate to the Board confirming that they are not disqualified from continuing as the Statutory Auditors of the Company under the provisions of Section 141 of the Companies Act, 2013.

b. Secretarial Auditors

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 179 and 204 of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014, M/s G V and Associates, Company Secretaries, Coimbatore, were appointed as the Secretarial Auditors of the Company for a first term of five consecutive financial years commencing from FY 2025–26, by the shareholders at the 40th Annual General Meeting of the Company held on September 12, 2025.

c. Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Directors, on the recommendation of the Audit Committee and subject to the approval of the Members, have appointed CMA Mr.A.R.Ramasubramania Raja, Practicing Cost and Management Accountant, as the Cost Auditor of the Company for the Financial Year 2026-27 to conduct the audit on the Maintenance of Cost Records of the Company and submit the report to the Central Government with the due approval of the Board of Directors within the stipulated time.

20. INVESTMENTS MADE BY THE COMPANY

The Company has established adequate systems to periodically review the fair value of its investments and assess any material impact resulting from fluctuations in their valuation. These assessments are carried out in accordance with the applicable accounting standards and are appropriately reflected in the financial statements.

21. AUDITORS' REPORT

The Independent Audit Report along with the Annexure as prescribed under Companies (Auditors' Report) Order 2020 as issued by the Auditors' are appended to this Annual Report. The Auditors have not made any qualification / adverse remarks.

22. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OF THE COMPANIES ACT 2013

There were no instances of fraud reported by the Auditors to the Central Government or to the Audit Committee of the Company as indicated under the provisions of Section 143 (12) of the Companies Act, 2013.

23. MAINTENANCE OF COST RECORDS UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 148 (1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company was required to maintain cost records. Accordingly, the Company has duly made and maintained the Cost Records as mandated by the Central Government.

24. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in form No. MGT – 7 forms part of the Board's report given in the company's website www.salzergroup.net in compliance with Rule 12(1) of the Companies (Management and Administration) Rules, 2014.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo given as **Annexure- 2** herewith separately.

26. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company continues to align its CSR initiatives with national priorities, focusing on education, healthcare, environmental sustainability and community development. The Company has constituted a CSR Committee of the Board of Directors and has adopted a CSR Policy. The same is posted in the Company's website www.salzergroup.net A report in the prescribed format detailing the CSR expenditure for the year 2025-26 is attached herewith as **Annexure-3** and forms a part of this report.

27. DIRECTORS:

a. Changes in Directors and Key Managerial Personnel

During the year under review, there was no change in the composition of the Board of Directors. As on March 31, 2026, the Board comprised eight Directors, consisting of two Executive Directors, three Independent Directors and three Non-Executive, Non-Independent Directors. The composition of the Board is in compliance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013.

b. Re-appointment of the Managing Director

Mr. R. Doraiswamy was re-appointed for a further term of three years with effect from May 01, 2026, pursuant to the approval accorded by the shareholders by way of a Special Resolution passed through Postal Ballot on April 18, 2026 as recommended by the Board at its meeting held on February 11,2026

c. Retirement by Rotations

Mr. N. Rangachary and Mr. V. Sankaran, who retire by rotation at the ensuing 41st Annual General Meeting, being eligible, have offered themselves for re-appointment in pursuance of Section 152 of the Companies Act, 2013 read with Article 178 of the Articles of Association of the Company. As both the Directors have attained the age of 75 years, their re-appointment is also being placed before the Members for approval by way of Special Resolutions in terms of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d. Declaration by the Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015. The Board has optimum composition of the Independent and Non Independent Directors.

e. Formal Annual Evaluation

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:-

Board dynamics and relationships
Information flows
Decision-making.
Relationship with stakeholders
Company performance and strategy
Tracking Board and committees' effectiveness

f. Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report.

g. Committees of the Board.

Currently, the Board has five committees: the Audit Committee, the Nomination and

Remuneration Committee, the Corporate Social Responsibility Committee, Stakeholders Relationship Committee, and the Risk Management Committee. A detailed note on the composition of the Board and its committees is provided in the corporate governance report section of this Annual Report. It may be noted that, pursuant to Regulation 21(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the constitution of a Risk Management Committee is not mandatory for the Company, as it does not fall within the top 1,000 listed entities based on market capitalization. Nevertheless, as a measure of good corporate governance and to strengthen the Company's risk management framework, the Board has voluntarily constituted a Risk Management Committee to identify, assess, monitor and mitigate risks associated with the Company's business and operations.

28. LISTING REGULATIONS

Your Company has duly complied with various Regulations as prescribed under SEBI (Listing Obligations and Disclosure) Regulations, 2015.

29. MEETINGS

The details in respect of the Meeting of the Board of Directors, Audit Committee and all other sub Committee are given in the Corporate Governance Report.

30. WHISTLE BLOWING POLICY MECHANISM

The Company has in place a robust Whistle Blower Policy, which provides a structured mechanism for Directors and Employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics Policy.

This mechanism:

Allows Directors and Employees to access the Audit Committee, in good faith, to report any unethical, improper, or wrongful conduct observed within the organization.

Prohibits managerial personnel from taking any adverse personal action against employees who report concerns.

Provides necessary safeguards to protect whistle-blowers from reprisals, victimization, or unfair treatment.

The policy is applicable to all Directors and employees of the Company and reinforces the Company's commitment to transparency, integrity, and accountability.

To report any such concerns or incidents, employees and directors may directly contact or write to the Chairman of the Audit Committee at the designated email address or correspondence address provided by the Company.

Office of the Audit Committee (Compliance Officer)

E-Mail : murugesan@salzergroup.com
Contact No. 0422 4233614
Office of the Managing Director
E-Mail : rd@salzergroup.com
Contact No.0422-4233612

Office of Joint Managing Director and Chief Financial Officer

E-Mail : rajesh@salzergroup.com
Contact No.0422-4233610

During the year under review, no complaint was received by the above officers under whistle blowing policy mechanism with respect to the performance of the company and other related matters.

31. PREVENTION OF SEXUAL HARASSMENT AT THE WORK PLACE

The Company has constituted an Internal Committee (IC) at all its units in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Committee is responsible for addressing and resolving complaints related to sexual harassment reported by women employees.

This policy applies to all categories of employees, including permanent, contractual, temporary, and trainees, ensuring a safe and respectful work environment for all.

32. DURING THE YEAR UNDER REVIEW, NO COMPLAINTS WERE RECEIVED BY THE INTERNAL COMMITTEE.

The Company remains committed to upholding the dignity of every individual and maintaining a workplace free from discrimination and harassment.

33. COMPLIANCE WITH THE PROVISIONS OF THE MATERNITY BENEFIT ACT, 1961

The Company has complied with the provisions relating to the Maternity Benefits Act, 1961 for the Financial Year ended March 31, 2026.

34. NOMINATION AND REMUNERATION COMMITTEE

The purpose of the committee is to screen and to review individuals qualified to serve as executive directors, non-executive directors and independent directors, consistent with policies approved by the Board, and to recommend, for approval by the Board, nominees for election at the AGM.

The committee also makes recommendations to the Board on candidates for

i. nomination for election or re-election by the shareholders and

ii. any Board vacancies that are to be filled.

It also reviews and discusses all matters pertaining to candidates and evaluates the candidates. The nomination and remuneration committee coordinates and oversees the annual self-evaluation of the Board and of individual directors.

The nomination and remuneration committee's charter and policy are available on our website.

35. POLICY ON THE DIRECTORS APPOINTMENT AND REMUNERATION

As of March 31, 2026 the Board of Directors of the Company comprises eight members, including two Executive Directors, three Non-Executive, Non-Independent Directors, and three Independent Directors, one of whom is a Woman Independent Director.

The composition of the Board is in compliance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and reflects a balanced blend of executive and non-executive leadership.

The Company follows its Nomination and Remuneration Policy, formulated in accordance with Section 178(3) of the Companies Act, 2013, which outlines the criteria for appointment, qualifications, and remuneration of Directors and Key Managerial Personnel. The policy is available on the Company's website for reference by stakeholders.

We affirm that the remuneration paid to the Directors during the year is in accordance with the terms and conditions laid out in the said policy.

36. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review,

The Company has not granted/taken loans, unsecured, from or to Companies, firms or other parties, listed in the Register maintained under section 189 of the Companies Act, 2013 ('the Act').

The investments in other bodies corporate are well within the limit as prescribed under Section 186 of the Companies 2013.

37. RELATED PARTY TRANSACTIONS

All the transactions of the Company with related parties are at arms' length and have taken place in the ordinary course of business. None of the transactions with related parties is a material transaction. Since there are no transactions that are not in arms' length and material in nature, disclosure under AOC 2 does not arise. The Board approved Related Party Transaction Policy is available at the Company's website www.salzergroup.net

38. INSIDER TRADING

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has adopted a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders. This Code is strictly adhered to by all Designated Persons (DPs) while dealing in the Company's securities beyond the defined threshold limits.

The Company also maintains a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)**,** ensuring transparent and timely disclosure. The company also conducts periodic compliance awareness programmes are conducted for Designated Persons.

A structured system is in place for tracking trading activities of DPs and their immediate relatives. The trading window remains closed from the end of each financial quarter until 48 hours after the public disclosure of financial results or other UPSI. DPs are regularly advised not to trade during this period. Additionally, the trading window is closed in connection with Board meetings considering UPSI, and demat accounts of relevant DPs are frozen in line with SEBI circulars.

Further, a Structured Digital Database (SDD) has been installed for effective implementation of the practices.

39. MANAGERIAL REMUNERATION

The Company has employed individuals whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details pursuant to section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed herewith as **Annexure - 4.**

40. SECRETARIAL AUDIT REPORT

In accordance with Section 204 of the Companies Act, 2013, the Board of Directors, at their meeting held on May 24, 2025, appointed Mr. G. Vasudevan, B.Com, LLB, FCS, of M/s. G V Associates, Company Secretaries (Certificate of Practice No. 6522), as the Secretarial Auditor to carry out the audit of secretarial records for the Financial Year 2025-26, pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the Financial Year ended March 31, 2026, is provided in **Annexure - 5** to this report.

The report confirms the Company's compliance with the applicable provisions of the Act, Rules, Regulations, Guidelines, and Standards, with the exception of two observations as given below

S.No	Observation of the Secretarial Auditor	Board Comments
1	As per Regulation 30 of SEBI (LODR) Regulations, 2015, outcome of the Board Meeting is required to be submitted within 30 minutes from the closure of the Board Meeting. The Board Meeting held on 08.08.2025 concluded at 1:45 PM. However, the outcome of the Board Meeting was submitted to NSE at 2:20 PM, resulting in a delay of 5 minutes. Subsequently, NSE sent an email dated 05.09.2025 regarding the delay in submission.	The delay was caused due to intermittent technical glitches faced while uploading the outcome on the NSE portal and that the delay was inadvertent and beyond the control of the Company. No Monetary penalty was levied
2	During the financial year 2025-26, the Company identified certain instances of contra trade transactions by Designated Persons, delayed disclosures under Regulation 7(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and trading during the Trading Window Closure Period under the Company's Code of Conduct. Pursuant thereto, the matter was placed before the Audit Committee as well as before the Board on March 10,2026. Upon the Board's directions, concerned designated persons disgorged contra trade profits aggregating to Rs.4.79 Lakh to the SEBI Investor Protection and Education Fund (IPEF) Account, and also paid monetary penalties aggregating to Rs.3.25 Lakh by such designated persons to aforesaid SEBI Account. The Company reported above violations to both SEBI on March 14,2026 and to the Stock Exchanges on March 30,2026	The Company Secretary and Compliance Officer have been advised to provide periodic awareness to the Designated Persons regarding trading in the securities of the Company, the applicable compliance requirements, and the penal consequences of violations, and to strengthen the monitoring mechanism to avoid recurrence of such instances in the future."
3	Certain disclosures required under the Companies Act, 2013 and SEBI Regulations were not available on the website of the Company. The Company has been advised to update the same on its website	The Company has been regularly updating its website with all disclosures required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Owing to technical glitches on the Investors' page of the website, certain disclosures were temporarily unavailable during the audit. Upon identification of the issue, the same was promptly rectified, and all requisite disclosures are now duly updated and available on the Company's website.

41. COMPLIANCE ON SECRETARIAL STANDARDS

The Company complies with all applicable mandatory secretarial standards issued by the Institute of Company Secretaries of India.

42. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the applicable provisions of the Companies Act, 2013, and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF), established by the Government of India, upon the expiry of seven years from the date they become due for transfer.

Further, pursuant to the IEPF Rules, shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years or more are also required to be transferred to the demat account of the IEPF Authority.

During the year under review, the Company transferred unclaimed and unpaid dividends amounting to Rs. 4,25,498/- to the IEPF. Further, 12,824 equity shares, in respect of which dividends remained unclaimed for seven consecutive years, were also transferred to the demat account of the IEPF Authority, as mandated under the IEPF Rules. Detailed information in this regard is available on the Company's website at www.salzergroup.net.

43. RISK MANAGEMENT POLICY

The Company recognizes that effective risk management is fundamental to achieving its strategic objectives and creating sustainable long-term value. Risk management at Salzer is an integral part of the Company's business planning and decision-making process, enabling the organization to identify potential risks, assess their impact, implement appropriate mitigation measures and continuously monitor the evolving business environment.

Risk management entails the identification and mitigation of potential threats that may significantly disrupt or adversely affect the organization. This process generally involves analyzing the company's operations, recognizing potential risks, evaluating their likelihood, and implementing appropriate strategies to minimize those deemed most probable.

To address such risks that may arise during the course of business, the Board of Directors has constituted a Risk Management Committee. The primary purpose of this committee is to identify threats that may impede the company's growth and to formulate strategic plans to manage and mitigate such risks effectively.

Accordingly, the operational management conducts regular assessments of the company's risk profile, focusing on risks that could impact business performance. These reviews are carried out in alignment with the organization's Risk Management Policy and in compliance with relevant regulatory guidelines.

The principal risks reviewed by the Company include fluctuations in raw material prices, supply chain disruptions, foreign exchange exposures, changes in customer demand, technological developments, cyber security, regulatory and legal compliance, working capital management, export market uncertainties, project execution risks and human resource-related risks. The Company continuously monitors these risks and implements appropriate mitigation strategies to minimize their potential impact on business performance

44. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis is set out in this Annual Report as **Annexure - 6.**

45. POLICIES OF THE COMPANY

The Company is committed to good corporate governance and has consistently maintained its organizational culture as a remarkable confluence of high standards of professionalism and building shareholder equity with principles of fairness, integrity and ethics.

The Board of Directors of the Company have from time to time framed and approved various Policies as required by the Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations. These Policies and Codes are reviewed by the Board and are updated, if required.

Some of the key policies adopted by the Company are as follows:

a. Policy on Materiality of Related Party Transactions
b. Corporate Social Responsibility Policy
c. Insider Trading Policy
d. Nomination and Remuneration Policy
e. Policy on Related Party Transactions
f. Risk Management Policy
g. Policy on prevention of sexual harassment at workplace
h. Whistle Blower Policy
i. Policy on payment of remuneration to Non-Executive Directors
j. Policy on Familiarization Program for the Non-Executive Directors

k. Policy on Determination of materiality of events/ information

l. Policy for Preservation of Records

m. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

n. Policy on Subsidiary & Material Subsidiary Company

46. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, the Directors, based on the representations received from the Operating Management, confirm that:

a. in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable Indian Accounting Standards (Ind AS) have been followed, and there are no material departures therefrom;

b. they 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 as at March 31, 2026, and of the profit of the Company for the financial year ended on that date;

c. they 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 fraud and other irregularities;

d. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

47. CREDIT RATINGS

During the year under review, the credit ratings have reaffirmed as 'CRISIL A/Stable' for long term borrowing and 'CRISIL A1' for short term borrowings. The reaffirmation reflects the Company's strong financial profile, healthy banking relationships and prudent financial management.

48. INDUSTRIAL RELATIONS

During the year under review, Industrial relations across all manufacturing locations remained cordial throughout the year. The Company continues to focus on employee engagement, capability development, workplace safety and fostering a culture of collaboration and continuous improvement.

49. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

Not Applicable

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

Not Applicable

51. CAUTIONARY STATEMENT

Statements in the Annual Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

52. ACKNOWLEDGEMENTS

The Board of Directors places on record its sincere appreciation to the Company's customers, shareholders, employees, suppliers, bankers, business associates, regulators, local communities & local administration and all other stakeholders for their continued trust and confidence. The Directors particularly acknowledge the dedication and commitment of every employee across the organisation whose efforts have enabled the Company to continue its journey of sustainable growth. We also thank our shareholders for their continued confidence in the Company and look forward to creating greater long-term value in the years ahead.

For and on behalf of the Board

N RANGACHARY
CHAIRMAN
DIN: 00054437

Place : Coimbatore
Date : May 23, 2026

****

ANNEXURE-1

CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. CORPORATE GOVERNANCE: A PILLAR OF SUSTAINABLE SUCCESS

Corporate governance at Salzer is far more than a framework of regulatory compliance—it is the foundation upon which we build sustainable growth, inspire stakeholder confidence, and create enduring value. It reflects our unwavering commitment to conducting business with integrity, transparency, accountability, and fairness, while ensuring that every strategic decision is aligned with the long-term interests of our shareholders and other stakeholders.

As our business continues to evolve in an increasingly dynamic global environment, strong governance remains central to our ability to respond with agility, manage uncertainty, and capitalize on emerging opportunities. Our governance philosophy fosters responsible leadership, prudent decision-making, and disciplined execution, enabling the Company to achieve sustainable growth while maintaining the highest standards of ethical conduct.

The Board of Directors, supported by its Committees and the Executive Management, provides strategic oversight and direction to the Company. With a balanced composition of experienced industry leaders and Independent Directors, the Board brings diverse perspectives, sound business judgment, and robust oversight to every aspect of the Company's operations. The clear delineation of responsibilities between the Board and the Management ensures effective governance, accountability, and operational excellence.

Our enterprise-wide governance framework is reinforced by a comprehensive risk management system that proactively identifies, evaluates, and mitigates strategic, operational, financial, regulatory, and emerging risks. This disciplined approach not only safeguards the Company's assets and reputation but also strengthens business resilience and enhances our ability to deliver consistent long-term performance.

Transparency and timely communication remain integral to our governance philosophy. We are committed to maintaining open and meaningful engagement with our shareholders, investors, customers, employees, business partners, regulators, and the communities in which we operate. Through comprehensive disclosures and responsible reporting, we strive to uphold the highest standards of corporate accountability and reinforce the trust placed in us by our stakeholders.

Our unwavering adherence to sound governance practices has strengthened Salzer's reputation as a responsible corporate citizen, enhanced investor confidence, and provided a solid platform for sustained financial performance and long-term value creation. We firmly believe that effective corporate governance is not an end in itself, but a strategic advantage that enables responsible growth while protecting the interests of all stakeholders.

As we look ahead, we remain steadfast in our commitment to continuously strengthening our governance standards, embracing global best practices, and fostering a culture of ethics, compliance, innovation, and responsible leadership. This commitment will continue to guide Salzer in creating sustainable shareholder wealth while contributing positively to society and the broader economy.

2. BOARD OF DIRECTORS

a. Role of Board of Directors

The Board's primary role is that of trusteeship, with a focus on safeguarding and enhancing shareholder value. In discharging its fiduciary responsibilities, the Board ensures that the Company's objectives are clearly defined and aligned with long-term value creation and sustainable growth.

In fulfilling this role, the Board is responsible for:

Providing strategic direction to ensure the Company is managed efficiently, responsibly, and in line with the expectations of all stakeholders, including society at large.

Monitoring the effectiveness of governance practices and initiating improvements where necessary.

Providing strategic direction and ensuring that management's actions are aligned with the Company's vision and objectives.

Exercising independent judgment in overseeing the Company's affairs and

Reviewing and guiding corporate strategy, major plans of action, business plans, risk management policies, and annual budgets.

b. Composition

The composition of the Board is in strict compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is structured to ensure a balanced representation, comprising an appropriate mix of Executive and Non-Executive Directors, as well as a combination of Independent and Non-Independent Directors. This composition facilitates objective decision-making and promotes effective governance.

As on March 31, 2026, the Board of Directors comprises eight members, including one Managing Director, one Executive Director, three Non-Executive Non-Independent Directors, and three Non-Executive Independent Directors.

ANNEXURE-1 (Contd.)

The composition of the Board also complies with the requirement of having a Woman Director (Independent), in accordance with applicable regulatory provisions.

The details of the attendance of each Director at Board Meetings, last Annual General Meeting ("AGM") and their Directorship in other Indian Companies and membership in the Committees thereof, details of Listed Company(ies) in which the Director holds Directorship, are as under

S.No	Name and DIN of the Director	Category of Directorship At Salzer Electronics	Attendance Particulars		Directorship in other Indian Companies (Public + Private + Section 8)	Membership in Committees		Names of other Listed Companies in which Directors hold Directorship	Designation in such other Listed Companies
			Board Meeting	AGM		Chair person	Member		
1	N.Rangachary (DIN: 00054437)	Non Executive Non Independent Director and Chairman	5	Yes	3	1	1	-	-
2	R.Doraiswamy (DIN: 00003131)	Managing Director	5	Yes	8	-	-	Kaycee Industries Limited	Promoter & Non Executive and Non Independent Director
3	D.Rajeshkumar (DIN: 00003126)	Joint Managing Director & Chief Financial Officer	5	Yes	11	-	3	Kaycee Industries Limited	Promoter & Non Executive and Non Independent Director
4	V.Sankaran (DIN : 00003141)	Non Executive Non Independent Director	5	Yes	1	-	-	-	-
5	D.Vishnu Rangaswamy (DIN : 00793090)	Non-Executive Non-Independent Director	1	No	5	-	-	-	-
6	Priya Bansali (DIN: 00195848)	Non-Executive Independent Director	5	Yes	3	2	3	Kaycee Industries Ltd, Bannari Amman Spinning Mills Ltd, The Lakshmi Mills Company Ltd	Non-Executive and Independent Director
7	Sharat Chandra Bhargava (DIN: 00008146)	Non-Executive Independent Director	4	Yes	-	-	-	-	-
8	Sundar Rajan Raman (DIN: 02511138)	Non-Executive Independent Director	5	Yes	1	1	-	Aditya Birla Sun Life AMC Limited	Non-Executive and Independent Director

Note: Membership in Committees as at March 31,2026 are disclosed only for Audit and Stakeholder Relationship Committee

c. Meeting of the Board of Directors

During the year under report, Five Board meetings were held on May 24,2025, August 08, 2025, November 01,2025, February 11, 2026 & March 10, 2026.

d. Inter-Se Relationships bbetween Directors of the Company

Sl.No.	Name	Position	Inter-se relationships
1	R.Doraiswamy	Managing Director	Father of Mr.D.Rajeshkumar, Joint Managing Director and Mr.Vishnu Rangaswamy, Director
2	D.Rajeshkumar	Joint Managing Director	Son of Mr.R.Doraiswamy, Managing Director and brother of Mr.Vishnu Rangaswamy, Director
3	Mr.Vishnu Rangaswamy	Director	Son of Mr.R.Doraiswamy, Managing Director, and brother of Mr.D.Rajeshkumar, Joint Managing Director

ANNEXURE-1 (Contd.)

e. **Number of Shares and Convertible Instruments held by Non- Executive Directors;**

Sl. No.	Name of the Director	Number of equity shares held as on 31.03.2026	Holding %
1	Mr. N.Rangachary	.	
2	V.Sankaran	.	
3	D.Vishnu Rangaswamy	809740	4.58%
4	Priya Bansali	.	-
5	Sharat Chandra Bhargava	.	-
6	Sundaraja Raman	-	-

Note: The Company has not issued any convertible instruments to any Non -Executive Directors

f. **Familiarization Programme for Directors**

At the time of appointment, every Director is issued a formal letter of appointment, outlining, inter alia, the role, functions, duties, and responsibilities expected from them as a member of the Board. The Director is also briefed in detail on the compliance requirements under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable statutes. An affirmation acknowledging the understanding of these responsibilities is obtained.

Further, the Chairman and Managing Director hold a one-on-one interaction with the newly appointed Director to familiarize them with the Company's operations, key functions, organizational structure, and strategic priorities.

The Company has a structured policy for familiarizing Directors with its business operations, strategic initiatives, governance practices, and management policies. This policy aims to ensure value creation for all stakeholders and to reinforce the Company's commitment to sound corporate governance. The policy is available on the Company's website at: www.salzergroup.net.

As part of ongoing familiarization, Directors are regularly updated at quarterly Board meetings on the performance of the Company, systems and standards being adopted, and internal control measures. Directors also periodically visit various manufacturing and operational units to gain in-depth, first-hand insights into operational practices and process standards.

In addition, functional heads make presentations to the Board at regular intervals to keep the Directors informed of key developments, functional updates, strategic initiatives, and risk management processes.

g. **Key Board qualifications, expertise, and attributes:**

The Board of Directors comprises qualified and experienced professionals who bring with them a diverse range of skills, competencies, and expertise. This collective capability enables the Board to provide effective oversight and actively support the Management in strategic decision-making and governance.

In alignment with the requirements of the Company's business operations and long-term objectives, the Board has identified a set of core skills, expertise, and competencies necessary for effective governance. The following table outlines the key areas of expertise identified by the Board and indicates the skills currently represented within the Board:

SKILL	DESCRIPTION
Leadership	Proven leadership and directorship experience enabling effective participation in or stewardship of key initiatives undertaken by the Company. Demonstrated ability to envision long-term goals, nurture talent, engage in strategic planning, and champion transformative changes to support sustainable growth.
Board Service, Legal and Governance	Extensive experience in managing Board processes and corporate governance, contributing to a deeper understanding of governance frameworks and ensuring the protection of stakeholders' interests. Proficient in interpreting and applying laws and regulations relevant to the Company, thereby strengthening compliance and enhancing overall governance standards.
Business Strategy	Experienced in formulating and executing business strategies aimed at identifying opportunities for acquisitions, divestitures, and strategic alliances to strengthen the Company's portfolio and capabilities. Skilled in evaluating project viability in alignment with strategic objectives and contributing to the Company's growth through both organic and inorganic means.

ANNEXURE-1 (Contd.)

Technology & Innovation	Ability to formulate long-term technology strategies that support and sustain business growth by anticipating emerging trends and evolving business models in an innovative manner. Experienced in evaluating technological advancements, understanding their purpose, and assessing their relevance and applicability to the Company's operations and strategic direction.
Financial	Practical knowledge and hands-on experience in finance, accounting, financial reporting, and internal financial controls. Demonstrates strong capability in assessing the financial implications of strategic decisions and ensuring the Company's growth is both profitable and sustainable.
Sales and Marketing	Proven experience in leading and driving sales and marketing functions, contributing to effective market positioning, revenue growth, and enhanced brand recognition. Skilled in formulating strategies that strengthen the Company's market presence and elevate its reputation among stakeholders.
Human Resources	Experienced in people management with expertise in talent development, conflict resolution, interpersonal relationship building, and effective liaison with internal and external stakeholders. Contributes to creating a positive organizational culture and aligning human capital strategies with business objectives.

In the table below, the specific areas of focus or expertise of individual Board Members have been highlighted. However, the absence of a mark against a director's name may not mean that the Director does not possess the said qualification or skill.

	Board Qualifications - Area of Expertise						
S. No	Leadership	Board Service, Legal and Governance	Business Strategy	Technology & Innovation	Financial	Sales and Marketing	Human Resources
1	N. Rangachary	✓	✓	✓	✓	✓	✓
2	R. Doraiswamy	✓	✓	✓	✓	✓	✓
3	D. Rajeshkumar	✓	✓	✓	✓	✓	✓
4	V. Sankaran	✓	✓	✓	✓	✓	✓
5	Mr. Vishnu Rangaswamy	✓	✓	✓	✓	✓	✓
6	Priya Bansali	✓	✓	✓	✓	✓	✓
7	Sharat Chandra Bhargava	✓	✓	✓	✓	✓	✓
8	Sundara Raja Raman	✓	✓	✓	✓	✓	✓

h. Declaration and Compliance by Independent Directors

Based on declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

As per the requirements of the Companies Act, 2013, all the Independent Directors of the Company have registered themselves in the Independent Directors Data Bank and are exempted from undertaking online self-assessment test.

During the year under review, none of the Independent Directors has resigned before the expiry of the tenure.

COMMITTEES OF DIRECTORS:

The Board has constituted the following Committees in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Audit Committee
Stakeholders' Relationship Committee
Nomination and Remuneration Committee
Corporate Social Responsibility (CSR) Committee
Risk Management Committee

The terms of reference of these Committees are defined by the Board and are periodically reviewed to ensure their continued relevance and effectiveness. Meetings of each Committee are convened by the respective Chairperson, and the minutes of these meetings are placed before the Board for review and noting.

3. AUDIT COMMITTEE:

The Audit Committee has been constituted 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, along with clearly defined terms of reference.

The Committee's responsibilities include, among other matters, the review and monitoring of:

- Quarterly and annual financial statements
- Annual budgets and financial planning
- Internal control systems and their effectiveness
- Accounting policies and compliance with applicable standards
- Internal audit processes and reports
- Financial reporting and overall administrative practices

The Audit Committee plays a pivotal role in enhancing the Company's financial governance, risk management, and internal control environment. It provides assurance to the Board on the adequacy and effectiveness of internal control systems, compliance with applicable accounting standards, and the accuracy and integrity of financial disclosures. The Committee also ensures strict adherence to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, thereby reinforcing transparency, accountability, and regulatory compliance across the organization.

The Audit Committee met Five times on May 24,2025, August 08,2025, November 01,2025, February 11, 2026 & March 10, 2026 during the year under review.

Name of the Member	Date of the meeting and attendance details				
	May 24, 2025	Aug 08, 2025	Nov 01, 2025	Feb 11, 2026	Mar 10, 2026
Priya Bhansali - Chairperson (ID)	✓	✓	✓	✓	✓
Sundar Raja Raman (ID)	✓	✓	✓	✓	✓
N Rangachary (NE-NID)	✓	✓	✓	✓	✓

ID - Independent Director and NE-NID – Non Executive Non Independent Director

The Chairman of the Audit Committee was present during the Annual General Meeting held on September 12 2025.

The Audit Committee meets once every quarter to effectively discharge its responsibilities. The Chief Financial Officer, Statutory Auditors, Internal Auditor, and the Company Secretary are regularly invited to attend the meetings to provide necessary information and clarifications. Mr. K M Murugesan, Company Secretary, serves as the Secretary to the Committee.

4. NOMINATION AND REMUNERATION COMMITTEE:

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has been constituted to oversee matters related to the composition and effectiveness of the Board and Senior Management.

The key responsibilities of the Committee include:

- Identifying and recommending individuals for appointment as Directors and to Senior Management positions
- Recommending to the Board the appointment and removal of Directors
- Formulating criteria for determining qualifications, positive attributes, and independence of Directors
- Conducting performance evaluation of Directors and the Board as a whole
- Recommending a policy on the remuneration of Directors, Key Managerial Personnel, and Senior Management

The Committee plays a crucial role in ensuring that the Company is led by competent and diverse leadership, aligned with its long-term strategy and governance standards.

The Remuneration Policy and the criteria for making payments to Non-Executive Directors is available on our website: www.salzergroup,net - Investors – Policies - Nomination and Remuneration Policy.

The Committee met once during the financial year under review on February 11,2026 The composition of the Nomination and Remuneration Committee and the attendance details of Members is as follows:

Name of the Member	February 11,2026
Sundar Raja Raman (ID) - Chairperson	✓
Sharat Chandra Bhargava (ID) - Member	✓
V Sankaran (NE-NID) - Member	✓

ID - Independent Director and NE-NID – Non Executive Non Independent Director

ANNEXURE-1 (Contd.)

a. Board Performance Evaluation

The Securities and Exchange Board of India (SEBI) vide Circular No. SEBI / HO / CFD / CMD / CIR / P / 2017 / 004 dated 5th January 2017 had issued a guidance note on Board Evaluation specifying the criteria for evaluation of performance of (i) Board as a whole (ii) individual Directors (including Independent Directors & Chairperson) and (iii) various Committees of the Board.

Based on the parameters suggested, the Nomination and Remuneration Committee has adopted suitable criteria to evaluate the Independent Directors, Committees of the Board and the Board of Directors as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Performance Evaluation of the Board, Individual Directors and Committees has been carried out in accordance with the aforesaid circular.

Independent Directors' performance is evaluated based on their qualification, experience, knowledge and competency, ability to fulfill allotted functions / roles, ability to function as a team, pro-activeness, participation and attendance, commitment, contribution, integrity, independence from the Company and the ability to articulate independent views and judgement. Accordingly, performance evaluation of Independent Directors has been conducted and the results have been communicated to the Chairman of the Board.

b. Formulation of policy for selection and Appointment of Directors and their Remuneration.

The Nomination and Remuneration Committee discussed and evolved a policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

c. Criteria for appointment of Whole-time / Executive / Managing Director / Non-Executive Independent Director / KMP and Senior Management Personnel

i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

ii. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

iii. Appointment of Independent Directors is subject to compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules there-under.

iv. The Company shall appoint or continue the employment of any person as Whole-time Director as per the relevant provisions of the Companies Act, 2013 read along with the relevant schedule and rules made thereunder.

5. REMUNERATION OF DIRECTORS :

a. Remuneration to Whole-time / Executive / Managing Director

The Whole-time Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus by way of commission on net profit being computed as per regulations and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

b. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the prior approval of the Central Government.

c. Provisions for excess remuneration

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

d. Remuneration to Non-Executive / Independent Director

Sitting Fees - The Non-executive Independent Directors and Non-executive Non Independent Directors of the Company shall be paid sitting fees as per the applicable Regulations. The quantum of sitting fees will be determined as per the recommendation of Nomination and Remuneration Committee and approved by the Board of Directors of the Company. Further the boarding and lodging expenses shall be reimbursed to the Directors for their travelling on company's business.

Stock Options - Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company.

ANNEXURE-1 (Contd.)

e. Remuneration to KMP and Senior Management Personnel

The KMP and Senior Management Personnel of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as approved by the Committee/ Board. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

f. Remuneration of Directors for the year ended 31st March 2026 is as follows:

(Amount in Lakhs)

Name	Salary	PF	Sitting fee	Commission	Total
N.Rangachary	-	-	6.60	-	6.60
R.Doraiswamy	66.03	0.22	-	51.33	117.78
D.Rajeshkumar	67.97	0.22	-	51.53	119.72
V.Sankaran	-	-	2.30	-	2.30
D.Vishnu Rangaswamy	-	-	0.40	-	0.40
Priya Bansali	-	-	6.60	-	6.60
Sharat Chandra Bhargava	-	-	1.80	-	1.80
Sundara Raja Raman	-	-	4.90	-	4.90
Total	**145.87**	**0.66**	**22.60**	**86.05**	**299.64**

6. STAKEHOLDER (GRIEVANCE) RELATIONSHIP COMMITTEE:

In accordance with Section 178(5) of the Companies Act, 2013, and Regulation 20 along with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Committee has been with following terms of references

To consider and resolve grievances of security holders of the Company, including complaints relating to transfer and transmission of shares, dematerialization/ re-materialization, issue of duplicate share certificates, non-receipt of dividends, Annual Reports, statutory communications, and matters relating to General Meetings.

To review the measures undertaken by the Company to facilitate the effective exercise of voting rights by shareholders.

To oversee and review the performance and service standards of the Registrar and Share Transfer Agent (RTA) with respect to investor-related services and ensure adherence to the prescribed service standards.

To review the status of investor complaints, monitor their timely resolution, and ensure effective redressal mechanisms are in place.

To review the various measures and initiatives undertaken by the Company for reducing the quantum of unclaimed dividends and facilitating the timely receipt of dividend entitlements, Annual Reports, statutory notices, and other shareholder communications.

To oversee the Company's investor relations initiatives and recommend measures for strengthening shareholder engagement and communication.

To perform such other functions and exercise such powers as may be delegated by the Board of Directors from time to time or as may be prescribed under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws and regulatory requirements.

Mr. K M Murugesan, Company Secretary serves as the Compliance Officer / Secretary of the Committee

During the year under review, no complaints were received from Shareholders, all of which have been resolved. As a result, there are no unresolved or pending complaints/queries as of 31st March 2026.

The Committee met once during the year under review on March 30, 2026.

The composition of the Stakeholders Relationship Committee and the details of attendance of Members is as follows:

Sl. No	Committee Members	Designation in the Committee	Designation in the Board	No. of Meetings attended
1	N.Rangachary	Chairman	Non-Executive Non-Independent Chairman	1
2	D.Rajeshkumar	Member	Joint Managing Director and Chief Financial Officer of the company	1
3	Ms.Priya Bansali	Member	Non-Executive Independent Director	1

ANNEXURE-1 (Contd.)

The Chairman of the Stakeholders Relationship Committee was present during the Annual General Meeting held on September 12, 2025

Pursuant to the amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the applicable SEBI circulars, the Company does not process requests for transfer of securities held in physical form.

Further, requests relating to transmission, transposition, issue of duplicate share certificates, claim from the Unclaimed Suspense Account, renewal or exchange of share certificates, endorsement, sub-division/splitting of share certificates, consolidation of share certificates/ folios, and other permissible investor service requests are processed only upon issuance of a Letter of Confirmation by the Company or its Registrar and Share Transfer Agent.

The Letter of Confirmation is issued in accordance with the prescribed regulatory framework and is required to be submitted by the shareholder to the Depository Participant within the stipulated time for credit of the securities into the shareholder's demat account. Accordingly, investors are advised to hold and transact in the Company's securities only in dematerialized form, in compliance with the applicable SEBI regulations.

7. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee plays a crucial role in identifying, assessing, and mitigating potential risks that may impact the company's operations, reputation, financial position, and compliance status. In an increasingly complex and dynamic business environment, the Committee ensures that a structured and proactive approach to risk management is embedded in the organizational culture. It assists the Board in formulating and monitoring the risk management framework, aligning it with the company's strategic objectives. The Committee evaluates both internal and external risks—including operational, financial, cyber, and regulatory related exposures—and recommends appropriate mitigation strategies. It also monitors the implementation of risk management practices across functions and ensures timely reporting and escalation of critical risks. Through periodic reviews and oversight, the Committee enhances the company's resilience, facilitates informed decision-making, and contributes to sustainable growth and long-term value creation for stakeholders.

Risk Management Committee and the details of Members is as follows

i. Mr. D Rajesh Kumar – Joint Managing Director

ii. Mr. R Doraiswamy – Managing Director

iii. Mr. N Rangachary – Non Executive Non Independent Director

iv. Mr. V Sankaran – Non Executive Non Independent Director

v. Mr. Sharat Chandra Bhargava - Independent Director

vi. Mrs. Priya Bhansali – Independent Director

vii. Mr. P Siva Kumar – Vice President (Marketing)

viii. Mr. B Mahendran – General Manager (Productions)

ix. Mr. M Lakshminarayana – Vice Present (Operations)

x. Mr. S Venkatachalam – General Manager (Commercial) and

xi. Mrs. R Menaka – General Manager (Accounts)

Mr. D Rajesh Kumar will act as a Chairman of the Committee and Mr. K M Murugesan, Company Secretary will act as a Secretary to the Committee. It may be noted that, pursuant to Regulation 21(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the constitution of a Risk Management Committee is not mandatory for the Company, as it does not fall within the top 1,000 listed entities based on market capitalization. Nevertheless, as a measure of good corporate governance, the Board has voluntarily constituted a Risk Management Committee to identify, assess, monitor and mitigate risks associated with the Company's business and operations.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility (CSR) Committee was constituted in compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Committee is entrusted with the responsibility of formulating and recommending the CSR Policy to the Board, identifying and approving CSR activities or projects to be undertaken by the Company, and determining the amount of expenditure to be incurred towards such activities in alignment with the statutory requirements.

The Committee met once during the year under review, on 24th May 2025. The composition of the Corporate Social Responsibility Committee and the details of attendance of its Members during the year are as follows:

ANNEXURE-1 (Contd.)

Composition and attendance :

S.No	Committee Members	Designation in the Committee	Designation in the Board	No. of Meetings attended
1	Mr.N.Rangachary	Chairman	Non-Executive and Non Independent Director & Chairman of the Company	1
2	Mr.R.Doraiswamy	Member	Managing Director of the company	1
3	Mr.D.Rajeshkumar	Member	Joint Managing Director and Chief Financial Officer of the company	1
4	Mr. Sundar Rajan Raman	Member	Independent Director	1

Mr. K M Murugesan, Company Secretary serves as the Secretary of the Committee.

The CSR Policy is available on our website – www.salzergroup.net- Investors – Corporate Social Responsibility Policy

9. PARTICULARS OF SENIOR MANAGEMENT INCLUDING THE CHANGES THEREIN SINCE THE CLOSE OF THE PREVIOUS FINANCIAL YEAR

S.No	Name	Designation
1	Mr. M.Lakshminarayana	Vice President (Operations)
2	Mr. Sivakumar	AVP
3	Mr. Mahendran	GM
4	Mr. R.Karunakaran	General Manager (GST)
5	Mrs. Menaka	General Manager (Accounts)
6	Mr. S Venkatachalam	General Manager (Commercial)
7	Mr. K.M.Murugesan	Company Secretary

There was no changes in the senior Management during the period under review

10. GENERAL BODY MEETINGS

Information regarding last 3 years General Body meetings are given below:

Type	Venue	Day	Date	Time	Special resolution passed
38th AGM	VC/OAVM	Saturday	09/09/2023	11.30 am	Re-appointment of Mr.P.Ramachandran (DIN: 0143572)as a Whole time director. Appointment of Mrs. Priya Bhansali (DIN: 00195848) as an Independent director. Appointment of Mr. Sharat Chandra Bhargava (DIN: 00008146) as an Independent director.
39th AGM	VC/OAVM	Saturday	14/09/2024	11.30 am	Appointment of Mr.N.Rangachary (DIN: 00054437) as a Non-Executive Non-Independent Director. Appointment of Mr. V. Sankaran (DIN: 00003141) as a Non-Executive Non-Independent Director.
40th AGM	VC/OAVM	Saturday	12/09/2025	11.30 am	Nil

ANNEXURE-1 (Contd.)

11. POSTAL BALLOT

During the year under review, the Company sought following shareholder' approval twice via Postal Ballot.

a. Postal Ballot Notice dated March 25,2025

Date of Postal Ballot Notice: March 25, 2025							
Cut-off date: March 28, 2025			Voting period for Postal Ballot (E-Voting): From April 07, 2025 to May 06, 2025				
Date of approval: May 06, 2025			Date of declaration of results: May 08, 2025				
Resolution Particulars	Type of Resolution	No of Votes polled	Votes cast in favour		Votes cast against		Invalid votes cast
			No of votes	%	No of votes	%	No of Votes
Approval for the increase in Borrowing Powers of the Company under Section 180 (1)(c) of the Companies Act, 2013	Special	7376950	7376523	99.99	427	0.01	-
Approval for the creation of mortgage and/or charge on the movable and/or immovable properties of the Company under Section 180(1)(a) of the Companies Act, 2013	Special	7376950	7376506	99.99	444	0.01	-

b. Postal Ballot Notice dated February 11,2026

The details of the Resolutions passed through Postal Ballot during FY26, along with the corresponding voting patterns, are provided below.

Date of Postal Ballot Notice: February 11, 2026							
Cut-off date: March 13, 2026			Voting period for Postal Ballot (E-Voting): From March 20,2026 to April 18, 2026				
Date of approval: April 18, 2026			Date of declaration of results: April 20, 2026				
Resolution Particulars	Type of Resolution	No of Votes polled	Votes cast in favour		Votes cast against		Invalid votes cast
			No of votes	%	No of votes	%	No of Votes
Re-appointment of Mr. R. Doraiswamy, Managing Director	Special	5336200	5335791	99.99	409	0.01	-

c. Procedure for Postal Ballot:

In line with the MCA Circulars, the Postal Ballot Notices dated dated March 25, 2025 & February 11, 2026 were sent exclusively through electronic means to Members whose names appeared in the Register of Members or the List of Beneficial Owners as of the respective cut-off dates - March 28, 2025 & March 13, 2026 provided by the Depositories and whose email addresses were registered with the Company or the Depositories.

Mr. G. Vasudevan, Practicing Company Secretary (Membership No. FCS 8637; C.P. No. 3187), Proprietor of M/s. G.V. Associates, Coimbatore, was appointed as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.

Pursuant to the provisions of Sections 108 and 110 of the Companies Act, 2013, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, the resolutions set out in the Postal Ballot Notice dated February 11, 2026, were passed through the remote e-voting process without convening a physical meeting of the Members.

The Company engaged the services of National Securities Depository Limited (NSDL) to provide the remote e-voting facility. Members were provided the opportunity to cast their votes electronically during the e-voting period commencing on March 20, 2026, and concluding on April 18, 2026.

Upon completion of the e-voting process, the Scrutinizer carried out the scrutiny of the votes cast and submitted his report to the Company Secretary, who had been authorized by the Board for the said purpose. Based on the Scrutinizer's Report, the results of the Postal Ballot were declared on April 20, 2026. The voting results, along with the Scrutinizer's Report, were duly intimated to the Stock Exchanges where the Company's equity shares are listed and were also made available on the websites of the Company, NSDL, and the Stock Exchanges in compliance with the applicable statutory and regulatory requirements.

d. Proposed Postal Ballot

Subsequent to the close of the financial year, the Board of Directors, at its meeting held on May 23, 2026, approved, subject to the approval of the Members by way of Special Resolutions, the re-appointment of Mrs. Priya Bhansali and Mr. Sharat Chandra Bhargava as Independent Directors of the Company for a second term of five consecutive years with effect from August 7, 2026.

Accordingly, the approval of the Members is proposed to be sought through a Postal Ballot by means of remote e-voting, which will remain open from June 19, 2026, to July 18, 2026. The Board has appointed Mr. G. Vasudevan, Practicing Company Secretary, Proprietor of M/s. G.V. Associates, Coimbatore, as the Scrutinizer to conduct the remote e-voting process in a fair and transparent manner. The outcome of the Postal Ballot shall be declared upon completion of the e-voting process and receipt of the Scrutinizer's Report, in accordance with the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the circulars issued thereunder.

12. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors convened on March 30, 2026, and among other matters, discussed and evaluated the Company's and the Board's performance in the following areas, concluding that the Company's affairs were being conducted effectively and satisfactorily:

i. The performance of non-independent directors and the Board as a whole;

ii. The performance of the Chairperson of the Company, considering feedback from both executive and non-executive directors;

iii. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Based on the authorizations at the meeting, the Chairman and the Chairman of the Audit Committee carried out the appraisal and evaluation of all Directors, including Executive/ Whole-Time Directors, for the year under review. The performance of the Chairman was evaluated collectively by the Board.

All Independent Directors of the Company enrolled themselves in the Databank maintained and administered by the Indian Institute of Corporate Affairs, in accordance with the Ministry of Corporate Affairs Circular dated October 22, 2019.

13. MEANS OF COMMUNICATION

The Company recognizes the importance of timely, accurate, and transparent dissemination of information to its shareholders, investors, analysts, and other stakeholders. In line with its commitment to maintaining the highest standards of corporate governance and disclosure practices, all material information is disseminated promptly and in compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Notices relating to General Meetings, Record Dates/Book Closure, Board Meetings, quarterly unaudited financial results, annual audited financial results, and other material events are published in the prescribed English and vernacular newspapers and are simultaneously submitted to the Stock Exchanges within the stipulated timelines.

The Company also maintains a comprehensive and regularly updated corporate website, which serves as an important platform for disseminating information to stakeholders. The website hosts, inter alia, the Company's financial results, Annual Reports, shareholding pattern, Corporate Governance Reports, policies and codes adopted by the Company, disclosures under the applicable SEBI regulations, investor presentations, press releases, notices of meetings, postal ballot notices, transcripts and audio/video recordings of investor interactions, and other statutory disclosures, thereby ensuring easy and equitable access to information for all stakeholders.

ANNEXURE-1 (Contd.)

Shareholder Outreach Initiatives

The Company remains committed to protecting shareholder interests by facilitating seamless investor services and promoting awareness of regulatory initiatives. During the year and subsequent thereto, the Company continued to undertake various measures to encourage shareholder participation, enhance investor awareness, and ensure compliance with the regulatory requirements prescribed by the Securities and Exchange Board of India (SEBI) and the Investor Education and Protection Fund (IEPF) Authority.

In support of the Investor Education and Protection Fund (IEPF) Authority's investor awareness initiatives, the Company has periodically disseminated information through newspaper publications, website disclosures, and direct communication to shareholders, wherever applicable, encouraging them to update their KYC particulars, bank account details, nomination details, PAN, and contact information, and to claim unpaid or unclaimed dividends before the due dates prescribed under the applicable laws.

The Company, in coordination with its Registrar and Share Transfer Agent (RTA), also continues to assist shareholders in resolving investor service requests and facilitates the processing of unpaid dividend claims upon completion of the prescribed documentation. These initiatives are aimed at reducing the quantum of unclaimed dividends and ensuring that shareholders receive their rightful entitlements in a timely manner.

Special Window for Re-lodgement of Transfer Requests of Physical Shares

Pursuant to the SEBI Circular dated July 2, 2025, a special window was made available to shareholders holding physical share certificates for re-lodgement of transfer deeds that had originally been lodged prior to April 1, 2019, but were rejected or returned due to deficiencies in the supporting documents. The said facility was available for a period of six months from July 7, 2025, to January 6, 2026.

Further, pursuant to the SEBI Circular dated January 30, 2026, SEBI has extended this facility by opening another special window for a period of one year commencing from February 5, 2026, and ending on February 4, 2027. Shareholders holding eligible physical share certificates may avail themselves of this opportunity by submitting the requisite documents to the Company's Registrar and Share Transfer Agent.

In accordance with the aforesaid SEBI Circular, securities transferred under this special window shall be credited only in dematerialized form and shall remain under a lock-in period of one year from the date of transfer. During the lock-in period, such securities shall not be eligible for transfer, pledge, lien marking, or any other encumbrance, except as permitted under the applicable regulatory framework.

The Company encourages all eligible shareholders to take advantage of this facility and complete the necessary formalities within the prescribed timelines.

14. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Day & Date	12th September 2026, Saturday
Time	11.30 AM
Venue	Registered Office of the Company
Mode	Video Conference / Other Video Audio mode (VC / OVAM)

b. **Financial year** April 01, 2025 to March 31, 2026

c. **Record Date** August 08,2026

d. **Dividend Payment Date Within the stipulated period of 30 days after declaration**

e. **Listing on Stock Exchanges**

- BSE Limited (Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001) &
- National Stock Exchange of India Ltd (NSE) (Address: Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra East, Mumbai-400051)
- We do hereby confirm that annual Listing fees has been duly paid to both the Stock Exchanges.

f. **STOCK / SCRIP CODE** : 517059 (BSE) & SALZERELEC (NSE)

Note: The Shares of the Company are regularly traded and in no point of time the Shares were suspended for trading in any of the Stock Exchanges wherein the Company's Shares are listed.

g. **Registrar & Share Transfer / Demat Agents**

The Company's share transfer Registry works both for Demat and Physical forms are being undertaken by **M/s. GNSA Infotech Private Limited, Nelson Chambers, 'F' Block, 4th Floor, # 115, Nelson Manickam Road, Aminthakarai, Chennai – 600 029., Tel: 044-42962025, e-mail: info@gnsaindia.com.**

The shares of the Company are dematerialsed and registered in Central Depository Services (India) Ltd (**CDSL**) and National Securities Depository Ltd (**NSDL**) under **ISIN No.: INE457F01013.**

h. **Share Transfer System**

In terms of amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1st April 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, effective from 24th January 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests namely, issue of duplicate share certificates, exchange / sub-division / splitting / consolidation of securities, transmission / transposition of securities. SEBI vide its circular dated 30th January 2026 has decided to do away with the earlier requirement of issuance of Letter of Confirmation, to implement this the Depositories shall develop a process / system to enable the Registrar and Share Transfer Agents (RTAs) / listed companies to credit the securities directly to the demat account of the investor after necessary due – diligence by RTAs/listed companies.

i. Distribution Schedule (As on 31.03.2026)

Range	No. of Folios	No. of shares	% of holding
Up to – 5000	48620	61,33,775	34.69
5001 – 10000	104	7,36,751	4.17
10001 – 20000	38	5,59,909	3.17
20001 – 30000	12	3,03,611	1.72
30001 – 40000	7	2,41,442	1.37
40001 – 50000	5	2,29,404	1.30
50001 – 100000	13	8,90,281	5.03
100001 & above	18	85,87,564	48.56
TOTAL	48817	176,82,737	100.00

j. Dematerialization of Shares and Liquidity:

k. The Company's equity shares are available for trading in electronic form through both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As of 31st March 2026, a total of 1,75,34,053 equity shares, representing 99.16% of the Company's paid-up equity share capital, have been dematerialized.

l. Depository Receipts and Convertible Instruments

The Company has not issued any Global Depository Receipts, American Depository Receipts or convertible instruments of any kind.

m. Foreign Exchange Hedging and Monitoring of Commodity Prices:

The Company does not have any foreign exchange exposure and has not engaged in hedging activities in the foreign exchange or commodity markets. However, a mechanism is in place to regularly monitor commodity price fluctuations and take necessary measures, when required, to maintain effective cost control.

n. Plant Location

Unit - I:

Samichettipalayam, Coimbatore - 641 047

Unit - II:

Chinnamaddampalayam, Coimbatore – 641 019.

Unit - III:

2, Gudalur Village Samichettipalayam, Coimbatore - 641 047

Unit - IV:

No.863, Coimbatore Main Road, Bettathapuram, Coimbatore – 641 104

Unit – V:

No.882/3, Coimbatore Main Road, Bettathapuram, Coimbatore – 641 104

Hosur Plant:

SF.No. 722/1& 2, 725, Thorapalli Road,
Hosur Taluk, Krishnagiri District - 635 109.
Tamil Nadu

Annur Plant:

570/2, Opp. Annur Power House, Kariyampalayam Post, Annur, Coimbatore-641653, Tamil Nadu

o. Address For Correspondence

All correspondence should be addressed to:

The Managing Director / Company Secretary,
Salzer Electronics Ltd, Samichettipalayam,
Coimbatore - 641 047
CIN No. L03210TZ1985PLC001535

Website: The Company's website **www.salzergroup.com** contains a separate dedicated section **"Investors"** where shareholders information is available. The Annual Report of the Company along with Directors' Report, Auditors' Report and Balance Sheet and Profit & Loss account is also available on the website in a user-friendly manner.

e-mail: investor_relations@salzergroup.com

Compliance Officer id : murugesan@salzergroup.com

Phone: 0422 4233600 / 0422 4233614

The Company has exclusive e-mail id: investor_relations@salzergroup.com for investor services.

p. Credit Ratings obtained by the Entity

The Company has obtained following rating facilities from CRISIL for its bank loan facilities

Long Term Rating	CRISIL A/Stable (Reaffirmed)
Short Term Rating	CRISIL A1 (Reaffirmed)

The Company does not have any debt instruments, fixed deposit programs, or any schemes or proposals for raising funds, either domestically or internationally, that would necessitate a Credit Rating.

ANNEXURE-1 (Contd.)

15. DISCLOSURES

a. There were no materially significant Related Party Transactions that would have potential conflict with the interests of the Company at large. Details of Related Party Transactions are given elsewhere in the Annual Report.

b. No penalty or strictures have been imposed on the Company by any Stock Exchange(s) or Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last three years except payment by certain designated persons to SEBI Designated Account as reported in Page No 35 of Directors Report due to violation of SEBI (Prohibition of Insider Trading) Regulations

c. To uphold strong Corporate Governance practices, the Company has established an effective mechanism that enables employees to report concerns related to unethical conduct, actual or suspected fraud, dishonesty, or violations of the Company's Code of Conduct or Ethics Policy. This system ensures protection against victimization and allows employees direct access to the Chairman, Management, or the Chairman of the Audit Committee, as applicable. During the year under review, no such cases were reported, and no employee was denied access to the Audit Committee. The Whistle Blower Policy is available on the Company's website at www.salzergroup.net.

d. All mandatory requirements have been fully complied with.

e. The Company's Policy on the determination of Material Subsidiaries is available on its website at: www.salzergroup.net/documents/Policy-on-Subsidiary-&-Material-Subsidiary-Company.pdf

f. The Company's Policy on Related Party Transactions can be accessed at: www.salzergroup.net/documents/Related-Party-Transaction-Policy.pdf.

g. The Policy for determining the materiality of an event or information for making disclosures to stock exchanges is available at the Company's website at: https://www.salzergroup.net/documents/Policydetermination.pdf

h. Commodity price risk and Commodity hedging activities –The commodity price risk—particularly relating to copper, a key raw material—is actively managed through a robust sourcing and hedging strategy. Given the volatility in global copper prices, the Company strategically sources copper both domestically and through imports to mitigate pricing fluctuations. The Company monitors market trends closely and enters into fixed-price contracts or forward bookings, wherever feasible, to ensure cost stability. While the Company does not currently engage in formal hedging instruments it adopts a prudent procurement approach to maintain margins and ensure uninterrupted production. This proactive risk management safeguards profitability and business continuity.

i. The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

j. A certificate from a Company Secretary in Practice, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA), or any other statutory authority, has been obtained and forms part of this Annual Report as an annexure.

k. During the year under review, all recommendations made by the various Committees of the Board of Directors were duly accepted by the Board. There were no instances where the Board did not accept any such recommendation.

l. The Company has paid a consolidated sum of Rs.24.50 Lakh- as fees to the Statutory Auditor and all entities in the network firm/entity of which the Statutory Auditor is a part, for the services rendered during the year.

Rs. In Lakh

(a) For Statutory Audit	20.00
(b) For Tax Audit	4.50
TOTAL	24.50

m. As per the provisions of the *Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013,* the Company has duly constituted an Internal Complaints Committee to address issues pertaining to workplace harassment. During the financial year 2025–26, no complaint was received by the Committee. Consequently, there were no complaints pending as on March 31, 2026.

n. Further, the Company did not have any inter-corporate loans outstanding as on March 31, 2026.

o. The Company does not have any material subsidiaries. Accordingly, the disclosure requirements pertaining to the date and place of incorporation and the name and date of appointment of statutory auditors of such subsidiaries are not applicable.

16. All the requirements of the Corporate Governance Report, as specified under sub-paragraphs (2) to (10) of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been duly complied with.

17. The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations, is as under.

a. **The Board**: As on date, the positions of the Chairman and the Managing Director/Whole Time Director are separate. Mr. N Rangachary is a Chairman (Non Executive and Non Independent), Mr. R Doraiswamy, Managing Director and Mr. D Rajesh Kumar, Joint Managing Director

b. **Independent Woman Director** – Mrs. Priya Bhansali serves as an Independent Director on the Board of the Company

c. **Modified opinion(s) in audit report -** The Auditors have expressed an Unmodified Opinion in their report on the financial statements of the Company

d. **Reporting of Internal Auditor- -** The Internal Auditor reports directly to the Audit Committee and submits detailed presentations on their findings during each quarterly meeting, ensuring regular review and monitoring of internal controls and systems.

e. **Maintenance of Chairman's Office -** In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed separate individuals for the roles of Chairperson and Managing Director. The Chairperson is a Non-Executive Director and is not related to the Managing Director, as defined under the term "relative" in the Companies Act, 2013. This separation ensures a clear demarcation of responsibilities and strengthens the Company's governance framework.

f. **Risk Management Committee –** As defined under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company has Risk Management Committee with its responsibilities

g. The Joint Managing Director and the Chief Financial Officer have furnished the requisite certificate to the Board of Directors pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, confirming, inter alia, the accuracy of the financial statements and the adequacy of internal controls

18. The Company is fully compliant with the Corporate Governance requirements as specified under Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

19. Disclosure in respect of Demat Suspense Account / Unclaimed Suspense Account

    In accordance with the requirements of Regulation 34(3) read with Part F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of equity shares lying in the Unclaimed Suspense Account, including shares that remained unclaimed pursuant to corporate actions such as sub-division and other related events, as on March 31, 2026, are provided below:

Details	**No. of Shareholders**	**No. of Shares**
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2025	-	-
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	-	-
Number of shareholders to whom shares were transferred from suspense account during the year	-	-
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Companies Act, 2013	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2026	-	-

The voting right on the shares outstanding in the Suspense Account as on March 31, 2026, shall remain frozen until the rightful owner(s) of such shares claims the shares.

ANNEXURE-1 (Contd.)

20. Disclosure in respect of Suspense Escrow Demat Account

    In compliance with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, the Company has opened a Suspense Escrow Demat Account with Progressive Stock Brokers Limited, and the status of the said account as of March 31, 2025, is as under:

Details	No. of Shareholders	No. of Shares
Shares held in Suspense Escrow Demat Account as on 1 April 2025	1	2000
Shares transferred to the Suspense Escrow Demat Account during the year	1	25
Shares transferred from the Suspense Escrow Demat Account to claimants/ shareholders	1	2000
Shares held in Suspense Escrow Demat Account as on 31 March 2026	1	25

21. There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

For and on behalf of the Board

Place : Coimbatore
Date : May 23, 2026

(Sd/-) N.RANGACHARY
CHAIRMAN
DIN: 00054437

Declaration on Code of Conduct

In accordance with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that the Board of Directors of the Company has adopted a Code of Conduct for the Board Members and Senior Management personnel of the Company. The Code has been uploaded on the Company's website.

I further confirm that all Board Members and Senior Management personnel to whom the Code is applicable have affirmed compliance with the said Code of Conduct for the financial year 2025–26.

For Salzer Electronics Limited

R DORAISWAMY
MANAGING DIRECOTR

(DIN : 00003131)
Date: May 23, 2026

ANNEXURE-1 (Contd.)

AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Shareholders
Salzer Electronics Ltd

1. We have examined the compliance of conditions of Corporate Governance by Salzer Electronics Ltd, for the year ended 31.03.2026 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We state that no investors' grievances are pending for a period exceeding one month, as on 31st March 2026 against the Company as per the records maintained by the Company.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

In terms of our report attached

For **Swamy & Ravi**
Chartered Accountants
FRN :004317S

Coimbatore
May 23, 2026

(Sd/-) **S. ALAMELU**
Partner
Membership No.223555

UDIN No.: 26223555DNCBUL6408

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members,
Salzer Electronics Limited
Samichettipalayam, Jothipuram Post,
Coimbatore - 641047.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Salzer Electronics Limited (CIN: L03210TZ1985PLC001535), having its registered office at Samichettipalayam, Jothipuram Post, Coimbatore – 641047 (hereinafter referred to as 'the Company'), as produced before us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V, Para C, Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications conducted by us [including verification of the Directors Identification Number (DIN) status at the portal www.mca.gov.in] and based on the explanations and representations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below, for the Financial Year ended 31.03.2026, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No	DIN	Name of the Director	Designation	Date of Appointment in the Company as per MCA
1	00003131	Doraiswamy Rangaswamy	Managing Director	08.01.1985
2	00003126	Rajeshkumar Doraiswamy	Wholetime Director	22.12.2001
3	00003141	Veeraraghavan Sankaran	Non-Executive Director	28.08.2002
4	00054437	Nambi Iyengar Rangachary	Non-Executive Director	01.03.2014
5	00793090	Doraiswamy Vishnurangaswamy	Non-Executive Director	06.02.2020
6	00195848	Priya Bhansali	Independent Director	07.08.2023
7	00008146	Sharat Chandra Bhargava	Independent Director	07.08.2023
8	02511138	Sunder Rajanraman	Independent Director	28.05.2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate does not constitute 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 **G.V. and Associates**
Company Secretaries

Date: May 23, 2026
Place: Coimbatore

G.Vasudevan
Partner
FCS No.: 6699
C P No.: 6522

ICSI UDIN: F006699G000428989

ANNEXURE-2

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

Disclosure Under Section 134(3)(M) of The Companies Act, 2013 Read With Rule 8(3) of the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

Energy Management Framework

The Company continues to accord the highest priority to energy conservation and sustainable manufacturing practices. Recognizing the significance of responsible energy management in achieving operational excellence and environmental stewardship, a comprehensive framework has been established to optimize energy consumption and progressively increase the share of renewable energy in the overall energy mix.

Renewable Energy Integration

The Company follows a hybrid energy model comprising captive renewable generation and procurement of green power from third-party sources. During the year, captive renewable capacity consisted of wind energy installations aggregating 1.25 MW and a rooftop solar power plant of 500 kW. In addition, the Company has entered into arrangements for the procurement of 4.57 MW of renewable power generated through a combination of wind and solar sources. The installation of rooftop solar panels, deployment of energy-efficient transformers, and modernization of switchgear systems have further enhanced energy efficiency and optimized operating costs across manufacturing facilities.

Energy Efficiency Measures

The following measures were undertaken during the year:

Periodic energy audits and continuous monitoring of energy consumption through smart metering and automated tracking systems.

Replacement of conventional motors with high-efficiency power-saving motors and adoption of servo-controlled voltage stabilizers and energy-optimized production lines.

Conversion of conventional lighting systems to LED fixtures across manufacturing facilities, resulting in substantial reductions in electricity consumption.

Optimization of compressed air systems through compressor upgrades and implementation of leak-detection mechanisms to minimize energy losses.

Process Optimization and Resource Conservation

The Company continues to pursue process improvements aimed at reducing specific energy consumption, minimizing waste generation, and enhancing resource utilization. Preventive maintenance schedules and equipment performance reviews are regularly undertaken to sustain energy savings and ensure reliable operations.

Climate Action and Future Roadmap

The Company remains committed to achieving Net Zero Carbon Emissions by FY 2030. A structured roadmap has been formulated encompassing an increased reliance on renewable energy, technology modernization to reduce process emissions, deployment of digital tools for carbon footprint monitoring, and the adoption of circular economy practices, including heat recovery, material recycling, and sustainable packaging initiatives. Through these initiatives, the Company seeks to reinforce its position as a responsible and environmentally conscious manufacturer while creating enduring value for all stakeholders.

Capital Investments in Energy Efficiency

During the year, the Company made significant investments in energy-efficient machinery and solar installations with a view to enhancing operational efficiency and reducing its carbon footprint. Further, the Company invested Rs.2.64 crore in the equity capital of a third-party power producer under the captive consumption model. Pursuant to this long-term arrangement, the Company is procuring 4.57 MW of renewable power generated through a combination of wind and solar sources, thereby strengthening its green energy portfolio and furthering its sustainability objectives.

B. TECHNOLOGY ABSORPTION

The Company continues to regard technology and innovation as key enablers of sustainable growth and long-term competitiveness. In view of the rapid advancements in electrification, digitalization, and intelligent energy management, sustained emphasis is placed on research and development, technology absorption, and continuous product improvement.

The Company's in-house Research and Development Centre, recognized by the Department of Scientific and Industrial Research (DSIR), Government of India since 2004, remains instrumental in driving innovation. Equipped with advanced design, testing, and simulation facilities, the Centre supports the development of new products and the enhancement of existing manufacturing processes.

During the year, the Company's R&D efforts were primarily directed towards the upgradation of products to conform to international quality standards; the development of energy-efficient control systems and smart metering solutions; application-specific customization of products for smart cities, agriculture, renewable energy, data centres, and electric vehicle infrastructure; and the design of innovative electronic, electromechanical, and mechatronic solutions for emerging applications

The Company has been granted 5 patents in India and international markets for its innovative products and technologies. In addition, 9 patent applications are currently under consideration by the respective patent authorities. The Company's dedicated Research and Development team has played a significant role in driving innovation and developing new products and technologies. Its continuous focus on research, engineering excellence, and product development has resulted in the successful grant of patents and the filing of new patent applications. These achievements reflect the Company's strong innovation capabilities and its commitment to developing technologically advanced products that meet evolving customer requirements, strengthen its intellectual property portfolio, and support sustainable long-term growth.

Key Products and Technological Advancements

a. Details of R&D achievements made during the past 3 years

- Definite purpose Contactors,
- Agri Contactor,
- MSG Relay,
- MKG Relay,
- MCB Accessories,
- DB Box,
- Emergency Light Sense Switch,
- Load center,
- MCB UVNV,
- K1 Microswitch,
- Specialty Cables for defence and medical applications and
- Smart Electrical Energy Meters.

b. New Products Under Development:

The Company continues to invest in product innovation and development to enhance its electrical solutions portfolio. The following are some of the key products currently under development:

- Distributed Energy Resource (DER) Centre
- Carrier Contactor
- Standard Contactor – 160
- Speed and direction sensor- 4 channel
- Wiring gate drive interface
- Hub pass thru
- 200A Current Transformer
- 5A Solid Current Transformer
- Combinational Current Transformers
- High Current Inductors

Global Technical Collaborations

Salzer actively engages in international technology partnerships to accelerate capability building and product diversification:

- Trafomodern GmbH, Austria: Technology licensing for dry-type transformers, chokes, and inductors
- IPD Group, Australia: Distribution partnership for solar application products in Australia and New Zealand
- C3 Controls, USA: Product development and supply partnership for global contactor requirements
- Wirepas –Finland: The Company signed a Memorandum of Understanding (MoU) with Wirepas, a Finland-based global leader in wireless mesh technology. Under this partnership, the Company will integrate the Wirepas Certified platform into its smart electricity meters to deliver advanced, reliable, and efficient smart metering solutions.

These collaborations ensure that Salzer's products meet international certifications and quality benchmarks, enhancing their competitiveness in export markets

Benefits Derived from R&D Activities

The Company's continuous investment in Research and Development has enabled it to enhance product quality in line with international standards, improve process efficiency and cost competitiveness, upgrade technology and product know-how, and develop innovative products to meet evolving customer requirements. These initiatives have also strengthened the Company's intellectual property portfolio through the grant of patents and the filing of new patent applications, thereby enhancing its market position and supporting sustainable growth.

R&D Expenditure for FY 2025-26

Category	Rs. in Lakhs
Capital Equipment & Tools	Rs.922.89
New Product/Process Development	Rs.562.29
Salaries and Overheads for R&D Team	Rs.473.57
Total Expenditure	**Rs.1958.75**

C. IMPORTED TECHNOLOGY

The Company has successfully absorbed several imported technologies over the years to stay ahead of evolving market needs and global quality expectations. Some of the major imports and their current status are outlined below:

Technology Imported	Year of Import	Status
CAM Operated Rotary Switches	1985	Fully absorbed
Toroidal Transformers	1995 / 2005	Fully absorbed
Three-phase Dry Type Transformers	2016	Fully absorbed

The successful absorption of imported technologies has allowed Salzer to indigenize production, reduce import dependency, and offer cost-effective yet globally benchmarked solutions to Indian and international customers.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Salzer's increasing global footprint is reflected in its healthy foreign exchange earnings, which stem from exports to over 50 countries across the Americas, Europe, Asia-Pacific, and the Middle East.

Particulars	₹ in Lakhs
Foreign Exchange Earned	Rs.22,186.18
Foreign Exchange Used (Outgo)	Rs.18,536.36

The strong net positive foreign exchange position underscores Salzer's growing relevance in international markets and its potential to emerge as a preferred supplier of electrical products globally.

For and on behalf of the Board

N. RANGACHARY
Chairman
DIN: 00054437

Date : May 23,2026
Place : Coimbatore

ANNEXURE-3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

1. Brief outline on CSR Policy of the Company.

Corporate Social Responsibility (CSR) embodies the commitment of companies to contribute a portion of their resources towards the sustainable development of society without any expectation of direct returns. Recognising the significant role of corporates in fostering inclusive growth, particularly in the rural and semi-urban areas in which they operate, the Government of India has established a formal CSR framework under the Companies Act, 2013.

In accordance with the provisions of the Act, every eligible company is required to spend, annually, at least 2% of the average net profits of the three immediately preceding financial years on CSR activities undertaken pursuant to its approved CSR Policy.

In compliance with these statutory requirements, the Company undertakes a range of initiatives aimed at promoting the socio-economic development of the communities in and around its areas of operation and of society at large. These initiatives include:

Promotion of education through scholarships, literacy programmes, and the development of educational infrastructure.

Improvement of healthcare accessibility through focused medical and wellness programmes for underprivileged sections of society.

Skill development and employability enhancement initiatives, including support for vocational training and nationally recognised sports programmes and

Initiatives under the Rural Area Development

Through these endeavours, the Company reaffirms its commitment to inclusive growth and to creating a lasting, positive impact on society.

2. Composition of CSR Committee:

During the year under review, the Committee met only on May 24, 2025. The composition of the Committee and the attendance of the Members at the meeting are detailed below:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. N Rangachary	Chairman (Non - Independent Director)	1	1
2	Mr. R Doraiswamy	Managing Director		1
3	Mr. D Rajesh Kumar	Joint Managing Director		1
4	Mr. Sundar Rajan Raman	Independent Director		1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

https://www.salzergroup.net/investors.html

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

Not applicable – The Impact assessment of CSR Project will arise only when the Company's average CSR obligation exceeds ten crore rupees in the three immediately preceding financial years,

5. CSR Obligations for the financial year Rs. In Lakh

a.	Average net profit of the company as per sub-section (5) of section 135	Rs. 5,900.39
b.	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 118.01
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	Nil
d.	Amount required to be set-off for the financial year, if any	Rs. 21.36
e.	Total CSR obligation for the financial year [(b)+(c)-(d)]	Rs.96.65

6. CSR Spending for the financial year Rs. In Lakh

a.	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	Rs. 95.67
b.	Amount spent in Administrative Overheads.	Rs.1.80
c.	Amount spent on Impact Assessment, if applicable.	Nil
d.	Total amount spent for the Financial Year [(a)+(b)+(c)].	Rs. 97.47

ANNEXURE-3 (Contd.)

e. CSR Amount spent or unspent for the financial year

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 97.47 Lakhs	NIL	NIL	NIL	NIL	NIL

f. Excess amount for set off, if any (Rs in Lakhs.)

Sl.No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5) (after setting off amount available from previous year)	Rs.96.65
(ii)	Total amount spent for the Financial Year	Rs. 97.47
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 0.82
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs.0.82*

It was decided not to carry forward the available surplus of Rs.0.82 Lakh to the succeeding financial year

7. Details of Unspent CSR amount for the preceding three financial years: Not applicable

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

8.

Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:	No
If Yes, enter the number of Capital assets created/ acquired	Nil

9. Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not applicable

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

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135- Fully spent, hence not applicable.

For and on behalf of the Board

N RANGACHARY
Chairman of CSR Committee
DIN :00054437

R DORAISWAMY
Managing Director
DIN :00003131

D RAJESHKUMAR
Joint Managing Director
DIN: 00003126

Date : May 23, 2026
Place : Coimbatore

ANNEXURE-4

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1), 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any in the financial year:

S. No	Director and Key Managerial Personnel	Position	Ratio of Remuneration of the Director to the median Remuneration FY26	Increase %
1	Mr. R.Doraiswamy	Managing Director	30.36	6.78%
2	Mr. D.Rajeshkumar	Joint Managing Director & Chief Financial Officer	30.86	9.74%
3	Mr. Vishnu Ranagaswamy	Non-Executive and Non Independent Director	0.10	Not applicable
4	Mr. N.Rangachary	Non-Executive and Non Independent Director	1.70	Not applicable
5	Mr. V.Sankaran	Non-Executive and Non Independent Director	0.59	Not applicable
6	Mrs. Priya Bhansali	Independent Director	1.70	Not applicable
7	Mr. Sharat Chandra Bhargava	Independent Director	0.46	Not applicable
8	Mr.Sundar Rajan Raman	Independent Director	1.26	Not applicable
9	Mr. K.M.Murugesan	Company Secretary	4.53	9.87%

Note: Non Executive Directors and Independent Directors are entitled to receive only sitting fees.

ii. The percentage increase in the median remuneration of employees in the financial year : 9.40%

iii. The number of permanent employees on the rolls of company as at March 31, 2026 - 955

iv. Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year is 8-12%

v. The average increase granted to managerial personnel : 9%

vi. Affirmation that the remuneration is as per the remuneration policy of the Company

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

vii. No employee of the Company is covered by the Rule 5(2) (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, that is employee, holding by himself or with his family, shares of 2% or more in the Company and drawing remuneration in excess of the remuneration paid to Whole-Time Director and Managing Director.

viii. Particulars of Employees whose salary is not less than Rupees One Crore and Two Lakhs

S. No	Name (Age in years)	Designation	Remuneration (in Lakhs)	Qualification	Date of Commencement of employment (experience in years)	Previous Employment
1.	Mr. R.Doraiswamy (Age : 83 years)	Managing Director	117.78	BE (Electrical Engineering)	08/01/1985 (41 Years)	Lakshmi Machine Works Limited
2.	Mr. D. Rajeshkumar (Age : 55 Years)	Joint Managing Director and Chief Financial Officer	119.72	BE (Electrical and Electronics Engineering) and MBA (in USA)	05/02/1998 (28 Years)	-

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is open for inspection, and any Member interested in obtaining a copy of the same may write to the Company Secretary through mail: cs@salzergroup.com.

For and on behalf of the Board

Date : May 23, 2026
Place : Coimbatore

N RANGACHARY
Chairman

ANNEXURE-5

SECRETARIAL AUDIT REPORT

To

The Members,
Salzer Electronics Limited,
Samichettipalayam, Jothipuram post,
Coimbatore - 641047.

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

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

5. The compliance with the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

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

For G.V. and Associates
Company Secretaries

G. Vasudevan
Partner
FCS No.:6699
C P No.:6522

Date: 23.05.2026
Place: Coimbatore

ANNEXURE-5 (Contd.)

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
OF
SALZER ELECTRONICS LIMITED
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

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

To

The Members,
Salzer Electronics Limited,
Samichettipalayam, Jothipuram post,
Coimbatore-641047.

We have conducted the Secretarial Audit of compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Salzer Electronics Limited (CIN: L03210TZ1985PLC001535), a listed entity having its registered office at Samichettipalayam, Jothipuram post, Coimbatore - 641047 (hereinafter referred to as 'the Company' or SEL). The Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct and statutory compliances, and for expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2026, complied with the statutory provisions listed hereunder. We further report that the Company has established proper Board-processes and compliance mechanism to ensure compliance with the statutory provisions listed below, to the extent and in the manner as stated in this report, and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2026 in accordance with the provisions of:

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

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings - Not Applicable to the Company relating to Foreign Direct Investment and External Commercial Borrowings during the Audit Period.

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

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

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

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

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

   e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable to the Company during the Audit Period;

   f. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable to the Company during the Audit Period;

   g. Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - Not Applicable to the Company during the Audit Period;

   h. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - Not Applicable to the Company during the Audit Period;

   i. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - Not Applicable to the Company during the Audit Period;

ANNEXURE-5 (Contd.)

j. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not Applicable to the Company during the Audit Period.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

a. As per Regulation 30 of SEBI (LODR) Regulations, 2015, outcome of the Board Meeting is required to be submitted within 30 minutes from the closure of the Board Meeting. The Board Meeting held on 08.08.2025 concluded at 1:45 PM. However, the outcome of the Board Meeting was submitted to NSE at 2:20 PM, resulting in a delay of 5 minutes. Subsequently, NSE sent an email dated 05.09.2025 regarding the delay in submission. The Company submitted the outcome of the Board Meeting to BSE within the prescribed timeline. However, due to intermittent technical glitches faced while uploading the outcome on the NSE portal, there was a delay of 5 minutes in submission to NSE.

b. During the financial year 2025-26, the Company identified certain instances of contra trade transactions by Designated Persons, delayed disclosures under Regulation 7(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and trading during the Trading Window Closure Period under the Company's Code of Conduct. Pursuant thereto, the matter was placed before the Audit Committee and the Board, which directed disgorgement of contra trade profits aggregating to Rs. 4,79,165.05/- to the SEBI Investor Protection and Education Fund (IPEF) Account and imposed monetary penalties aggregating to Rs. 3,25,000/- on the concerned persons for the aforesaid violations.

c. Certain disclosures required under the Companies Act, 2013 and SEBI Regulations were not available on the website of the Company. The Company has been advised to update the same on its website.

We further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings. The agenda was sent in advance and a system is in place for seeking and obtaining further information or clarifications on the agenda items prior to the meetings, thereby facilitating meaningful and informed participation by the Directors.

All decisions at the meetings of the Board of Directors and its Committees were carried out unanimously, and the same have been duly recorded in the minutes of the respective meetings.

We further report that the Company has in place adequate systems and processes, commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines mentioned above.

We further report that during the audit period the Company obtained approval of shareholders through postal ballot on 07.05.2025 for increase in borrowing powers of the Company under Section 180(1)(c) of the Companies Act, 2013 and approval to create mortgage and / or charge on all or any of the movable and/or immovable properties of the company under Section 180(1)(a) of the Companies Act, 2013.

For G.V. and Associates
Company Secretaries

G.Vasudevan
Partner
FCS No.: 6699
C P No.: 6522

Date: 23.05.2026
Place: Coimbatore
ICSI UDIN: F006699H000398631

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ANNEXURE-6

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report for the year ended March 31, 2026, is presented below

A. Industry structure and developments

i. Global Economic Overview

The global macroeconomic landscape during fiscal year 2025-26 was defined by a delicate balancing act between divergent economic forces. According to the International Monetary Fund (IMF) World Economic Outlook updated in January 2026, the global economy has shown remarkable resilience, adapting to shifting trade policies and geopolitical tensions. Global GDP growth is projected to remain steady at approximately 3.3% in 2026, maintaining the pace established in 2025. This stability has been largely supported by surging investments in technology-led sectors, particularly in artificial intelligence (AI) and digital infrastructure, which have partially offset the slowdown in traditional industrial manufacturing.

Inflationary trends have continued their downward trajectory globally, with headline inflation expected to decline to 3.8% in 2026 from 4.1% in the previous year. This disinflation process is being aided by softening commodity prices and improved supply-side conditions, though the return to target levels remains gradual in advanced economies. Central banks in major jurisdictions, including the United Kingdom and the United States, have begun a calibrated decline in policy rates, whereas the Eurozone has maintained a more cautious stance due to unresolved structural constraints and energy-related pressures.

The external environment was further complicated by the emergence of high-frequency trade policy shifts. A defining feature of the year was the reset in trade relations between major economies, specifically the US and its trading partners. For Salzer Electronics, the volatility of US tariff structures remained a primary concern throughout much of the fiscal year until the breakthrough interim trade agreement between India and the United States in February 2026. This agreement, which slashed tariffs from a punitive 50% down to 18%, provided immediate relief to Indian machinery and electrical exporters, restoring their price competitiveness in the North American market.

Despite these positive developments, the global outlook remains tilted to the downside. Geopolitical tensions in the Middle East have periodically disrupted critical commercial shipping routes, including the Strait of Hormuz, causing sudden spikes in energy costs and industrial commodities like aluminium and sugar. These disruptions create logistical challenges, as delivery timelines become less predictable and shipping lines impose conflict surcharges, which are subsequently passed through the supply chain.

ii. Indian Economic Outlook

The Indian economy continued its trajectory as a global outperformer during the 2025-26 period, with real GDP growth estimated at 7.60%. This robust performance was driven by a powerful combination of resilient domestic consumption, sustained public capital expenditure, and a revival in manufacturing activity supported by government policy. The Reserve Bank of India (RBI) has maintained a 'wait and watch' approach, holding the repo rate at 5.25% in early 2026 to balance the needs of economic growth against the risks of rising energy and commodity prices.

The Union Budget for 2026-27 reinforced the government's focus on infrastructure as a multiplier for economic activity, allocating a record ₹ 12.2 lakh crore for public capital expenditure. This marks a significant increase from the ₹ 11.1 lakh crore allocated in the previous fiscal year, with specific focus areas including railway modernization, highway expansion, and green energy corridors. Furthermore, the National Manufacturing Mission was launched with an emphasis on clean technology, EV batteries, and high-voltage transmission equipment — sectors that align perfectly with Salzer's core expertise.

A pivotal development for Indian exporters was the India-US trade agreement finalized in early 2026. This agreement reduced tariffs on Indian machinery exports from a projected ad valorem rate of 50% down to 18%, effectively lifting an overhang that had constrained international order flows for much of the year. The agreement also scrapped tariffs entirely for Generic Pharmaceuticals and certain aircraft parts, signaling a broader reset in trade ties that is expected to boost India's external sector.

Domestic demand remained buoyant, particularly in the urban housing and commercial real estate sectors, which saw a 23% rise in residential project launches in 2025. The expansion of 5G infrastructure and the massive buildup of data centers across major cities have created a secondary wave of demand for high-reliability electrical components. While rural demand showed signs of recovery on the back of favorable agricultural output, the economy faced headwinds from a sharp spike in crude oil prices due to regional conflicts in the Middle East, which imported terms-of-trade shocks and pressured the rupee.

iii. Industry Structure and Developments

The electrical equipment industry in India, valued at approximately USD 21 billion, is a critical component of the nation's infrastructure backbone. The industry is segmented into power generation, transmission, and distribution, with sub-segments including switchgear, transformers, wires and cables, and smart meters.

a. Global and Indian Switchgear Industry

The global switchgear market was valued at USD 182 billion in 2026 and is projected to reach USD 336.2 billion by 2035, growing at a CAGR of 7.1%. This growth is being driven by the relentless push for energy efficiency, grid modernization, and the increasing integration of renewable energy sources into the global energy mix. Advanced technologies like AI, IoT, and digital monitoring are becoming standard in new installations, allowing for predictive maintenance and enhanced grid stability.

In India, the switchgear market reached a size of approximately USD 11.3 billion in 2025 and is estimated to grow at a CAGR of 5.88% through 2034. Low-voltage (LV) switchgear remains the dominant segment with a 46% market share, fueled by residential construction, smart city initiatives, and the ongoing electrification of rural areas. Air-insulated switchgear (AIS) leads the market with a 51% share due to its cost-effectiveness, although Gas-insulated switchgear (GIS) is gaining traction in urban metropolitan areas where space is a constraint.

Switchgear Market Parameter	India (2025)	Outlook (2034)
Market Valuation	USD 11.33 Billion	USD 18.95 Billion
Compound Annual Growth Rate	—	5.88%
LV Switchgear Share	46%	Increasing
Indoor Installation Share	60%	Increasing

The industry is also at a pivotal crossroads regarding environmental sustainability. The extensive use of sulphur hexafluoride (SF6) as an insulating medium, which has a high global-warming potential, is drawing increased regulatory scrutiny. This has created a lucrative market opportunity for 'eco-efficient' SF6-free models, a trend that Salzer is well-positioned to capitalize on through its ongoing R&D efforts in modular enclosures and isolators.

b. Wires and Cables Industry

The wires and cables segment accounts for nearly 40% of India's electrical equipment market and is projected to grow to ₹1.5 lakh crore by the end of FY 2025-26. The sector witnessed a growth rate of 15-16% in FY26, supported by infrastructure expansion, housing demand, and the rising adoption of branded, certified cables over unorganized alternatives.

Wire & Cable Segment	Market Share (%)	YoY Growth (FY26)	Primary Driver
Power Cables	45%	18%	Grid Modernization & T&D
Building Wires	30%	15%	Real Estate & Housing
Industrial Cables	15%	14%	Automation & Manufacturing
Specialty Cables	10%	20%	EVs & Renewables

A significant trend in this segment is the shift toward organized players, who now control nearly 78% of the market, up from 45% in 2018. Consumers are increasingly prioritizing safety certifications like FRLS (Flame Retardant Low Smoke) and BIS, particularly as fire safety norms become more stringent. However, the industry is highly sensitive to copper price volatility. During the third quarter of FY26, copper prices spiked from ₹800 to ₹1,300 per kilogram, compressing margins for manufacturers and necessitating agile pricing strategies.

c. Smart Metering and RDSS

The Revamped Distribution Sector Scheme (RDSS), with a total sanctioned cost of ₹2.83 lakh crore, represents the most significant modernization effort in India's power distribution history**.** The scheme aims to install 250 million smart energy meters to improve billing efficiency and reduce AT&C losses, which have already improved from 21.9% in FY21 to 15.04% in FY25.

As of December 31, 2025, over 3.90 crore smart meters have been installed under RDSS, with a total of 5.28 crore meters installed nationwide across all schemes. While the rollout speed has been slower than initially anticipated due to AMISP field coordination and infrastructure readiness, the volume of awarded projects remains immense, with 150.2 million meters already awarded as of February 2026. Due to the slow pace of installation, the Government has extended the target date for installation of approximately 25 Crore Smart Meters from March 31,2026 to March 31,2028

d. Data Centre Infrastructure

India's data centre sector is undergoing rapid expansion, with installed capacity expected to exceed 1,700 MW in 2026, supported by substantial investments from global hyperscalers and domestic players, favourable data-localisation requirements, 5G rollout, and increasing adoption of AI-driven digital infrastructure. This growth is expected to significantly increase demand for reliable power distribution equipment, transformers, control panels, and high-performance cabling. With its established portfolio of toroidal transformers, control panels, and specialised cables, Salzer is well positioned to capitalise on these opportunities and strengthen its presence in the fast-growing data centre ecosystem.

ANNEXURE-6 (Contd.)

e. Railway Modernization

Indian Railways, the world's fourth-largest rail network, has electrified approximately 69,744 route kilometres—about 99.4% of its broad-gauge network as of January 2026—compared with an average electrification pace of about 1.4 km per day during 2004–14, which accelerated to over 15 km per day during 2019–25. Coupled with the rollout of indigenous Vande Bharat trains and semi-high-speed sleeper services, this transformation is driving sustained demand for high-voltage safety equipment and specialised locomotive switching solutions. As the leading supplier of specialised rotary switches to Indian Railways and the holder of a patented disconnecting and earthing device for high-voltage applications, Salzer is exceptionally well positioned to capitalise on the opportunities arising from this modernisation Programme.

f. Charging Stations

India's electric mobility transition accelerated further in FY 2025–26, with EV retail sales exceeding 2.4 million units, up from approximately 2.0 million units in FY 2024–25. Supported by favourable policies, falling battery costs, and rapid charging-infrastructure deployment, EV penetration is expected to rise steadily, in line with the national objective of achieving approximately 30% of new vehicle sales by 2030. This growth is driving strong demand for reliable DC fast-charging equipment and the associated switchgear, protection, control, and energy-management systems. Leveraging its expertise in these areas and its strategic participation in the EV charging ecosystem, Salzer is well positioned to secure a meaningful share of this expanding market and contribute to the development of India's sustainable mobility infrastructure.

B. Opportunities and Threats.

i. Opportunities

Salzer is well positioned to benefit from the growing demand arising from power transmission and distribution, railway modernisation, smart metering, renewable energy, electric vehicle charging infrastructure, and the rapid expansion of data centres. Its diversified product portfolio, strong manufacturing base, established relationships with OEMs and utilities, and continued focus on innovation and indigenisation provide a solid platform for sustainable growth and market share expansion.

ii. Threats

Salzer faces risks from volatility in copper and other key raw material prices, intense competition from both domestic and international manufacturers, supply chain disruptions, and delays in customer projects or government tenders. Rapid technological advancements and evolving quality and compliance requirements also necessitate continuous investment in research and development to maintain the Company's competitive position and profitability.

C. Segment–wise performance.

Salzer manufactures and markets its products under the Electrical and Electronics segment. For a more meaningful analysis of performance and discussion of business developments, the Company's product portfolio is classified into the following three categories:

1. Industrial Switchgear
2. Wires and Cables and
3. Building Products

a. Industrial Switchgear Segment

Salzer's Industrial Switchgear segment is the cornerstone of the Company's operations and encompasses a broad portfolio of Cam operated Rotary Switches, Load Break Switches, Toroidal Transformers, Three Phase Dry Type Transformers, Wire Harness, Motor Protection Circuit Breakers etc. serving industrial, infrastructure, utility, transportation, and building applications. Anchored by its leadership in cam-operated rotary switches and a strong position in wire ducts and related switchgear products, the segment benefits from Salzer's extensive in-house manufacturing capabilities, well-established distribution network, and longstanding relationships with leading OEMs and institutional customers, including Indian Railways. Continued investments in R&D, product innovation, and import substitution have enabled the Company to expand into higher-value applications such as smart metering, EV charging infrastructure, renewable energy, data centres, and high-voltage safety solutions. Supported by favourable macroeconomic trends—including industrial automation, electrification, railway modernisation, and digital infrastructure growth—the Industrial Switchgear segment remains well positioned to sustain its leadership and drive long-term growth for the Company.

The largest and most mature vertical, Industrial Switchgear, contributed 56% to the standalone FY26 revenue. The division reported revenue of ₹960 crore for the full year, a 20% growth driven by strong demand from industrial automation, railway electrification, and the renewable energy sector. The segment maintained an EBITDA margin of approximately 11%, benefiting from its established OEM relationships and premium product mix with approximately 60% of the product mix comprising complex, high-value products.

The division commenced operations in 1985 and now serves both domestic and significant export markets. All products carry the necessary international certifications including UL, CSA, Intertek Semko, and CE.

b. Wires and Cables Division

The Wires and Cables segment contributed 39% to total standalone revenue, reporting Rs.684 crore for FY26. The division delivered 30% revenue growth for the full year FY26, reflecting sustained domestic traction in real estate and infrastructure sectors. However, margins in this segment were constrained to approximately 5% due to unprecedented spikes in copper prices. The company is targeting a scale-up in volumes and calibrated price increases to achieve a 6.5% long-term EBITDA margin for this division.

The division's product portfolio includes wires and cables, flexible busbars, enameled wires, bunched conductors and tinned wires. Schneider plays a major role in the off-take. This vertical commenced approximately 17 years ago and is primarily focused on the domestic market, though export demand is growing alongside global electrification trends.

c. Building Electrical Products

Contributing 5% to Standalone Revenue, the Building Products segment recorded 16% growth in FY26**.** Salzer has begun repositioning this vertical through geographical expansion, securing its first order from the Australian market during the year. Efforts are underway to enhance product aesthetics and expand the product range and SKU portfolio to capture the growing premium switch market in India.

The division's range includes modular switches (the primary driver), wires, cables, changeovers, and MCBs. Specialty products such as motion sensor, programmable timers, remote switches, and touch switches add differentiation. Silver-nickel contacts, anti-spark shields, and high-grade engineering plastics underscore the quality positioning.

Other developing Business

a. Smart Energy Business (Smart Meters)

During FY26, the Company executed smart meter orders aggregating approximately ₹45 crore. The company continues to engage with multiple AMISPs and is optimistic about securing larger volumes in FY27 as the RDSS rollout accelerates. Salzer remains a reliable partner for AMISPs under the RDSS program, with its Coimbatore facility fully operational at 4 million meters per annum capacity and Wirepas RF mesh technology integration.

b. Energy Management Services (EMS)

The EMS segment is centred around the landmark ₹192 crore BBMP street lighting project in Bengaluru**.** While execution began in FY25, the project is structured on a Performance-Based Contracting model, with recurring revenues expected to flow through the SPV Effilume Private Limited from Q2 FY27 (July–August 2026) at a steady monthly run rate of ₹ 2.25 crore, creating recurring revenue visibility over an 84-month cycle.

D. Outlook

The Company has navigated the challenges arising from elevated US tariffs and is positioned to strengthen its international export momentum and is now poised to regain its momentum in international exports. The core Industrial Switchgear business remains the primary engine of growth, supported by near-universal rail electrification and the burgeoning data center market in India.

In the Smart Energy segment, the company remains optimistic about the long-term potential of RDSS, having validated its technology and manufacturing readiness. While the pace of smart meter deployment has been lower than expected, the awarded volumes remain significant, and Salzer is ready to participate as field-level coordination improves. The Company's entry into Energy Management Services through the BBMP project provides a replicable model for other urban bodies, creating recurring revenue visibility over an 84-month cycle.

Strategically, the expected commencement of commercial production in Saudi Arabia in the latter part of Q2 FY27 or the early part of Q3 FY27 will mark a new chapter in Salzer's global expansion, allowing the group to capture long-term infrastructure demand across the Middle East. With a robust product pipeline, including new temperature sensors and mesh-integrated smart meters, and a relentless focus on operational excellence, Salzer is well-positioned to deliver sustainable and inclusive growth for all its stakeholders in the years ahead.

E. Internal control systems and their adequacy.

Salzer Electronics Limited has established a robust internal financial control framework designed to ensure operational efficiency, safeguard assets, maintain the accuracy and reliability of financial reporting, and ensure compliance with applicable laws and regulations. The effectiveness of these controls is subject to periodic review by the Audit Committee, while ongoing automation and process enhancements continue to strengthen and formalize the Company's control environment and operating policies.

F. Human Capital and Industrial Relations

Salzer views its human capital as a key driver of sustainable growth. As of March 31, 2025, the company had over 924 permanent employees, with a remarkably inclusive workforce comprising 48% women. This high gender diversity reflects Salzer's commitment to providing technical and production roles to women in local rural areas.

ANNEXURE-6 (Contd.)

In FY 2025-26, the company continued its investment in talent development through structured training programs focused on safety, technical skill-building, and leadership. Industrial relations remained cordial across all manufacturing units, with transparent communication channels and strict adherence to labor laws. The Nomination and Remuneration Committee, chaired by an Independent Director, oversees the company's policies regarding the appointment and remuneration of Directors and Key Managerial Personnel.

As of March 31, 2026, the Company had 955 employees on rolls (full-year figure pending). The workforce reflects a balanced mix of experienced technical personnel and young engineering talent.

G. Principal Risks and Mitigation Approach

Salzer Electronics recognizes that identifying and mitigating risks is essential for organizational resilience.

Risk Category	Potential Impact	Mitigation Strategy
Raw Material Price Volatility	Compression of EBITDA margins due to spikes in copper and silver costs	Calibrated procurement, dynamic pricing models, and hedging strategies
Working Capital Risk	High receivables and inventory levels impact liquidity and interest costs	Digitizing invVentory management, reducing working capital days, and improving credit monitoring
Regulatory & Compliance	Changing SEBI/Stock Exchange regulations or regional tariff structures	Proactive legal monitoring, robust internal control systems, and transparent reporting
Dependency on Key Customers	Revenue concentration in specific sectors (e.g., Railways or large OEMs)	Diversification into new segments (Smart Meters, EV) and expanding geographical reach (Australia, Africa, Middle East)
Technology Risk	Products becoming outdated due to rapid industry digitalization	Continuous R&D investment, seeking technical alliances (Wirepas), and focus on IoT-enabled products
Geopolitical Risk	Middle East conflicts impacting energy costs and export logistics	Natural hedge from diversified export markets; Saudi Arabia subsidiary for regional manufacturing

H. Standalone Financial Performance with respect to operational performance

(Rs. In Cr)

Particulars (Standalone)	FY 2025-26	FY 2024–25	% Change
Revenue from Operations	1,715.19	1,382.92	24%
EBITDA	141.43	124.94	13%
Profit After Tax	53.83	62.26	-14%
Earning per share (Basic)	30.44	35.30	-14%
Earning per share (Diluted)	30.44	35.21	-14%

I. Movement in Key Ratios

	FY 2025-26	FY 2024–25	% Change
Debtors Turnover (Days)	89	84	6%
Inventory Turnover ratio (days)	87	86	1%
Interest Coverage Ratio	2.51	2.43	3%
Current Ratio	1.39	1.43	-3%
Debt Equity Ratio	0.92	0.86	7%
Operating Profit Margin (%)	8.25%	9.03%	-9%
Net Profit Margin (%)*	3.14%	4.48%	-30%
Return on Net Worth*	9.70%	12.50%	-22%

*Owing to a 2% increase in consumption costs in FY26 and the exceptional gain of Rs.15.18 Cr. recognized in FY25, net profit for FY26 declined, resulting in a lower net profit margin and a corresponding reduction in the return on net worth

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could affect the Company's operations include, among others, economic conditions affecting demand/supply and price conditions in the India and overseas markets in which the Company operates, changes in Government Regulations, Tax Laws, and Other Statutes, and incidental factors.

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INDEPENDENT AUDITOR'S REPORT

To

The Members of Salzer Electronics Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Salzer Electronics Limited ("the Company")** which comprise the Standalone Balance Sheet as at March 31, 2026, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information ("Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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, its Profit including Other Comprehensive Income, its Cash Flows and Changes in Equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	How our Audit addressed the Key Audit Matter
Accuracy of Recognition, Measurement, Presentation and Disclosures of revenues and other related balances in view of adoption of Ind AS 115-'Revenue from Contracts with Customers' Revenue is a significant line item in the financial statements of the Company and is a key performance indicator for stakeholders. The Company recognises revenue from sale of goods/rendering of services, in accordance with Ind AS 115-'Revenue from Contracts with Customers' The application of Ind AS 115 involves significant judgement in identifying performance obligations, determining the timing and accuracy of revenue recognition (at a point in time or over time), assessing transaction prices including variable consideration, and evaluating contract terms such as warranties, discounts or rebates. Given the volume and complexity of contracts, the significance of revenue to the financial statements, and the judgements required, we identified revenue recognition as a key audit matter.	Our audit procedures included, among others: Obtaining an understanding of the Company's revenue recognition policies and assessing compliance with Ind AS 115 Evaluating the design and implementation of relevant internal controls over revenue recognition Performing substantive testing on selected contracts to assess the appropriateness of revenue recognition, including terms and conditions, performance obligations, and timing of transfer of control Testing cut-off procedures and reviewing transactions around year-end to ensure revenue is recognised in the appropriate accounting period Evaluating the estimates of variable consideration (e.g. discounts, rebates, penalties) and assessing the reasonableness of management's assumptions Reviewing the adequacy of disclosures in the financial statements relating to revenue recognition and associated judgements

Assessment of carrying value of goodwill as per Ind AS 36 (Refer Note 5 to the Standalone Financial Statements) The Company has a goodwill balance of Rs 70.17 Lakhs as at March 31, 2026 relating to the acquisition of business, which is considered as a Cash Generating Unit (CGU). Under Ind AS 36, "Impairment of Assets', the Company is required to test Goodwill for impairment at least annually, or more frequently, if indicators of impairment exist. For the year ended March 31, 2026, the company performed an assessment of the carrying value of goodwill as required under Ind AS 36 by: Calculating the recoverable amount for CGU using a discounted cash flow model (DCF model). Comparing the recoverable amount of the respective carrying amount of assets and liabilities. The preparation of discounted cash flows requires assumptions for projections of cash flows for a specific period, typically for 5 years. A terminal growth rate is applied in determining the terminal value. We considered the carrying value of goodwill as a key audit matter, considering its significance to the standalone financial statements, and where applicable, the Management judgement involved in estimating future cash flows, particularly with respect to factors such as discount rates, cash flow projections and terminal growth rates which are affected by future market and economic conditions and hence, are inherently uncertain.	Our Audit Procedures included, among others: Evaluating the design and implementation of controls over management's impairment testing process Assessing the appropriateness of the methodology used by management for impairment testing in accordance with Ind AS 36 Understanding the cash flow projections and assumptions used in the DCF model, testing the mathematical accuracy and reviewing the report of the management expert Involving valuation specialists to assess the appropriateness of the valuation model and key assumptions used by management Performing sensitivity analyses to assess the potential impact of changes in key assumptions on the recoverable amounts Considering the adequacy of disclosures in the Standalone Financial Statements regarding the assumptions and sensitivities in the goodwill impairment assessment

Other Information

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance Report, Shareholder's Information and other information included in the Annual Report but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, on the other information obtained prior to the date of this Auditor's Report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act 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 judgements and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatements, 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 SA's will always detect a material misstatement when it exists. Misstatements arise due to fraud or error and are considered material if, individually or taken together, they could reasonably be expected to influence the economic decisions of users taken on the basis of the standalone financial statements.

As part of an audit in accordance with SA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the aforesaid standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with Those Charged With Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including significant deficiencies in internal controls that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

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

STANDALONE INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

f. With respect to the adequacy of Internal Financial Controls over Financial Reporting and the Operating Effectiveness of such Controls, refer to our separate report in **"Annexure B"**. Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note 45 to Standalone Financial Statements.

ii. The Company was not required to recognize a provision as at March 31, 2026 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2026.

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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail, has been preserved by the Company as per the statutory requirements for record retention.

3. 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.

For Swamy & Ravi
Chartered Accountants,
FRN: 004317S

S.Alamelu
Partner
Memb. No.: 223555

UDIN: 26223555UMJRMP1535

Place: Coimbatore

Date: 23/05/2026

ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" Section of our Report of even date)

On the basis of the information and explanations given to us, during the course of our audit, we report that:

i. (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE)

(ii) The Company has maintained proper records showing full particulars of Intangible Assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its PPE, by which all PPEs are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies have been noticed on such verification.

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

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant & Equipment (including Right-of-Use Assets) or Intangible Assets during the year. Therefore, the provisions of Clause (i) (d) of paragraph 3 of the order are not applicable to the company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Property Transactions (Prohibition) Act, 1988 (45 of 1988), as amended and rules made thereunder. Therefore, the provisions of Clause (i) (e) of paragraph 3 of the order are not applicable to the company.

ii. (a) The inventory, except goods-in-transit has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

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

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has made investments in subsidiaries and joint ventures during the year.

a. During the year, the company has not provided any loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity.

b. In our opinion, the investments made during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv. According to the information and explanations given to us and on the basis of representations of the management which we have relied upon, the Company has complied with the provisions of Sec 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing statutory dues, including provident

ANNEXUR "A" (Contd.)

fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and other material statutory dues as applicable, with the appropriate authorities.

According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess or other material statutory dues that are outstanding as of March 31, 2026, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

S.No.	Assessment Year	Nature of Dues	Amount	Forum where the dispute is pending
1	-	Customs/Excise Duty under Central Excise Act	Rs. 40,54,921 (out of which Rs. 12,00,000 was paid under protest)	CESTAT
2	2017-18	Disputed Liability against Section 143(3) order under Income Tax Act, 1961	Rs. 91,64,051 (out of which Rs. 18,38,763 was deposited)	Commissioner of Income Tax (Appeal)
3	2018-19	Disputed Liability (Penalty) against Section 270(A) order under Income Tax Act	Rs. 54,95,512	Honourable ITAT Chennai has set aside the order under Section 143(3) to the file of the Assessing Office and hence, the penalty order becomes infructuous

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that 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 payment of interest or repayment of loans or borrowings to any financial institutions or bank or government or dues to debenture holders as at the balance sheet date.

(b) In our opinion and according to the information and explanations given to us, the company has not been declared as a willful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us, the loans were applied for the purposes for which they have been sanctioned.

(d) In our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis, which have been utilized for long-term purposes.

(e) In our opinion and according to the information and explanations given to us, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) In our opinion and according to the information and explanations given to us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act) and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore, reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) According to the information and explanations given to us and on the basis of representation of the management which we have relied upon, no fraud by the Company or no material fraud on the company by its officers or employees has been noticed or reported during the year. Accordingly, Paragraph 3(xi)(a) of the Order is not applicable.

ANNEXUR "A" (Contd.)

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

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii. According to the information and explanations given to us, the company is not a Nidhi company and hence reporting under this clause is not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act, as applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

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 directors or persons connected with them. Therefore, the provisions of clause 3(xv) of the order are not applicable.

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

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, reporting under this clause is not applicable.

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

(d) As per the information and explanations received, the group does not have any CIC as part of the group. Accordingly reporting under Paragraph 3(xvi)(d) of the order is not applicable.

xvii. The Company has not incurred cash losses in the current financial year and also in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly reporting under Paragraph 3(xviii) of the order is not applicable.

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, 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 the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this 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) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) The Company does not have any ongoing projects as at the end of the previous financial year.

For Swamy & Ravi
Chartered Accountants,
FRN: 004317S

S. Alamelu
Partner
Memb. No.: 223555

UDIN: 26223555UMJRMP1535
Place: Coimbatore
Date: May 23, 2026

ANNEXURE – B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" Section of our Report of even date)

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

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

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 ("Guidance Note") 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 Companies Act, 2013 ("the Act")

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 the 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 and according to information and explanation 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 March 31, 2026 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal financial controls stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For Swamy & Ravi
Chartered Accountants,
FRN: 004317S

S.Alamelu
Partner
Memb. No.: 223555

UDIN: 26223555UMJRMP1535
Place: Coimbatore
Date: May 23, 2026

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2026

(₹ in Lakhs)

Particulars		Note No.	As at March 31, 2026	As at March 31, 2025
I. ASSETS				
1. Non-current Assets				
a. Property, Plant and Equipment		2	31,871.18	29,002.28
b. Capital Work in Progress		3	731.06	262.04
c. Investment Property		4	0.77	0.77
d. Goodwill		5	70.17	93.42
e. Other Intangible Assets		6	312.08	391.97
f. Financial Assets				
i. Investments		7	2158.51	1,779.11
ii. Others		8	245.58	253.57
g. Other Non-current Assets		9	1,011.89	815.23
Total Non-Current Assets	**[1]**		**36,401.24**	**32,598.39**
8. Current Assets				
a. Inventories		10	46,202.79	36,399.86
b. Financial Assets				
i. Investments		11	951.57	855.69
ii. Trade Receivables		12	43,143.26	40,850.05
iii. Cash and Cash Equivalents		13	205.25	164.94
iv. Other Bank balances		14	484.39	365.82
v. Loans		15	146.13	141.91
vi. Other		16	232.05	231.92
Other Current Assets		17	5901.71	4,899.56
Current Tax Assets (Net)		18	161.25	-
Total Current Assets	**[2]**		**97,428.40**	**83,909.75**
TOTAL ASSETS	**[1+2]**		**1,33,829.64**	**1,16,508.14**
II. EQUITY AND LIABILITIES				
1. EQUITY				
a. Equity Share Capital		19	1,768.27	1,768.27
b. Other Equity		20	56,138.59	51,259.79
Total Equity	**[1]**		**57,906.86**	**53,028.06**
2. LIABILITIES				
1. Non-current Liabilities				
a. Financial Liabilities				
i. Borrowings		21	2,808.38	2,231.51
ii. Net Liability in Leased Assets		22	16.99	28.24
b. Provisions		23	239.92	206.24
c. Deferred tax liabilities (net)		24	2,926.55	2,699.49
Total Non-current Liabilities	**[2]**		**5,991.84**	**5,165.48**
2. Current Liabilities				
a. Financial Liabilities				
i. Borrowings		25	50,335.97	43,503.55
ii. Current Maturity of Leased Liability		26	8.87	5.68
iii. Trade Payables		27		
a. Due to Micro & Small Enterprises			4,477.12	1,895.62
b. Due to Others			12,922.84	10,611.53
iv. Others		28	50.27	92.71
b. Other Current Liabilities		29	993.13	1,267.20
c. Provisions		30	1,142.74	769.18
b. Current Tax Liabilities (Net)		31	-	169.13
b. Total Current Liabilities	**[3]**		**69.930.94**	**58,314.60**
TOTAL EQUITY AND LIABILITIES [1+2+3]			**1,33,829.64**	**1,16,508.14**

Material Accounting Policies – Note:1, the accompanying Notes are integral part of the Financial Statements

In terms of our attached report
For **Swamy & Ravi**
Chartered Accountants
FRN No.004317S

N RANGACHARY
Chairman
(DIN: 00054437)

R. DORAISWAMY
Managing Director
(DIN: 00003131)

D. RAJESHKUMAR
Joint Managing Director
(DIN :00003126)

K RAMAN
Chief Financial Officer

K M MURUGESAN
Company Secretary
M No. A25953

S ALAMELU
Partner
M No. 223555

Coimbatore - 47
May 23, 2026

STANDALONE PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

Particulars	Note No.	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
I. INCOME			
a. Revenue From Operations	32	1,71,519.37	1,38,292.59
b. Other Income	33	175.33	542.52
Total Income		**1,71,694.70**	**1,38,835.11**
II. EXPENSES			
a. Cost of materials consumed	34	1,35,936.03	1,08,266.51
b. Changes in inventories of finished goods and work-in-progress	35	-2,922.06	-3,401.68
Consumption-Total		**1,33,013.97**	**1,04,864.83**
c. Employee benefit expenses	36	6,526.26	5,389.38
d. Finance Cost	37	4,739.92	4,079.67
e. Depreciation and amortisation expense	38	2,601.19	2,229.21
f. Other expenses	39	17,836.02	15,544.90
TOTAL EXPENSES		**1,64,717.36**	**1,32,107.99**
III. PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		**6,977.34**	**6,727.12**
Exceptional items	40	65.11	1,518.31
IV. PROFIT BEFORE TAX		**7,042.45**	**8,245.43**
Tax Expense	41	1,659.24	2,019.60
V. PROFIT AFTER TAX		**5,383.21**	**6,225.83**
VI. OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
a. Re-measurement of post employment benefit obligations		-56.01	-52.70
b. Change in fair value of FVOCI equity instruments		-24.17	47.09
c. Income Tax expenses on above		17.55	16.61
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		-62.63	11.00
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**5,320.58**	**6,236.83**
EARNINGS PER SHARE	42		
- Basic after exceptional items (in Rs)		30.44	35.30
- Diluted after exceptional items (in Rs.)		30.44	35.21

Material Accounting Policies – Note:1, the accompanying Notes are integral part of the Financial Statements

In terms of our attached report

N RANGACHARY
Chairman
(DIN: 00054437)

R. DORAISWAMY
Managing Director
(DIN: 00003131)

D. RAJESHKUMAR
Joint Managing Director
(DIN :00003126)

For **Swamy & Ravi**
Chartered Accountants
FRN No.004317S

K RAMAN
Chief Financial Officer

K M MURUGESAN
Company Secretary
M No. A25953

S ALAMELU
Partner
M No. 223555

Coimbatore - 47
May 23, 2026

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

PARTICULARS	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) after tax	5,383.21	6,225.83
Adjustments for: Tax expenses	1,659.24	2,019.60
Depreciation and Amortisation	2,601.19	2,229.21
Interest from Bank Deposits	-63.03	-29.45
Finance Costs	4,739.92	4,079.67
Gain/Loss on Foreign Exchange Fluctuations (Net)	158.27	-287.77
Lease Rental Charges-Machinery	-	217.47
Dividend Income against Investments	-49.79	-53.38
Profit on Sale of Investments (Kaycee)	-65.11	-1,601.31
Profit or Loss on Sale of Assets (Net)	-4.62	247.76
Impairement on Goodwill	23.25	41.82
Impairment of Investments	-	83
Non-operating Income	-57.81	-171.91
Operating Profit before working capital changes	**14,324.72**	**13,000.54**
Adjusted for working capital changes: Changes in Inventories	-9,802.93	-7,437.77
Changes in Trade Receivables and Other Receivables	-2481.88	-7,983.60
Changes in Other Current Assets	-768.35	341.55
Changes in Trade Payables and Other Payables	4,892.81	1,901.75
Changes in Other Current Liabilities	-210.07	-117.48
Cash Generated from Operations	5,954.30	-295.02
Direct Taxes Paid	-1762.57	-1,798.92
Net Cash Flow from Operating Activities	**4,191.73**	**-2093.93**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investments in Property, Plant & Equipment and Intangible Assets	-5,430.47	-6,864.73
Increase/Decrease in Capital Work in Progress	-469.02	-22.29
Non-Operating Income	57.81	171.91
Proceeds from Sale of Investments	90.77	1,779.53
Proceeds from Sale of Property, Plant & Equipment and Intangible Assets	44.98	256.19
Investment in Mutual Funds and Equities-Net	-95.88	-115.54
Investment in Subsidiary/Associate	-404.83	-17.67
Investments in Equity Instruments of Other Companies	-	-263.94
Dividend Income	49.79	53.38
Interest from Bank Deposits	63.03	29.45
Increase in Other Bank Balances	-118.57	-89.06
Net Cash Used in Investing Activities	**-6,212.39**	**-5,082.77**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short Term Borrowings	6,832.42	10,067.79
Increase in Current Maturity of Leased Liabilities	3.19	5.67
Money received against Share Warrants-Net	-	-208.89
Increase in Share Capital	-	30.00
Increase in Share Premium		805.50
Long term Borrowings-Receipts	576.87	932.75
Increase in Net Liability in Leased Assets	-11.25	28.24
Interest and Finance Charges	-4,739.92	-4,079.67
Gain/Loss on Foreign Exchange Fluctuations (Net)	-158.27	287.77
Lease Rental Charges-Machinery	-	-217.47
Dividend and Dividend Tax Paid	-442.07	-442.08
Net Cash Generated from Financing Activities	**2,060.97**	**7,209.61**
Net Increase in Cash and Cash Equivalents (A+B+C)	**40.31**	**32.91**
Cash and Bank balances at the Beginning of the Year	164.94	132.03
Less: Bank Balances not considered as Cash and Cash equivalents	-	-
Cash and Bank balances at the End of the Year	**205.25**	**164.94**

The above cash flow has been prepared under the “Indirect Method” as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.

N RANGACHARY
Chairman
(DIN: 00054437)

R. DORAISWAMY
Managing Director
(DIN: 00003131)

D. RAJESHKUMAR
Joint Managing Director
(DIN :00003126)

For **Swamy & Ravi**
Chartered Accountants
FRN No.004317S

K RAMAN
Chief Financial Officer

K M MURUGESAN
Company Secretary
M No. A25953

S ALAMELU
Partner
M No. 223555

Coimbatore - 47
May 23, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A) EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	For The Year Ended 31-03-2026	For The Year Ended 31-03-2025
Balance at the Beginning of the Financial year	1,768.27	1,738.27
Changes in equity share capital during the year	-	30.00
Balance at the End of the Financial year	1,768.27	1768.27

B) OTHER EQUITY

Particulars	Reserves and Surplus							Total Other Equity
	Share application money pending allotment	Money Received Against Share Warrants	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Other Items of Other Comprehensive Income	
Balance as at 31/03/2025	-	-	80.67	17,194.64	2,358.46	31,565.06	60.96	51,259.79
Profit for the year ended 31/03/2026	-	-	-	-	-	5,383.21	-	5,383.21
Other Comprehensive income	-	-	-	-	-	-	-62.34	-62.34
Transfer to General Reserve	-	-	-	-	50.00	-50.00	-	-
Transferred to Retained Earnings from OCI	-	-	-	-	-	0.29	-0.29	-
Appropriations (if any)	-	-	-	-	-	-	-	-
Options exercised, pending allotment of shares	-	-	-	-	-	-	-	-
Allotment of shares	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-442.07	-	-442.07
Balance as at 31/03/2026	**-**	**-**	**80.67**	**17,194.64**	**2,408.46**	**36,456.49**	**-1.67**	**56,138.59**

The accompanying Notes are an integral part of the financial statements

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May 23, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

A) EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	For The Year Ended 31-03-2025	For The Year Ended 31-03-2024
Balance at the Beginning of the Financial year	1,738.27	1,618.27
Changes in equity share capital during the year	30.00	120.00
Balance at the End of the Financial year	1768.27	1738.27

B) OTHER EQUITY

Particulars	Reserves and Surplus							Total Other Equity
	Share application money pending allotment	Money Received Against Share Warrants	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Other Items of Other Comprehensive Income	
Balance as at 31/03/2024	-	208.88	80.67	16,389.14	2,358.46	25,781.30	49.96	44,868.41
Profit for the year ended 31/03/2025	-	-	-	-	-	6,225.83	-	6,225.83
Other Comprehensive income	-	-	-	-	-	-	11.00	11.00
Transfer to General Reserve	-	-	-	-	-	-	-	-
Appropriations (if any)	-	-	-	-	-	-	-	-
Options exercised, pending allotment of shares	-	626.62	-	-	-	-	-	626.62
Premium against the allotment of shares	-	-835.50	-	805.50	-	-	-	-30.00
Dividend paid	-	-	-	-	-	-442.07	-	-442.07
Balance as at 31/03/2025	-	-	80.67	17,194.64	2,358.46	31,565.06	60.96	51,259.79

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Coimbatore - 47
May 23, 2026

STANDALONE NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

Material Accounting Policies

Note No. 1

i. Corporate Information:

Salzer Electronics Limited, incorporated in January 1985, for manufacture of Electrical Installation Products and Components viz., CAM Operated Rotary switches, Selector Switches, Wiring Ducts, Voltmeter Switches, copper wires and cables and allied products addressing customers in the electrical equipment, power, medical equipment, automotive as well as renewable and uninterrupted power system space, in a single and unified segment. The company is listed in BSE Limited and National Stock Exchange of India Limited.

ii. General Information and Statement of Compliance with Ind AS:

These standalone financial statements ('financial statements') of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

These financial statements for the year ended March 31, 2026 were authorized and approved for issue by the Board of Directors on May 23, 2026.

iii. Basis of Preparation:

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The Financial Statements have been prepared and presented on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as on the exchange date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on the basis stated above. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

All amounts included in the financial statements are reported in lakhs of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

iv. Use of Estimates:

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require material accounting estimates involving complex and subjective judgments and the use of assumptions in these Financial statements have been disclosed separately under the heading "material accounting judgements, estimates and assumption".

v. Current versus non-current classification

The entity presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current, when:

It is expected to be realised or intended to be sold or consumed in normal operating cycle

It is held primarily for the purpose of trading

It is expected to be realised within twelve months after the reporting period, or

It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current, when:

It is expected to be settled in normal operating cycle

It is held primarily for the purpose of trading

It is due to be settled within twelve months after the reporting period, or

It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.

The entity classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

vi. Foreign currency transactions Functional and presentation currency

Functional and presentation currency

The financial statements are presented in Indian Rupee which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest rupees in Lakhs.

a. Initial recognition

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

b. Conversion

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

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

c. Forward Contract

Premium/ Discount in respect of Forward Contract are amortized as expense/income over the period of contract. Exchange differences arising on forward contracts between the exchange rate on the date of transaction and the exchange rate prevailing at the yearend is recognized in the Statement of Profit and Loss.

vii. Property, Plant and Equipment:

Property, plant and equipment are stated at cost net of historical Indirect Taxes, including appropriate direct and allocated expenses less accumulated depreciation and impairment losses, if any. Increase/Decrease in rupee liability in respect of foreign currency liability related to acquisition of fixed assets is recognized as expense or income in the Statement of Profit and Loss. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end with the effect of any changes in estimate accounted for on a prospective basis. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

Class of Assets	Useful Lives
Buildings	30 Years
Plant and Machinery	15 Years
Windmill	22 Years
Electrical Machinery solar	22 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the profit or loss.

viii. Investment property:

Investment property is a property, being a land or a building or part of a building or both, held by the owner or by the lessee under a finance lease, to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business. Investment properties (if any), are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

ix. Intangible assets and amortization:

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are recognized only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Computer software licenses are capitalized on the basis of costs incurred to acquire and bring to use the specific software. Operating software is capitalized and amortized along with the related fixed asset.

The Company has used the following useful lives to amortize its intangible assets:

Class of Assets	Useful Lives
Computer software	3 Years
Internally Generated Intangible assets	3 Years

x. Research and Development Expenditure:

Research & Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. However, expenditure incurred at development phase, where it is reasonably certain that outcome of research will be commercially exploited to yield economic benefits to the Company, is considered as Intangible Assets and amortized in accordance with the policies stated above.

xi. Impairment of Non Financial assets:

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash- generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

xii. Inventories:

Inventories are carried at lower of cost and net realizable value.

Cost includes all applicable costs incurred in bringing the inventories to their present location and condition.

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

Cost of raw materials including consumables and stores & spares are determined on FIFO (First In First Out) Basis.

Cost of work-in-progress is valued at cost of materials and labour together with relevant factory overheads. The cost of work-in progress is determined on the basis of weighted average method.

The finished goods are valued at cost (or) net realizable value whichever is less.

xiii. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

Debt instruments at amortized cost

Debt instruments at fair value through other comprehensive income (FVTOCI);

Debt instruments and equity instruments at fair value through profit or loss (FVTPL);

Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments (other than investments in subsidiaries and joint ventures):

All equity investments within the scope of Ind AS 109,' Financial Instruments', are measured at fair value either through statement of profit and loss or other comprehensive income. The Company makes an irrevocable election to present in OCI the subsequent changes in the fair value on an instrument-by-instrument basis. The classification is made on initial recognition.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI. Any gains or losses on de-recognition is recognized in the OCI and are not recycled to the statement of profit or loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in associates are accounted at cost in accordance with Ind AS 28.Investment in Subsidiaries are accounted at cost in accordance with Ind AS 27

De-recognition of Financial Assets:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognized when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass - through 'arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the Asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained

2. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and transaction cost (if any) that is attributable to the acquisition of the financial liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

b. Trade and other payables

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non- current liabilities and are measured at amortized cost unless designated as fair value through profit and loss at the inception.

c. Other financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the profit or loss.

De-recognition of Financial Liabilities:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de- recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

3. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4. Compound Financial Instruments:

A financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and is subsequently measured at amortized cost. The residual value is recognized as equity component of other financial instrument and is not re-measured after initial recognition.

The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognized directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortized using effective interest method.

xiv. Impairment of Financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

xv. Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re- assessing categorization (based on the lowest level Input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xvi. Revenue Recognition:

a. Revenue from sale of goods and services:

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership in the goods are transferred to the buyer, which is mainly upon delivery, the amount of revenue can be measured reliably and the recovery of consideration is probable. Revenue from the sale of goods includes duties and taxes which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax (GST) and Other Taxes, as applicable.

Export Benefits are recognized as revenue when the right to receive credit as per the terms of the entitlement is established in respect of exports made.

Revenue from services is recognised in the periods in which the services are rendered.

b. Revenue from Projects

Revenue from fixed Price Contracts, where the performance obligation is satisfied over the period of time and where there is no uncertainty as to measurement or collectability of consideration is recognized as per the percentage of completion method in accordance with the IND AS 115. Under the percentage of completion method, revenue is recognized in proportion that the contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. The amount recognized is net of goods and service tax (GST), service tax and other amounts collected from the customer in the capacity of an agent, as applicable. In cases where the total project cost is estimated to exceed the total estimated revenue from a project, the loss is recognized immediately.

Contract costs include the estimated material costs, installation costs and other directly attributable costs of the project.

Contract revenues represent the aggregate amounts of fair value of sale price for agreements entered into and are accrued based on the percentage that the actual construction costs incurred until the reporting date bears to the total estimated construction costs to completion.

The estimates for contract costs are reviewed by the management periodically and the cumulative effect of the changes in these estimates, if any, are recognized in the period in which these changes may be reliably measured.

c. Dividend:

Income from dividends are recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

d. Interest Income:

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss. The expected cash flows are reassessed on a yearly basis and changes, if any, are accounted prospectively.

e. Other Operating Revenue:

Other Operating revenue comprises income from ancillary activities incidental to the operations of the company and are recognized when the right to receive the income is established as per the terms of the contract.

xvii. Leases as a Lessee:

The Company assesses at contract inception, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

I. the contract involves the use of an identified asset

II. the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and

III. the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

a. Right-of-Use Assets:

The Company recognizes right-of-use assets at the commencement date of the lease (I.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets Includes:

I. The amount of lease liabilities recognized

II. Initial Direct Costs incurred and

III. Lease payment made at or before the commencement date less any lease incentives received

Right-of-Use Assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to Impairment.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

b. Lease Liabilities:

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include:

I. Fixed Payments (including any in-substance fixed payments) less any lease incentives receivable,

II. Variable lease payments that depend on an index or a rate,

III. Amounts expected to be paid under residual value guarantees,

IV. The Exercise Price of a Purchase Option, if the Company is reasonably certain to exercise that option and

V. Payment of Penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment Occurs.

In calculating the present value of lease payments, the Company uses 'the interest rate implicit in the lease', if that rate can be readily determined or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

After the commencement date, the amount of lease liabilities is increased to reflect the interest on lease liabilities and reduced to reflect the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c. Short-term Leases and Leases of Low-Value Assets:

The Company applies the exemption applicable to Short-term Leases (i.e. Leases that, at the commencement date, have a lease term of 12 months or less without a purchase option) and to Leases of Low-Value Assets. Lease Payments on Short-term Leases and Leases of Low-Value Assets are recognized as an expense on a straight-line basis over the lease term.

Leases as a Lessor:

The Company classifies each of its leases as either an operating lease or a finance Lease.

a. Finance Lease:

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

At the Commencement Date, the Company recognizes assets held under a finance lease as a Receivable at an amount equal to the 'Net Investment in the Lease'.

The Company recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Company's 'Net Investment in the Lease'.

b. Operating Lease:

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Company recognizes lease payments from operating leases as income on a straight-line basis over the lease term.

xviii. Employee benefits

1. Short Term and other long term employee benefits:

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Compensated leave absences are encashed by employees at year end and no carry forward of leave is permitted as per the leave policy.

2. Post-Employment Benefits

a. Defined Contribution Plans

A defined contribution plan is a post- employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Superannuation Fund. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

b. Defined Benefit Plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in OCI in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment.

xix. Share Based Payments Arrangements

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

xx. Borrowing costs:

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs are charged to statement of profit and loss.

xxi. Provisions:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

a. Provision for warranty:

Provision for expected cost of warranty obligations are recognized based on management's best estimate of the expenditure required to settle the obligations which takes into account the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidents.

xxii. Contingent liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets are not recognized but are disclosed when the inflow of economic benefits are probable.

xxiii. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares (if any) are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and consolidation of shares if any.

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

xxiv. Taxes on Income:

Tax expense comprises of current and deferred tax.

a. 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 directly in equity is recognized in other comprehensive income / equity and not in the statement of profit and loss. 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.

b. Deferred tax

Deferred tax is provided 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 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 are 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 based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

xxv. Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in 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, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

xxvi. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Executive Officer (CEO), who is the Chief Operating Decision Maker (CODM), to make decisions about resources to be allocated to the segments and assess their performance. Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on the type of goods or services delivered or provided.

The Company is primarily engaged in manufacturing of wide range of electrical installation products including devices for energy efficiency services which all fall under One segment by name Electrical Installation Products for any reporting requirements.

xxvii. Material accounting judgments, estimates and assumptions:

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgments that the management has made in the process of applying the Company's accounting policies:

a. Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

b. Revenue recognition, contract costs:

The Company uses the percentage of completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of- completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred to the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

c. Provision and contingent liability:

On an ongoing basis, the Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies, the likelihood of which is remote are not disclosed in the financial statements.

d. Useful lives of depreciable assets:

Management reviews the useful lives of depreciable assets at each reporting period. There is no significant change in the useful lives as compared to previous year.

e. Evaluation of indicators for impairment of assets:

The evaluation of applicable indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

f. Defined benefit obligation:

Management's estimate of the Defined Benefit obligation is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the obligation amount and the annual defined benefit expenses.

g. Fair value measurements:

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

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Note No. 2 PROPERTY, PLANT AND EQUIPMENT (₹ in Lakhs)

Particulars	Right of use Assets	OWNED ASSETS								
	Leasehold Building	Freehold Land	Building	Plant & Equipment	Furniture & Fixtures	Electrical M/c Solar	Vehicles	Windmill	Total	Right of Used Assets + Owned Assets
Deemed Cost										
As at March 31, 2025	**38.85**	**3,198.64**	**4,074.38**	**32,274.32**	**1,276.89**	**402.52**	**181.43**	**156.69**	**41,564.87**	**41,603.72**
Additions	28.85	692.97	206.78	4,261.35	165.80	4.92	21.94	-	5,353.76	5,382.61
Disposal	38.85	-	-	18.11	1.92	-	13.27	-	33.30	72.15
As at March 31, 2026	**28.85**	**3,891.61**	**4,281.16**	**36,517.56**	**1,440.77**	**407.44**	**190.10**	**156.69**	**46,885.33**	**46,914.18**
Accumulated Depreciation										
As at March 31, 2025	**6.94**	**-**	**972.72**	**10,753.90**	**581.38**	**140.88**	**73.96**	**71.66**	**12,594.50**	**12,601.44**
Additions	10.26	-	134.28	2,138.44	143.97	18.28	20.41	7.72	2,463.10	2,473.36
Disposal	12.18	-	-	6.69	1.93	-	11.00	-	19.62	31.80
As at March 31, 2026	**5.02**	**-**	**1,107.00**	**12,885.65**	**723.42**	**159.16**	**83.37**	**79.38**	**15,037.98**	**15043.00**
Net Carrying amount										
As at March 31, 2025	**31.91**	**3,198.64**	**3,101.66**	**21,520.42**	**695.51**	**261.64**	**107.47**	**85.03**	**28,970.37**	**29,002.28**
As at March 31, 2026	**23.83**	**3,891.61**	**3,174.16**	**23,631.91**	**717.35**	**248.28**	**106.73**	**77.31**	**31,847.35**	**31,871.18**

Details of the Properties pledged as security for Borrowings – Refer Note No.21

Note No. 3 CAPITAL WORK IN PROGRESS (₹ in Lakhs)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Capital Work in Progress	731.06	262.04
Total	**731.06**	**262.04**

Capital Work in Progress (CWIP) as on 31.03.2026 (₹ in Lakhs)

CWIP	AMOUNT IN C.W.I.P AS ON 31.03.2026				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	714.94	16.12	-	-	731.06
Previous Year	262.04	-	-	-	262.04
Projects temporarily suspended	-	-	-	-	-

Capital Work in Progress (CWIP) as on 31.03.2025 (₹ in Lakhs)

CWIP	AMOUNT IN C.W.I.P AS ON 31.03.2025				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	262.04	-	-	-	262.04
Previous Year	239.75	-	-	-	239.75
Projects temporarily suspended	-	-	-	-	-

Note No. 4 INVESTMENT PROPERTY (₹ in Lakhs)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Freehold Land	0.77	0.77
Total	0.77	0.77

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

Note No. 5 GOODWILL (₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Gross Carrying Amount		
Opening	93.42	135.24
Additions	-	-
Impairment during the Year	23.25	41.82
Disposal	-	-
Closing Balance	70.17	93.42
Net Carrying amount	**70.17**	**93.42**

Note No. 6 OTHER INTANGIBLE ASSETS (₹ in Lakhs)

Particulars	Software	Design	Total
Deemed Cost			
As at March 31, 2025	624.30	175	799.30
Additions	47.95	-	47.95
Disposal	32.85	-	32.85
As at March 31, 2026	639.40	175	814.40
Accumulated Amortisation			
As at March 31, 2025	357.60	49.73	407.33
Additions	72.42	55.42	127.84
Disposal	32.85	-	32.85
As at March 31, 2026	**397.17**	**105.15**	**502.32**
Net Carrying amount			
As at March 31, 2025	266.70	125.27	391.97
As at March 31, 2026	**242.23**	**69.85**	**312.08**

Note No. 7 NON-CURRENT INVESTMENTS (₹ in Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No.	**Amount**	**No.**	**Amount**
INVESTMENTS IN EQUITY INSTRUMENTS				
A) Measured at cost				
(I) Quoted equity shares fully paid up-#				
(i) Subsidiary Companies				
Kaycee Industries Ltd. 10/-each	22,75,518	1,428.51	22,82,014	1,451.19
Total	**22,75,518**	**1,428.51**	**22,82,014**	**1,451.19**
B) Measured at Fair value through Other Comprehensive Income				
(I) Quoted equity shares, fully paid up				
(a) Other Equity Companies				
Bank of India, of ` 10/- each	-	-	2,300	2.46
Total	**-**	**-**	**2,300**	**2.46**
C) Measured at Fair value				
(I) UnQuoted equity shares fully paid up				
(i) Subsidiary Companies				
(a) Salzer Kostad EV. Charges Pvt. Ltd. (Face value of Rs. 10/- each)	8,30,000	83.00	8,30,000	83.00
LESS:Impairment on Investment on Salzer Kostad EV.Charges Pvt. Ltd.	-8,30,000	-83.00	-8,30,000	-83.00
Total	**-**	**-**	**-**	**-**

Particulars		As at March 31, 2026		As at March 31, 2025	
		No.	Amount	No.	Amount
Measured at Cost					
(ii)	Wholly owned Subsidiary Companies				
(a)	Salzer EV Infra Private Ltd. (Face value of Rs. 10/- each) WOS*	7,99,541	79.95	5,29,100	52.91
(b)	Salzer Electronics Arabia Limited (Equity Shares of 500 @ 1000 SAR /- each)	500	122.15		-
Total		**8,00,041**	**202.10**	**5,29,100**	**52.91**
(iii)	Associate Companies				
(a)	Effilume Private Limited(Face Value of Rs.10/-each)	25,53,300	255.33	-	-
(b)	Aurawin Solutions Pvt Limited (Face Value of Rs.10/- each)	3,000	0.30		-
Total		**25,56,300**	**255.63**	**-**	**-**
(iv)	Other Equity Companies				
(a)	Salzer Technologies Ltd. (Face value of Rs. 10/- each)	83,250	8.33	83,250	8.33
(b)	Jayachandar Windfarm Pvt Ltd. (Face value of Rs. 10/- each)	-	-	2,830	0.28
(c)	Amplus Iru Private Limited(Face Value of Rs.10/-each)	26,39,351	263.94	26,39,351	263.94
Total		**27,22,601**	**272.27**	**27,25,431**	**272.55**
GRAND TOTAL		**83,54,460**	**2,158.51**	**55,36,545**	**1,779.11**

Particulars	As at March 31, 2026	As at March 31, 2025
Aggregate value of quoted investments	1,428.51	1,453.65
Market value of quoted investments	16,180.07	24,155.30
Aggregate value of unquoted investments	729.99	325.46

*WOS:Wholly owned Subsidiary

Note No. 8 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets at amortized cost		
Security Deposits	242.32	253.57
Lease Deposits	3.26	-
Total	**245.58**	**253.57**

Note No. 9 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance for capital expenses	954.27	814.50
Other Deposits	0.19	0.73
Net Defined Benefit Plan Asset.	57.43	-
Total	**1,011.89**	**815.23**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

Note No. 10 INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Material	22841.86	16022.90
Packing Materials	482.89	404.30
Stock in Trade	265.74	238.79
Work in progress	18021.86	15286.86
Finished Goods	4533.40	4142.51
GOODS IN TRANSIT		
Raw Material	-	43.62
Finished Goods	57.04	260.88
Total	**46202.79**	**36399.86**

Details of Inventory Hypothecated as security - Refer Note No.25
Method of Valuation - Refer Note No. 1.xii

Note No. 11 CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No.	Amount	No.	Amount
INVESTMENTS				
Measured at Fair value through Other Comprehensive Income				
In Mutual Funds,				
Aditya Birla Frontline Equity Fund Growth	11,816	55.09	10,680	52.17
Aditya Birla Sun Life Flexi Cap Fund - Growth	3,149	52.24	2,817	46.54
Aditya Birla Sun Life Flexi Cap Fund -Idcw Payout	13,541	19.36	13,541	20.51
Bandhan Sterling Value Fund - Systm Trans -Growth	28,604	37.83	23,271	32.13
Bandhan Sterling Value Fund Idcw Growth - Systm Transactions	71,464	23.63	71,464	26.32
Bandhan Sterling Value Fund- Lump Sum - Growth	3,569	4.72	3,569	4.93
Hdfc Top 100 Fund Growth	5,479	55.85	4,692	50.57
Hdfc Top 100 Fund Regular Plan Growth -Lump Sum	697	7.11	697	7.51
Icici Prudential Discovery Fund Growth	9,486	41.38	7,583	33.14
Icici Prudential Flexicap Fund - Growth	3,43,411	58.52	2,99,116	50.22
Icici Prudential Midcap Fund - Growth	23,830	68.61	20,605	53.40
Kotak Emerging Equity Fund Regular Plan Growth	8,887	10.84	8,887	10.50
Kotak Emerging Equity Fund Regular Plan Growth - System Trans	48,465	59.12	39,480	46.65
Kotak Flexicap Fund - Idcw - Regular Plan-Lump Sum	6,123	4.69	6,123	4.73
Kotak Flexicap Fund - Idcw - Regular Plan-Lump Sum	2,128	0.98	2,128	0.99
Kotak Flexicap Fund - Idcw - Regular Plan-Sysm Transactions	61,710	28.55	61,710	28.83
Kotak Flexicap Fund Regular Growth-Sysm Transactions	60,161	46.10	53,106	41.09
Nippon India Large Cap Fund	87,373	20.82	87,373	22.31
Nippon India Large Cap Fund Growth	60,112	49	53,470	44.63
Nippon India Multi Cap Fund - Growth	25,444	67.54	21,351	57.49
Pgim India Flexi Cap Fund Regular Plan Growth	1,56,674	50.15	1,33,142	44.36
State Bank Of India Mutual Fund	61,288	51.97	61,288	54.90
State Bank Of India Flexicap Fund - Regular Plan Growth	53,373	51.87	45,041	45.58
State Bank Of India Magnum Midcap Fund Growth	15,510	32.19	13,958	30.60
Sundaram Mid Cap Fund Regular Growth	4,212	53.41	3,691	45.59
Total	**11,66,506**	**951.57**	**10,48,784**	**855.69**

Particulars	As at March 31, 2026	As at March 31, 2025
Market value of investments	951.57	855.69
Aggregate value of investments	951.57	855.69

Note No. 12 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good	43,210.07	40,913.09
Doubtful	168.65	125.29
Sub Total	43,378.72	41,038.38
Less: Allowance for expected credit losses	235.46	188.33
Total	**43,143.26**	**40,850.05**

Trade Receivables ageing schedule for the year ended as on 31.03.2026

(₹ in Lakhs)

Particulars	NOT DUE	Outstanding for following periods from due date of payments					Total
		Less than 6 months	6 months – 1 year.	1-2 yrs	2-3 yrs	More than 3 years	
Undisputed trade receivables - considered good	34,069.35	4,853.13	2,359.67	1,074.68	460.57	392.67	43,210.07
Undisputed trade receivables - considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	0.67	52.34	115.64	168.65
TOTAL	**34,069.35**	**4,853.13**	**2,359.67**	**1,075.35**	**512.91**	**508.31**	**43,378.72**

Trade Receivables ageing schedule for the year ended as on 31.03.2025

(₹ in Lakhs)

Particulars	NOT DUE	Outstanding for following periods from due date of payments					Total
		Less than 6 months	6 months – 1 year.	1-2 yrs	2-3 yrs	More than 3 years	
Undisputed trade receivables - considered good	33,879.04	3,645.39	1,579.54	810.62	906.61	91.89	40,913.09
Undisputed trade receivables - considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	63.11	28.81	33.37	125.29
TOTAL	**33,879.04**	**3,645.39**	**1,579.54**	**873.73**	**935.42**	**125.26**	**41,038.38**

Note No. 13 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks		
- In Current Accounts	14.53	50.11
-Deposits(with original maturity of 3 months or less)	180.21	105.03
Cash on hand	10.51	9.80
Total	**205.25**	**164.94**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

Note No. 14 OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks		
Earmarked Balances		
- In Unpaid Dividend Accounts	20.02	19.99
- In Margin money and Bank Guarantee	73.78	53.85
Others		
- Deposit (with original maturity of more than 3 months)	390.59	291.98
Total	**484.39**	**365.82**

Note No. 15 LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Loans and Advances to related parties	27.37	-
Loans and Advances -others	118.76	141.91
Total	**146.13**	**141.91**

Note No. 16 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets at amortized cost		
Security Deposits	172.48	184.86
Windmill Income receivable	0.34	0.17
Energy Saver Deposit Receivable	48.98	46.89
Share Application Money (Salzer Ev Infra Private Ltd.)	10.25	-
Total	**232.05**	**231.92**

Note No. 17 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
(a) Advances other than capital advances		
Advances to Suppliers	1690.92	1743.31
(b) Others		
Prepaid expenses	261.45	189.35
Balances with statutory/ government authorities	3803.63	2885.65
Other Receivables	145.71	81.25
Total	**5901.71**	**4899.56**

Note No. 18 CURRENT TAX ASSET (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance Tax paid in excess of Current tax Liability	161.25	-
Total	**161.25**	**-**

Refer Note No. 31 for Current Tax Liabilities (Net)

Note No. 19 EQUITY SHARE CAPITAL

Authorized Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
1,90,00,000 equity shares of Rs.10/- each	1,90,00,000	1,900.00	1,90,00,000	1,900.00
10,00,000 non-cumulative convertible Preference shares of Rs.10/- each	10,00,000	100.00	10,00,000	100.00
Total	**2,00,00,000**	**2,000.00**	**2,00,00,000**	**2,000.00**
Issued, Subscribed and Paid-up Capital				
Equity Share Capital	1,76,82,737	1,768.27	1,76,82,737	1,768.27
Total	**1,76,82,737**	**1,768.27**	**1,76,82,737**	**1,768.27**

(₹ in Lakhs)

a. Reconciliation of shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Shares at the beginning of the period	1,76,82,737	1,768.27	1,73,82,737	1,738.27
Add: Shares issued during the period	-	-	300,000	30
Less: Shares bought Back	-	-	-	-
Outstanding at the end of the period	**1,76,82,737**	**1,768.27**	**1,76,82,737**	**1,768.27**

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period error	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
1,768.27	-	-	-	1,768.27

b. Terms/ Rights attached to the Equity Shares

The company has issued only one class of Equity share having a par value of Rs. 10 per share. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote

c. Shareholders holding more than 5% shares

Particulars	Class of Shares	As at March 31, 2026		As at March 31, 2025	
		No of shares	%	No of shares	%
Quebec Information Services India Limited	Equity	11,06,847	6.26%	11,06,847	6.26%
Saradha Investments Limited	Equity	9,01,468	5.10%	9,01,468	5.10%

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

d. Shares held by Promoters at the end of the year 31-03-2026

Particulars	Class of Shares	As at March 31,2026		As at March 31,2025		% of the Changes during the year
		No of shares held	Holding %	No of shares held	Holding %	
R DORAISWAMY .	Equity	3,16,619	1.79%	3,16,619	1.79%	-
D RAJESHKUMAR .	Equity	2,62,420	1.48%	2,62,420	1.48%	-
THILAGAM RAJESHKUMAR	Equity	4,86,044	2.75%	4,86,044	2.75%	-
DORAISWAMY VISHNURANGASWAMY.	Equity	8,09,740	4.58%	8,09,740	4.58%	-
RAMASWAMY PAPPAMMAL	Equity	-	-	32622	0.18%	-0.18%
SAMHITA RAJESH	Equity	49,300	0.28%	39300	0.22%	0.06%
HARSHINII RAJESH .	Equity	23,800	0.13%	13800	0.08%	0.06%
SARADHA INVESTMENTS LIMITED	Equity	9,01,468	5.10%	9,01,470	5.10%	-
SRVE INDUSTRIES LIMITED	Equity	8,21,733	4.65%	8,21,733	4.65%	-
QUEBEC INFORMATION SERVICES INDIA LTD	Equity	11,06,847	6.26%	11,06,847	6.26%	-
K.R. HEALTH CARE (P) LTD	Equity	504,987	2.86%	5,04,987	2.86%	-
SALZER EXPORTS LTD	Equity	7,35,682	4.16%	7,35,682	4.16%	-
SALZER SECURITIES HOLDINGS LTD	Equity	1,08,007	0.61%	1,07,007	0.61%	-
SALZER SPINNERS LTD	Equity	5,00,000	2.83%	5,00,000	2.83%	-
	TOTAL	**66,26,647**	**37.48%**	**66,38,271**	**37.55%**	**-0.06%**

e. Shares held by Promoters at the end of the year 31-03-2025

Particulars	Class of shares	As at March 31,2025		As at March 31,2024		% Changes during the year
		Shares	%	Shares	%	
R DORAISWAMY	Equity	3,16,619	1.79%	3,15,139	1.81%	-0.02%
D RAJESHKUMAR	Equity	2,62,420	1.48%	2,62,420	1.51%	-0.03%
THILAGAM RAJESHKUMAR	Equity	4,86,044	2.75%	4,86,044	2.80%	-0.05%
DORAISWAMY VISHNURANGASWAMY	Equity	8,09,740	4.58%	8,09,740	4.66%	-0.08%
RAMASWAMY PAPPAMMAL	Equity	32,622	0.18%	59,922	0.34%	-0.16%
SAMHITA RAJESH	Equity	39,300	0.22%	25,800	0.15%	0.07%
HARSHINII RAJESH	Equity	13,800	0.08%	0	0.00%	0.08%
SARADHA INVESTMENTS LIMITED	Equity	9,01,470	5.10%	9,01,470	5.19%	-0.09%
SRVE INDUSTRIES LIMITED	Equity	8,21,733	4.65%	8,21,733	4.73%	-0.08%
QUEBEC INFORMATION SERVICES INDIA LTD	Equity	11,06,847	6.26%	11,06,847	6.37%	-0.11%
K.R. HEALTH CARE (P) LTD	Equity	5,04,987	2.86%	5,04,987	2.91%	-0.05%
SALZER EXPORTS LTD	Equity	7,35,682	4.16%	7,85,682	4.52%	-0.36%
SALZER SECURITIES HOLDINGS LTD	Equity	1,07,007	0.61%	1,07,007	0.62%	-0.01%
SALZER SPINNERS LTD	Equity	5,00,000	2.83%	3,00,000	1.73%	1.10%
Total		**66,38,271**	**37.55%**	**64,86,791**	**37.34%**	**0.21%**

g) Information regarding issue of shares in the last five years

- On December 13,2022, the Company had allotted 17,00,000 shares warrants convertible into equity shares over the period of 18 months on a preferential basis to the Promoters Bodies Corporate at an issue price of Rs.278.50/- per warrant. As of March 31,2026, entire 17,00,000 warrants have been converted into equity
- The Company has not issued any bonus shares or undertaken any Buy Back of shares.

h) Details of Shares held by Holding Company

There are no Shares held by Holding Company / Subsidiaries of ultimate Holding Company as on 31st March 2026

Note No. 20 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Reserve	80.67	80.67
Securities Premium	17,194.64	17,194.64
General Reserve	2,408.46	2,358.46
Retained Earnings	36,456.49	31,565.06
Other Comprehensive Income	-1.67	60.96
Total	**56,138.59**	**51,259.79**

Note No. 21 BORROWINGS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Term Loans		
a. From Banks		
i. HDFC Bank		
Term Loan - 1	331.10	579.42
Term Loan - 2	1,097.42	1,454.35
Term Loan - 3	1,379.86	
ii. Axis Bank		
Term Loan		**197.74**
	2,808.38	**2,231.51**

Details of securities in respect of Term Loan facilities from HDFC: Hypothecation of assets purchased under respective Term Loans and Equitable mortgage of (a) Factory Land & Building situated at Chinnamadampalayam measuring 2.82 acres bearing SF NO 539 & 533/1 Billichi Village, Coimbatore, (b) Industrial Land measuring 3.25 acres located at SF NO 754/2 , Keeranatham Village, Coimbatore (c) Guest House property at TS No 1/317/3, Ward No 4, Flat No 203, Vilvam Residency, Door No 48, West Club Road, Coimbatore (d) Commercial land measuring 4 acres in SF No 412, Pannikampatti Village, Periyanaickenpalayam, sub Regn Dist., Coimbatore (e) 4.33 acres of Non-agricultural Land standing in the name of the company located at SF No 53/1/C, Billichi, Coimbatore and (f) personal guarantee of Mr. D Rajesh Kumar, Joint Managing Director

Details of securities in respect of Term facility from Axis Bank Ltd - : Hypothecation of assets purchased under respective Term Loans and Equitable mortgage of Land & Building of Unit IV situated at Bilichi Village- (a) 3.95 Acres at SF No. 863, (b) 2.58 Acres at SF No. 882/3 (c)0.67 Acres at SF No. 865 - totalling 7.20 Acres of Land and Personal Guarantee of Mr. R. Doraiswamy, Managing Director and Mr. D Rajesh Kumar, Joint Managing Director

Terms of Repayments. a]HDFC - Term Loan-1: Repayable within-28 EMI of Rs.20.69 Lakh, b] Term Loan-2: Repayable within 39 EMI of Rs.40.64 Lakh and c) Term Loan -3 : Repayable within 47 EMI of RS. 33.72 Lakh, 1 EMI of Rs.31.08 Lakh and I EMI of Rs.35.76 Lakh

Note No. 22 NET LIABILITY IN LEASED ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Net Liability in Leased Assets	16.99	28.24
Total	**16.99**	**28.24**

Note No. 23 PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Liability towards LIC. Group Gratuity Scheme -*	-	1.77
Provision for Warranty	239.92	204.47
Total	**239.92**	**206.24**

* Note :Ref. Note No.9

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

Note No. 24 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability		
- On Fixed Assets	3,592.34	3,347.74
- On Revenue Recognition	76.24	76.24
- On Employee Benefit Expenses	39.28	39.28
- On MSME Dues	93.09	93.09
Less: Deferred tax Asset		
- On Fixed Assets	660.80	660.80
- On Revenue Recognition	37.17	33.72
- On Employee Benefit Expenses	83.34	69.25
- On MSME Dues	93.09	93.09
Total	**2,926.55**	**2,699.49**

Note No. 25 BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Secured Loan from Banks		
Canara Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-I	2,880.19	2,610.21
HDFC Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-II	8,880.11	7,009.24
Pre-Shipment Loan : Secured by: Hypothecation of Inventories and Book Debts of Unit-II	8,764.21	7,993.49
HDFC Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-III	751.25	685.69
Union Bank of India		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-IV	-	749.13
Axis Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-V	1,626.32	5454.13
WCDL: Secured by: Hypothecation of Inventories and Book Debts of Unit-IV	4,517.75	-
IDFC Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-V	3,970.17	-
WCDL: Secured by: Hypothecation of Inventories and Book Debts of Unit-V	3,189.44	7,285.09
Sub Total	**34,579.44**	**31,786.98**
b) Unsecured Loan from Banks		
Loans repayable on demand Loan from HDFC	2,075.00	2,560.99
Loans repayable on demand Loan from ICICI	4,300.00	4,250.00
Sub Total	6,375.00	6,810.99
c) Current Maturities of Long Term Borrowings	1,205.49	958.00
d) Unsecured Bill Discounting Facilities - *	8,176.04	3,947.58
Total	**50,335.97**	**43,503.55**

* NOTE: Reclassification of Bill discounting In FY.24-25

Note No. 26 CURRENT MATURITY OF LEASED LIABILITY

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Maturities of Leased Liability	8.87	5.68
Total	**8.87**	**5.68**

Note No. 27 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payable - Micro and small enterprises	4,477.12	1,895.62
Trade payable - Other than Micro and small enterprises	12,922.84	10,611.53
Total	**17,399.96**	**12,507.15**

There are no interest amounts paid / payable to Micro, Small and Medium Enterprises. The information in relation to dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company, which has been relied upon by the auditors

Trade Payable Ageing Schedule As at March 31, 2026

(₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 Years	1-2 yrs	2-3 yrs	More than 3 years	
MSME	4,477.12	-	-	-	-	4,477.12
Others	8,018.48	4,904.36	-	-	-	12,922.84
Disputed dues -MSME -		-	-	-	-	-
Disputed dues -others		-	-	-	-	-
TOTAL	**12,495.60**	**4,904.36**	**-**	**-**	**-**	**17,399.96**

Trade Payable Ageing Schedule as March 31, 2025

(₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 Years	1-2 yrs	2-3 yrs	More than 3 years	
MSME	1,895.62	-	-	-	-	1,895.62
Others	8,046.13	2,565.40	-	-	-	10,611.53
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues -others	-	-	-	-	-	-
TOTAL	**9,941.75**	**2,565.40**	**-**	**-**	**-**	**12,507.15**

Note No. 28 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued and due on borrowings	30.25	72.72
Unclaimed dividends	20.02	19.99
Total	**50.27**	**92.71**

Note No. 29 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory Dues	251.43	183.27
Advance from Customers	231.05	252.78
Creditors for capital goods	510.65	831.15
Total	**993.13**	**1267.20**

Note No. 30 PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Warranty	59.98	51.12
Provision for Other Expenses	1,082.76	718.06
Total	**1,142.74**	**769.18**

The Company gives warranties for its products undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties under sale of goods legislations. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality

Note No. 31 CURRENT TAX LIABILITY (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Current tax Liability - [Net of Advance Tax IT]	-	169.13
Total	**-**	**169.13**

Refer Note No. 18 for Current Tax Assets (Net)

Note No. 32 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
(a) Sale of products (excluding GST)		
Sales - Domestics	1,44,220.85	1,12,583.85
Sales - Exports	21,950.42	21,799.78
Sales – Scrap	4,491.73	2,995.90
Sub Total	1,70,663	1,37,379.53
(b) Sale of Services		
Income by Energy Saver	-	75.43
Technical Services	264.36	213.18
Engineering Services for mfg. product (Exports-Service.)	21.44	125.70
Other Financial Services	61.01	-
Sub Total	346.81	414.31
Gross Revenue from Sale of Products and Services	1,71,009.81	1,37,793.84
(c) Other operating revenue		
Conversion Charges Received	2.12	0.16
Income by Power Generation	76.25	57.48
Duty Drawback Income	272.83	280.05
RODTEP (Remission of Duties and Taxes on Export Products.)	157.77	161.06
Revenue From EV Charging Station	0.59	-
Sub Total	509.56	498.75
TOTAL	**1,71,519.37**	**1,38,292.59**

Note No. 33 OTHER INCOME

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Interest from Bank Deposits	63.03	29.45
Foreign Exchange Rate Differences	-	287.77
Dividend received against investments	4.15	6.72
Dividend received against Investments (Kaycee)	45.64	46.66
Insurance Claim Received	3.16	103.42
Profit on Sale of Assets	4.62	-
Rental Income Received	11.19	6.06
Interest on Lease Deposits	0.08	-
Other Non-operating income (net of expenses)	43.46	62.44
TOTAL	**175.33**	**542.52**

Note No. 34 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Raw Materials Consumption		
Opening Stock	16,066.52	12,204.99
Add: Purchases	1,33,547.90	1,03,815.49
Less: Closing Stock	22,841.86	16,066.52
Sub Total	**1,26,772.56**	**99953.96**
Trading Materials Consumption		
Opening Stock	238.79	157.75
Add: Purchases	6,561.67	6053.43
Less: Closing Stock	265.74	238.79
Sub Total	**6,534.72**	**5,972.38**
Packing Materials Consumption		
Opening Stock	404.30	310.79
Add: Purchases	2,707.33	2,433.68
Less: Closing Stock	482.89	404.30
Sub Total	**2,628.74**	**2,340.17**
TOTAL	**1,35,936.03**	**1,08,266.51**

Note No. 35 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Opening Stock		
Work-in-progress	15,286.86	11,939.08
Finished Goods	4,403.39	4,349.49
Sub Total	**19,690.25**	**16,288.57**
Less: Closing Stock		
Work-in-progress	18,021.86	15,286.86
Finished Goods	4,590.45	4,403.39
Sub Total	**22,612.31**	**19,690.25**
Net (increase)/decrease in inventory	**-2,922.06**	**-3,401.68**

Note No. 36 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Salaries and Wages including Bonus	5,307.76	4,490.62
Contribution to Provident and other funds - #	261.48	228.44
Apprentice Stipend	477.11	252.15
Workmen and Staff Welfare Expenses	378.13	340.35
Gratuity	101.78	77.82
TOTAL	**6,526.26**	**5,389.38**

The Company has adequately provided for the additional ESI contribution payable on account of implementation of Labour Code

Note No. 37 FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
(a) Interest On Term Loan	295.38	190.23
(b) Interest on Working Capital Loan	3,124.35	2,710.92
(c) Other Borrowing cost	1,317.40	1,175.20
(d) Interest Expenses on Lease Liability	2.70	3.32
(e) Lease Expenses	0.09	-
TOTAL	**4,739.92**	**4,079.67**

Note No. 38 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
(a) Depreciation on Property, Plant and Equipment	2,473.36	2,135.56
(b) Amortisation on Other Intangible Assets	127.83	93.65
TOTAL	**2,601.19**	**2,229.21**

Note No. 39 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Consumptions of Store and Spares	626.21	538.96
Freight and Forwarding Charges	2,747.88	2,542.62
Power and Fuel	1,552.45	1,488.89
Repairs & Maintenance	1,235.87	1,173.74
Subcontracting Expenses	3,540.20	2,921.31
Contract Labour Expenses	4,154.23	3,124.61
Advertisement Expenses	7.92	3.62
Audit Fees (refer note no.39.1)	20.00	15.00
Director's Sitting Fees	22.60	25.89
Donation	23.24	31.40
Energy Saver Project Expenses	-	67.88
General Expenses	63.40	76.04
Insurance	91.20	74.66
Foreign Exchange Realisation Difference	158.27	-
Management system Expenses (ISO9000 &OSHAS)	8.65	8.40
Postage, Telephone& Telegram	43.90	24.33
Printing & Stationery	90.01	79.79
Rates and Taxes	74.64	55.16
Building Rent	293.70	271.72
Lease Rental Charges - Machinery	217.47	217.47
Research & Development Expenses	562.29	498.16
Warranty Expenses	44.32	26.85
Sales Promotional Expenses	1,302.56	1,190.37
Subscription & Periodicals	59.05	43.64
Technical/Professional/Legal Fee	388.49	308.76
Travelling and Conveyance	219.79	189.16
CSR Expenses (Refer Note No.47)	97.47	88.36
Expected Credit Loss	105.45	131.47
Expected Credit Loss - Liability Reversal	-58.32	-
Royalty	-	25.12
Impairment on Goodwill	23.25	41.82
Bad Debts	119.39	11.94
Loss On Sale of Assets	-	247.76
EV Charging Station Expenses	0.44	-
Total Other Expenses	**17,836.02**	**15,544.90**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

Note No. 39.1 AUDITOR REMUNERATION

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
(a) For Statutory Audit	20.00	15.00
(b) For Tax Audit	4.50	4.50
TOTAL	**24.50**	**19.50**

Note No. 40 EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Impairment on Investments	-	-83.00
Net gain/loss on sale of investment -(6496-Kaycee Shares sold)	65.11	1601.31
TOTAL	**65.11**	**1518.31**

Note No. 41 TAX EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
A. Current Tax		
Current tax on profit for the year	1,532.29	1,761.59
Change/ (Credit) in respect of current tax for earlier years	-117.65	-
TOTAL (A)	**1,414.64**	**1,761.59**
B. Deferred Tax		
Origination and reversal of temporary differences	244.60	258.01
Charge in respect of deferred tax for earlier years	-	-
TOTAL (B)	**244.60**	**258.01**
Tax expense recognized in Statement of Profit and Loss	**1,659.24**	**2,019.60**
TOTAL (A)+(B)		
Tax expense recognized in Other Comprehensive Income	-17.55	-16.61
Total Tax Expense	**1,641.69**	**2,002.99**

Note No. 41A RECONCILIATION OF TAX EXPENSES

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax on profit for the year	7,042.45	8,245.43
Applicable income tax rate	25.17%	25.17%
Expected income tax	1,772.58	2,075.37
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Income exempt from tax	-341.89	-387.37
Expenses disallowed in determining the tax profit	101.60	73.59
Investment allowances		
Unrecognized deferred tax assets		
Others	126.95	258.01
Tax expense recognized in Statement of Profit and Loss	**1,659.24**	**2,019.60**

Note No. 42 EARNINGS PER SHARE

(₹ in Lakhs)

PARTICULARS	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Profit/(Loss) after tax and exceptional items	5,383.21	6,225.83
Less: Notional Preference Dividend		
Profit/(Loss) after tax and exceptional items attributable to equity shareholders	5,383.21	6,225.83
Profit after Tax but before exceptional items attributable to equity shareholders	5,318.10	5,079.35
Add: Exceptional items (net of tax)	49.77	1,146.48
No. of Equity Shares Outstanding	176.83	176.83
Add: Shares to be issued pursuant to merger	-	-
Weighted Average no. of equity shares outstanding during the year for Basic EPS	176.83	176.35
Add: Potential Equity Shares on conversion of warrants Option Scheme	-	0.48
Weighted Average no. of equity shares outstanding during the year for Dilutive EPS	176.83	176.83
Basic Earnings/(Loss) per share after tax and exceptional items (in Rs.)	30.44	35.30
Diluted Earnings/(Loss) per share after tax and exceptional items (in Rs.)	30.44	35.21

Note No. 43 GRATUITY

The details of various employee benefits provided to employees are as under:

A. Defined Contribution and other plans

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employer's Contribution to PF	251.10	202.21
Employer's Contribution to ESIC	13.24	12.43
Employer's Contribution to Superannuation fund	8.33	7.06
TOTAL	**273.33**	**221.70**

B. Defined Benefit plans

The Company operates a defined benefit gratuity plan for eligible employees in accordance with the Code on Social Security, 2020 and applicable rules. Gratuity is payable as a lump sum on separation after completing one year of vested service. The Company contributes to a group gratuity scheme administered by LIC.

The gratuity liability is determined through actuarial valuation by LIC using the Projected Unit Credit Method in accordance with Ind AS 19 – Employee Benefits, considering assumptions such as salary escalation, attrition, mortality and discount rate.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk , salary risk and longevity risk.

Investment Risk: The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Salary risk:The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Longevity risk:The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

Particulars	**For the Year Ended March 31, 2026**	**For the Year Ended March 31, 2025**
Discount Rate	7.30%/7.58%	6.84%/6.93%
Expected Return on Assets	6.93%/6.84%	6.84%/6.93%
Salary Escalation	6.50%/7.00%	7.00%/6.5%
Attrition Rate	5.00%	5.00%

Amount recognized in Profit and Loss for the year (₹ in Lakhs)

Particulars	**For the Year Ended March 31, 2026**	**For the Year Ended March 31, 2025**
Current Service Cost	105.33	79.28
Net Interest on Defined Benefit Obligations	-7.23	-1.47
Expenses recognized in the statement of profit and loss	**98.10**	**77.81**

Recognized in Other Comprehensive Income for the year (₹ in Lakhs)

Particulars	**For the Year Ended March 31, 2026**	**For the Year Ended March 31, 2025**
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	-	-
Return on plan assets (excluding amounts included in net interest expense)	-6.91	-
Acturial gains/losses arising from changes in financial assumptions	-40.27	39.82
Acturial gains/losses arising from experience adjustments	103.18	12.89
Amount recognized in OCI for the current period	**56.01**	**52.71**

Change in present value of defined benefit obligation (₹ in Lakhs)

Particulars	**For the Year Ended March 31, 2026**	**For the Year Ended March 31, 2025**
Present value of obligations as at the beginning of the year	1,303.04	1,167.40
Current Service Cost	105.33	79.28
Interest on Defined Benefit Obligations	85.37	77.89
Actuarial (gain)/loss on plan obligation	62.91	60.71
Benefits paid	-135.77	-82.25
Present value of obligations as at the end of the year	**1,420.88**	**1,303.03**

Change in fair value of plan assets (Rs. in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Fair value of plan assets as at the beginning of the period	1,301.26	1,081.54
Return on plan assets	92.60	79.36
Contributions	213.31	214.61
Benefits paid	-135.77	-82.25
Actuarial gain/(loss) on plan assets	6.91	8.00
Fair value of plan assets as at the end of the period	**1,478.31**	**1,301.26**

Net Asset/ Liability recognized in Balance Sheet (Rs. in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Present value of obligations	1,420.88	1,303.04
Fair Value of Plan Assets	1,478.31	1,301.26
Amount recognized	**-57.43**	**1.78**

The Statement of Actuarial Valuation by the LIC of India with whom the plan assets are maintained was not provided to the Company by LIC of India till the finalisation of accounts and adoption by the Board and the amounts recognised in the P&L A/c, OCI and Balance Sheet were based on past experience, indicators and the present contribution to the plan.

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

(Rs. in Lakhs)

Particulars	For the Year Ended March 31, 2026		For the Year Ended March 31, 2025	
	Increase	**Decrease**	**Increase**	**Decrease**
Discount rate by 1%	-76.56	85.99	-69.66	78.30
Salary Escalation rate by 1%	81.16	-73.72	73.93	-66.99
Attrition rate by 1%	-2.73	2.92	-4.25	4.65
Mortality rate by 10%	-0.08	0.08	-0.15	-

Note No. 44 DIVIDENDS MADE AND PROPOSED

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Final Dividend for the financial year	442.07	442.07

In respect of the current year, the directors propose that a dividend of Rs.2.50 per share which is to be paid within stipulated time after declaration in the ensuing Annual General Meeting being held on September 12, 2026. This equity dividend is subject to approval by shareholders at the aforesaid meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all shareholders on the Register of Members on August 28, 2026. The total estimated equity dividend to be paid is Rs.442.07 lakhs.

Note No. 45 COMMITMENTS AND CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Towards Import Obligations under EPGC	4,290.90	4,601.83
Letter of Credit for import and purchase of Raw Materials	1,516.78	2,623.77
Obligation towards Bank Guarantee	1,389.47	263.09
Chennai High Court Appeal Against CESTAT Order for Import of goods uner Concesstional rate of Duty	40.55	40.55

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

Note No. 46 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Trade Payables pertaining to dues to Micro and Small Enterprises (all are within agreed credit period and not due for payment) [Refer note 27]	4,477.12	1,895.62
(i) The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note No. 47 CSR Expenditure

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Gross amount required to be spent by the company during the year	118.01	93.93
Less : Amount required to be set off for the financial year, if any	21.36	26.93
Total CSR Obligations during the Year	96.65	67.00
Amount spent during the year		
Particulars		
a) Construction / acquisition of any asset	-	-
b) On other purpose other than (a) above	97.47	88.36
Excess Spending made during the year	0.82	21.36

Note No. 48 FAIR VALUE MEASUREMENTS

i. Financial instruments by category

The carrying value of financial instruments by categories as at 31 March 2026 were as follows:

(₹ in Lakhs)

Particulars	Note	Amortised cost	FVTOCI	FVTPL	Total Carrying value	Total Fair value
Financial Assets						
Investments	7, 11	2,158.51	951.57		3,110.08	3,110.08
Trade Receivables	12	43,143.26			43,143.26	43,143.26
Cash and Cash equivalents	13	205.25			205.25	205.25
Other bank balances	14	484.39			484.39	484.39
Loans	15	146.13			146.13	146.13
Other financial assets	8,16	477.63			477.63	477.63
Financial Liabilities						
Borrowings	21,25	53,144.35			53,144.35	53,144.35
Lease Liability	22,26	25.86			25.86	25.86
Trade payables	27	17,399.96			17,399.96	17,399.96
Other financial liabilities	28	50.27			50.27	50.27

The carrying value of financial instruments by categories as at 31 March 2025 were as follows:

(₹ in Lakhs)

Particulars	Note	Amortised cost	FVTOCI	FVTPL	Total Carrying value	Total Fair value
Financial Assets						
Investments	7, 11	1,776.65	858.15		2,634.80	2,634.80
Trade Receivables	12	40,850.05	-		40,850.05	40,850.05
Cash and Cash equivalents	13	164.94			164.94	164.94
Other bank balances	14	365.82			365.82	365.82
Loans	15	141.91			141.91	141.91
Other financial assets	8,16	485.49			485.49	485.49
Financial Liabilities						
Borrowings	21,25	45,735.06			45,735.06	45,735.06
Lease Liability	22,26	33.92			33.92	33.92
Trade payables	27	12,507.15			12,507.15	12,507.15
Other financial liabilities	28	92.71			92.71	92.71

ii. Fair Value Hierarchy

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2026

(₹ in Lakhs)

Particulars	Note	Level 1	Level 2	Level 3	Carrying Values
Financial Assets					
At fair value through Other Comprehensive Income	7, 11	951.57			951.57
Investments					
Investments - Non - current - Quoted	7	-	1,428.51	-	1,428.51
Investments - Non - current - Unquoted	7	-	-	729.99	729.99
At fair value through Profit and Loss					
Investments	11	-	-	-	-
Financial Liabilities					
At amortised costs					
Borrowings	21,25		53,144.35	-	53,144.35

Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2025

(₹ in Lakhs)

Particulars	Note	Level 1	Level 2	Level 3	Carrying Values
Financial Assets					
At fair value through Other Comprehensive Income	7, 11	858.15			858.15
Investments					
Investments - Non - current - Quoted	7	-	1,451.19	-	1,451.19
Investments - Non - current - Unquoted	7	-	-	325.46	325.46
At fair value through Profit and Loss					
Investments	11	-	-	-	-
Financial Liabilities					
At amortised costs					
Borrowings	21,25		45,735.06	-	45,735.06

iii. Valuation technique used to determine fair value

The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings, trade payables and other current financial liabilities are a reasonable approximation of their fair values.

The investment included in Level 3 hierarchy have been valued at cost approach to arrive at the fair values.The cost of unquoted investment approximate the fair value as there is a wide range of possible fair value measurement and the cost represents estimate of fair value within that range.

The estimated fair value amounts as at March 31, 2026 have been measured as at that date. As such, the fair values of these financial instruments subsequent to reporting date may be different than the amounts reported at each year-end.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

Note No. 49 FINANCIAL RISK MANAGEMENT

The Company's businesses are subject to several risks and uncertainties including financial risks.

The Company's activities expose it to credit risk, liquidity risk, market risk - interest rate risk and foreign currency risk. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure Arising From	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis, Credit ratings
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk – Interest rate risk	Long-term borrowings at variable rates	Cash flow forecasting, Sensitivity analysis
Foreign Currency risk	Recognised financial assets and liabilities not denominated in functional currency	Cash flow forecasting, Sensitivity analysis

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The company's credit risk generally arises from Cash and cash equivalents, trade receivables, and other financial assets.

Credit Risk Management

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Assets Group	Description of category	Particulars	Provision for expected credit loss *
Low credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss

Assets Group	Description of category	Particulars	Provision for expected credit loss *
Moderate credit risk	Assets where the counter-party's probability of default is considered moderate where the capacity to meet the obligations is not strong	Nil	12 month expected credit loss/life time expected credit loss
High credit risk	Assets where there is a high probability of default.	Nil	12 month expected credit loss/life time expected credit loss/fully provided for

* Life time expected credit loss is provided for trade receivables.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Classfication of Financial assets among risk categories: (₹ in Lakhs)

Credit rating	Particulars	As at March 31, 2026	As at March 31, 2025
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	47,566.74	44,643.00
Moderate credit risk	Nil		
High credit risk	Nil		

The loss allowance for trade receivables using expected credit losses for different ageing periods as at 31 March 2026 are as follows:

(₹ in Lakhs)

Particulars	Not Due	Less than 6 months past due	More than 6 months past due	Total
Gross Carrying Amount	34,069.35	4,853.13	4,456.24	43,378.72
Loss allowance provision	-	-	-235.46	-235.46
Net	34,069.35	4,853.13	4,220.78	43,143.26

The loss allowance for trade receivables using expected credit losses for different ageing periods as at 31 March 2025 are as follows:

(₹ in Lakhs)

Particulars	Not Due	Less than 6 months past due	More than 6 months past due	Total
Gross Carrying Amount	33,879.04	3,645.39	3,513.95	41,038.38
Loss allowance provision	-	-	-188.33	-188.33
Net	33,879.04	3,645.39	3,325.62	40,850.05

Reconciliation of loss allowance for trade receivables (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	188.33	56.86
Additions during the year	105.45	131.47
Amounts written off during the year	293.78	188.33
Amounts recovered during the year	-58.32	-
Balance at the end of the year	235.46	188.33

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

Exposure to customers having more than 5% of outstanding in respect of Trade Receivables. (₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
SCHNEIDER ELECTRIC INDIA PRIVATE LIMITED (CBE SALES DEPOT/STORES)	2,982.00	2,117.59
SALZER EXPORTS LTD	2,269.42	NA
Total	**5,251.42**	**2,117.59**

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the business, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of Financial Liabilities as at March 31, 2026 are as follows: (₹ in Lakhs)

Particulars	Less than 1 Year	1-5 years	More than 5 years	Total
Borrowings	50,335.97	2,808.38	-	**53,144.35**
Trade Payables	17,399.97	-	-	**17,399.97**
Other financial Liabilities	50.27	-	-	**50.27**
Maturity of Lease Liability	8.87	16.99	-	**25.86**

Maturities of Financial Liabilities as at March 31, 2025 are as follows: (₹ in Lakhs)

Particulars	Less than 1 Year	1-5 years	More than 5 years	Total
Borrowings	43,503.55	2,231.51	-	**45,735.06**
Trade Payables	12,507.16	-	-	**12,507.16**
Other financial Liabilities	92.71	-	-	**92.71**
Maturity of Lease Liability	5.68	28.24	-	**33.92**

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Company's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

Interest rate Risks

The Company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The borrowings are fixed rate borrowings and are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

The following table provide the break-up of the co. fixed and floating rate borrowing (₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed Rate Borrowings	-	-
Floating Rate	53,144.35	45,735.06
Total Borrowings	**53,144.35**	**45,735.06**

Interest Rate Sensitivity analysis:

The Sensitivity Analysis below have been determined based on the exposure to interest rate for Floating RateLiabilities,assuming the amount of the liability outstanding at the year end was outstanding for the whole year.

If interest rate had been 100 basis points higher/lower and all other variable were held constant, the company"s profit for the year ended 31.03.2026 would decrease/increase by Rs.531.44 Lacs. (for the year ended31st March 2025: decrease /increase by Rs.457.35Lacs.). This is mainly attributable to the Company"s exposure to interest rate on its variable rate borrowings.

Foreign Currency Risk

The Company's exposure to currency risk relates primarily to the Company's operating activities including anticipated sales & purchase and borrowings where the transactions are denominated in a currency other than the Company's functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at 31.03.2026 are as follows:

Particulars	US$	GPB	EURO
Financial Assets	1,11,97,409.25	7,93,940.14	6,57,638.12
Financial Liabilities	64,70,862.19	15,48,911.37	25,26,413.12
Net exposure	**47,26,547.06**	**-7,54,971.23**	**-18,68,775.00**

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at 31.03.2025 are as follows:

Particulars	US$	GPB	EURO
Financial Assets	98,71,156.30	4,15,475.48	6,84,427.91
Financial Liabilities	53,97,598.87	23,95,918.00	19,15,104.80
Net exposure	**44,73,557.43**	**-19,80,442.52**	**-12,30,676.89**

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign currency rates, with all other variables held constant.

Particulars	Impact on profit before tax 31.03.2026		Impact on profit before tax 31.03.2025	
	0.5%	-0.5%	0.5%	-0.5%
USD	0.24	-0.24	0.22	-0.22
GBP	-0.04	0.04	-0.10	0.10
Euro	-0.09	0.09	-0.06	0.06

Note No. 50 CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt).

Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Company:

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current Borrowings (Refer Note : 21)	2,808.38	2,231.51
Current Borrowings (Refer Note : 25)	50,335.97	43,503.55
Total Borrowings (a)	**53,144.35**	**45,735.06**
Cash and Cash equivalents (Refer Note : 13)	205.25	164.94
Other Bank Balances (Refer Note : 14)	484.39	365.82
Current Investments (Refer Note : 11)	951.57	855.69
Total Cash (b)	**1,641.21**	**1,386.45**
Net Debt (c) = (a)-(b)	**51,503.14**	**44,348.61**
Equity (Refer Note : 19)	1,768.27	1,768.27
Other Equity (Refer Note : 20)	56,138.59	51,259.79
Total Equity (d)	57,906.86	53,028.06
Total Capital (e) = (c)+(d)	**1,09,410.00**	**97,376.67**
Gearing Ratio = (c)/(e)	**0.47**	**0.46**

Note No. 51 RELATED PARTY DISCLOSURES

A) Related Party Relationships Key Management Personnel

Mr. R Doraiswamy – Managing Director
Mr. D Rajesh Kumar – Joint Managing Director
Mr. K Raman- Chief Financial Officer &
Mr. K.M. Murugesan - Company Secretary

Non-Executive & Independent Directors

Mr. Sharat Chandra Bhargava
Mrs. Priya Bhansali
Mr. S. Raman

Non-Executive & Non-Independent Directors

Mr. Vishnu Rangaswamy
Mr. N Rangachary - Chairman
Mr. V Sankaran

Subsidiary Companies

Kaycee Industries Limited
Salzer EV Infra Private Limited
Salzer Kostad EV Charges Private Limited
Salzer Electronics Arabia Limited
Salzer Emarch Electromobility Pvt Limited
(Subsidiary of Salzer EV Infra Private Limited)

Associate Companies

Ultra Fast Charges Pvt Limited
(Associate thro Kaycee Industries Limited)
Effilume Private Limited
Aurawin Solutions Private Limited

Other related Parties - Enterprises Owned or significantly influenced by Key Managerial Personnel or their relatives

Salzer Exports Limited
Salzer Spinners
Limited SRVE Industries
K R Health Care Private Limited
S R V E Industries Limited
Salzer Securities Holdings Limited Saradha Investments Limited
Quebec Information Services India Ltd
K R Pharmacy
Kaycee Electricals India Limited

Trust under Common Control

Salzer Educational Medical Research Trust

Post-employment benefit plans (Other related Party)

Salzer Electronics Limited Employees Gratuity Trust

RELATED PARTY TRANSACTIONS AND BALANCES

(₹ in Lakhs)

	PARTICULARS	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL		SUBSIDIARY COMPANIES		TOTAL	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
1	**SALE OF MATERIALS**								
1a	Salzer Exports Ltd.	3,928.67	3,878.45					3,928.67	3,878.45
1b	Salzer Spinners Ltd	-	0.17					-	0.17
1c	K R Health Care Pvt Ltd	5.18	0.02					5.18	0.02
1d	Kaycee Industries Ltd					1,999.19	1,711.49	1,999.19	1,711.49
1e	Ultrafast Chargers Pvt Ltd					450.69	370.16	450.69	370.16
1f	Effilume Private Limited	193.43						193.43	-
	SUB TOTAL	**4,127.28**	**3,878.64**	**-**	**-**	**2,449.88**	**2,081.65**	**6,577.16**	**5,960.29**
2	**RENT RECEIVED**								
2a	Salzer Exports Ltd.	5.13	2.05					5.13	2.05
	SUB TOTAL	**5.13**	**2.05**	**-**	**-**	**-**	**-**	**5.13**	**2.05**
3	**LOAN**								
3a	Salzer EV Infra Pvt Ltd		5.50					-	5.50
3b	Saudi Arabia	-				27.37		27.37	-
	SUB TOTAL	**-**	**5.50**			**27.37**		**27.37**	**5.50**
4	**INTEREST**								
4a	Salzer EV Infra Pvt Ltd	-	0.18					-	0.18
5	**MEDICAL CARE SERVICE**								
5a	K R Health Care Pvt Ltd	9.92	32.10					9.92	32.10
6	**MACHINERY RENT**								
6a	Salzer Exports Ltd.	185.66	185.35					185.66	185.35
7	**PURCHASE OF MATERIALS**								
7a	Kaycee Industries Ltd					1.96	36.00	1.96	36.00
7b	Salzer Exports Ltd.	3.59						3.59	-
7c	Ultrafast Chargers Pvt Ltd					0.18	-	0.18	-
	SUB TOTAL	**3.59**				**2.14**	**36.00**	**5.73**	**36.00**
8	**PURCHASE OF ASSESTS**								
8a	Salzer Exports Ltd.	84.98	39.06					84.98	39.06
8b	Salzer Spinners Ltd	35.53	134.51					35.53	134.51
8c	S R V E Industries	-	129.49					-	129.49
8d	Quebec Information Services India Limited	-	47.06					-	47.06
	SUB TOTAL	**120.51**	**350.12**	**-**	**-**	**-**	**-**	**120.51**	**350.12**
9	**PURCHASE OF MEDICINE**								
9a	K R Pharmacy	4.65	4.09					4.65	4.09
10	**LABOUR CHARGES**								
10a	Salzer Spinners Ltd	89.54	416.59					89.54	416.59
10b	S R V E Industries	1,123.52	779.94					1,123.52	779.94
	SUB TOTAL	**1,213.06**	**1,196.53**					**1,213.06**	**1,196.53**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

	PARTICULARS	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL		SUBSIDIARY COMPANIES		TOTAL	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
11	**RENT PAID**								
11a	Salzer Spinners Ltd	46.91	45.65					46.91	45.65
11b	Kaycee Industries Ltd					6.20	9.75	6.20	9.75
11c	Salzer Educational Medical Research Trust	19.80	19.80					19.80	19.80
	SUB TOTAL	**66.71**	**65.45**	**-**	**-**	**6.20**	**9.75**	**72.91**	**75.20**
12	**ELECTRICITY CHARGES**								
12a	Salzer Spinners Ltd	99.41	90.90					99.41	90.90
13	**DONATION**								
13a	Salzer Educational Medical Research Trust	37.09	25.33					37.09	25.33
14	**MACHINERY ADVANCE**								
14a	Salzer Exports Ltd.	-	120.87					-	120.87
15	**INVESTMENT**								
15a	Salzer EV Infra Pvt Ltd	-	-			21.54	14.66	21.54	14.66
15b	Salzer Kostad EV Charges Private Limited	-	-			-	3.00	-	3.00
15c	Effilume Private Limited	151.00					-	151.00	-
15d	Salzer Electronics (Arabia) Limited					122.15		122.15	
	SUB TOTAL	**151.00**	**-**			**143.69**	**17.66**	**294.69**	**17.66**
16	**CSR SPENT THRO' TRUST**								
16a	Salzer Educational Medical Research Trust		17.68					-	17.68
17	**PURCHASE OF SERVICES**								
17a	Quebec Information Services India Limited	85.08	79.06					85.08	79.06
18	**TRANSPORT**								
18a	Salzer Spinners Ltd	24.46	16.15					24.46	16.15
18b	K R Pharmacy	3.65	3.05					3.65	3.05
	SUB TOTAL	**28.11**	**19.20**					**28.11**	**19.20**
19	**SALES COMMISSION**								
19a	Ultrafast Chargers Pvt Ltd					15.51		15.51	-
20	**SALE OF SERVICE**								
20a	Effilume Private Limited	71.89						71.89	-
21	**REIMBURSEMENT OF TELEPHONE LEASE**								
21a	Salzer Exports Ltd.	17.87	-					17.87	-
22	**MANAGERIAL REMUNERATION**			**255.09**	**257.12**			**255.09**	**257.12**
23	**DIRECTOR SITTING FEES**			**22.60**	**25.89**			**22.60**	**25.89**
24	**OUTSTANDING PAYABLES**	**-113.72**	**-45.11**					**-113.72**	**-45.11**
	OUTSTANDING RECEIVABLES	**3,377.55**	**2,445.79**			**620.42**	**620.42**	**3,997.97**	**3,066.21**
	GRAND TOTAL	**9,490.79**	**8,473.74**	**277.69**	**283.01**	**3,265.21**	**2,765.48**	**13,033.69**	**11,522.23**

Note No. 52 SEGMENT REPORTING

The Company has opted for the exemption provided in Paragraph 4 of Ind AS 108, 'Operating Segments'. Accordingly, entity-wide disclosures as required by Ind AS 108 has been provided in the Consolidated Financial Statements.

Note No. 53 KEY FINANCIAL RATIOS

Particulars	FORMULA	March 31, 2026	March 31, 2025	% Change
Current Ratio	Current Assests/Current Liabilities	1.39:1	1.43:1	-2.80
Debt-Equity Ratio	Total Debt/Total Equity	0.86:1	0.78:1	10.26
Debt Service Coverage Ratio	Net Operting Income/Debt Service	6.06	11.15	-33.72
Return on Equity Ratio	Net Income/Share holders Equity	9.30	11.74	-20.78
Inventory turnover ratio/ Days	Cost of Goods sold/Average Inventory	87	86	-12.79
Trade Receivables turnover ratio,/Days	Net Credit Sales/Average Accounts Receivables	89	84	-8.33
Trade payables turnover ratio/Days	Total Purchase/Average accounts payables	38	36	5.56
Net capital turnover ratio,-Times	Net Sales/Working Capital	2.95	5.45	-45.84
Net profit ratio	Net Profit/Total revenues	3.14%	4.48%	-29.91
Return on Capital employed	Earning before Interest & Taxes/Capital Employed	18.43%	21.25%	-13.27
Return on Investmemt	Increase in fair market Value+Income from Investment/Fair Market Value of prior year+Current Year Addition.	7.13%	11.43%	-37.62

Note No. 54 LEASES AS A LESSEE:

The Company, which entered into Lease Agreements with various Parties during the previous financial years for hiring the premises at different locations for manufacturing activities, has modified those agreement with the term of 11 Months with an option to extend further period with mutual consent of the parties to the agreement and the agreement has no clauses of controlling the let out of assets

During the financial year, the Company has also taken out lease of Land and Buildings for Rent from two more parties and the Rental Agreements have been executed for a period of 11 months with an options for extending further periods with mutual consent of the parties . The Agreement dont have any clauses enabling the tenant to have control over the Property

During the year, the Company has vacated the Warehouse taken on Lease at Ambernath from Kaycee Industries Limited and has accordingly recognised Right-of-Use Asset, Lease Liability and corresponding de-recognition of Lease Asset upon vacating the warehouse.

Further, the Company had taken a new warehouse at Ambernath on a Leave and License Basis from four individuals in joint capacity and has accordingly recognised Right-of-Use Asset and corresponding Lease Liabilities in the Financial Statements.

S. No.	Lesser and Address of the Property taken on Lease	Rent paid during the Year (in ₹)	Rent Advance (in ₹)	Tenancy Period
1.	**SALZER EDUCATIONAL MEDICAL RESEARCH TRUST,** SF,NO647/3A,3B&3D NO.2, Gudalure Village, Periyanaiackenpalayam, Coimbatore -641047	19,80,000.00	54,54,000.00	11 Months
2.	**MICRO SPINTEX P LTD** S.F 485, MATHAMPALAYAM, CBE- 641019	28,64,000.00	15,00,000.00	11 Months
3.	**MURUGESHAN.K.P,** S.F NO - 209H4 , Varatharaj.M Samichettipalayam, Coimbatore -641047	3,90,000.00	62,500.00	11 Months

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2026 (Contd.)

S. No.	Lesser and Address of the Property taken on Lease	Rent paid during the Year (in ₹)	Rent Advance (in ₹)	Tenancy Period
4.	**RANGAMMAL.M,** S.F NO - 209 H, Varatharaj.M Samichettipalayam, Coimbatore -641047	1,44,000.00	20,000.00	11 Months
5.	**MANORANJITHAM** W/O. PALANISWAMY, S.F NO - 407/408 , HP Bunk Thottam, Vannankovil, Coimbatore -641047	5,20,380.00	3,00,000.00	11 Months
6.	**TAMIL SELVI.R,** S.F NO -393, Samichettipalayam Coimbatore -641047	1,82,800.00	40,000.00	11 Months
7.	**SATHYABAMA. J,** S.F NO -62/1 Samichettipalayam Coimbatore -641047	2,25,500.00	30,000.00	11 Months
8.	**THILAK CHAKKRAVARTHY** S.F -209-H4 VARATHRAJ NAGAR - CBE -641047	7,50,000.00	6,00,000.00	11 Months
9.	**MOHANRAJ M** S.F -209-H4 VARATHRAJ NAGAR - CBE -641047	1,92,000.00	16,000.00	11 Months
10.	**ARUNKKUMAR SPINNING MILL PRIVATE LIMITED** 570/2, Kariyampalayam Post.,Opp ; Annur Power House, Annur, Tamil Nadu-641653	1,06,24,500.00	51,60,000.00	11 Months
11.	**SALZER SPINNERS LIMITED,** SF no 6/684,685 Chikkarampalayam, Annur Road, Karamadai Coimbatore - 641104	32,78,400.00	10,00,000.00	11 Months
12.	**LAKSHMI RING TRAVELLERS COIMBATORE PRIVATE LTD,** Athimugam Main Road,Moranapalli Village, Hosur, Krishnagiri 635109	68,41,316.00	25,00,000.00	11 Months
13.	**RAJ NAIDU TEXTILE** Door No.529/1A, Bilichi Village, Chinnamadampalayam, Presscolony Post, Veerapandi,Coimbatore, Tamil Nadu, 641019	6,30,000.00	-	11 Months
14.	**MR.ANAND & MR.RAVINDARANATH** No. 12 ,First Main Road,Tata Silk Farm,Bangalore -560004	1,04,064.00	65,580.00	11 Months
15.	**SALZER SPINNERS LIMITED** SF No.6/684,685 Chikkarampalayam, Annur Road, Karamadai, Coimbatore-641104	6,43,200.00	5,00,000.00	11 Months
	TOTAL	**2,93,70,160.00**	**1,72,48,080.00**	

Note No. 55 SUPPLIER FINANCE ARRANGEMENTS (SFA)

The Company has entered into supplier finance arrangements with third-party Non-Banking Financial Companies (NBFC's), under which the finance provider settles amounts payable by the Company to eligible suppliers, including MSME suppliers, and the Company subsequently settles the amounts with the finance provider in accordance with the agreed terms. The arrangement facilitates timely settlement of amounts due to suppliers and, in certain cases, provides the Company with extended payment terms beyond the original invoice due dates. The amounts outstanding to the finance provider under such arrangements are presented under "Short-term Borrowings" in the Balance Sheet.

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount of liabilities forming part of supplier finance arrangements	8176.04	3947.58
Payment due dates – supplier finance arrangements	90-120 days	90-120 days
Payment due dates – comparable trade payables not forming part of such arrangements	45-120 days	45-120 days

Note No. 56 Other Notes (₹ in Lakhs)

The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

The Company has been sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

The Company has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31st March 2026.

All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended 31st March 2026.

The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

The Company has not operated in any crypto currency or Virtual Currency transactions

During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

Previous year figures have also been reclassified, regrouped, recast to conform to current year classification.

In terms of our attached report

N RANGACHARY
Chairman
(DIN: 00054437)

R. DORAISWAMY
Managing Director
(DIN: 00003131)

D. RAJESHKUMAR
Joint Managing Director
(DIN :00003126)

For **SWAMY & RAVI**
Chartered Accountants
FRN No.004317S

K RAMAN
Chief Financial Officer

K M MURUGESAN
Company Secretary
M No. A25953

S ALAMELU
Partner
M No. 223555

Coimbatore - 47
May 23, 2026

Consolidated Financials and Related Matters

FORM AOC-I

Statement containing salient features of the financial statement of subsidiaries / associate companies.

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A – Subsidiaries (₹ in Lakhs)

S.No	Information in respect of each subsidiary	Kaycee Industries Limited	Salzer EV Infra Private Limited	Salzer Kostad EV Chargers Private Limited *	Salzer Emarch Electromobility Private Limited **	Salzer Electronics (Arabia) Limited (Overseas Subsidiary) ***
1	Date on which subsidiary was acquired	July 11, 2019	July 11, 2021	July 27, 2021	Sep 02, 2021	Sept 30, 2024
2	Reporting period	01/04/2025 to 31/03/2026				
3	Reporting currency	INR	INR	INR	INR	SAR
3	Closing Exchange rate	NA	NA	NA	NA	25.03
4	Share capital	317.35	79.95	124.00	35.25	122.15
5	Reserves & Surplus	3,021.87	-72.15	-124.00	-35.25	-63.15
6	Total Assets	4,709.79	11.25	-	-	115.89
7	Total Liabilities	1,370.57	3.44	-	-	56.89
8	Investments	862.59	-	-	-	-
9	Turnover from Continuing operations	6,005.10	-	-	-	-
10	Turnover from Discontinued operations	-	-	-	-	-
11	Profit before taxation from Continuing operations	684.21	-47.65	-124.00	-35.25	-62.23
12	Profit before taxation from Discontinued operations	-	-	-	-	-
13	Provision for taxation from Continuing operations	186.06	-	-	-	-
14	Provision for taxation from Discontinued operations	-	-	-	-	-
15	Profit after taxation from Continuing operations	498.15	-47.65	-124.00	-35.25	-62.23
16	Profit after taxation from Discontinued operations	-	-	-	-	-
17	Proposed Dividend	20.00%	-	-	-	-
18	% of shareholding	71.91%	100.00%	66.94%	98.58%	100.00%

* Investments in Salzer Kostad EV Charges Private Limited has fully been impaired and completely written off during the FY2024-25

** Salzer Emarch Electromobility Private Limited is a step down subsidiary through Salzer EV Infra Private Limited, a wholly owned subsidiary of Salzer Electronics Limited. Salzer EV Infra has fully impaired its investment in Salzer Emarch Electromobility Private Limited and written off in its books during the FY2024-25

*** Salzer Electronics Arabia Limited is a wholly owned Overseas Subsidiary. Yet to commence its operations. The Company's Functional Currency is Saudi Arabian Rial (SAR). The figures as provided in the above table are in Indian Rupees (INR) as translated for the purposes of consolidation.

PART B – ASSOCIATES

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

(₹ in Lakh except share data)

S.No	Name of the Associate	Ultra-Fast Chargers Private Limited **	Effilume Private Limited	Aurawin Solutions Private Limited
1	Latest audited Balance Sheet Date	March 31, 2026	March 31, 2026	March 31, 2026
2	Date on which the Associate was acquired	October 17, 2024	May 31, 2025	February 12, 2026
3	Shares of Associate held by the company on the year end			
(i)	No. of shares	5,86,061	25,53,300	3,000
(ii)	Amount of investment	699.71	255.33	0.30
(iii)	Extent of holding %	19.70	49.00%	30.00%
4	Description of how there is significant influence	Board Control	Over 20% Shareholding	Over 20% Shareholding
5	Reason why the associate/ joint venture is not consolidated	NA	NA	NA
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	65.89	223.92	0.02
7	Profit / (Loss) for the year:			
(i)	Considered in consolidation	-57.72	-66.21	-0.24
(ii)	Not considered in consolidation	NA	NA	NA

** Associate Entity through Kaycee Industries Limited

For and on behalf of the Board

N Rangachary
Chairman
DIN: 000054437

Date : May 23,2026
Place : Coimbatore

INDEPENDENT AUDITOR'S REPORT

To

The Members of **Salzer Electronics Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Salzer Electronics Limited ("the Company"/"Holding Company")** and its Subsidiaries (the Company and its Subsidiaries together referred to as "the Group") and its Associates, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and notes to the consolidated financial statements, including a summary of the material accounting policies and other explanatory information ("Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2026, its Profit including Other Comprehensive Income, its Cash Flows and Changes in Equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matter	How our Audit addressed the Key Audit Matter
1) Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115-'Revenue from Contracts with Customers' Revenue is a significant line item in the financial statements of the Company and is a key performance indicator for stakeholders. The Company recognises revenue from sale of goods/rendering of services, in accordance with Ind AS 115-'Revenue from Contracts with Customers' The application of Ind AS 115 involves significant judgement in identifying performance obligations, determining the timing and accuracy of revenue recognition (at a point in time or over time), assessing transaction prices including variable consideration, and evaluating contract terms such as warranties, discounts or rebates. Given the volume and complexity of contracts, the significance of revenue to the financial statements, and the judgements required, we identified revenue recognition as a key audit matter.	**Our audit procedures included, among others:** • Obtaining an understanding of the Company's revenue recognition policies and assessing compliance under Ind AS 115 • Evaluating the design and implementation of relevant internal controls over revenue recognition • Performing substantive testing on selected contracts to assess the appropriateness of revenue recognition, including terms and conditions, performance obligations, and timing of transfer of control • Testing cut-off procedures and reviewing transactions around year-end to ensure revenue is recognised in the appropriate accounting period • Evaluating the estimates of variable consideration (e.g. discounts, rebates, penalties) and assessing the reasonableness of management's assumptions • Reviewing the adequacy of disclosures in the financial statements relating to revenue recognition and associated judgements

2) Assessment of Carrying Value of Goodwill as per Ind AS 36 (Refer Note 5 to the Consolidated Financial Statements) The Group has a goodwill balance of Rs.708.34 Lakhs as at March 31, 2026 comprising of Rs.70.17 Lakhs relating to acquisition of business by the Holding Company, Salzer Electronics Limited and Rs.638.17 Lakhs relating to acquisition of control in Kaycee Industries Limited. Under Ind AS 36-'Impairment of Assets', the Company is required to test Goodwill for impairment annually, or more frequently, if indicators of impairment exist. For the year ended March 31, 2026, the Holding Company has performed an assessment of the carrying value of goodwill as required by Ind AS 36 in respect of Rs.70.17 Lakhs by: Calculating the recoverable amount for CGU using a discounted cash flow model (DCU Model). Comparing the recoverable amount of the respective carrying amount of assets and liabilities. The preparation of discounted cash flow projections of cash flows for a specific period, typically for 5 years. A terminal growth rate is applied determining the terminal value. However, the management did not perform a formal impairment test, asserting that there were no indicators of impairment based on their qualitative assessment in respect of Goodwill of Rs.638.17 Lakhs. This judgement involved evaluating macroeconomic and entity-specific factors, including the performance of the underlying businesses and expectations of future profitability. Given the materiality of the goodwill balance and the inherent subjectivity involved in determining whether impairment indicators exist and the significant judgements involved in estimating future cash flows, particularly with respect to factors such as discount rates, cash flow projections and terminal growth rates which are affected by future market and economic conditions and hence, are inherently uncertain, we considered this to be key audit matter.	**Our Audit Procedures included, among others:** • Evaluating management's qualitative assessment regarding the absence of impairment indicators • Assessing whether any external or internal factors existed which could indicate potential impairment, including reviewing actual financial performance against budgets and forecasts • Performing independent analysis of macroeconomic and industry-specific developments that could impact the recoverable value of goodwill • Evaluating the design and implementation of controls over management's impairment testing process • Assessing the appropriateness of the methodology used by management for impairment testing in accordance with Ind AS 36 • Understanding the cash flow projections and assumptions used in the DCF model, testing the mathematical accuracy and reviewing the report of the management expert • Involving valuation specialists to assess the appropriateness of the valuation model and key assumptions used by management • Performing sensitivity analyses to assess the potential impact of changes in key assumptions on the recoverable amounts • Considering the adequacy of disclosures in the Consolidated Financial Statements regarding the assumptions and sensitivities in the goodwill impairment assessment
3) Impact of Geopolitical and Supply Chain Disruptions on Operations and Related Assessments The Company operates in a manufacturing environment that is dependent on critical inputs such as copper, Silver, & plastics and is significantly exposed to export markets, including the United States, UK and the Middle East. During the year, global geopolitical developments, including tensions involving Iran, and constraints in petroleum supplies, petroleum pricing and other petroleum related products supply in India is extremely uncertain, Also the impact on logistics, and demand is high. Further, the Company has incurred capital expenditure towards a new manufacturing facility in Saudi Arabia which is yet to commence operations. These conditions indicate the existence of material uncertainties that may have significant impact on the Company's ability to operate. The assessment of going concern is dependent on management's forecasts of future cash flows, which involve significant judgment relating to production levels, availability of key inputs, realisation from export markets, and the timeline for operationalisation of the new facility.	**Our audit procedures included, among others:** • Evaluating the design and implementation of controls over the preparation of cash flow forecasts • Assessing the assumptions used by management, including projected revenues, operating margins, and working capital movements • Performing sensitivity analyses on key assumptions, particularly in respect of plastic raw material availability, export demand, and logistics disruptions • Reviewing financing arrangements and assessing the availability of undrawn credit facilities • Evaluating management's mitigation plans, including alternate sourcing strategies and cost control measures • Assessing the adequacy of disclosures in the financial statements relating to going concern

Emphasis of Matter

We draw attention to Note No. 55 of the Consolidated Financial Statements, which describes that Salzer Kostad EV Chargers Private Limited, a subsidiary of the Holding Company and Salzer Emarch Electromobility Private Limited, a step-down subsidiary of the Holding Company, are going for a voluntary strike-off and has prepared its financial statements on a non-going concern basis. As detailed in the said note, this development does not affect the going concern status of the Group as a whole, and the Consolidated Financial Statements continue to be prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Other Matters

We did not audit the Financial Statements of Kaycee Industries Limited (Subsidiary), Ultra-fast Chargers Private Limited (Step-down Associate), Salzer EV Infra Private Limited (Wholly-owned Subsidiary), Salzer Electronics (Arabia) Limited (Wholly-owned Overseas Subsidiary) and Aurawin Solutions Private Limited (Associate). The Subsidiaries' Financial Statements reflect Total Assets of Rs. 4,829.35 Lakhs, as at March 31, 2026, Total Turnover of Rs. 6,005.10 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements and also include the Group's share of profit of Rs. 263.63 Lakhs for the year ended March 31, 2026, as considered in the Consolidated Financial Statements, in respect of subsidiaries, whose financial statements have not been audited by us. The Consolidated Financial Statements also include the Group's share of Net Loss of Rs. 57.96 Lakhs for the year ended March 31, 2026, in respect of associates whose financial statements have not been audited by us. These companies have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of subsidiaries and associates and our report in terms of sub-section 3 and 11 of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

The above-mentioned subsidiaries and associates also include a subsidiary located outside India whose financial statements have been prepared in accordance with the accounting principles generally accepted in its country and audited by other auditors under the generally accepted auditing standards applicable in that country. The subsidiary follows a calendar year as its financial year and, accordingly, its financial statements have been audited up to December 31, 2025. For the three months ended March 31, 2026, the financial statements were reviewed by the Management of the Holding Company, which made the necessary conversion adjustments in accordance with the accounting principles generally accepted in India. We have audited such conversion adjustments. Our opinion, in so far as it relates to the balances and affairs of such subsidiary, is based on the report of the other auditors up to December 31, 2025, and the financial information for the three months ended March 31, 2026, reviewed by the Management of the Holding Company, including the conversion adjustments prepared by the Management and audited by us.

Other Information

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance Report, Shareholder's Information and other information included in the Annual Report but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, on the other information obtained prior to the date of this Auditor's Report, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged With Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act and other accounting principles generally accepted in India.

The respective Board of Directors of the Companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group and its Asosociate's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, 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 SA's will always detect a material misstatement when it exists. Misstatements arise due to fraud or error and are considered material if, individually or taken together, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of an audit in accordance with SA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

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

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

f. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the aforesaid consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with Those Charged With Governance of the Holding Company and such other entity included in the Consolidated Financial Statements of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including significant deficiencies in internal controls that we identify during our audit.

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

From the matters communicated with Those Charged With Governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the Key Audit Matters. We describe those 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. With respect to the matters specified under paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, to be included in the Auditor's Report, according to the information and explanations given to us, and based on the CARO reports issued by us and the other auditors for the companies included in the Consolidated Financial Statements to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

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 Group so far as it appears from our examination of those books and the reports of other auditors.

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

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

   e. On the basis of the written representations received from the directors of the Holding Company and the subsidiaries as on March 31, 2026 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company and the subsidiaries incorporated in India are disqualified as on March 31, 2026 from being appointed as director in terms of sub-section (2) of section 164 of the Act.

   f. With respect to the adequacy of Internal Financial Controls over Financial Reporting 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 Group'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 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 Group has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements. Refer Note 45 to Consolidated Financial Statements.

      ii. The Group was not required to recognize a provision as at March 31, 2026 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2026.

      iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India

      iv. (a) The respective Management of the Company and its subsidiaries incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company or its subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company or its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

      (b) The respective Management of the Company and its subsidiaries incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company or its subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

      (c) Based on audit procedures, which we considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose Financial Statements have been audited under the Act which have been audited by us and based on the reports of the other auditors, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.

vi. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.

vii. Based on our examination, which included test checks and as communicated by the respective auditors of subsidiaries which are companies incorporated in India, the Group has used Accounting Software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail, has been preserved by the Holding Company and its Subsidiaries as per the statutory requirements for record retention.

3. 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 Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

For **SWAMY & RAVI**
Chartered Accountants,
FRN: 004317S

S ALAMELU
Partner
Memb. No.: 223555

UDIN: 26223555IERGRC7321
Place: Coimbatore
Date: May 23, 2026

ANNEXURE – A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" Section of our Report of even date)

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

We have audited the internal financial controls over financial reporting of Salzer Electronics Limited ("the Company"/ "Holding Company") and its subsidiaries ("the Group") and its Associates as of March 31, 2026 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financing reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("Guidance Note") 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiaries which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material 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 consolidated 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 internal financial controls system over financial reporting of the Holding Company and its subsidiaries, which are companies incorporated in India.

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 include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 the 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 and according to information and explanation given to us, the Holding Company and its subsidiaries, which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026 based on the internal financial control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **SWAMY & RAVI**
Chartered Accountants,
FRN: 004317S
S ALAMELU
Partner
Memb. No.: 223555

UDIN: 26223555IERGRC7321
Place: Coimbatore
Date: May 23, 2026

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2026

(₹ in Lakhs)

Particulars		Note No.	As at March 31, 2026	As at March 31, 2025
I.	**ASSETS**			
1.	**Non-current Assets**			
a.	Property, Plant and Equipment	2	32,961.94	29,724.47
b.	Capital Work in Progress	3	731.06	262.04
c.	Investment Property	4	0.77	0.77
d.	Goodwill	5	708.34	731.59
e.	Other Intangible Assets	6	320.96	404.56
f.	Financial Assets			
	i. Investments	7	1,264.86	1,128.48
	ii. Others	8	245.57	431.67
g.	Deferred Tax Assets (Net)	9a	14.56	7.90
h.	Other Non-current Assets	10	1,042.78	843.81
	Total Non-Current Assets [1]		**37,290.84**	**33,535.29**
2.	**Current Assets**			
a.	Inventories	11	46,835.32	36,773.36
b.	Financial Assets			
	i. Investments	12	1,003.16	882.42
	ii. Trade Receivables	13	44,552.53	40,547.62
	iii. Cash and Cash Equivalents	14	428.54	351.55
	iv. Other Bank balances	15	615.46	571.83
	v. Loans	16	116.84	141.91
	vi. Other	17	221.81	231.92
c.	Other Current Assets	18	5,956.64	4,947.93
d.	Current Tax Assets (Net)	32a	161.25	-
Total Current Assets	**[2]**		**99,891.55**	**84,448.54**
TOTAL ASSETS	**[1+2]**		**1,37,182.39**	**1,17,983.83**
II.	**EQUITY AND LIABILITIES**			
1.	**EQUITY**			
a.	Equity Share Capital	19	1,768.27	1,768.27
b.	Other Equity	20	57,497.39	52,626.63
	Equity Attributable to Owners of the Group		**59,265.66**	**54,394.90**
	Non-Controlling Interest		970.84	898.71
	Total Equity [1]		**60,236.50**	**55,293.61**
2.	**LIABILITIES**			
i.	Non-current Liabilities			
a.	Financial Liabilities			
	i. Borrowings	21	2,808.38	2,231.51
	ii. Net Liability in Leased Assets	22	256.91	305.09
	iii. Others	23	8.49	7.75
b.	Provisions	24	287.81	225.23
c.	Deferred tax liabilities (net)	9b	2,926.55	2,699.49
d.	Other Non-Current Liabilities	25	26.70	26.45
Total Non-current Liabilities [2]			**6,314.84**	**5,495.52**
ii.	Current Liabilities			
a.	Financial Liabilities			
	i. Borrowings	26	50,335.97	43,503.55
	ii. Current Maturity of Leased Liability	27	74.03	57.61
	iii. Trade Payables	28		
	a. Due to Micro & Small Enterprises		4,713.99	2,011.39
	b. Due to Others		13,157.30	9,143.62
	iv. Others	29	56.35	98.35
b.	Other Current Liabilities	30	1,098.34	1,385.46
c.	Provisions	31	1,181.84	791.81
d.	Current Tax Liabilities (Net)	32b	13.23	202.91
Total Current Liabilities	**[3]**		**70,631.05**	**57,194.70**
TOTAL EQUITY AND LIABILITIES [1+2+3]			**1,37,182.39**	**1,17,983.83**

Material Accounting Policies – Note:1, the accompanying Notes are integral part of the Financial Statements

In terms of our attached report
For **Swamy & Ravi**
Chartered Accountants
FRN No.004317S

N RANGACHARY
Chairman
(DIN: 00054437)

R. DORAISWAMY
Managing Director
(DIN: 00003131)

D. RAJESHKUMAR
Joint Managing Director
(DIN :00003126)

K RAMAN
Chief Financial Officer

K M MURUGESAN
Company Secretary
M No. A25953

S ALAMELU
Partner
M No. 223555

Coimbatore - 47
May 23, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

Particulars	Note No.	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
I. INCOME			
a. Revenue From Operations	33	1,75,837.96	1,41,832.84
b. Other Income	34	149.42	534.02
Total Income		**1,75,987.38**	**1,42,366.86**
II. EXPENSES			
a. Cost of materials consumed	35	1,38,096.00	1,09,563.51
b. Changes in inventories of finished goods and work-in-progress	36	-3019.92	-3,369.15
Consumption-Total		**1,35,076.08**	**1,06,194.36**
c. Employee benefit expenses	37	7,174.90	5,896.87
d. Finance Cost	38	4,775.97	4,113.74
e. Depreciation and amortisation expense	39	2,732.22	2,341.79
f. Other expenses	40	18,881.43	16,352.05
TOTAL EXPENSES		**1,68,640.60**	**1,34,898.81**
III. PROFIT BEFORE TAX AND SHARE OF LOSS FROM ASSOCIATE		**7,346.78**	**7,468.05**
Tax Expense	41	1,845.30	2,219.50
IV. PROFIT AFTER TAX BUT BEFORE SHARE OF LOSS FROM ASSOCIATE		**5,501.48**	**5,248.55**
Share of Loss From Associate		-124.17	-2.10
V. PROFIT AFTER TAX AND SHARE OF LOSS FROM ASSOCIATE		**5,377.31**	**5,246.45**
Attributable to Owners of the Company		**5,294.16**	**5,084.35**
Attributable to Non-Controlling Interest		**83.15**	**162.10**
VI. OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
a. Re-measurement of post employment benefit obligations		-54.36	-58.30
b. Change in fair value of FVOCI equity instruments		-24.17	47.28
c. Foreign Currency Translation Reserve		-0.91	0.00
d. Income Tax expenses on above		17.13	17.97
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**-62.31**	**6.95**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**5,315.00**	**5,253.40**
Attributable to Owners of the Company		**5,231.50**	**5,092.44**
Attributable to Non-Controlling Interest		**83.50**	**160.96**
EARNINGS PER SHARE	42		
- Basic after exceptional items		29.94	29.75
- Diluted after exceptional items		29.94	29.67

'Material Accounting Policies-Note No. 1, the accompanying notes are an integral part of the financial statements'.

N RANGACHARY
Chairman
(DIN: 00054437)

R. DORAISWAMY
Managing Director
(DIN: 00003131)

D. RAJESHKUMAR
Joint Managing Director
(DIN :00003126)

For **Swamy & Ravi**
Chartered Accountants
FRN No.004317S

K RAMAN
Chief Financial Officer

K M MURUGESAN
Company Secretary
M No. A25953

S ALAMELU
Partner
M No. 223555

Coimbatore - 47
May 23, 2026

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

	For the Year Ended 31.03.2026		For the Year Ended 31.03.2025	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit after tax		5,377.31		5,246.45
Adjustments for: Tax Expenses	1,845.30		2,219.50	
Depreciation	2,732.22		2,341.79	
Interest Income	(73.03)		(60.20)	
Finance Costs	4,775.97		4,113.73	
Rental Income	(13.19)		(15.44)	
Share of Loss from Associate	124.17		2.10	
(Gain)/Loss on Foreign Exchange Fluctuations (net)	158.27		(287.77)	
Dividend Income	(7.66)		-	
Impairment of Goodwill	(4.16)		(6.72)	
Other Non-Cash Items	23.25		41.82	
(Profit) / Loss on sale of Investments	-		-	
(Profit) / Loss on sale of Fixed Assets	(4.62)		247.81	
Fair valuation of investments	(24.17)		47.28	
Other Non Operating Income	(46.62)		(60.06)	
Other Comprehensive Income	(55.51)	9,430.22	(58.30)	8,525.54
Operating Profit before working capital changes		**14,807.53**		**13,771.99**
Add: Adjustments for working capital changes				
Inventories	(10,061.96)		(7,424.72)	
Trade and other receivables	(3,969.73)		(5,531.23)	
Other Current Assets	(1,008.70)		(269.61)	
Trade and other Payables	6,716.28		5,366.57	
Other Current Liabilities	123.49	-8,200.62	(5,080.66)	(12,939.65)
Cash generated from operations		6,606.91		832.34
Direct tax paid		(1,958.72)		(1,960.98)
Net cash from operating activities		4,648.19		(1,128.64)
B. INVESTING ACTIVITIES :				
Investments in Fixed assets (Net)	(5,899.81)		(6,945.22)	
Increase/ Decrease in Capital Work in Progress	(469.02)		(22.29)	
Non Operating Income	46.62		60.06	
Proceeds from Sale of Investments	2.98			
Proceeds from Sale of Fixed Assets	18.35		357.60	
Rental Income Received	13.19		15.44	
Changes in Other Bank Balances	(43.63)		310.46	
Changes in Other Non-Current Financial Assets	186.10		(147.60)	
Changes in Other Non-Current Assets	(198.97)		(286.31)	
Investment in Mutual Funds and Equitites (Net)	(120.74)		(186.24)	
Dividend Received	4.16		6.72	
Interest Received	73.03		60.20	
Non-Current Investments Made	(255.63)	(6,643.37)	(1,116.03)	(7,893.21)
Net cash used in investing activities		(6,643.37)		(7,893.21)
C. FINANCING ACTIVITIES:				
Proceeds/(Repayment) from Short Term Borrowings	6,832.42		10,067.79	
Sale Proceeds from Sale of Shares of Kaycee by Salzer	87.79		1,778.95	
Changes in Current Maturities of Lease Liabilities	16.42		-	
Changes in Long-term Maturities of Lease Liabilities	(48.18)		-	
Changes in Other Non-Current Financial Liabilities	0.74		7.75	
Money received against share warrants	-		(208.89)	
Increase in Share capital	-		30.00	
Increase in Share Premium	-		805.50	
Long Term Borrowings -Receipts	576.87		932.75	
Increase/(Repayment) of non current liabilities	0.25		(80.54)	
Interest and finance Charges	(4,775.97)		(4,113.73)	
Gain/(Loss) on Foreign Exchange Fluctuations	(158.27)		287.77	
Dividend and dividend tax paid	(459.90)	2,072.17	(458.88)	9,048.47
Net cash from financing activities		6,019.75		9,048.47
Net increase in cash and cash equivalents (A+B+C)		76.99		26.62
Add : Opening Cash and Cash Equivalents		351.55		324.93
Closing Cash balance		428.54		351.55

The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7- Statement of Cash Flows.

N RANGACHARY
Chairman
(DIN: 00054437)

R. DORAISWAMY
Managing Director
(DIN: 00003131)

D. RAJESHKUMAR
Joint Managing Director
(DIN :00003126)

For **Swamy & Ravi**
Chartered Accountants
FRN No.004317S

K RAMAN
Chief Financial Officer

K M MURUGESAN
Company Secretary
M No. A25953

S ALAMELU
Partner
M No. 223555

Coimbatore - 47
May 23, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A) EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Balance at the beginning of the year	1,768.27	1,738.27
Changes in equity share capital during the year	-	30.00
Balance at the end of the year	**1,768.27**	**1,768.27**

B) OTHER EQUITY

Particulars	Reserves and Surplus						Items of Other Comprehensive Income		Non - Controlling Interests	Total Other Equity
	Share application money pending allotment	Money Received Against Share Warrants	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Other Items of OCI		
Balance as at 31/03/2025	-	-	124.36	17,194.64	2,358.56	32,895.41	-	53.66	898.71	53,525.34
Profit for the Year Ended 31/03/2026	-	-	-	-	-	5,294.16	-	-	83.15	5,377.31
Other Items of Other Comprehensive income for the Year Ended 31/03/2026	-	-	-	-	-	-	-	-61.74	0.35	-61.40
Foreign Currency Translation Reserve	-	-	-	-	-	-	-0.91	-	-	-0.91
Transfer to Retained Earnings from OCI	-	-	-	-	-	0.29	-	-0.29	-	-
Transfer to General Reserve	-	-	-	-	0.50	-0.50	-	-	-	-
Options exercised, pending allotment of shares	-	-	-	-	-	-	-	-	-	-
Allotment of shares	-	-	-	-	-	-	-	-	-	-
Dividend Paid	-	-	-	-	-	-442.07	-	-	-17.83	-459.90
Adjustment due to reduction in Interest in Subsidiary	-	-	-	-	-	81.32	-	-	6.47	87.79
Balance as at 31/03/2026	**-**	**-**	**124.36**	**17,194.64**	**2,359.06**	**37,828.61**	**-0.91**	**-8.37**	**970.84**	**58,468.23**

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May 23, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

A) EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Balance at the beginning of the year	1,738.27	1,618.27
Changes in equity share capital during the year	30.00	120.00
Balance at the end of the year	**1,768.27**	**1,738.27**

B) OTHER EQUITY

Particulars	Reserves and Surplus							Non-Controlling Interests	Total Other Equity
	Share application money pending allotment	Money Received Against Share Warrants	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Other Items of OCI		
Balance as at 31/03/2024	-	208.89	80.67	16,389.14	2,358.46	26,525.05	45.67	694.49	46,302.37
Profit for the Year Ended 31/03/2025	-	-	-	-	-	5,084.35	-	162.10	5,246.45
Other Items of Other Comprehensive income for the Year Ended 31/03/2025	-	-	-	-	-	-	8.09	-1.14	6.95
Capital Reserve	-	-	43.69	-	-	-	-	17.07	60.76
Transfer to Retained Earnings from OCI	-	-	-	-	0.10	-	-0.10	-	-
Appropriations (if any)	-	-	-	-	-	-	-	-	-
Options exercised, pending allotment of shares	-	626.61	-	-	-	-	-	-	626.61
Allotment of shares	-	-835.50	-	805.50	-	-	-	-	-30.00
Dividend Paid	-	-	-	-	-	-442.07	-	-16.81	-458.88
Adjustment due to reduction in Interest in Subsidiary	-	-	-	-	-	1,728.08	-	43.00	1,771.08
Balance as at 31/03/2025	**-**	**-**	**124.36**	**17,194.64**	**2,358.56**	**32,895.41**	**53.66**	**898.71**	**53,525.34**

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Coimbatore - 47
May 23, 2026

salzer

(₹ in Lakhs)

CONSOLIDATED MATERIAL ACCOUNTING POLICIES

FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

Material Accounting Policies

Note No. 1

i. Corporate Information:

Salzer Electronics Limited, incorporated in January 1985 under the provisions of Companies Act, 1956. The Group is engaged in manufacture of Electrical Installation Products and Components viz., CAM Operated Rotary switches, Selector Switches, Wiring Ducts, Voltmeter Switches, copper wires and cables and allied products addressing customers in the electrical equipment, power, medical equipment, automotive as well as renewable and uninterrupted power system spaces, in a single and unified segment. The Parent Company is listed in BSE Limited and National Stock Exchange of India Limited and Subsidiary Company - Kaycee Industries Limited is listed in BSE Limited only.

ii. General Information andStatement of Compliance with IND AS

These Consolidated financial statements ('financial statements') of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented.

These financial statements for the year ended March 31, 2026 were authorized and approved for issue by the Holding Company's Board of Directors on May 23, 2026.

iii. Basis of Preparation:

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

The Financial Statements have been prepared and presented on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services as on the exchange date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on the basis stated above.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

All amounts included in the financial statements are reported in lakhs of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

iv. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries.

a. Subsidiaries

Subsidiaries are entities over which the Group has control. Subsidiaries are consolidated on a line-by-line basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company. In case of loss of control of a subsidiary, any excess of fair value of consideration received over carrying amount of the assets (including any goodwill) and liabilities of the subsidiary, is recognized as gain or loss in consolidated statement of profit and loss. Additionally components of Other Comprehensive Income of subsidiaries are reclassified to consolidated statement of profit and loss or transferred directly to retained earnings. Intercompany transactions, balances and un-realised gains on transactions between group companies are eliminated. Un-realised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting policies in use at the Group.

The consolidated Ind AS financial statements of the Group include subsidiary which are incorporated in India in the table below

Name of the Entity	% of Holding	Reporting Date
Kaycee industries Ltd Subsidiary Company	71.70%	31.03.2026
Salzer EV Infra Pvt Ltd Wholly Owned Subsidiary Co	100%	31.03.2026
Salzer Kostad EV Charges Pvt Ltd Subsidiary Company	66.94%	31.03.2026
Salzer Emarch Electromobility Pvt Ltd Step down Subsidiary Company	98.58%	31.03.2026
Salzer Electronics Arabia Limited Overseas Subsidiary Company	100%	31.03.2026

b. Associates

Associates are all entities over which the group has significant influence but not control or joint control. (This is generally the case where the group holds between 20% and 50% of the voting rights). Investments in associates are accounted for using the equity method of accounting after initially being recognized at cost.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

The carrying amount of equity accounted in investments are tested for impairment.

Detail of Associate Company consolidated under Equity Method

Name of the Entity	% of Holding	Reporting Date
Ultra Fast Chargers Private Limited Associate Entity through Kaycee	19.70%	31.03.2026
Effilume Private Limited	49.00%	31.03.2026
Aurawin Solutions Private Limited	30.00%	31.03.2026

v. Use of Estimates:

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Group to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective judgments and the use of assumptions in these

Financial statements have been disclosed separately under the heading "Significant accounting Judgements, estimates and assumption".

vi. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current, when:

It is expected to be realised or intended to be sold or consumed in normal operating cycle

It is held primarily for the purpose of trading

It is expected to be realised within twelve months after the reporting period, or

It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current, when:

It is expected to be settled in normal operating cycle

It is held primarily for the purpose of trading,

It is due to be settled within twelve months after the reporting period, or

It does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period

The entity classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities

vii. Foreign currency transactions Functional and presentation currency

The financial statements are presented in Indian Rupee which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest Rupees in Lakhs.

a. Initial recognition

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

b. Conversion

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

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

c. Forward Contract

Premium/ Discount in respect of Forward Contract are amortized as expense/income over the period of contract. Exchange differences arising on forward contracts between the exchange rate on the date of transaction and the exchange rate prevailing at the year end is recognized in the Statement of Profit and Loss.

viii. Property, Plant and Equipment:

Property, Plant and Equipment (PPE) is recognized when the cost of an asset can be reliably measured and it is probable that the entity will obtain future economic benefits from the asset.

Property, plant and equipment are stated at historical cost net of indirect taxes, including appropriate direct and allocated expenses less accumulated depreciation and impairment losses, if any. Increase/Decrease in rupee liability in respect of foreign currency liability related to acquisition of fixed assets is recognized as expense or income in the Statement of Profit and Loss. Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Property, plant and equipment represent a significant proportion of the asset base of the group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end with the effect of any changes in estimate accounted for on a prospective basis. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

PPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and non-refundable purchase taxes). Subsequent expenditure relates to an item of PPE is capitalized if it meets the recognition criteria.

On the date of transition to Ind AS, barring Land which has been valued at Fair value, all other items of assets have been valued as per their 'deemed cost' in accordance with Ind AS 101.

Foreign exchange gain/loss arising on foreign currency denominated borrowing which are not hedged that were incurred to acquire PPE are recorded in the cost of the asset as per Ind AS 101 Para D13AA and Ind AS 21 Para 7A and depreciated over their remaining useful life. In respect of exchange gain/loss arising from foreign currency denominated borrowings which are hedged, accounting has been done based on hedge effectiveness either as derivate/cash flow hedge as per Ind AS 109.

Depreciation:

The depreciable amount of PPE (being the Gross carrying value less the estimated residual value) is depreciated on a systematic basis over its useful life.

In respect of certain classes of PPE, the Group uses different useful life other than those prescribed in Schedule II to the Act. The useful life of such class of PPE has been ascertained based on technical review by a Chartered Engineer and assessment by the management as detailed in the following table:

Class of Assets	Useful Lives
Buildings	30 Years
Plant and Machinery	15 Years
Windmill	22 Years
Electrical Machinery solar	22 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years/6 Years
Leasehold Buildings	(subsidiary) 7 Years
Office Equipments	5 Years
Electrical Fittings	10 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss

ix. Investment property:

Investment property is a property, being a land or a building or part of a building or both, held by the owner or by the lessee under a finance lease, to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services or for administrative purposes or sale in the ordinary course of business

Investment properties (if any), are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

x. Intangible assets and amortization:

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. Operating software is capitalized and amortised along with the related fixed asset.

The Group has used the following useful lives to amortise its intangible assets:

Class of Assets	Useful Lives
Computer software	3 Years
Internally Generated Intangible assets	3 Years
Computer Servers	6 Years

xi. Research and Development Expenditure:

Research & Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. However, expenditure incurred at development phase, where it is reasonably certain that outcome of research will be commercially exploited to yield economic benefits to the Company, is considered as Intangible Asset and amortized in accordance with the policies stated above.

xii. Impairment of Non Financial assets

The Group periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash- generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

xiii. Inventories:

Inventories are carried at the lower of cost and net realizable value.

Cost includes all applicable costs incurred in bringing the properties to their present location and condition.

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

Cost of raw materials including consumables and stores & spares are determined on FIFO (First In First Out) Basis

Cost of work-in-progress is valued at cost of materials and labor together with relevant factory overheads. The cost of work-in progress is determined on the basis of weighted average method.

The finished goods are valued at cost (or) net realizable value whichever is less.

xiv. Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories

Debt instruments at amortized cost

Debt instruments at fair value through other comprehensive income (FVTOCI);

Debt instruments and equity instruments at fair value through profit or loss (FVTPL);

Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account acy discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments (other than investments in subsidiaries and joint ventures):

All equity investments within the scope of Ind AS 109,' Financial Instruments', are measured at fair value either through statement of profit and loss or other comprehensive income. The Group makes an irrevocable election to present in OCI the subsequent changes in the fair value on an instrument-by-instrument basis. The classification is made on initial recognition.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI. Any gains or losses on de-recognition is recognized in the OCI and are not recycled to the statement of profit or loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition of Financial Assets:

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily de-recognized when:

The rights to receive cash flows from the asset have expired, or

The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ' pass - through ' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Investment in Subsidiaries, Associates and Joint ventures:

The Investment in associates are accounted at cost in accordance with Ind AS 28. Investment in Subsidiaries are accounted at cost in accordance with Ind AS 27

2. Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and transaction cost (if any) that is attributable to the acquisition of the financial liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a. Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

b. Trade and other payables

These amounts represent liabilities for goods or services provided to the Group which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortized cost unless designated as fair value through profit and loss at the inception.

c. Other financial liabilities at fair value through profit or loss:

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognized in the profit or loss.

d. De-recognition of Financial Liabilities:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de- recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

3. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously**.**

4. Compound Financial Instruments:

A financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and is subsequently measured at amortized cost. The residual value is recognized as equity component of other financial instrument and is not re-measured after initial recognition.

The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognized directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortized using effective interest method.

xv. Impairment of Financial assets:

The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

xvi. Fair value measurement:

The Group measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level Input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xvii. Revenue Recognition:

a. Revenue from sale of goods and services:

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers.

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer, which is mainly upon delivery, the amount of revenue can be measured reliably and the recovery of consideration is probable. Revenue from the sale of goods duties and taxes which the Group pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax (GST) and other taxes, as applicable.

Export Benefits are recognized as revenue when the right to receive credit as per the terms of the entitlement is established in respect of exports made.

Revenue from services is recognised in the periods in which the services are rendered.

b. Revenue from Projects

Revenue from fixed Price Contracts, where the performance obligation is satisfied over the period of time and where there is no un-certainty as to measurement or collectability of consideration is recognized as per the percentage of completion method in accordance with the IND AS 115. Under the percentage of completion method, revenue is recognised in proportion that the contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. The amount recognised is net of goods and service tax (GST), service tax and other amounts collected from the customer in the capacity of an agent, as applicable. In cases where the total project cost is estimated to exceed the total estimated revenue from a project, the loss is recognised immediately.

Contract costs include the estimated material costs, installation costs and other directly attributable costs of the project.

Contract revenues represent the aggregate amounts of fair value of sale price for agreements entered into and are accrued based on the percentage that the actual construction costs incurred until the reporting date bears to the total estimated construction costs to completion.

The estimates for contract costs are reviewed by the management periodically and the cumulative effect of the changes in these estimates, if any, are recognized in the period in which these changes may be reliably measured.

c. Dividend:

Income from dividends are recognized when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

d. Interest Income:

Interest income, including income arising from other financial instruments, is recognized using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss. The expected cash flows are reassessed on a yearly basis and changes, if any, are accounted prospectively.

e. Other Operating Revenue:

Other Operating revenue comprises income from ancillary activities incidental to the operations of the Group and are recognized when the right to receive the income is established as per the terms of the contract.

xviii. Leases as a Lessee:

The Group assesses at contract inception, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

i. the contract involves the use of an identified asset

ii. the Group has the right to obtain substantially all of the economic benefits from use of the asset through the period of the lease and

iii. the Group has the right to direct the use of the asset.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

A. Right-of-Use Assets:

The Group recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes:

i. The amount of lease liabilities recognized
ii. Initial Direct Costs incurred and
iii. Lease payment made at or before the commencement date less any lease incentives received

Right-of-Use Assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

The Group determines the lease term as the non- cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

B. Lease Liabilities:

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include:

i. Fixed Payments (including any in-substance fixed payments) less any lease incentives receivable
ii. Variable lease payments that depend on an index or a rate
iii. Amounts expected to be paid under residual value guarantees
iv. The Exercise Price of a Purchase Option if the Company is reasonably certain to exercise that option and
v. Payment of Penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease

Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses 'the interest rate implicit in the lease', if that rate can be readily determined or the Group's 'incremental borrowing rate', if 'the interest rate implicit in the lease' is not readily determinable to discount the lease payments.

After the commencement date, the amount of lease liabilities is increased to reflect the interest on lease liabilities and reduced to reflect the lease payments made.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

C. Short-term Leases and Leases of Low-Value Assets:

The Group applies the exemption applicable to Short-term Leases (i.e. Leases that, at the commencement date, have a lease term of 12 months or less without a purchase option) and to Leases of Low-Value Assets. Lease Payments on Short-term Leases and Leases of Low-Value Assets are recognized as an expense on a straight- line basis over the lease term.

Leases as a Lessor:

The Group classifies each of its leases as either an operating lease or a finance lease.

A. Finance Lease:

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

At the Commencement Date, the Group recognizes assets held under a finance lease as a Receivable at an amount equal to the 'Net Investment in the Lease'.

The Group recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the Group's 'Net Investment in the Lease'.

B. Operating Lease:

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Group recognizes lease payments from operating leases as income on a straight-line basis over the lease term.

xix. Employee benefits

1. Short Term and other long term employee benefits:

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Compensated leave absences are encashed by employees at year end and no carry forward of leave is permitted as per the leave policy.

2. Post-Employment Benefits

a. Defined Contribution Plans

A defined contribution plan is a post- employment benefit plan under which the Group pays specified contributions to a separate entity. The Group makes specified monthly contributions towards Provident Fund and Superannuation Fund. The Group's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

b. Defined Benefit Plans

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in OCI in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment.

xx. Share Based Payments Arrangements

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

xxi. Borrowing costs:

Borrowing costs directly attributable to acquisition/ construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use/ sale. All other borrowing costs are charged to statement of profit and loss.

xxii. Provisions:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provision for warranty:

Provision for expected cost of warranty obligations are recognized based on management's best estimate of the expenditure required to settle the obligations which takes into account the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidents.

xxiii. Contingent liabilities and Contingent Assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets are not recognized but are disclosed when the inflow of economic benefits are probable.

xxiv. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares (if any) are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and consolidation of shares if any.

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

xxv. Taxes on Income:

Tax expense comprises of current and deferred tax.

a. 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 directly in equity is recognized in other comprehensive income / equity and not in the statement of profit and loss. 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.

b. Deferred tax

Deferred tax is provided 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 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 are 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 based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

xxvi. Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in 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, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Business Combination under common control

Common control business combination includes transaction, such as transfer of subsidiaries or business, between entities within a Group. Business combinations involving entities or business under common control are accounted for using the pooling of interest method. Under pooling of interest, the assets and liabilities of the combining entities are reflected at their carrying amount, the only adjustment that are made are to harmonise accounting policies.

The financial information in the financial statement in respect of prior period are restated as if the business combination had occurred from the beginning of the preceding period in the financial statement, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The differences, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other asset and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes

xxvii. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Financial Officer (CFO), to make decisions about resources to be allocated to the segments and assess their performance.

The Company is primarily engaged in manufacturing of wide range of electrical installation products including devices for energy efficiency services which all fall under One segment by name Electrical Installation Products for any reporting requirements.

xxviii. Significant accounting Judgments, estimates and assumptions:

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgments that the management has made in the process of applying the Group's accounting policies

a. Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

b. Revenue recognition, contract costs:

The Group uses the percentage of completion method for recognition of revenue, accounting for unbilled revenue and contract cost thereon for its contractual projects. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Use of the percentage-of- completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Significant assumptions are required in determining the stage of completion, the extent of the contract cost incurred to the estimated total contract revenue and contract cost and the recoverability of the contracts. These estimates are based on events existing at the end of each reporting date.

c. Provision and contingent liability:

On an on-going basis, the Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies, the likelihood of which is remote are not disclosed in the financial statements.

d. Useful lives of depreciable assets:

Management reviews the useful lives of depreciable assets at each reporting date. There is no significant change in the useful lives as compared to previous year.

e. Evaluation of indicators for impairment of assets:

The evaluation of applicable indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

f. Defined benefit obligation:

Management's estimate of the Defined Benefit obligation is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may impact the obligation amount and the annual defined benefit expenses.

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Note No. 2 PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

Particulars	Right-of-Use Assets	Owned Assets										Total (Right-of-Use Assets + Owned Assets)
	Leasehold Buildings	Freehold Land	Building	Plant & Equipment	Furniture & Fittings	Electrical Machinery Solar	Vehicles	Office Equipments	Computers	Electrical Fittings	Windmill	
Deemed Cost												
As at March 31, 2025	**676.09**	**3,198.64**	**4,482.27**	**38,910.01**	**1,759.00**	**420.82**	**260.24**	**54.30**	**52.10**	**17.18**	**662.09**	**50,492.74**
Additions	33.17	692.97	206.78	4,625.06	234.95	4.92	31.16	4.76	7.22	7.69	-	5,848.68
Disposal	-	-	-	18.11	1.93	-	18.99	0.09	-	-	-	39.12
As at March 31, 2026	**709.26**	**3,891.61**	**4,689.05**	**43,516.96**	**1,992.02**	**425.74**	**272.41**	**58.97**	**59.32**	**24.87**	**662.09**	**56,302.30**
Accumulated Depreciation												
As at March 31, 2025	**220.98**	**-**	**1,311.96**	**17,272.46**	**992.14**	**160.40**	**144.31**	**36.55**	**43.18**	**7.96**	**578.32**	**20,768.26**
Additions	79.19	-	134.27	2,168.30	156.56	18.28	23.55	4.10	4.38	1.12	7.73	2,597.48
Disposal	-	-	-	6.69	1.93	-	16.72	0.04	-	-	-	25.38
As at March 31, 2026	**300.17**	**-**	**1,446.23**	**19,434.07**	**1,146.77**	**178.68**	**151.14**	**40.61**	**47.56**	**9.08**	**586.05**	**23,340.36**
Net Carrying Amount												
As at March 31, 2025	**455.11**	**3,198.64**	**3,170.31**	**21,637.55**	**766.85**	**260.41**	**115.93**	**17.75**	**8.92**	**9.22**	**83.78**	**29,724.47**
As at March 31, 2026	**409.09**	**3,891.61**	**3,242.82**	**24,082.89**	**845.25**	**247.06**	**121.27**	**18.36**	**11.76**	**15.79**	**76.04**	**32,961.94**

For details of security/hypothecation, refer Note No. 21

Note No. 3 CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Work in Progress	731.06	262.04
Total	**731.06**	**262.04**

Capital Work in Progress (CWIP) as on 31.03.2026

CWIP	AMOUNT IN C.W.I.P AS ON 31.03.2026				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	714.94	16.12	-	-	731.06
Previous Year	262.04	-	-	-	262.04
Projects temporarily suspended	-	-	-	-	-

Capital Work in Progress (CWIP) as on 31.03.2025

CWIP	AMOUNT IN C.W.I.P AS ON 31.03.2025				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	262.04	-	-	-	262.04
Previous Year	239.75	-	-	-	239.75
Projects temporarily suspended	-	-	-	-	-

Note No. 4 INVESTMENT PROPERTY

Particulars	As at March 31, 2026	As at March 31, 2025
Freehold Land	0.77	0.77
Total	**0.77**	**0.77**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

Note No. 5 GOOD WILL

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Gross Carrying Amount		
Opening	731.59	773.41
Additions	-	-
Impairment during the Year	23.25	41.82
Disposal	-	-
Closing Balance	**708.34**	**731.59**
Net Carrying amount	**708.34**	**731.59**

Note No. 6 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Software	Design	Total
Deemed Cost			
As at March 31, 2025	683.24	175.00	858.24
Additions	51.15	-	51.15
Disposal	32.85	-	32.85
As at March 31, 2026	**701.54**	**175.00**	**876.54**
Accumulated Amortisation			
As at March 31, 2025	403.94	49.73	453.67
Additions	79.32	55.42	134.74
Disposal	32.85	-	32.85
As at March 31, 2026	**450.42**	**105.15**	**555.56**
Net Carrying amount			
As at March 31, 2025	**279.29**	**125.27**	**404.56**
As at March 31, 2026	**251.12**	**69.85**	**320.96**

Note No. 7 NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	Entity Type	As at March 31, 2026 No.	As at March 31, 2026 Amount	As at March 31, 2025 No.	As at March 31, 2025 Amount
(A) INVESTMENTS IN EQUITY INSTRUMENTS					
I) Measured at Fair value through Other Comprehensive Income					
Quoted equity shares, fully paid up					
Bank of India, of ` 10/- each		-	-	2,300	2.46
TOTAL		**-**	**-**	**2,300**	**2.46**
(II) UnQuoted equity shares fully paid up					
(i) Investments carried at Cost					
(a) Salzer Technologies Ltd. (Face value of Rs. 10/- each)		83,250	8.33	83,250	8.33
(b) Jayachandar Windfarm Pvt Ltd. (Face value of Rs. 10/- each)		-	-	2,830	0.28
(d) Amplus Iru Private Limited(Face Value of Rs.10/-each)		26,39,400	263.94	26,39,400	263.94
(e) Saraswath Bank (Face Value of Rs. 1/- each)		10,000	0.10	10,000	0.10
(f) Ultra-fast Chargers Private Limited (Other Deemed Equity Investments)	Associate		24.14	27,35,480	24.14
Total		**27,35,480**	**296.50**	**27,35,480**	**296.79**
(ii) Investments accounted for using the Equity Method					
(g) Effilume Private Limited(Face Value of Rs.10/-each)	Associate	25,53,300	189.13	-	-

Particulars	Entity Type	As at March 31, 2026 No.	As at March 31, 2026 Amount	As at March 31, 2025 No.	As at March 31, 2025 Amount
(f) Aurawin Solutions Pvt Limited (Face Value of Rs. 10/-each)	Associate	3,000	0.06		-
(h) Ultra-fast Chargers Private Limited (Face Value of Rs. 10 each)	Associate	5,86,061	692.13	586,061	749.85
Total		**31,42,361**	**881.32**	**586,061**	**749.85**
TOTAL (i + ii)		**58,75,011**	**1,177.82**	**33,21,541**	**1,046.64**
GRAND TOTAL (I + II)		**58,75,011**	**1,177.82**	**33,23,841**	**1,049.10**
(B) INVESTMENS IN DEBT INSTRUMENTS					
Investments carried at Amortized Cost					
Ultra-fast Chargers Private Limited (Face Value of Rs. 10/-)-77,024 at 0.00001% optionally convertible debentures (OCD)	Associate		87.04		79.38
Total		**-**	**87.04**	**-**	**79.38**
GRAND TOTAL (A + B)		**5,875,011**	**1,264.86**	**33,23,841**	**1,128.48**
Aggregate value of quoted investments			-		2.46
Market value of quoted investments			-		2.46
Aggregate value of unquoted investments			1264.86		1126.01

Note No. 8 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets at amortized cost		
Security Deposits	242.31	431.67
Lease Deposits	3.26	-
Total	**245.57**	**431.67**

Note No. 9a DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Deferred Tax Liabilities		
i) Difference in Book Value of Fixed Assets	90.30	92.53
ii) Net Investment in Lease	-	8.53
iii) Security Deposit Liability	0.88	1.07
iv) Investment in Mutual Funds	0.33	0.11
Total	**91.51**	**102.24**
(a) Deferred Tax Assets		
i) On Provision for Gratuity & Leave Encashment	17.31	7.81
ii) On Lease Liability	76.78	91.28
iii) On Provision for Doubtful Debts & Others	7.89	4.81
iv) Deferred Lease Income	0.84	1.06
v) Investment in Debentures	3.25	5.18
Total	**106.07**	**110.14**
Total	**14.56**	**7.90**

Refer Note 9b

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

Note No. 10 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance for capital expenses	954.27	814.50
Other Deposits	31.08	29.31
Net Assets in Pakistan Unit (Considered Doubtful)	8.76	8.76
Less: Provision for the above	-8.76	-8.76
Net Defined Benefit Plan Asset	57.43	0.00
Total	**1,042.78**	**843.81**

Note No. 11 INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Material	23,160.23	16,182.33
Packing Materials	482.89	404.30
Stock in Trade	302.63	273.46
Work in progress	18,076.86	15,324.89
Finished Goods	4,755.67	4,283.88
GOODS IN TRANSIT		
Raw Material	-	43.62
Finished Goods	57.04	260.88
Total	**46,835.32**	**36,773.36**

Details of Inventory Hypothecated as security - Refer Note No.26

Method of Valuation - Refer Note No. 1.xiii

Note No. 12 CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No.	Amount	No.	Amount
INVESTMENTS				
Measured at Fair value through Other Comprehensive Income				
In Mutual Funds,				
Aditya Birla Frontline Equity Fund Growth	11,816	55.09	10,680	52.17
Aditya Birla Sun Life Flexi Cap Fund - Growth	3,149	52.24	2,817	46.54
Aditya Birla Sun Life Flexi Cap Fund -Idcw Payout	13,541	19.36	13,541	20.51
Bandhan Sterling Value Fund - Systm Trans -Growth	28,604	37.83	23,271	32.13
Bandhan Sterling Value Fund Idcw Growth - Systm Transactions	71,464	23.63	71,464	26.32
Bandhan Sterling Value Fund- Lump Sum - Growth	3,569	4.72	3,569	4.93
Hdfc Top 100 Fund Growth	5,479	55.85	4,692	50.57
Hdfc Top 100 Fund Regular Plan Growth -Lump Sum	697	7.11	697	7.51
Icici Prudential Discovery Fund Growth	9,486	41.38	7,583	33.14
Icici Prudential Flexicap Fund - Growth	3,43,411	58.52	2,99,116	50.22
Icici Prudential Midcap Fund - Growth	23,830	68.61	20,605	53.40
Kotak Emerging Equity Fund Regular Plan Growth	8,887	10.84	8,887	10.50

Particulars	As at March 31, 2026		As at March 31, 2025	
	No.	Amount	No.	Amount
Kotak Emerging Equity Fund Regular Plan Growth - System Trans	48,465	59.12	39,480	46.65
Kotak Flexicap Fund - Idcw - Regular Plan-Lump Sum	6,123	4.69	6,123	4.74
Kotak Flexicap Fund - Idcw - Regular Plan-Lump Sum	2,128	0.98	2,128	0.99
Kotak Flexicap Fund - Idcw - Regular Plan-Sysm Transactions	61,710	28.55	61,710	28.83
Kotak Flexicap Fund Regular Growth-Sysm Transactions	60,161	46.10	53,106	41.09
Nippon India Large Cap Fund	87,373	20.82	87,373	22.31
Nippon India Large Cap Fund Growth	60,112	49.00	53,470	44.63
Nippon India Multi Cap Fund - Growth	25,444	67.54	21,351	57.49
Pgim India Flexi Cap Fund Regular Plan Growth	1,56,674	50.15	1,33,142	44.36
State Bank Of India Mutual Fund	61,288	51.97	61,288	54.90
State Bank Of India Flexicap Fund - Regular Plan Growth	53,373	51.87	45,041	45.58
State Bank Of India Magnum Midcap Fund Growth	15,510	32.19	13,958	30.60
Sundaram Mid Cap Fund Regular Growth	4,212	53.41	3,691	45.59
Measured at Fair Value through Profit or Loss				
ICICI Prudential Mutual Fund-Regular Saving Fund Growth	68,125	51.59	36714	26.72
Total	**11,66,506**	**1,003.16**	**10,85,498**	**882.42**
Aggregate value of investments		1,003.16		882.42
Market value of investments		1,003.16		882.42

Note No. 13 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good - **#**	44,598.36	40,595.38
Doubtful	220.97	159.69
Sub Total	**44,819.33**	**40,755.07**
Less: Allowance for expected credit losses	266.80	207.45
Total	**44,552.53**	**40,547.62**

Non Current-Trade Receivables have been grouped.

Trade Receivables ageing schedule for the year ended as on 31.03.2026

Particulars	NOT DUE	Outstanding for following periods from due date of payments					Total
		Less than 6 months	6 months – 1 year	1-2 yrs	2-3 yrs	More than 3 years	
Undisputed trade receivables- considered good	33,690.07	6,531.13	2,449.24	1,074.68	460.57	392.67	44,598.36
Undisputed trade receivables- considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	24.19	5.68	22.45	52.32
Disputed trade receivables- considered doubtfull	-	-	-	0.67	52.34	115.64	168.65
TOTAL	**33,690.07**	**6,531.13**	**2,449.24**	**1,099.54**	**518.59**	**530.76**	**44,819.33**

Trade Receivables ageing schedule for the year ended as on 31.03.2025

Particulars	NOT DUE	Outstanding for following periods from due date of payments					Total
		Less than 6 months	6 months – 1 year.	1-2 yrs	2-3 yrs	More than 3 years	
Undisputed trade receivables- considered good	33,879.05	3,787.30	1,119.91	810.62	906.61	91.89	40,595.38
Undisputed trade receivables- considered doubtful	-	-	0.31	11.07	13.48	-	24.86
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables- considered doubtfull	-	-	-	63.11	38.35	33.37	134.83
TOTAL	**33,879.05**	**3,787.30**	**1,120.22**	**884.80**	**958.44**	**125.26**	**40,755.07**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

Note No. 14 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks		
- In Current Accounts	236.95	236.10
- Deposits(with original maturity of 3 months or less)	180.20	105.03
Cash on hand	11.39	10.42
Total	**428.54**	**351.55**

Note No. 15 OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks		
Earmarked Balances		
- In Unpaid Dividend Accounts	20.02	25.63
- In Margin money and Bank Guarantee	73.78	53.85
Others		
- Deposit (with original maturity of more than 3 months)	521.66	492.35
Total	**615.46**	**571.83**

Note No. 16 LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Loans and Advances -others	116.84	141.91
Total	**116.84**	**141.91**

Note No. 17 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Financial Assets at amortized cost		
Security Deposits	172.48	184.86
Windmill Income receivable	0.34	0.17
Energy Saver Deposit Receivable	48.99	46.89
Total	**221.81**	**231.92**

Note No. 18 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
(a) Advances other than capital advances		
Advances to Suppliers	1,709.48	1,773.71
(b) Others		
Prepaid expenses	286.46	197.66
Balances with statutory/ government authorities	3,809.38	2,887.97
Other Receivables	151.32	88.59
Total	**5,956.64**	**4,947.93**

Note No. 32a **CURRENT TAX ASSET (NET)** (₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance Tax paid in excess of Current tax Liability*	161.25	-
Total	**161.25**	**-**

* Refer Note 32b

Note No. 19 **EQUITY SHARE CAPITAL** (₹ in Lakhs)

Authorized Share Capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
1,90,00,000 equity shares of Rs.10/- each	1,90,00,000	1,900.00	1,90,00,000	1,900.00
10,00,000 non-cumulative convertible Preference shares of Rs.10/- each	10,00,000	100.00	10,00,000	100.00
Total	**2,00,00,000**	**2,000.00**	**2,00,00,000**	**2,000.00**
Issued, Subscribed and Paid-up Capital				
Equity Share Capital	1,76,82,737	1,768.27	1,76,82,737	1,768.27
Total	**1,76,82,737**	**1,768.27**	**1,76,82,737**	**1,768.27**

a. Reconciliation of shares outstanding at the beginning and at the end of the period

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
Shares at the beginning of the period	1,76,82,737	1,768.27	1,73,82,737	1,738.27
Add: Shares issued during the period	-	-	3,00,000	30.00
Less: Shares bought Back	-	-	-	-
Outstanding at the end of the period	**1,76,82,737**	**1,768.27**	**1,76,82,737**	**1,768.27**

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period error	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
1,768.27	-	-	-	1,768.27

b. Terms/ Rights attached to the Equity Shares

The company has issued only one class of Equity share having a par value of Rs. 10 per share. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote

c. Shareholders holding more than 5% shares

Particulars	Class of Shares			As at March 31, 2025	
				No of shares	**%**
Quebec Information Services India Limited	Equity	11,06,847	6.26%	11,06,847	6.26%
Saradha Investments Limited	Equity	9,01,468	5.10%	9,01,468	5.10%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

d. Shares held by Promoters at the end of the year 31-03-2026

Particulars	Class of Shares	As at March 31,2026		As at March 31,2025		% of the Changes during the year
		No of shares held	Holding %	No of shares held	Holding %	
R DORAISWAMY .	Equity	3,16,619	1.79%	3,16,619	1.79%	0.00%
D RAJESHKUMAR .	Equity	2,62,420	1.48%	2,62,420	1.48%	0.00%
THILAGAM RAJESHKUMAR	Equity	4,86,044	2.75%	4,86,044	2.75%	0.00%
DORAISWAMY VISHNURANGASWAMY.	Equity	8,09,740	4.58%	8,09,740	4.58%	0.00%
RAMASWAMY PAPPAMMAL	Equity	-	0.00%	32,622	0.18%	-0.18%
SAMHITA RAJESH	Equity	49,300	0.28%	39,300	0.22%	0.06%
HARSHINII RAJESH .	Equity	23,800	0.13%	13,800	0.08%	0.06%
SARADHA INVESTMENTS LIMITED	Equity	9,01,468	5.10%	9,01,470	5.10%	0.00%
SRVE INDUSTRIES LIMITED	Equity	8,21,733	4.65%	8,21,733	4.65%	0.00%
QUEBEC INFORMATION SERVICES INDIA LTD	Equity	11,06,847	6.26%	11,06,847	6.26%	0.00%
K.R. HEALTH CARE (P) LTD	Equity	5,04,987	2.86%	5,04,987	2.86%	0.00%
SALZER EXPORTS LTD	Equity	7,35,682	4.16%	7,35,682	4.16%	0.00%
SALZER SECURITIES HOLDINGS LTD	Equity	1,08,007	0.61%	1,07,007	0.61%	0.00%
SALZER SPINNERS LTD	Equity	5,00,000	2.83%	5,00,000	2.83%	0.00%
	TOTAL	**66,26,647**	**37.48%**	**66,38,271**	**37.54%**	**-0.06%**

e. Shares held by Promoters at the end of the year 31-03-2025

Particulars	Class of shares	As at March 31,2025		As at March 31,2024		% Changes during the year
		Shares	%	Shares	%	
R DORAISWAMY	Equity	3,16,619	1.79%	3,15,139	1.81%	-0.02%
D RAJESHKUMAR	Equity	2,62,420	1.48%	2,62,420	1.51%	-0.03%
R THILAGAM	Equity	4,86,044	2.75%	4,86,044	2.80%	-0.05%
DORAISWAMY VISHNURANGASWAMY	Equity	8,09,740	4.58%	8,09,740	4.66%	-0.08%
RAMASWAMY PAPPAMMAL	Equity	32,622	0.18%	59,922	0.34%	-0.16%
SAMHITA RAJESH	Equity	39,300	0.22%	25,800	0.15%	0.07%
HARSHINII RAJESH	Equity	13,800	0.08%	0	0.00%	0.08%
SARADHA INVESTMENTS LIMITED	Equity	9,01,470	5.10%	9,01,470	5.19%	-0.09%
SRVE INDUSTRIES LIMITED	Equity	8,21,733	4.65%	8,21,733	4.73%	-0.08%
QUEBEC INFORMATION SERVICES INDIA LTD	Equity	11,06,847	6.26%	11,06,847	6.37%	-0.11%
K.R. HEALTH CARE (P) LTD	Equity	5,04,987	2.86%	5,04,987	2.91%	-0.05%
SALZER EXPORTS LTD	Equity	7,35,682	4.16%	7,85,682	4.52%	-0.36%
SALZER SECURITIES HOLDINGS LTD	Equity	1,07,007	0.61%	1,07,007	0.62%	-0.01%
SALZER SPINNERS LTD	Equity	5,00,000	2.83%	3,00,000	1.73%	1.10%
Total		**66,38,271**	**37.54%**	**64,86,791**	**37.32%**	**0.22%**

g) Information regarding issue of shares in the last five years

- On December 13,2022, the Company had allotted 17,00,000 shares warrants convertible into equity shares over the period of 18 months on a preferential basis to the Promoters Bodies Corporate at an issue price of Rs.278.50/- per warrant. As of March 31,2026, entire 17,00,000 warrants have been converted into equity
- The Company has not issued any bonus shares or undertaken any Buy Back of shares.

h) Details of Shares held by Holding Company

There are no Shares held by Holding Company / Subsidiaries of ultimate Holding Company as on 31st March 2026

Note No. 20 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Reserve	124.36	124.36
Securities Premium	17,194.64	17,194.64
General Reserve	2,359.06	2,358.56
Retained Earnings	37,828.61	32,895.41
Other Comprehensive Income	-9.28	53.66
Total	**57,497.39**	**52,626.63**

Note No. 21 BORROWINGS (NON-CURRENT)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Term Loans		
a. From Banks		
i. HDFC Bank		
Term Loan - 1	331.10	579.42
Term Loan - 2	1,097.42	1,454.35
Term Loan - 3	1,379.86	
ii. Axis Bank		
Term Loan		**197.74**
	2,808.38	**2,231.51**

Details of securities in respect of Term Loan facilities from HDFC: Hypothecation of assets purchased under respective Term Loans and Equitable mortgage of (a) Factory Land & Building situated at Chinnamadampalayam measuring 2.82 acres bearing SF NO 539 & 533/1 Billichi Village, Coimbatore, (b) Industrial Land measuring 3.25 acres located at SF NO 754/2 , Keeranatham Village, Coimbatore (c) Guest House property at TS No 1/317/3, Ward No 4, Flat No 203, Vilvam Residency, Door No 48, West Club Road, Coimbatore (d) Commercial land measuring 4 acres in SF No 412, Pannikampatti Village, Periyanaickenpalayam, sub Regn Dist., Coimbatore (e) 4.33 acres of Non-agricultural Land standing in the name of the company located at SF No 53/1/C, Billichi, Coimbatore and (f) personal guarantee of Mr. D Rajesh Kumar, Joint Managing Director

Details of securities in respect of Term facility from Axis Bank Ltd - : Hypothecation of assets purchased under respective Term Loans and Equitable mortgage of Land & Building of Unit IV situated at Bilichi Village- (a) 3.95 Acres at SF No. 863, (b) 2.58 Acres at SF No. 882/3 (c)0.67 Acres at SF No. 865 - totalling 7.20 Acres of Land and Personal Guarantee of Mr. R. Doraiswamy, Managing Director and Mr. D Rajesh Kumar, Joint Managing Director

Terms of Repayments. a]HDFC - Term Loan-1: Repayable within-28 EMI of Rs.20.69 Lakh, b] Term Loan-2: Repayable within 39 EMI of Rs.40.64 Lakh and c) Term Loan -3 : Repayable within 47 EMI of RS. 33.72 Lakh, 1 EMI of Rs.31.08 Lakh and I EMI of Rs.35.76 Lakh

Note No. 22 NET LIABILITY IN LEASED ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Net Liability in Leased Assets	256.91	305.09
Total	**256.91**	**305.09**

Note No. 23 OTHER NON-CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposit Liability	8.49	7.75
Total	**8.49**	**7.75**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

Note No. 24 PROVISIONS

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Liability towards LIC. Group Gratuity Scheme -*	22.38	1.77
Provision for Warranty	239.92	204.47
Leave Encashment	25.51	18.99
Total	**287.81**	**225.23**

* Note :Ref. Note No.10

Note No. 9b DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Deferred tax liability		
- On Fixed Assets	3,592.34	3,347.74
- On Revenue Recognition	76.24	76.24
- On Employee Benefit Expenses	39.28	39.28
- On MSME Dues	93.09	93.09
Total	**3,800.95**	**3,556.35**
Less: Deferred tax Asset		
- On Fixed Assets	660.80	660.80
- On Revenue Recognition	37.17	33.72
- On Employee Benefit Expenses	83.34	69.25
- On MSME Dues	93.09	93.09
Total	**874.40**	**856.86**
Total	**2,926.55**	**2,699.49**

Refer Note 9a

Note No. 25 OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Dealer, Distributor & Stockist	26.70	26.45
Total	**26.70**	**26.45**

Note No. 26 BORROWINGS (CURRENT)

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
a) Secured Loan from Banks		
i. Canara Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-I	2,880.19	2,610.21
ii. HDFC Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-II	8,880.11	7,009.24
Pre-Shipment Loan : Secured by: Hypothecation of Inventories and Book Debts of Unit-II	8,764.21	7,993.49
iii. HDFC Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-III	751.25	685.69
iv. Union Bank of India		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-IV	-	749.13

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
v. Axis Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-V	1,626.32	5,454.13
WCDL: Secured by: Hypothecation of Inventories and Book Debts of Unit-IV	4,517.75	-
vi. IDFC Bank		
Cash Credit : Secured by: Hypothecation of Inventories and Book Debts of Unit-V	3,970.17	-
WCDL: Secured by: Hypothecation of Inventories and Book Debts of Unit-V	3,189.44	7,285.09
Sub Total	**34,579.44**	**31,786.98**
b) Unsecured Loan from Banks		
Loans repayable on demand Loan from HDFC	2,075.00	2,560.99
Loans repayable on demand Loan from ICICI	4,300.00	4,250.00
Sub Total	**6,375.00**	**6,810.99**
c) Current Maturities of Long Term Borowings	1,205.49	958.00
d) Unsecured Bill Discounting Facilities - *	8,176.04	3,947.58
Total	**50,335.97**	**43,503.55**

* NOTE: Reclasification of Bill discounting In FY.24-25

Note No. 27 CURRENT MATURITY OF LEASED LIABILITY

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Current Maturities of Leased Liability	74.03	57.61
Total	**74.03**	**57.61**

Note No. 28 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payable - Micro and small enterprises	4,713.99	2,011.39
Trade payable - Other than Micro and small enterprises	13,157.30	9,143.62
Total	**17,871.29**	**11,155.01**

There are no interest amounts paid / payable to Micro, Small and Medium Enterprises. The information in relation to dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Group, which has been relied upon by the auditors.

Trade Payable Ageing Schedule As at March 31, 2026

(₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 Years	1-2 yrs	2-3 yrs	More than 3 years	
MSME - #	4,713.99	-	-	-	-	4,713.99
Others	8,240.54	4,904.37	1.30	7.84	3.25	13,157.30
Disputed dues -MSME -		-	-	-	-	-
Disputed dues -others		-	-	-	-	-
TOTAL	**12,954.53**	**4,904.37**	**1.30**	**7 .84**	**3.25**	**17,871.29**

Trade Payable Ageing Schedule as at 31.03.2025 (₹ in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payments				Total
		Less than 1 Years	1-2 yrs	2-3 yrs	More than 3 years	
MSME	2,011.39	0.00	-	-	-	2,011.39
Others	8,046.13	1,081.70	11.02	1.07	3.70	9,143.62
Disputed dues -MSME	-	-	-	-	-	-
Disputed dues -others	-	-	-	-	-	-
TOTAL	**10,057.52**	**1,081.70**	**11.02**	**1.07**	**3.70**	**11,155.01**

Note No. 29 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Interest accrued and due on borrowings	30.24	72.72
Unclaimed dividends	26.10	25.63
Unclaimed amount for fractional Share	0.01	
Total	**56.35**	**98.35**

Note No. 30 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Statutory Dues	292.26	226.24
Advance from Customers	253.26	253.43
Creditors for capital goods	549.48	904.36
Creditors for Expenses	3.34	1.43
Total	**1,098.34**	**1,385.46**

Note No. 31 PROVISIONS

(₹ in Lakhs)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Provision for Warranty	59.98	51.12
Provision for Other Expenses	718.06	718.07
Provision for Employee Benefit	13.39	10.57
Leave Encashment	2.71	1.21
Gratuity	18.85	10.85
Total	**1,181.84**	**791.81**

The Company gives warranties for its products undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Company's obligations for warranties under sale of goods legislations. The estimate has been made on the basis of historical warranty trends and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality

Note No. 32b CURRENT TAX LIABILITY

(₹ in Lakhs)

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Current tax Liability - [Net of Advance Tax IT]	13.23	202.91
Total	**13.23**	**202.91**

Note.:Ref Note.no.32a

Note No. 33 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
(a) Sale of products (excluding GST)		
Sales - Domestics	1,48,475.56	1,17,605.67
Sales - Exports	22,004.34	21,896.22
Sales - Scrap	4,515.49	1,415.26
Sub Total	**1,74,995.39**	**1,40,917.15**
(b) Sale of Services		
Income by Energy Saver	-	75.43
Technical Services	250.56	215.81
Engineering Services for mfg. product (Exports-Service.)	21.44	125.70
Other Financial Services	61.01	-
Sub Total	**333.01**	**416.94**
Gross Revenue from Sale of Products and Services	**1,75,328.40**	**1,41,334.09**
(c) Other operating revenue		
Conversion Charges Received	2.12	0.16
Income by Power Generation	76.25	57.48
Duty Drawback Income	272.83	280.05
RODTEP (Remission of Duties and Taxes on Export Products.)	157.77	161.06
Revenue From EV Charging Station	0.59	-
Sub Total	**509.56**	**498.75**
TOTAL	**1,75,837.96**	**1,41,832.84**

Note No. 34 OTHER INCOME

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Interest from Bank Deposits	73.03	54.86
Foreign Exchange Rate Differences	-	287.77
Dividend received against investments	4.16	6.72
Insurance Claim Received	3.16	103.41
Profit on Sale of Assets	4.62	-
Rental Income Received	13.19	13.06
Interest on Investment in Lease	0.88	0.09
Interest on Investment in Debentures	7.66	3.57
Interest on Security Deposit	1.81	1.68
Interest on Lease Deposits	24.44	-
MTM on Mutual Funds	0.87	0.42
Other Non-operating income (net of expenses)	15.60	62.44
TOTAL	**149.42**	**534.02**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

Note No. 35 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Raw Materials Consumption		
Opening Stock	16,225.95	12,361.50
Add: Purchases	1,34,397.29	1,03,847.89
Less: Closing Stock	23,160.23	16,225.95
Sub Total	**1,27,463.01**	**99,983.44**
Trading Materials Consumption		
Opening Stock	273.46	175.86
Add: Purchases	8,033.42	7,337.50
Less: Closing Stock	302.63	273.46
Sub Total	**8,004.25**	**7,239.90**
Packing Materials Consumption		
Opening Stock	404.30	310.79
Add: Purchases	2,707.33	2,433.68
Less: Closing Stock	482.89	404.30
Sub Total	**2,628.74**	**2,340.17**
TOTAL	**1,38,096.00**	**1,09,563.51**

Note No. 36 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Opening Stock		
Work-in-progress	15,324.89	11,961.45
Finished Goods	4,544.76	4,539.05
Sub Total	**19,869.65**	**16,500.50**
Less: Closing Stock		
Work-in-progress	18,076.86	15,324.89
Finished Goods	4,812.71	4,544.76
Sub Total	**22,889.57**	**19,869.65**
Net (increase)/decrease in inventory	**-3019.92**	**-3,369.15**

Note No. 37 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Salaries and Wages including Bonus	6,369.24	5,196.07
Contribution to Provident and other funds - #	284.69	249.17
Workmen and Staff Welfare Expenses	418.56	373.81
Gratuity	102.41	77.82
TOTAL	**7,174.90**	**5,896.87**

The Group has adequately provided for the additional ESI contribution payable on account of implimentation of Labour Code

Note No. 38 FINANCE COSTS

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
(a) Interest On Term Loan	295.38	190.23
(b) Interest on Working Capital Loan	3,124.35	2,710.92
(c) Other Borrowing cost	1,320.38	1,176.91
(d) Interest Expenses on Lease Liability	31.35	35.48
(e) Interest-Bank	0.03	-
(f) Interest-Other than Bank (RXRL)	3.64	-
(g) Interest on Security Deposit Liability	0.75	0.20
(h) Lease Expenses	0.09	-
TOTAL	**4,775.97**	**4,113.74**

Note No. 39 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
(a) Depreciation on Property, Plant and Equipment	2,597.48	2,241.54
(b) Amortisation on Other Intangible Assets	134.74	100.25
TOTAL	**2,732.22**	**2,341.79**

Note No. 40 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Consumptions of Store and Spares	626.73	538.96
Freight and Forwarding Charges	2,768.12	2,556.04
Power and Fuel	1,589.53	1,517.51
Repairs & Maintenance	1,269.13	1,216.90
Subcontracting Expenses	3,540.20	2,921.31
Contract Labour Expenses	4,154.23	3,124.61
Advertisement Expenses	11.06	7.02
Audit Fees	27.22	18.00
Director's Sitting Fees	22.60	25.89
Donation	23.24	31.40
Energy Saver Expenses	0.00	67.88
General Expenses	92.15	89.15
Insurance	103.86	87.44
Foreign Exchange Realisation Difference	158.27	0.00
Management system Expenses (ISO9000 &OSHAS)	8.65	8.40
Postage,Telephone& Telegram	54.40	34.42
Printing & Stationery	104.17	93.03
Rates and Taxes	122.04	76.52
Rent	300.05	271.72
Lease Rent - Machinery	217.47	217.47
Research & Development Expenses	562.28	498.16
Warranty Expenses	44.32	26.85
Sales Promotional Expenses	1,280.07	1,167.26
Subscription & Periodicals	67.77	52.94
Technical/Professional/Legal Fee	561.44	496.40
Travelling and Conveyance	329.24	266.13
CSR Expenses (Refer Note No. 47)	109.84	97.52
Expected Credit Loss	117.67	141.74
Expected Credit Loss - Liability Reversal	-58.32	0.00
Royalty	0.00	25.12
Impairment on Goodwill	23.25	41.82
Bad Debts	130.36	14.81
Loss On Sale of Assets	79.24	247.80
Sales & Other Commission	0.00	2.55
Cash Discounts	13.21	22.76
Housekeeping Charges	14.98	31.24
Security Charges	21.67	28.47
Component Processing and Other Charges	390.85	286.81
EV Charging Station Expenses	0.44	0.00
Total Other Expenses	**18,881.43**	**16,352.05**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

Note No. 40.1 AUDITOR REMUNERATION

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
(a) For Statutory Audit	27.22	18.00
(b) For Tax Audit	4.50	4.50
TOTAL	**31.72**	**22.50**

Note No. 41 TAX EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
A. Current Tax		
Current tax on profit for the year	1,715.51	1,969.73
Change/ (Credit) in respect of current tax for earlier years	-108.16	-
TOTAL (A)	**1,607.35**	**1,969.73**
B. Deferred Tax		
Origination and reversal of temporary differences	237.95	249.77
Charge in respect of deferred tax for earlier years	-	-
TOTAL (B)	**237.95**	**249.77**
Tax expense recognized in Statement of Profit & Loss TOTAL (A)+(B)	**1,845.30**	**2,219.50**
Tax expense recognized in Other Comprehensive Income	-17.13	-17.97
Total Tax Expense	**1,828.17**	**2,201.53**

Note No. 41A

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Profit Before Tax for the Year	7,346.78	7,468.06
Applicable income tax rate	25.17%	25.17%
Expected income tax	1,849.18	1,879.71
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Income exempt from tax	-180.16	14.80
Expenses disallowed in determining the tax profit	46.49	75.22
Investment allowances		-
Unrecognized deferred tax assets		-
Others	129.79	249.77
Tax expense recognized in Statement of Profit and Loss	**1,845.30**	**2,219.50**

Note No. 42 EARNINGS PER SHARE

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Profit attributable to Equity Shareholders of the Company for Basic and Diluted EPS	5,294.16	5,084.35
Weighted Average Number of Equity Shares for Basic EPS	176.83	176.35
Add: Potential Equity Shares	-	0.48
Weighted Average Number of Equity Shares for Diluted EPS	176.83	176.83
Basic Earnings per Share (In Rs.)	29.94	29.75
Diluted Earnings per Share (In Rs.)	29.94	29.67

Note No. 43 GRATUITY

The details of various employee benefits provided to employees are as under:

A. Defined Contribution and other plans

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Employer's Contribution to PF	273.52	222.94
Employer's Contribution to ESIC	13.24	12.43
Employer's Contribution to Superannuation fund	5.69	7.06
TOTAL	**292.45**	**242.43**

B. Defined Benefit plans

The Group operates a defined benefit gratuity plan for eligible employees in accordance with the Code on Social Security, 2020 and applicable rules. Gratuity is payable as a lump sum on separation after completing one year of vested service.

The gratuity liability is determined through actuarial valuation using the Projected Unit Credit Method in accordance with Ind AS 19 – Employee Benefits, considering assumptions such as salary escalation, attrition, mortality and discount rate.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, salary risk and longevity risk.

Investment Risk: The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Longevity risk: The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligation are as follows:

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Discount Rate	7.30%/7.58%/7.36%	6.84%/6.93%/6.79%
Expected Return on Assets	6.93%/6.84%/7.36%	6.84%/6.93%/6.79%
Salary Escalation	6.50%/7.00%/5.00%	7.00%/6.50%/5.00%
Attrition Rate	5.00%/4.00%	5.00% to 4.00%

Amount recognized in Profit and Loss for the year

(₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Current Service Cost	112.11	84.09
Net Interest on Defined Benefit Obligations	-5.70	-0.75
Past Service Cost	27.68	-
Expenses recognized in the statement of profit and loss	**134.09**	**83.34**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

Recognized in Other Comprehensive Income for the year (₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Actuarial (Gain)/Losses due to Demographic Assumption changes in DBO	-	-
Return on plan assets (excluding amounts included in net interest expense)	-7.03	-0.52
Acturial gains/losses arising from changes in financial assumptions	-42.04	45.94
Acturial gains/losses arising from experience adjustments	103.18	12.89
Amount recognized in OCI for the current period	**54.11**	**58.31**

Change in present value of defined benefit obligation (₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Present value of obligations as at the beginning of the year	1,384.18	1,239.59
Current Service Cost	112.11	84.09
Past Service Cost	27.68	-
Interest on Defined Benefit Obligations	91.54	83.09
Actuarial (gain)/loss on plan obligation	61.14	66.83
Benefits paid	-151.86	-89.43
Present value of obligations as at the end of the year	**1,524.79**	**1,384.17**

Change in fair value of plan assets (₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	March 31, 2025
Fair value of plan assets as at the beginning of the period	1,371.55	1,143.78
Return on plan assets	97.24	83.85
Contributions	217.94	224.83
Benefits paid	-151.86	-89.43
Actuarial gain/(loss) on plan assets	6.79	8.52
Fair value of plan assets as at the end of the period	**1,541.66**	**1,371.55**

Net Asset/ Liability recognized in Balance Sheet

Particulars	For the Year Ended March 31, 2026	March 31, 2025
Present value of obligations	1,524.79	1,384.17
Fair Value of Plan Assets	1,541.66	1,371.55
Amount recognized	**-16.87**	**12.62**

The statement of actuarial valuation by the LIC of India with whom the plan assets are maintained was not provided to the company by LIC till finalization of accounts and adoption by the Board and the amounts recognised in P&L Account, OCI and Balanch Sheet based on past experience,indicators and present contribution to the plan.

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant

(₹ in Lakhs)

Particulars	March 31, 2026		March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate by 1 %	-76.56	85.99	-69.66	78.30
Salary Escalation rate by 1%	81.16	-73.72	73.93	-66.99
Attrition rate by 1%	-2.73	2.92	-4.25	4.65
Mortality rate by 10%	-0.08	0.08	-0.15	-

Note No. 44 DIVIDENDS MADE

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Final dividend paid	458.88	458.88

In respect of the current year, the directors of Holding Company proposed dividend of Rs.2.50 per share, which is to be paid within stipulated time after declaration in the ensuring Annual General Meeting being held on September 12, 2026 his equity dividend is subject to approval by Share holders at the aforesaid meeting and has not been included as a liability in these financial statements. The Total estimated Equity Dividend to be paid is Rs.442.07 Lakh

Note No. 45 COMMITMENTS AND CONTINGENT LIABILITIES

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Towards Import Obligations under EPCG	4,290.90	4,601.83
Letter of Credit for import and purchase of Raw Materials	1,516.78	2,623.77
Obligation towards Bank Guarantee	1,389.47	263.09
Excise Protest Fund Liability	40.55	40.55

Note No. 46 DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

(₹ in Lakhs)

Particulars	2025-2026	2024- 2025
Trade Payables pertaining to dues to Micro and Small Enterprises (all are within agreed credit period and not due for payment) [Refer Note No.28]	4,713.99	2,011.39
i. The principal amount and the interest due thereon remaining	-	-
ii. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

The disclosure in respect of the amounts payable to Micro, Small and Medium enterprises as at March 31, 2026 has been made in the financial statements based on information received and available with the Company. Also, the Company has not received any claim for interest from any supplier as at the balance sheet date.

Note No. 47 CSR EXPENDITURE

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Gross amount required to be spent by the company during the year	130.42	102.75
Less :Amount required to be set off for the financial year, if any	21.69	26.93
Total CSR Obligations during the Year	108.73	75.82
Amount spent during the year		
a) Construction / acquisition of any asset	-	-
b) On other purpose other than (a) above	109.85	97.51
Excess Spending made during the year	1.12	21.69

Note No. 48 FAIR VALUE MEASUREMENTS

i. Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2026 were as follows:

(₹ in Lakhs)

Particulars	Note	Amortised cost	FVTOCI	FVTPL	Total Carrying value	Total Fair value
Financial Assets						
Investments	7, 12	1,264.86	951.57	51.59	2,268.02	2,268.02
Trade Receivables	13	44,552.53	-	-	44,552.53	44,552.53
Cash and Cash equivalents	14	428.54	-	-	428.54	428.54
Other bank balances	15	615.46	-	-	615.46	615.46
Loans	16	116.84	-	-	116.84	116.84
Other financial assets	8, 17	467.38	-	-	467.38	467.38
Financial Liabilities						
Borrowings	21, 26	53,144.35	-	-	53,144.35	53,144.35
Trade payables	28	17,871.29	-	-	17,871.29	17,871.29
Lease Liabilities	22, 27	330.94	-	-	330.94	330.94
Other financial liabilities	23, 29	64.84	-	-	64.84	64.84

The carrying value of financial instruments by categories as at March 31, 2025 were as follows:

(₹ in Lakhs)

Particulars	Note	Amortised cost	FVTOCI	FVTPL	Total Carrying value	Total Fair value
Financial Assets						
Investments	7, 12	1,126.01	858.15	26.72	2,010.88	2,010.88
Trade Receivables	13	40,547.62	-	-	40,547.62	40,547.62
Cash and Cash equivalents	14	351.55	-	-	351.55	351.55
Other bank balances	15	571.83	-	-	571.83	571.83
Loans	16	141.91	-	-	141.91	141.91
Other financial assets	8, 17	663.59	-	-	663.59	663.59
Financial Liabilities						
Borrowings	21, 26	45,735.06	-	-	45,735.06	45,735.06
Trade payables	28	11,155.01	-	-	11,155.01	11,155.01
Lease Liabilities	22, 27	362.70	-	-	362.70	362.70
Other financial liabilities	23, 29	106.10	-	-	106.10	106.10

ii. Fair Value Hierarchy

The Group has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2026

(₹ in Lakhs)

Particulars	Note	Level 1	Level 2	Level 3	Carrying value
Financial Assets					
At fair value through Other Comprehensive Income	7, 12	951.57	-	-	951.57
Investments					
Investments - Non - current - Quoted	7	-	-	-	-
Investments - Non - current - Unquoted	7	-	-	1,264.86	1,264.86
At fair value through Profit and Loss					
Investments	12	51.59	-	-	51.59
Financial Liabilities					
At amortised costs					
Borrowings	21, 26		53,144.35	-	53,144.35

Fair value hierarchy of financial assets and liabilities measured at fair value as at March 31, 2025

(₹ in Lakhs)

Particulars	Note	Level 1	Level 2	Level 3	Carrying value
Financial Assets					
At fair value through Other Comprehensive Income	7, 12	855.69			855.69
Investments					
Investments - Non - current - Quoted	7	2.46		-	2.46
Investments - Non - current - Unquoted	7	-	-	1,126.01	1,126.01
At fair value through Profit and Loss					
Investments	12	26.72	-	-	26.72
Financial Liabilities					
At amortised costs					
Borrowings	21, 26		45,735.06	-	45,735.06

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings, trade payables and other current financial liabilities are a reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

iii. Valuation technique used to determine fair value

The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings, trade payables and other current financial liabilities are a reasonable approximation of their fair values.

The investment included in Level 3 hierarchy have been valued at cost approach to arrive at the fair values. The cost of unquoted investment approximate the fair value as there is a wide range of possible fair value measurement and the cost represents estimate of fair value within that range.

The estimated fair value amounts as at March 31, 2026 have been measured as at that date. As such, the fair values of these financial instruments subsequent to reporting date may be different than the amounts reported at each year-end.

There were no transfers between Level 1, Level 2 and Level 3 during the year

Note No. 49 FINANCIAL RISK MANAGEMENT

The Group's businesses are subject to several risks and uncertainties including financial risks.

The Group's activities expose it to credit risk, liquidity risk, market risk - interest rate risk and foreign currency risk. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, Credit ratings
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts
Market risk Interest rate risk	Long-term borrowings at variable rates	Cash flow forecasting, Sensitivity analysis
Foreign Currency risk	Recognised financial assets and liabilities not denominated in functional currency	Cash flow forecasting, Sensitivity analysis

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

The company's credit risk generally arises from Cash and cash equivalents, trade receivables, and other financial assets.

Credit Risk Management

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

Assets Group	Description of category	Particulars	Provision for expected credit loss**
Low credit risk	Assets where the counter- party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate credit risk	Assets where the probability of default is considered moderate, where the counter-party has capacity to meet the obligations is not strong	Nil	12 month expected credit loss/life time expected credit loss
High credit risk	Assets where there is a high probability of default.	Nil	12 month expected credit loss/life time expected credit loss/fully provided for

** Life time expected credit loss is provided for trade receivables

Based on business environment in which the Group operates, a default on a financial asset is considered when the counterparty fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

Classification of Financial assets among risk categories:

(₹ in Lakhs)

Credit rating	Particulars	March 31, 2026	March 31, 2025
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	48,448.67	44,287.40
Moderate credit risk	Nil		-
High credit risk	Nil		-

The loss allowance for trade receivables using expected credit losses for different ageing periods as at March 31, 2026 are as follows

(₹ in Lakhs)

Particulars	Not Due	Less than 6 months past due	More than 6 months past due	Total
Gross Carrying Amount	33,690.07	6,531.13	4,598.13	44,819.33
Loss allowance provision	-	-	-266.80	-266.80
Net	33,690.07	6,531.13	4,331.33	44,552.53

The loss allowance for trade receivables using expected credit losses for different ageing periods as at March 31, 2025 are as follows

(₹ in Lakhs)

Particulars	Not Due	Less than 6 months past due	More than 6 months past due	Total
Gross Carrying Amount	33,879.04	3,787.30	3,088.72	40,755.06
Loss allowance provision			-207.45	-207.45
Net	33,879.04	3,787.30	2,881.27	40,547.61

Reconciliation of loss allowance for trade receivables (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	207.46	65.72
Additions during the year	117.66	141.74
Amounts written off during the year	325.12	207.46
Amounts recovered during the year	58.32	-
Balance at the end of the year	266.80	207.46

Exposure to customers having more than 5% of outstanding in respect of Trade Receivables (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
SCHNEIDER ELECTRIC INDIA PRIVATE LIMITED (CBE SALES DEPOT/STORES)	2,982.00	2,117.59
SALZER EXPORTS LTD	2,269.42	-
TOTAL	5,251.42	2,117.59

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the business, the Group maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of Financial Liabilities as at March 31,2026 are as follows (₹ in Lakhs)

Particulars	Less then 1 Year	1-5 years	More than 5 years	Total
Borrowings	50,335.97	2,808.38	-	53,144.35
Trade Payables	17,857.47	13.82	-	17,871.29
Maturity of Lease Liability	74.03	256.91	-	330.94
Other financial Liabilities	56.35	8.03	0.46	64.84

Maturities of Financial Liabilities as at March 31,2025 are as follows (₹ in Lakhs)

Particulars	Less then 1 Year	1-5 years	More than 5 years	Total
Borrowings	43,503.55	2,231.51	-	45,735.06
Trade Payables	11,139.22	15.79	-	11,155.01
Maturity of Lease Liability	57.61	305.09	-	362.70
Other financial Liabilities	98.35	7.28	0.47	106.10

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Group's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

Interest rate Risks

The Group uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The borrowings are fixed rate borrowings and are carried at amortized cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, 'Financial Instruments - Disclosures ', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

Interest rate risk exposure

The following table provide the break-up of the Group's fixed and floating rate borrowing (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Fixed Rate Borrowings	-	-
Floating Rate	53,144.35	45,735.06
Total Borrowings	53,144.35	45,735.06

Interest Rate Sensitivity analysis:

The Sensitivity Analysis below have been determined based on the exposure to interest rate for Floating Rate Liabilities, assuming the amount of the liability outstanding at the year end was outstanding for the whole year.

If interest rate had been 100 basis points higher/lower and all other variable were held constant, the Group's profit for the year ended March 31,2026 would decrease/increase by ₹ 531.44 Lakh (for the year ended March 31,2025 - decrease/increase by ₹ 457.35 Lakh. This is mainly attributable to the Group's exposure to interest rate on its variable rate borrowings.

Foreign Currency Risk

The Group's exposure to currency risk relates primarily to the Group's operating activities including anticipated sales & purchase and borrowings where the transactions are denominated in a currency other than the Group's functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at March 31, 2026 are as follows

Particulars	US$	GPB	EURO
Financial Assets	1,11,97,409.25	7,93,940.14	6,57,638.12
Financial Liabilities	64,70,862.19	15,48,911.37	25,26,413.12
Net exposure	47,26,547.06	-7,54,971.23	-18,68,775.00

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at 31.03.2025 are as follows

Particulars	US$	GPB	EURO
Financial Assets	98,71,156.30	4,15,475.48	6,84,427.91
Financial Liabilities	53,97,598.87	23,95,918.00	19,15,104.80
Net exposure	44,73,557.43	-19,80,442.52	-12,30,676.89

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign currency rates, with all other variables held constant

Particulars	Impact on profit before tax		Impact on profit before tax	
	31.03.2026		31.03.2025	
	0.5%	-0.5%	0.5%	-0.5%
USD	0.24	-0.24	0.22	-0.22
GBP	-0.04	0.04	-0.10	0.10
Euro	-0.09	0.09	-0.06	0.06

Note No. 50 CAPITAL MANAGEMENT

The Group's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Group's policy is to use current and non-current borrowings to meet anticipated funding requirements.

The Group monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt).

Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Group: (₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Non-Current Borrowings (Refer Note : 21)	2,808.38	2,231.51
Current Borrowings (Refer Note : 26)	49,130.48	42,545.55
Current Maturities of Long term Debt (Refer Note : 26)	1,205.49	958.00
Total Borrowings (a)	53,144.35	45,735.06
Cash and Cash equivalents (Refer Note : 14)	428.54	351.55
Other Bank Balances (Refer Note : 15)	615.46	571.83
Current Investments (Refer Note : 12)	1,003.16	882.42
Total Cash (b)	2,047.16	1,805.79
Net Debt (c) = (a)-(b)	51,097.19	43,929.27
Equity (Refer Note : 19)	1,768.27	1,768.27
Other Equity (Refer Note: 20)	57,497.39	52,626.63
Total Equity (d)	59,265.66	54,394.90
Total Capital (e) = (c)+(d)	1,10,362.85	98,324.17
Gearing Ratio = (c)/(e)	0.46	0.45

Note No. 51 RELATED PARTY TRANSACTIONS

A. Related Party Relationship

Key Management Personnel

a. Mr. R. Doraiswmay - Managing Director
b. Mr. D. Rajeshkumar - Joint Managing Director
c. Mr. K Raman- Chief Financial Officer
d. Mr.K M Murugesan - Company Secretary

Non Executive and Non Independent Direcotrs

a. Mr. N Rangachary
b. Mr. V Sankaran
d. Mr. Vishnu Rangaswamy

Non Executive Independent Direcotrs

a. Mr. Sharat Chandra Bhargava
b. Mrs. Priya Bhansali
c. Mr. K Raman

Post-employment benefit plans

a. Salzer Electronics Limited Employees Gratuity Trust
b. Kaycee Industries Limited Employees Gratuity Fund and provident Fund

Other related Parties -Entreprises Owned or significantly influenced by Key Managerial Personnel or their relatives

a. Salzer Exports Limited
b. Salzer Spinners Limited
c. SRVE Industries
d. K R Health Care Private Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

e. S R V E Industries Limited
f. K R Pharmacy
g. Quebec Informations Services India Limited
h. Aurawin Solutions Private Limited (Associate Entity)
i. Effilume Private Limited (Associate Entity)
j. Kaycee Electricals India Limited.
k. Ultra-fast Chargers Private Limited (Step-down Associate)

Trust under Common Control

a. Salzer Educational Medical Research Trust

Other related Partirs

a. Salzer Securities Holdings Limited
b. Saradha Investments Limited

B Related Party Transactions (₹ in Lakhs)

	PARTICULARS	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL		TOTAL	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
1	**SALE OF MATERIALS**						
1a	Salzer Exports Ltd.	3,928.67	3,878.45			3,928.67	3,878.45
1b	Salzer Spinners Ltd	-	0.17			-	0.17
1c	K R Health Care Pvt Ltd	5.18	0.02			5.18	0.02
1d	Ultrafast Chargers Pvt Ltd	450.69	**370.16**			450.69	370.16
1e	Effilume Private Limited	193.43	-			193.43	-
	SUB TOTAL	**4,577.97**	**4,248.80**			**4,577.97**	**4,248.80**
2	**RENT RECEIVED**						
2a	Salzer Exports Ltd.	5.13	2.05			5.13	2.05
	SUB TOTAL	**5.13**	**2.05**			**5.13**	**2.05**
3	**MEDICAL CARE SERVICE**						
3a	K R Health Care Pvt Ltd	9.92	32.10			9.92	32.10
4	**MACHINERY RENT**						
4a	Salzer Exports Ltd.	185.66	185.35			185.66	185.35
5	**PURCHASE OF MATERIALS**						
5a	Salzer Exports Ltd.	3.59	-			3.59	-
5b	Ultrafast Chargers Pvt Ltd	0.18	-			0.18	-
	SUB TOTAL	**3.77**	**-**			**3.77**	**-**

	PARTICULARS	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL		TOTAL	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
6	**PURCHASE OF ASSESTS**						
6a	Salzer Exports Ltd.	84.98	39.06			84.98	39.06
6b	Salzer Spinners Ltd	35.53	134.51			35.53	134.51
6c	S R V E Industries	-	129.49			-	129.49
6d	Quebec Information Services India Limited	-	47.06			-	47.06
	SUB TOTAL	**120.51**	**350.12**			**120.51**	**350.12**
7	**PURCHASE OF MEDICINE**						
7a	K R Pharmacy	4.65	4.09			4.65	4.09
8	**LABOUR CHARGES**						
8a	Salzer Spinners Ltd	89.54	416.59			89.54	416.59
8b	S R V E Industries	1,123.52	779.94			1,123.52	779.94
	SUB TOTAL	**1,213.06**	**1,196.53**			**1,213.06**	**1,196.53**
9	**RENT PAID**						
9a	Salzer Spinners Ltd	46.91	45.65			46.91	45.65
9b	Salzer Educational Medical Research Trust	19.80	19.80			19.80	19.80
	SUB TOTAL	**66.71**	**65.45**			**66.71**	**65.45**
10	**ELECTRICITY CHARGES**						
10a	Salzer Spinners Ltd	99.41	90.90			99.41	90.90
11	**DONATION**						
11a	Salzer Educational Medical Research Trust	37.09	25.33			37.09	25.33
12	**MACHINERY ADVANCE**						
12a	Salzer Exports Ltd.	-	120.87			-	120.87
13	**INVESTMENT**						
13a	Effilume Private Limited	151.00	-			151.00	-
13b	Aurawin Solutions Private Limited	0.30	-			0.30	-
13c	Ultrafast Chargers Pvt Ltd	-	799.66			-	799.66
	SUB TOTAL	**151.30**	**799.66**			**151.30**	**799.66**
14	**CSR SPENT THRO' TRUST**						

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

	PARTICULARS	OTHER RELATED PARTIES		KEY MANAGEMENT PERSONNEL		TOTAL	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
14a	Salzer Educational Medical Research Trust	-	17.68			-	17.68
15	**PURCHASE OF SERVICES**						
15a	Quebec Information Services India Limited	85.08	79.06			85.08	79.06
16	**TRANSPORT**						
16a	Salzer Spinners Ltd	24.46	16.15			24.46	16.15
16b	K R Pharmacy	3.65	3.05			3.65	3.05
	SUB TOTAL	**28.11**	**19.20**			**28.11**	**19.20**
17	**SALES COMMISSION**						
17a	Ultrafast Chargers Pvt Ltd	15.51	-			15.51	-
18	**SALE OF SERVICE**						**-**
18a	Effilume Private Limited	71.89	-			71.89	-
19	**REIMBURSEMENT OF TELEPHONE LEASE**						**-**
19a	Salzer Exports Ltd.	17.87	-			17.87	-
20	**REIMBURSEMENT OF EXPENSES**						**-**
20a	Kaycee Electricals India Limited	-	0.04			-	0.04
21	**EMPLOYEE BENEFIT EXPENSES**						
21a	Kaycee Industries Limited Employees Gratuity Fund	34.60	11.49			34.60	11.49
22	**NOTIONAL INTEREST ON DEBENTURES**						
22a	Ultrafast Chargers Pvt Ltd	7.66	3.57			7.66	3.57
23	**MANAGERIAL REMUNERATION**			**306.90**	**304.87**	**306.90**	**304.87**
24	**DIRECTOR SITTING FEES**			**32.10**	**37.24**	**32.10**	**37.24**
25	**PROFESSIONAL FEES**			**18.00**	**18.00**	**18.00**	**18.00**
26	**OUTSTANDING PAYABLES**	**-154.62**	**-56.30**	**-1.35**	**-1.35**	**-155.97**	**-57.65**
27	**OUTSTANDING RECEIVABLES**	**4,808.86**	**3,869.44**			**4,808.86**	**3,869.44**
	GRAND TOTAL	**11,390.14**	**11,065.44**	**355.65**	**358.76**	**11,745.79**	**11,424.20**

Notes :

a). Related party relationship is as identified by the management and relied upon by the auditors.

b) No amount in respect of related parties have been written off / written back during the year or has not made any provision for doubtful debts / receivable,

c) Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.

D) Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended March 31, 2026 and March 31,2025, the Company has not recorded any loss allowances for transactions between the related parties

Note No. 52 SEGMENT INFORMATION

The Group is engaged in manufacture of Electrical Installation Products which is considered to be the only reportable business segment as per Ind AS 108, 'Operating Segments'. The Group operates primarily in India and there is no other significant geographical segment. The Group has widespread customer base and hence the Group does not have any concentration risk.

Entity-wide Disclosures:

Information about Geographical Revenue based on Location of Customers (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Within India	1,53,833.62	1,19,936.62
Outside India	22,004.34	21,896.22
Total	1,75,837.96	1,41,832.84

Note No. 53 LEASES AS A LESSESS

The Holding Company, which entered into Lease Agreements with various Parties during the previous financial years for hiring the premises at different locations for manufacturing activities, has modified those agreement with the term of 11 Months with an option to extend further period with mutual consent of the parties to the agreement and the agreement has no clauses of controlling the let out of assets

During the financial year 2025-26, the Holding Company has also taken out lease of Land and Buildings for Rent from two more parties and the Rental Agreements have been executed for a period of 11 months with an options for extending further periods with mutual consent of the parties. The Agreement don't have any clauses enabling the tenant to have control over the Property.

Subsidiary Company (Kaycee Industries Limited)

Existing lease-hold building:-

1) **Earlier Factory premises :-** The existing lease contract entered by the Company pertains to buildings taken on lease for the company's factory at Ambernath – F25 which is currently on a long term lease, expiring on 11/10/2099. The Right of Use Asset has been capitalised as a Lease hold building and depreciation is charged on a straight-line basis over the estimated useful lives of the assets (i.e. 30 years). Since there are no incremental payments, in the form of lease rentals to be made to the lessor in future, corresponding lease liability has not been disclosed. The Company does not have any lease restrictions or commitment towards variable rent as per the contract.

   During FY25-26, the company has given on lease the above premises for a period of 5 years based on Leave and License basis for which the lease rental has been recognized in the books. The lease is treated as an Operating Lease according to Ind AS 116.

2) Current Factory premises:- To consolidated its operations, during FY23-24, the company shifted its manufacturing plant and therefore entered into a lease agreement for a period of 7 years for another premises at Ambernath and the company's existing machinery and employees were transferred from the existing plant to the above factory premises. As per INDAS 116, company has recognized Lease assets (as Right of Use asset) and a corresponding lease liability reflecting future lease payments, after discounting the future rentals.

Corporate office:- In addition to the above, the company pays monthly rentals for its corporate office at Mumbai in the form of a pagadi which is a legalized form of tenancy under the provisions of the Maharashtra Rent Control Act, 1999. Since the company can continue to occupy the premises as long as it desires, the tenancy does not carry a specific lease term as the non-cancellable period of a lease. Consequently, the lease liability under IND AS 116 has not been accounted or disclosed with respect to the above.

Details of the properties Taken on Rent by the Holding Company:-

S. No.	Lesser and Address of the Property taken on Lease	Rent paid during the Year (in ₹)	"Rent Advance (in ₹)"	Tenancy Period
1.	**SALZER EDUCATIONAL MEDICAL RESEARCH TRUST,** SF,NO647/3A,3B&3D NO.2, Gudalure Village, Periyanaiackenpalayam, Coimbatore -641047	19,80,000.00	54,54,000.00	11 Months
2.	**MICRO SPINTEX P LTD** S.F 485, MATHAMPALAYAM, CBE- 641019	28,64,000.00	15,00,000.00	11 Months
3.	**MURUGESHAN.K.P,** S.F NO - 209H4 , Varatharaj.M Samichettipalayam, Coimbatore -641047	3,90,000.00	62,500.00	11 Months
4.	**RANGAMMAL.M,** S.F NO - 209 H, Varatharaj.M Samichettipalayam, Coimbatore -641047	1,44,000.00	20,000.00	11 Months
5.	**MANORANJITHAM W/O. PALANISWAMY,** S.F NO - 407/408 , HP Bunk Thottam, Vannankovil, Coimbatore -641047	5,20,380.00	3,00,000.00	11 Months
6.	**TAMIL SELVI.R,** S.F NO -393, Samichettipalayam Coimbatore - 641047	1,82,800.00	40,000.00	11 Months
7.	**SATHYABAMA. J,** S.F NO -62/1 Samichettipalayam Coimbatore -641047	2,25,500.00	30,000.00	11 Months
8.	**THILAK CHAKKRAVARTHY** S.F -209-H4 Varathraj Nagar - CBE -641047	7,50,000.00	6,00,000.00	11 Months
9.	**MOHANRAJ M** S.F -209-H4 Varathraj Nagar - Cbe -641047	1,92,000.00	16,000.00	11 Months
10.	**ARUNKKUMAR SPINNING MILL PRIVATE** LIMITED 570/2, Kariyampalayam Post.,Opp ; Annur Power House,Annur, Tamil Nadu-641653	1,06,24,500.00	51,60,000.00	11 Months
11.	**SALZER SPINNERS LIMITED,** SF no 6/684,685 Chikkarampalayam, Annur Road, Karamadai Coimbatore - 641104"	32,78,400.00	10,00,000.00	11 Months
12.	**LAKSHMI RING TRAVELLERS COIMBATORE PRIVATE LTD,** Athimugam Main Road,Moranapalli Village, Hosur, Krishnagiri 635109"	68,41,316.00	25,00,000.00	11 Months

S. No.	Lesser and Address of the Property taken on Lease	Rent paid during the Year (in ₹)	"Rent Advance (in ₹)"	Tenancy Period
13.	**RAJ NAIDU TEXTILE** Door No.529/1A, Bilichi Village, Chinnamadampalayam, Presscolony Post, Veerapandi,Coimbatore, Tamil Nadu, 641019"	6,30,000.00	-	11 Months
14.	**MR.ANAND & MR.RAVINDARANATH** No. 12, First Main Road,Tata Silk Farm, Bangalore -560004	1,04,064.00	65,580.00	11 Months
15.	**SALZER SPINNERS LIMITED** SF No.6/684,685 Chikkarampalayam, Annur Road, Karamadai, Coimbatore-641104	6,43,200.00	5,00,000.00	11 Months
	TOTAL	**2,93,70,160.00**	**1,72,48,080.00**	

Lease hold Land and Building (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning	455.11	497.75
Additions During the year	33.17	31.39
Depreciation During the year	79.19	74.03
Disposals during the year	-	-
Balance at the end of the year	409.09	455.11

The following is movement in lease liabilities during the period (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the period	362.70	413.43
Additions During the year	33.17	31.39
Finance cost accrued during the period	31.35	35.47
Payment of lease liabilities	-96.28	-117.59
Balance at end of the period	330.94	362.70

The following is the breakup of current and non-current lease liabilities (₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current	74.03	57.61
Non Current	256.91	305.09
Total	**330.94**	**362.70**

The following are the amounts recognized in the statement of profit and loss for the period ended (₹ in Lakhs)

Particulars	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Depreciation expenses on right-of-use assets	79.19	74.03
Interest expenses on lease liabilities	31.35	35.47
Total	**110.54**	**109.50**

Note No. 54 ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III DIVISION II TO THE COMPANIES ACT, 2013 IN RELATION TO CONSOLIDATED ENTITIES FOR THE FY2025-26

(₹ in Lakhs)

Name of the Entity in the Group	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs. in Lakhs)	As % of Consolidated Profit or Loss	Amount (Rs. in Lakhs)	As % of Consolidated Other Comprehensive Income	Amount (Rs. in Lakhs)	As % of Consolidated Total Comprehensive Income	Amount (Rs. in Lakhs)
Parent								
Salzer Electronics Limited	96.13%	57,906.87	100.11%	5,383.21	100.52%	-62.63	100.10%	5,320.58
Indian Subsidiaries								
1. Kaycee Industries Limited	3.97%	2,394.22	6.64%	357.17	-1.42%	0.88	6.74%	358.06
2. Salzer Kostad EV Chargers Private Limited	-	-	-1.54%	-83.00	-	-	-1.56%	-83.00
3. Salzer EV Infra Private Limited	0.01%	7.81	-0.89%	-47.65	-	-	-0.90%	-47.65
4. Salzer Emarch Electromobility Private Limited	-	-	-0.65%	-34.75	-	-	-0.65%	-34.75
Foreign Subsidiary								
1. Salzer Electronics (Arabia) Limited	0.10%	59.00	-1.16%	-62.23	1.46%	-0.91	-1.19%	-63.15
Non-Controlling Interest in all Subsidiaries	**1.61%**	**970.84**	**1.55%**	**83.15**	**-0.56%**	**0.35**	**1.57%**	**83.50**
Associates (Investment as per the equity method)								
Indian Subsidiaries								
1. Ultra-fast Chargers Private Limited	0.11%	65.87	-0.77%	-41.39	-	-	-0.78%	-41.39
2. Effilume Private Limited	0.37%	223.93	-1.23%	-66.21	-	-	-1.25%	-66.21
3. Aurawin Solutions Private Limited	-	0.01	-	-0.24	-	-	0.00%	-0.24
Intra-Group Adjustments	**-2.31%**	**-1,392.04**	**-2.06%**	**-110.75**	**-**	**-**	**-2.08%**	**-110.75**
Total	**100%**	**60,236.50**	**100%**	**5,377.31**	**100%**	**-62.31**	**100%**	**5,315.00**

ADDITIONAL INFORMATION PURSUANT TO SCHEDULE III DIVISION II TO THE COMPANIES ACT, 2013 IN RELATION TO CONSOLIDATED ENTITIES FOR THE FY2024-25

(₹ in Lakhs)

Name of the Entity in the Group	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs. in Lakhs)	As % of Consolidated Profit or Loss	Amount (Rs. in Lakhs)	As % of Consolidated Other Comprehensive Income	Amount (Rs. in Lakhs)	As % of Consolidated Total Comprehensive Income	Amount (Rs. in Lakhs)
Parent								
Salzer Electronics Limited	95.90%	53,028.06	118.67%	6,225.83	158.16%	11.00	118.72%	6,236.83
Indian Subsidiaries								
1. Kaycee Industries Limited	3.78%	2,087.77	8.06%	422.61	-41.77%	-2.91	7.99%	419.70
2. Salzer Kostad EV Chargers Private Limited	0.15%	83.00	-	-	-	-	-	-
3. Salzer EV Infra Private Limited	0.10%	52.91	-	-	-	-	-	-
4. Salzer Emarch Electromobility Private Limited	0.06%	34.75	-	-	-	-	-	-
Foreign Subsidiary								
1. Salzer Electronics (Arabia) Limited	-	-	-	-	-	-	-	-
Non-Controlling Interest in all Subsidiaries	**1.63%**	**898.71**	**3.09%**	**162.10**	**-16.39%**	**-1.14**	**3.06%**	**160.96**
1. Ultra-fast Chargers Private Limited	0.22%	121.60	-0.03%	-1.51	-	-	-0.03%	-1.51
2. Effilume Private Limited	-	-	-	-	-	-	-	-
3. Aurawin Solutions Private Limited	-	-	-	-	-	-	-	-
Intra-Group Adjustments	-1.83%	-1,013.20	-29.78%	-1,562.58	-	-	-29.74%	-1,562.58
Total	**100%**	**55,293.60**	**100%**	**5,246.45**	**100%**	**6.95**	**100%**	**5,253.40**

Note No. 55 BASIS OF CONSOLIDATION AND GOING CONCERN ASSUMPTION

1. Assessment of Going Concern for Subsidiaries

During the year ended March 31, 2026, the shareholders of Salzer Kostad EV Chargers Private Limited (Subsidiary) and Salzer Emarch Electromobility Private Limited (Step-down Subsidiary) decided to apply for voluntary strike-off of the Company's Name in accordance with the provisions of the Companies Act, 2013. Accordingly, the Financial Statements of these Subsidiaries have been prepared on a Non-going Concern (Liquidation) Basis.

2. Materiality Assessment

In accordance with the relevant Indian Accounting Standards (Ind AS), the Group has evaluated the quantitative and qualitative materiality of these entities. As of and for the year ended March 31, 2026, both subsidiaries have no business operations.

Their combined assets and liabilities are Nil.

Their operations generated Nil revenue.

Their individual net worth stands at Zero.

Consequently, these subsidiaries are not material to the financial position, financial performance, or cash flows of the Group.

3. Consolidated Going Concern Conclusion

The management intends to continue the operations of the Parent Company and its other viable components. There are no material uncertainties that cast significant doubt upon the Group's ability to continue as a going concern. Therefore, these Consolidated Financial Statements have been prepared on a Going Concern Basis.

Note No. 56 OTHER NOTES

The Title deeds of the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group.

As per the Group's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

The Group has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

No proceedings have been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

The Group has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Group with such banks are in agreement with the books of accounts of the Group.

The Group has adhered to debt repayment and interest service obligations on time. Wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended March 31, 2026.

All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending at the year ended March 31, 2026.

The Group has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

The Group has not operated in any crypto currency or Virtual Currency transactions

During the year the Group has not disclosed or surrendered, any income other than the income recoginsed in the books of accounts in the tax assessments under Income Tax Act, 1961.

Previous year figures have also been reclassified, regrouped, recast to conform to current year classification.

N RANGACHARY
Chairman
(DIN: 00054437)

R. DORAISWAMY
Managing Director
(DIN: 00003131)

D. RAJESHKUMAR
Joint Managing Director
(DIN :00003126)

For **Swamy & Ravi**
Chartered Accountants
FRN No.004317S

K RAMAN
Chief Financial Officer

K M MURUGESAN
Company Secretary
M No. A25953

S ALAMELU
Partner
M No. 223555

Coimbatore - 47
May 23, 2026

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