September 03, 2026

To

The Manager Listing
BSE Limited
P.J. Tower, Dalal Street,
Mumbai – 400 023

Scrip Code: 538987

Sub.: Submission of Annual Report for the Financial Year 2025-26

Dear Sir/Madam

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of Annual Report including Director's Report and Auditor's Report thereon of the Company for the Financial Year 2025-26.

You are requested to kindly take the same on your records.

Thanking You

Yours Sincerely

For Talbros Engineering Limited

KAJAL GUPTA
Digitally signed by KAJAL GUPTA
Date: 2026.09.03 10:29:19 +05'30'

Kajal Gupta
Company Secretary
M. No.: ACS 52114

Encl.: a/a

TALBROS ENGINEERING

ENGINEERED FOR
PERFORMANCE.
DRIVEN BY PRECISION.

40th
ANNUAL REPORT
2025-26

TALBROS ENGINEERING LIMITED

qualityaustria
SYSTEM CERTIFIED
ISO 9001:2015 No. Q-14177/0
IATF 16949:2016 No. T- 04140/0

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Know us better

Talbros Engineering Limited (TEL) is an established business with almost 50 years of industry presence. It originated as the engineering arm of **Talbros Automotive Components Ltd** (TACL) with the goal of developing new product lines. TEL was spun off from its larger parent TACL in the year 1995 as a separate public listed company focusing on manufacturing axle shafts.

Today TEL is one of the India's Largest company with an installed capacity of 4 million axle shafts per annum servicing OEM's across the globe. The organization's current foot print is spread across 20 acres of land encompassing 7 plants in the Faridabad NCR Area and Madhya Pradesh.

TEL has consistently driven innovation, excellence and execution. Focused on profitable growth, we remain agile in dynamic operating environment, diversifying our customer base, advance technology and driving cost optimization.

Our Mission

To build a competitive advantage in manufacturing higher quality drive line components in a faster and lower cost way.

Our Vision

To be respected as an ethical and sustainable company and acknowledged worldwide as a leading supply chain partner in the automotive industry.

Message from Chief Operating Officer

Dear Shareholders,

It gives me great pleasure to present our 40^{th} Annual Report and reflect on another year of resilience, progress, and purposeful growth. Despite a dynamic global business environment and evolving industry challenges, our Company has remained steadfast in its commitment to engineering excellence, operational efficiency, and customer satisfaction.

Our success is built on a strong foundation of quality, innovation, and trust. With immense pride and gratitude, I say that Today TEL is the number two largest axles shaft manufacturing company in India with an installed capacity of 4 million axle shafts per annum servicing OEM's across the globe. TEL has a commanding domestic market share of 90% in SUV's. The domestic market share in HCV is 30% and Tractor and Off Highway is 5% with a large growth opportunities for TEL.

As a leading manufacturer of axle shafts, we continue to invest in advanced manufacturing technologies, process improvements, and product development to meet the changing requirements of the automotive industry. These initiatives have strengthened our competitiveness while enhancing our ability to deliver superior value to customers. In view of the same, the company has recently signed an agreement to expand into Madhya Pradesh, and set up an 08^{th} 10 acres manufacturing unit.

During the Financial Year 2025-26, your company delivered a robust financial performance. Your company earned revenue from operation of ₹ 536 crores, reflecting a growth of around 20.18 % compared to ₹ 446 crores in the previous financial year. The net profit after tax for this year is ₹ 29.16 crores as compared to ₹ 20.17 crores for the previous financial year, demonstrating operational efficiency, disciplined cost control and financing outcomes.

People remain our greatest strength. I sincerely thank our employees for their dedication, our customers for their continued confidence, our suppliers and business partners for their collaboration, and our shareholders for their unwavering trust and support.

Looking ahead, we remain optimistic about the opportunities emerging from the global automotive transformation, increasing localization, and the growing demand for high-quality engineering solutions. We will continue to focus on innovation, sustainability, operational excellence, and responsible growth while creating long-term value for all our stakeholders.

On behalf of the Company, I extend my heartfelt appreciation to everyone who has contributed to our journey. Together, we will continue to drive progress, strengthen our leadership, and build a sustainable future.

With warm regards,

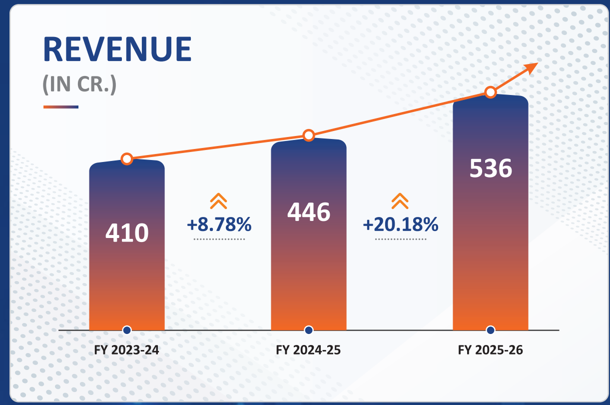
Tarun Talwar

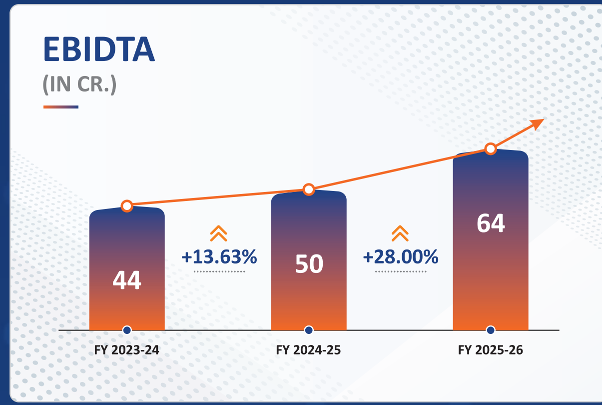
Chief Operating Officer

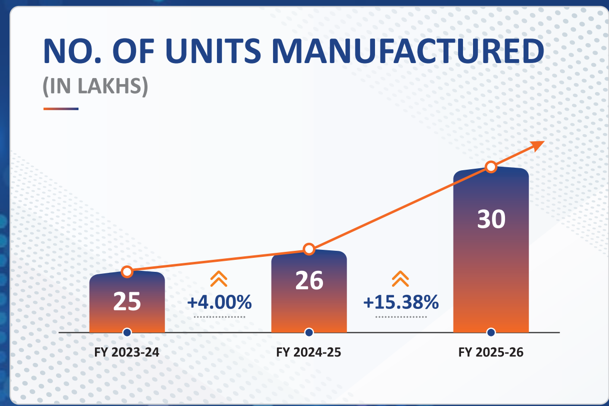
Performance Highlights

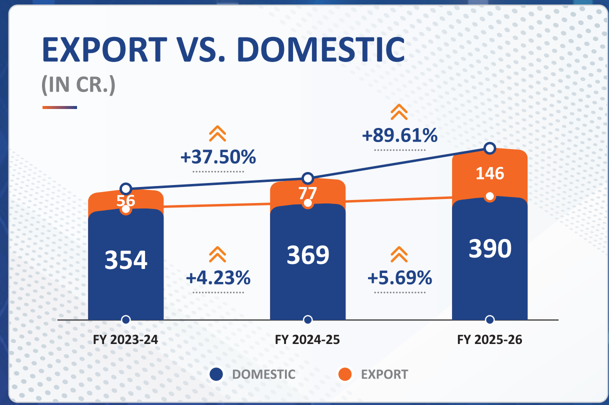
At a Glance:

- Revenue from sale of products: ₹ 517.48 crores
  - Domestic Sale - ₹ 371.79 crores
  - Export Sales - ₹ 145.60 crores
- Earnings Before Interest, Depreciation and Tax (EBIDTA): ₹ 64 crores
- Profit Before Tax: ₹ 39 crores







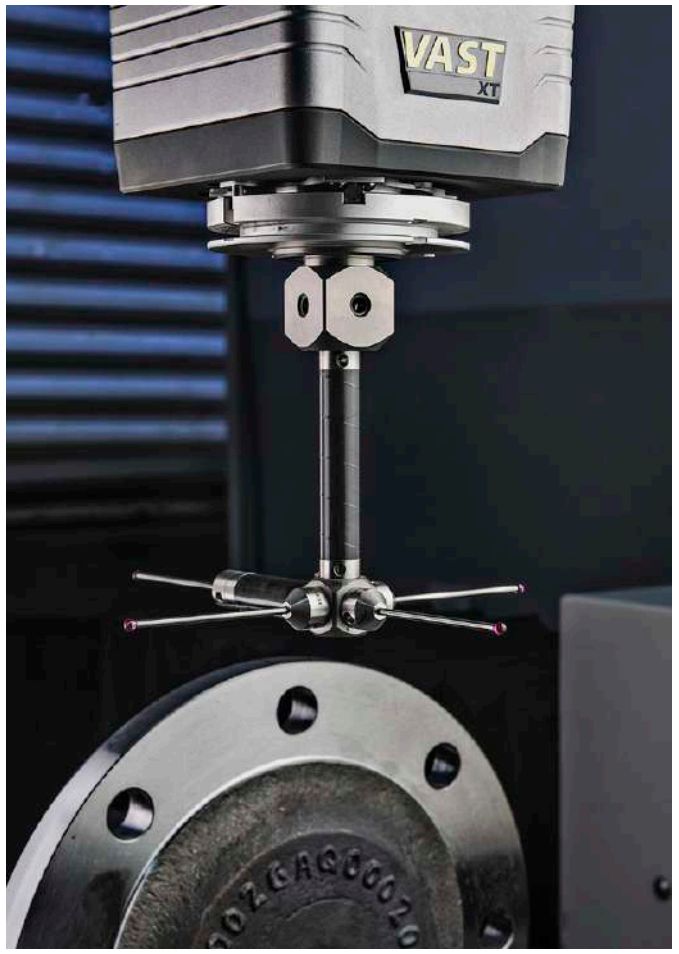


Clientele

Mahindra
Cummins
Meritor
DANA
Automotive Axles Limited
VOLVO
FORCE MOTORS
TAFE
DAIMLER
AAM
ASHOK LEYLAND
ISUZU
GMC
TATA
RENAULT
Scout
RSB Where Dreams are Responsibilities
DAUCH
MARUTI SUZUKI
Allison Transmission
Kubota Escorts Kubota Limited
K DRIVE Mobility Solutions
VE COMMERCIAL VEHICLES A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Manufacturing Excellence

Our Facilities use technology and automation. Quality system ensure minimal defect. We intend to follow global certifications and zero -defect principles.



AUTOMATION

Robotics and automated production lines.

DIGITALIZATION

Industry 4.0 digital manufacturing.

TECHNOLOGY

Precision forging and heat treatment.

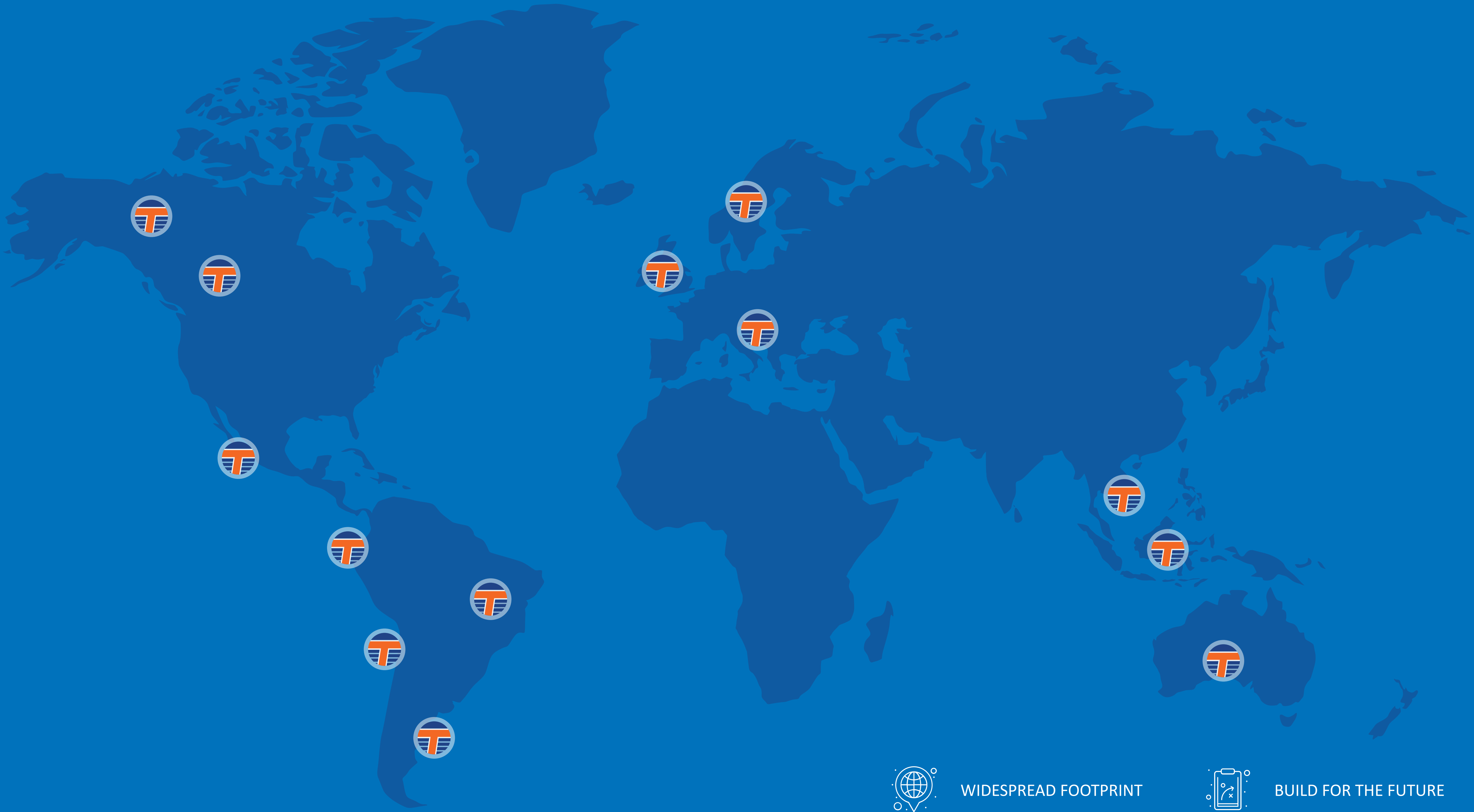
EFFICIENCY

Real Time Production and OEE monitoring. Real Time Quality Monitoring.

GLOBAL PRESENCE

• Engineering Excellence. Delivering Worldwide. •

Talbros Engineering has developed a wide network of international customers and nurtured business relationships with key partners across regions. Due to an established track record of reliability, when it comes to deliveries and product quality, we remain single source supplier for components to most of our customers. We take pride in knowing that some of these business relationships extend beyond 25 years and continue to grow stronger by the day.



WIDESPREAD FOOTPRINT

BUILD FOR THE FUTURE

ENGINEERED TO PERFORM

TRUSTED BY PARTNERS

CSR and Community Development

At TEL, we remain committed to contributing to the well being of communities through impactful and sustainable CSR initiatives. In Financial Year 2025-26, our focus areas included Education, Healthcare, Eradicating Hunger and Animal Welfare.

- Education: Sponsoring School Fees, Uniforms and Study Material for underprivileged students.
- Healthcare: Organising health checkup camps in rural areas and improving health care with the help of modern medical equipment.
- Eradicating Hunger: Distribution of food and clothes to the needed people.
- Animal Welfare – Contribution to the Non-Profit Organisations engaged in animal welfare.

Empowering People, Enabling Success

At TEL, we are committed to empowering people and enabling success by fostering a culture of excellence, collaboration and innovation. We believe that individuals thrive when they are provided with the right opportunities, resources and support. With a total workforce of approximately 1500 employees (including contractual employees) as on March 31, 2026, we remain committed to nurturing talent, empower people and enabling success.

HR Focus Areas:

1. **Employment Engagement Programs**

   We remain dedicated to professional development through structure learning programs.

   - Developing and skilling our employees on leadership and technical competencies.
   - Conducting programs, including awareness workshops, Women's Day celebrations, and POSH compliance (with a strict zero-tolerance policy).
   - Organizing regular health check-ups.
   - Hosting fun initiatives, including indoor and outdoor activities.
   - Festival Celebrations

2. **Recognizing and Rewarding Excellence**

   We believe in celebrating performance and potential.

   - Implementing rewards and recognition programs.
   - Offering promotions, bonuses, and accolades to motivate our employees and foster a culture of ownership and accountability.
   - Rewarding long-service awards

Corporate Information

Board of Directors

Executive Directors

Mr. Vijay Kumar Sharma, Mr. Ankush Jindal

Independent Directors

Mrs. Seema Sethi, Mrs. Shashi Khurana, Mr. Sarabjeet Singh
Mr. Kuldeep Singh Bhalla *(till 31.03.2026)*
Mr. Sumit Kumar Sachdeva *(w.e.f. 01.04.2026)*

Chief Financial Officer

Mr. Manoj Kumar Chauhan

Company Secretary

Ms. Kajal Gupta

Bankers / NBFC

HDFC Bank Limited
DBS Bank Limited
Yes Bank Limited
The Hongkong and Shanghai Banking Corp. Ltd.
Bajaj Finance Limited

Statutory Auditors

M/s Rakesh Raj & Associates
Chartered Accountants
825, Sector 21A, Faridabad, Haryana – 121 001

Secretarial Auditors

M/s Anuj Gupta and Associates
Company Secretaries
Office No. 3, Ground Floor, 102-G/1,
Hari Nagar Ashram, New Delhi – 110014

Internal Auditors

M/s Bansal Harshit & Associates
Chartered Accountants
835-836, Block - C, 8th Floor, Vipul Plaza,
Sec-81, Faridabad, Haryana - 121002

Registrar and Transfer Agent (RTA)

M/s Beetal Financial & Computer Services Private Limited
Beetal House, 3rd Floor, 99, Madangir,
Behind LSC, New Delhi – 110062,
Ph.: 011-29961281-282 **Fax:** 011-29961284

Registered Office

Plot no. 74-75-76, Sector-6, Faridabad 121006 (Haryana)
Email: cs@talbrosaxles.com
Website: www.talbrosaxles.com

Unit locations

(i) Plot No. 35, 36, 37, 38 & 57, Industrial Area, Hathin, Distt. Palwal, Haryana
(ii) Plot No. 26, Industrial Area, Hathin, Distt. Palwal, Haryana
(iii) Plot No. 77, Sector - 68, IMT, Faridabad, Haryana
(iv) Plot No. 80, Sector - 68, IMT, Faridabad, Haryana
(v) Plot No. 3, Sector - 5, Faridabad, Haryana
(vi) Plot No. 2 & 3, 20/4, Mathura Road, Nepco Compound, Faridabad, Haryana
(vii) Plot No. 27, Sector 4, Faridabad, Haryana
(viii) Plot No. 38, Sector-4, Faridabad, Haryana
(ix) Plot No. 79, Sector 6, Faridabad, Haryana
(x) Plot No. 70, Sector 6, Faridabad, Haryana

Stock Exchange

BSE Limited

DIRECTORS' REPORT

To The Members,

The Board of Directors have pleasure in presenting 40th Annual Report on the business and operations of the Company along with the Audited Financial Statements for the year ended on March 31, 2026.

FINANCIAL HIGHLIGHTS

The Financial statement for the financial year ended March 31, 2026, forming part of this Annual Report, have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

The Company's financial performance during the financial year 2025-26 as compared to the previous financial year 2024-25 is summarized below:

(Rs. in Lacs)

Particulars	Year Ended 31st March 2026	Year Ended 31st March 2025
Revenue from Operations		
- Sale of Products	**51,748**	43,026
- Other Operating revenues	**1,828**	1,583
Total Revenue from Operations	**53,576**	44,609
Other Income	**347**	43
Total Income	**53,923**	44,652
Less: Expenses except interest, Depreciation & Tax	**47,533**	39,630
Profit before Interest, Depreciation & Tax	**6,390**	5,022
Less: Interest	**1,246**	1,176
Depreciation	**1,214**	1,125
Exceptional Items	**NIL**	NIL
Profit Before Tax and After Exceptional Items	**3,930**	2,721
Less: Previous Year adjustments	**(0.65)**	2
Provision for current year income-tax	**833**	560
Provision for Deferred Tax	**181**	142
Net Profit after tax	**2,916**	2,017
Net profit after tax and adjustments	**2,916**	2,017
Other Comprehensive Income		
- Items that will not be classified to profit or loss	**(5)**	3
- Items that will classified to profit or loss	**NIL**	NIL
Total Income	**2,911**	2,020
EPS (Basic)	**57.34**	39.78
EPS (Diluted)	**57.34**	39.78

FINANCIAL PERFORMANCE

For the Financial Year ended March 31, 2026, the Company has achieved strong financial performance. The net revenue from operations reached to Rs. 53,576 Lakhs in this financial year as compared to Rs. 44,609 Lakhs for the previous financial year. The net profit after tax for this year is Rs. 2,916 Lakhs as compared to Rs. 2,017 Lakhs for the previous financial year, demonstrating operational efficiency, disciplined cost control and financing outcomes.

Reserves & Surplus as on 31st March, 2026 stand at Rs. 17,727 Lakhs as against the paid-up capital of Rs. 508 Lakhs.

MARKETING AND EXPORT

The export sales of the Company during the financial year 2025-26 stands at Rs. 14,569 Lakhs as against Rs. 7,698 Lakhs in the previous fiscal.

DIVIDEND

The Board of Directors of your Company is pleased to recommend a final dividend of Rs. 3.00/- per equity share (30% of face value of Rs. 10/- per share) on 5,07,65,04 fully paid -up equity shares of the company, for the financial year March 31, 2026, in their meeting held on May 29, 2026. The payment of final dividend is subject to the approval of the shareholders of the Company at the ensuing Annual general meeting (AGM) of the Company.

The dividend once approved by the Shareholders will be paid in accordance with the applicable provisions of the Companies Act 2013 and the rules made thereunder and will be payable to those shareholders whose name appear in the Register of Members as on the Book Closure Date/ Record Date.

TRANSFER TO GENERAL RESERVE

The Board of Directors does not propose to transfer any amount to the general reserve.

SHARE CAPITAL

Authorised Share Capital

As on March 31, 2026, the Authorised Share Capital of the Company stood at Rs. 5,10,00,000/- (Rupees Five Crore and Ten Lakh only) divided into 51,00,000 Equity Shares of Rs. 10/- each.

Paid-up Share Capital

As on March 31, 2026, the Paid-up Equity Share Capital of the Company stood at Rs. 5,07,65,040/- (Rupees Five Crore Seven Lakh Sixty-Five Thousand and Forty only) comprising of 50,76,504 Equity Shares of Rs. 10/- each.

During the year under review, there is no change in Authorised, Subscribed, Issued and paid-up capital of the Company and the Company has not issued any Shares with differential rights, bonus shares, sweat equity shares and Debentures/bonds.

TRANSFER OF UNCLAIMED /UNPAID DIVIDEND/SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of section 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unpaid and unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection fund (IEPF) established by the Government of India, after completion of seven (7) years. Further, according to the said Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven (7) consecutive years or more shall also be transferred to demat account of the IEPF Authority.

In accordance with the above said provisions, during the period under review, the Company has transferred an amount of Rs. 2,42,475/- (Rupees Two Lakh Forty-Two Thousand Four Hundred Seventy-Five Only) towards the unclaimed and unpaid dividend and 6684 shares for the financial year 2017-18. The details are provided on our website www.talbrosaxles.com.

The Company has appointed Mrs. Kajal Gupta, Company Secretary and Compliance Officer as Nodal Officer of the Company w.e.f. September 01, 2025. The details of Nodal officer are accessible at www.talbrosaxles.com.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has a proper Internal Control System commensurate with the size, scale and complexity of its operations. The Internal Audit team monitors and evaluates the efficacy and adequacy of internal control system in the company, accounting procedures and policies.

To maintain the objectivity and independence, the Internal Audit team reports to the Chairperson of the Audit Committee of the Board and to the Chief Operating Officer. The audit committee diligently review internal audit reports, takes corrective action as required and maintains open communication with both statutory and internal auditors wherever required to ensure the effectiveness of internal control systems.

BORROWINGS

The Company's consolidated borrowings as on March 31, 2026 was Rs. 14,779 Lakhs as against Rs. 13,209 Lakhs as at March 31, 2025.

CREDIT RATING

CARE Ratings Limited has re-affirmed the ratings of your Company as per below given details and outlook on the long-term rating is stable.

Facilities	Earlier Rating	Revised/ Re-affirmed Rating
(Long Term Bank Facilities) Long Term Ratings	CARE A-; Stable	CARE A-; Stable (Single A Minus; Outlook: Stable) **(reaffirmed)**
(Short Term Bank Facilities) Short Term Ratings	CARE A-; Stable / CARE A2+	CARE A-; Stable / CARE A2+ (Single A Minus; Outlook: Stable / A Two Plus) **(reaffirmed)**

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the year under review, the Company has no subsidiary, joint ventures or associate company.

However, the Board of Directors in their meeting held on February 06, 2026 had proposed for incorporation of a wholly owned subsidiary which has been duly incorporated on May 12, 2026 with name "Talbros Nextgen Private Limited" having CIN: U29301HR2026PTC145296 with an authorized and paid-up equity share capital of Rs. 1,00,000/- divided into 10,000 equity shares of Rs. 10 each/-.

Hence, as on the date of this report, the company has one wholly owned subsidiary and no joint ventures or associate company.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning. The composition of the Board of Directors is in conformity with the SEBI Listing Regulations and Companies Act, 2013.

In terms of provisions of section2(51) and section 203 of the Companies Act, 2013, the Key Managerial Personnel (KMPs) of the Company as on March 31, 2026 are Mr. Vijay Kumar Sharma, Executive Director, Mr. Ankush Jindal, Executive Director, Mr. Manoj Kumar Chauhan, Chief Financial Officer and Mrs. Kajal Gupta, Company Secretary.

Appointment/Re-appointment/Cessation

During the year under review, following changes occurred in the composition of the Board of Directors and KMPs of the company:

1. Resignation of Mr. Divam Mittal from the post of Company Secretary and Compliance officer of the company w.e.f. June 30, 2025
2. Appointment of Mrs. Kajal Gupta as the Company Secretary and Compliance Officer of the company w.e.f. September 01, 2025.
3. Re-appointment of Mr. Vijay Kumar Sharma (DIN: 06394784) as Whole-time Director (Executive Director) of the company for a term of five consecutive years w.e.f. October 01, 2025
4. Appointment of Mr. Sumit Kumar Sachdeva (DIN: 08774114) as the Non-Executive and Independent Director of the company w.e.f. 01.04.2026.
5. Cessation of term of Mr. Kuldeep Singh Bhalla (DIN: 07504884) from the position of Independent Director of the company w.e.f. 31.03.2026.

Also, Mr. Ankush Jindal (DIN:03634690), retires by rotation at the 39th Annual General Meeting (AGM) of the company and offered himself for re-appointment and reappointed.

However, in accordance with the provisions of the Section 152 of the Companies Act, 2013 and the company's articles of association, Mr. Vijay Kumar Sharma (DIN: 06394784), retires by rotation at the forthcoming Annual General Meeting (AGM) and is offering himself for re-appointment. On the recommendation of Nomination and Remuneration Committee, the Board of Directors recommends to the members of the Company for re-appointment of Mr. Vijay Kumar Sharma.

POLICY OF DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on director's appointment and remuneration and other matters pursuant to section 178(3) of the Companies Act, 2013 has been disclosed in Corporate Governance Report, which forms part of this report.

CODE OF CONDUCT

The Board of Directors has approved a code of conduct applicable to the members of the Board, principal executive officers, principal financial officers, principal accounting officers or controllers and all senior management of the Company. The code has been titled as "Code of Ethics for Designated Persons". The same has been posted on the website of the Company www.talbrosaxles.com.

The code lays down as standard procedure for efficient working of designated employees and to build a transparency between the management and stakeholders of the Company, compliance with governmental laws, rules and regulations.

The Designated employees have confirmed the compliance with the code of conduct.

INDEPENDENT DIRECTORS

In terms of section 149 of the Companies Act, 2013, Mr. Sarabjeet Singh, Mrs. Seema Sethi, Mrs. Shashi Khurana and Mr. Sumit Kumar Sachdeva are the Independent Directors of the company as on the date of this report.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of section 149 of the Companies Act, 2013 and under regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors have also confirmed that they have included their name in data bank in compliance with sub rules (1) and (2) of Rules 6 of Companies (Appointment and Qualification of Directors) Rules, 2014. They have also confirmed that they have complied with Company's Code of Conduct.

NUMBER OF MEETINGS OF THE BOARD

The Board met 4 (four) times during the financial year under review, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

COMPOSITION OF COMMITTEES

The following Committees constituted by the Board function according to their respective roles and defined scope:

(a) Audit Committee;

(b) Nomination and Remuneration Committee;

(c) Corporate Social Responsibility Committee;

(d) Stakeholders' Relationship Committee;

Details of composition, terms of reference and number of meetings held in Financial Year 2025-26 for the aforementioned committees are given in the Report on Corporate Governance, which forms a part of this Report. Further, during the year under review, all recommendations made by the various committees have been considered and accepted by the Board.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company as required under Schedule IV of the Companies Act, 2013 and Listing Regulations has made arrangements to facilitate the Independent Directors to familiarize with the operations of the Company, their roles, rights, responsibilities as Directors of the Company considering the nature of the Industry in which the Company operates, business model of the Company, etc. The above aspect can be accessed on website of the company at www.talbrosaxles.com.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 134(3)(c) read with section 134(5) of the Companies Act, 2013, the Directors of the Company, to the best of their knowledge and belief, confirmed that:

(i) In preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;

(ii) They have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(iii) 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;

(iv) They have prepared the annual accounts on a going concern basis;

(v) 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

(vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, and as per Guidance Notice issued by SEBI, the Board has carried out annual performance evaluation for Financial Year 2025-26.

Independent Directors at their meeting without the participation of the Non-Independent Directors and Management, considered / evaluated the Boards' performance, assessed 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.

The Board subsequently evaluated its own performance, the working of its committees (Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee) and Independent Directors (without participation of the relevant Director).

The criteria for performance evaluation have been detailed in the Corporate Governance Report attached to this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loan or guarantees covered under the provisions of section 186 of Companies Act, 2013. The detail of investments made by the Company is given in the notes to the financial statements.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there has been no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There has been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this report except elsewhere mentioned in this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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

RELATED PARTY TRANSACTIONS

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy on Related Party Transactions which can be accessed on Company's website www.talbrosaxles.com. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

All Related Parties Transactions (RPTs) are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is obtained on periodic basis for the transactions which are planned/repetitive in nature. A statement giving details of all RPTs entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. All the RPTs under Ind AS-24 have been disclosed in notes to the Financial Statements forming part of this report.

The RPTs entered during the year under review, were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act read with the rules framed thereunder. However, there were no material transactions of the Company with any of its related parties during the year in terms of Section 134 read with Section 188 of the Companies Act, 2013. Therefore, the disclosure of the Related Party Transactions as required under Section 134(3(h) of the Act in Form AOC-2 is not applicable to the Company for Financial Year 2025-26.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Act, company has established a vigil mechanism for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct. The vigil mechanism provides multiple channels for reporting concerns including an option for escalation to the Chairperson of the Audit Committee of the Company. The Company has a vigil mechanism named Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud, abuse of position, mismanagement, etc. However, no such instance was reported during the year under review. The policy has also been displayed on the website of the Company www.talbrosaxles.com.

INTERNAL AUDITORS

Pursuant to section 138 of the Companies Act, 2013, the Company has appointed M/s G R A B & Associates, Chartered Accountants as Internal Auditors of the Company for financial year 2025-26.

They have performed the duties of Internal Auditors of the Company, satisfactorily, and issued their report for the quarter ended June, September and December, 2025 which was placed before the Audit Committee and Board of Directors. However, M/s G R A B & Associates, tendered their resignation from Internal Auditors of the company w.e.f. January 01, 2026.

In accordance with that, Board of Directors, on the recommendation of the Audit Committee, in their meeting held on February 06, 2026 had appointed M/s Bansal Harshit & Associates, (FRN: 042733N) as the Internal Auditors of the company for the period January 01, 2026 to March 31, 2026. The Auditor issued their report for the said period, which was duly placed before the Audit Committee and Board of Directors of the company.

STATUTORY AUDITORS

M/s. Rakesh Raj & Associates, Chartered Accountants (Firm registration number 005145N) was appointed as Statutory Auditors of the Company to hold the office from the conclusion of 36th Annual General Meeting held on 22nd August, 2022, till the conclusion of 41st Annual General Meeting to be held in year 2027.

The Statutory Auditors Report for Financial Year 2025-26 on the financial statement of the Company forms part of this Annual Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors in their audit report on the financial statements for the year ended on 31st March, 2026. The observations of the Statutory Auditors are self-explanatory and therefore Directors don't have any further comments on the same.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204(1) of the Act read with Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation 24A of the SEBI Listing Regulations, M/s. Anuj Gupta and Associates, Company Secretaries (Firm Registration No. S2015DE314800) has been appointed as the Secretarial Auditor of the company for a term of five consecutive years from the Financial Year 2025-26 to 2029-30. The Secretarial Audit Report for Financial Year 2025-26 is annexed as **Annexure - A** to this Report.

The Secretarial Audit Report for the Financial Year ended March 31, 2026, does not contain any qualification, reservation or adverse remarks.

Further, pursuant to amendments in Listing Regulations read with SEBI circular NO. LIST/COMP/14/2018 dated June 20, 2018, a certificate from M/s Anuj Gupta and Associates, Company Secretary in Practice 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 SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to Corporate Governance Report.

SECRETARIAL COMPLIANCE REPORT

Pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 08th February, 2019, in addition to the secretarial audit, Annual Secretarial Compliance report issued by M/s Anuj Gupta and Associates, Company Secretaries on compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder is annexed as **Annexure - B** to this report.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instance(s) of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act, details of which are required to be mentioned in this Report in compliance of Sec 134(3)(ca) of the Act.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has duly complied with the applicable Secretarial Standards issued by 'The Institute of Company Secretaries of India.'

COST RECORDS AND AUDIT

Pursuant to the provisions of Section 148(1) of the Companies Act, 2013 and Rules made thereunder, the Company is not required to make and maintain Cost Records, as specified by Central Government under the provisions of this Section. Accordingly, the Company has not made and maintained such accounts and records.

Thereby, Cost Audit is not applicable on the product being manufactured by the company.

INSURANCE AND RISK MANAGEMENT

The assets of the Company are adequately insured against the loss of fire, burglary and other risks which are considered necessary by the management and suggested by the bankers of the Company.

PREVENTION OF INSIDER TRADING

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, ('SEBI PIT Regulations') the board has approved and formulated a code of conduct to regulate, monitor and report trading by insiders ('Code of Conduct') and Code for Fair Disclosure of Unpublished Price Sensitive Information and is available on the website of the company at www.talbrosaxles.com.

The code inter alia contains the formalities / pre clearance required for dealing in company's shares and prohibits the sale or purchase by the Directors and designated employees while in possession of the unpublished price sensitive information and during the closure of trading window. The Board is responsible for implementation of the code.

All the directors and designated employees have confirmed compliance with the code.

Further, Company has installed a System Driven Disclosure (SDD) Software. The Code includes the obligations and responsibilities of DPs, obligations to maintain the digital database for handling Unpublished Price Sensitive Information for legitimate purpose within or outside organisation, mechanism for prohibition of insider trading and handling of UPSI.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any public deposits within the meaning of Sections 73 and 74 of the Act read with The Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof and as such, no amount on account of principal or interest on public deposits was outstanding as of March 31, 2026.

CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance Practices and following to the guidelines prescribed by the SEBI and Stock Exchanges from time to time. The Company has implemented all of its major stipulations as applicable to the Company. The requisite Certificate of compliance from M/s Anuj Gupta and Associates dated August 13, 2026 in accordance with SEBI (Listing Regulations), 2015, confirming compliance with the condition of corporate governance and report on Corporate Governance is annexed to and forming part of the Director's Report.

Mr. Tarun Talwar, Chief Operating Officer and Mr. Manoj Kumar Chauhan, Chief Financial Officer, have given a certificate to the Board as contemplated in Regulation 17(8) and Schedule V of SEBI (Listing Regulations), 2015.

CORPORATE SOCIAL RESPONSIBILITY

In terms of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as may be amended from time to time and in accordance with the CSR Policy and the CSR Annual Action Plan, during the Financial Year 2025-26, the Company has spent two percent of the average net profits of your Company during the three preceding financial years. Your Company undertook various CSR activities in collaboration only with those reliable NGOs which satisfies the criteria stated under the Companies Act, 2013 and rules made thereunder.

The Chief Financial Officer of the Company has certified that the funds disbursed have been utilised for the purpose and in a manner approved by the Board for the Financial Year 2025-26.

Your Company has also formulated and adopted a revised CSR Policy, during the year under review, which is available on the website of the company at http://talbrosaxles.com/policies. The Annual Report on CSR activities pursuant to the provisions of section 134 and 135 of the Act read with rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and rule 9 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure - C** and forms an integral part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management discussion and Analysis as required under Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed and forming part of the Directors' Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

The particulars prescribed under section 134(3)(m) of Companies Act, 2013 read with rule 8 of Companies (Accounts) Rules, 2014, are enclosed as **Annexure - D** to the Board's Report.

ANNUAL RETURN

The extracts of the Annual Return of the Company in Form MGT-9, as they stood on the close of the financial year i.e. March 31, 2026 is furnished in **Annexure - E** and forms part of this Report.

Further, a copy of the Annual Return of the Company containing the particulars prescribed under section 92 of the Companies Act, 2013, in Form MGT-7, as they stood on the close of the financial year i.e. March 31, 2025 is uploaded on the website of the Company at website www.talbrosaxles.com.

INFORMATION PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Pursuant to the provisions of Section 197(12) of Companies Act, 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the disclosures and details as required to be annexed to the Board's Report are provided hereunder:

(a) Ratio of remuneration of each director to the median remuneration of employees of the Company

(Amount in Rs. Lacs)

Name of the Director	Designation	Remuneration paid	Ratio to median remuneration
Mr. Vijay Kumar Sharma	Executive Director	15.84	6.67
Mr. Ankush Jindal	Executive Director	14.30	6.02
Mr. Kuldeep Singh Bhalla	Independent Director	0.15	Only Sitting fees paid
Mrs. Seema Sethi	Independent Director	0.15	Only sitting fees paid
Mrs. Shashi Khurana	Independent Director	0.15	Only sitting fees paid
Mr. Sarabjeet Singh	Independent Director	0.15	Only sitting fees paid

(b) Percentage increase in remuneration of Directors and KMPs

(Amount in Rs. Lacs)

Name of the Director/ KMP	Designation	Remuneration for the year ended 2025-26	Remuneration for the year ended 2024-25	% change during the year
Mr. Vijay Kumar Sharma	Executive Director	15.84	14.77	7.24
Mr. Ankush Jindal	Executive Director	14.30	12.98	10.17
Mrs. Seema Sethi	Independent Director	0.15	0.15	00.00
Mrs. Shashi Khurana	Independent Director	0.15	0.15	00.00
Mr. Kuldeep Singh Bhalla	Independent Director	0.15	0.15	00.00
Mr. Sarabjeet Singh	Independent Director	0.15	0.15	00.00
Mr. Kanwar Pal Pawar*	CFO	NIL	3.73	(100.00)
Mr. Manoj Kumar Chauhan*	CFO	5.33	2.11	152.61
Mr. Anuj Gupta*	Company Secretary	NIL	1.61	(100.00)
Mr. Divam Mittal*	Company Secretary	1.23	2.60	(52.69)
Mrs. Kajal Gupta	Company Secretary	4.65	NIL	100.00

** Mrs. Seema Sethi has been appointed as a Non-Executive Independent Director of the Company w.e.f. 01st April, 2024*

** Mr. Kanwar Pal Pawar has tendered his resignation from the office of Chief Financial Officer (CFO) and Mr. Manoj Kumar Chauhan has been appointed as new Chief Financial Officer (CFO) w.e.f. 11th November, 2024*

** Mr. Anuj Gupta has tendered his resignation from the office of Company Secretary (CS) w.e.f 14th August, 2024 and Mr. Divam Mittal has been appointed as new Company Secretary (CS) w.e.f. 11th November, 2024*

**Mr. Divam Mittal has tendered his resignation from the office of Company Secretary (CS) w.e.f. 30th June, 2025 and Mrs. Kajal Gupta has been appointed as new Company Secretary (CS) w.e.f 01st September, 2025.*

(c) The median remuneration of the employees has increase by 0.18 % in 2025-26 as compared to 2024-25.

(d) The annual average increase in the salaries of employees other than managerial personnel during the last financial year was around 10.30%. The increment given to each individual employee is based on the employees' potential, experience as also their performance and contributions to the Company's progress over a period of time and also industry trend.

(e) Number of permanent employees on the rolls of the Company.

Financial Year	No. of Employees
2025-26	336
2024-25	238

(f) We affirm that the remuneration paid to Directors, Key Managerial Personnel's and employees is as per the remuneration policy of the Company.

(g) The details pursuant to the provisions of Section 197(12) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014, as amended from time to time pertaining to top ten employees in terms of remuneration drawn and employees drawing remuneration of more than One Crore and Two Lakhs Rupees during the year will be available for inspection at the Registered Office of the Company during the working hours as and when requested by any shareholder in terms of section 136 of Companies Act, 2013.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on Prevention of Sexual Harassment and Redressal System in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH). All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Company has a robust mechanism in place to redress the complaints under POSH. The Company has complied with provisions relating to the constitution of Internal Committee under POSH. The Internal Committee (IC) comprises of internal members and external member who has extensive experience in the field. Internal Committee ('IC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. During the Financial Year 2025-26, no case of sexual harassment was reported. Further, during the financial year 2025-26, initiatives were undertaken to demonstrate the Company's zero tolerance philosophy against discrimination and sexual harassment, which includes organizing workshops, knowledge sessions for the employees to enhance awareness and knowledge on the matter, creation of comprehensive and easy to understand communication's material which are also made easily accessible. During, the year, the Board has accorded their approval and adopted revised policy on prevention of sexual harassment.

OTHER DISCLOSURES AND AFFIRMATIONS

1. Industrial relation remained harmonious at all our office and establishments.
2. There are application or proceeding pending under the Insolvency and Bankruptcy Code (IBC), 2016.
3. There was no instances of one time settlement with any Bank or Financial Institution.
4. During the year under review, the Company has not done any buy back of equity shares.
5. The disclosure pertaining to explanation for any deviation or variation in connection with certain terms of public issue, right issue, preferential issue etc. is not applicable to the Company.
6. There was no instance of non-compliance by the Company on any matters relating to capital markets; nor was there any penalty/ strictures imposed by the Stock Exchange or SEBI or any other statutory authority on such matters during the last three years.
7. Your Company does not fall under the category of large corporate, as defined under SEBI vide its circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2021, as such no disclosure is required in this regard.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the overwhelming co-operating and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thank the employees at all levels, who, through their dedication, co-operation, support and smart work, have enabled the Company to achieve rapid growth.

For and on behalf of the Board

Sd/-	**Sd/-**
Vijay Kumar Sharma	**Ankush Jindal**
Executive Director	**Executive Director**
DIN: 06394784	**DIN: 03634690**
R/o H. No. 309, Sector 3,	**R/o H. No. 37, Sector 55**
Faridabad, Haryana	**Faridabad, Haryana**

Place: Faridabad
Date: August 13, 2026

Form No. AOC-2

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

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

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

(a) Name(s) of the related party and nature of relationship: Not Applicable

(b) Nature of contracts/arrangements/transactions: Not Applicable

(c) Duration of the contracts/arrangements/transactions: Not Applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

(e) Justification for entering into such contracts or arrangements or transactions: Not Applicable

(f) Date(s) of approval by the Board: Not Applicable

(g) Amount paid as advances, if any: Not Applicable

(h) Date on which the special resolution was passed in General Meeting as required under first proviso to section 188: Not Applicable

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

(a) Name(s) of the related party and nature of relationship: Not Applicable

(b) Nature of contracts/arrangements/transactions: Not Applicable

(c) Duration of the contracts/arrangements/transactions: Not Applicable

(d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

(e) Date(s) of approval by the Board: Not Applicable

(f) Amount paid as advances, if any: Not Applicable

Annexure - A

SECRETARIAL AUDIT REPORT
For the Financial Year Ended on 31st March, 2026
[Pursuant to the section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

To
The Members
Talbros Engineering Limited
Plot No. 74-75-76, Sector 6,
Faridabad, Haryana - 121 006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Talbros Engineering Limited, CIN: L74210HR1986PLC033018** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **Not applicable during the period under review**

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

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

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

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

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **Not Applicable to the Company during the audit period**

(g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not Applicable to the Company during the audit period**

(h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: **Not Applicable to the Company during the audit period**

(vi) OTHER APPLICABLE ACTS,

(a) Environment Protection Act, 1986;

(b) Water (Prevention and Control of Pollution) Cess Act, 1977;

(c) Air (Prevention and Control of Pollution) Act, 1981;

(d) Hazardous Wastes (Management and Handling) Rules, 1986;

(e) Factories Act, 1948

(f) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

(g) Negotiable Instruments Act, 1889;

(h) Foreign Exchange Management Act, 1999;

(i) Custom Act, 1962;

Based on the reports of the department heads of the premises located at Faridabad and Hathin, I report that the Company has substantially complied with the provisions of the Acts that are applicable to the Company. Based on the information, explanations and management representation, the Company has substantially complied with tax laws applicable to the Company.

I 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.

I further report that

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

- Resignation of Mr. Divam Mittal from the post of Company Secretary and Compliance officer of the company w.e.f. June 30, 2025
- Appointment of Mrs. Kajal Gupta as the Company Secretary and Compliance Officer of the company w.e.f. September 01, 2025.
- Re-appointment of Mr. Vijay Kumar Sharma (DIN: 06394784) as Whole-time Director (Executive Director) of the company for a term of five consecutive years w.e.f. October 01, 2025
- Appointment of Mr. Sumit Kumar Sachdeva (DIN: 08774114) as the Non-Executive and Independent Director of the company w.e.f. April 01, 2026.
- Cessation of term of Mr. Kuldeep Singh Bhalla (DIN: 07504884) from the position of Independent Director of the company w.e.f. March 31, 2026.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the views of dissenting members were not required to be captured and recorded as part of the minutes as there was no such instance.

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

For **Anuj Gupta & Associates**
(Company Secretaries)

Sd/-

Place: New Delhi — **CS Anuj Gupta**
Date: August 13, 2026 — (Proprietor)
UDIN: A031025H001102546 — M. No. ACS 31025
Peer Review Certificate No. 1126/2021 — COP No: 13025

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE 1' and forms an integral part of this report.

ANNEXURE 1

To
The Members
Talbros Engineering Limited
Plot No. 74-75-76, Sector 6,
Faridabad, Haryana - 121 006

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express 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 processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained Management representations about the compliances of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Anuj Gupta & Associates**
(Company Secretaries)

Sd/-
CS Anuj Gupta
(Proprietor)
M. No. ACS 31025
COP No: 13025

Place: New Delhi
Date: August 13, 2026
UDIN: A031025H001102546
Peer Review Certificate No. 1126/2021

Annexure - B

SECRETARIAL COMPLIANCE REPORT OF TALBROS ENGINEERING LIMITED FOR THE YEAR ENDED ON 31ST MARCH, 2026

I have examined:

(a) All the documents and records made available to us and explanation provided by Talbros Engineering Limited (CIN: L74210HR1986PLC033018) ("the listed entity"),

(b) The filings/submissions made by the listed entity to the stock exchange,

(c) Website of the listed entity,

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

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

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

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

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

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

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable during the year.**

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

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the year.**

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the year.**

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the year.**

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the year.**

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

(i) Circulars/ guidelines issued under the above stated regulations, to extent applicable to the listed entity.

I hereby report that, during the Review Period the compliance status of the listed entity is appended as below:

Sl. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations / Remarks by PCS
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI), as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	Yes	NA
2.	**Adoption and timely updation of the Policies** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/guidelines issued by SEBI	Yes	None

Sl. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations / Remarks by PCS
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website • Timely dissemination of the documents/information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website	Yes	None
4.	**Disqualification of Director:** None of the Director(s) of the Company is/are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity	Yes	None
5.	**Details related to Subsidiaries of listed entities have been examined w.r.t.** (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	NA	There Company does not have any material subsidiary
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	None
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the committees at the start of every financial year/during the financial year as prescribe in SEBI Regulations.	Yes	None
8.	**Related Party Transaction:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	None
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	None
10.	**Prohibition of Insider Trading:** The Listed entity is in compliance with Regulation 3(5) and 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	None

Sl. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations / Remarks by PCS
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No actions(s) has been taken against the listed entity/its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein (**).	NA	No action has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder.
12.	**Additional Non-compliances, if any:** No additional non-compliance observed for any SEBI regulation/ circular/ guidance note etc.	Yes	NA

Compliances related to resignation of statutory Auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

Sl. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations / Remarks by PCS
1.	**Compliances with the following conditions while appointing/re-appointing an auditor**		
	i. If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/audit report for such quarter; or	NA	None
	ii. If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/audit report for such quarter as well as the next quarter; or	NA	None
	iii. If the auditor has signed the limited review/audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.	NA	None

Sl. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations / Remarks by PCS
2.	**Other conditions relating to resignation of statutory auditor**		
	i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:		
	a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information/ non-cooperation by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall received such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.	NA	None
	b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information/explanation from the Company, the auditor has informed the Audit Committee the details of information / explanation sought and not provided by the management, as applicable	NA	None
	c. The Audit Committee/Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.	NA	None
	ii. Disclaimer in case of non-receipt of information: The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI/NFRA, in case where the listed entity/its material subsidiary has not provided information as required by the auditor.	NA	None
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure-A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	None

And based on the above examination, we hereby report that, during the review period:

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

Sl. No.	Compliance Requirement (Regulations/ Circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
------------- NOT APPLICABLE -------------										

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

Sl. No.	Compliance Requirement (Regulations/ Circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
------------- NOT APPLICABLE -------------										

For **Anuj Gupta and Associates**
Company Secretaries
Sd/-
CS Anuj Gupta
Proprietor
M. No. A31025
C P No. 13025
UDIN: A031025H000324142
Peer Review Certificate No. 1126/2021

Date: May 11, 2026
Place: New Delhi

Annexure - C

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year ended March 31, 2026

1. Brief Outline of CSR Policy of the Company

"Talbros Engineering Limited" (TEL) reaffirms its commitment towards high social, ethical and environmental standards since its inception. TEL believes that an organization should make all decisions considering the social and environmental consequences. As an integral part of our commitment to good corporate citizenship, the Company believes in actively assisting in improvement of the quality of life of people in communities, giving preference to local areas around our business operations.

The Schedule VII of the Act lays down the framework and modalities of carrying out CSR activities. Therefore, the Company has formulated and from time to time revised its CSR Policy for the welfare and sustainable development of the society, while meeting the interest of the shareholders. The Corporate Social Responsibility (CSR) Committee identifies the areas for allocating expenditures in line with the budget allocated.

Our Company TEL has also established a Talbros Charitable Trust in early 80's so as to ensure help to the needy and poor people. Every year the trust donates generously to the needy people.

Objective

The CSR Policy covers both existing and proposed activities to be undertaken by TEL within the meaning of section 135 of the Act read with schedule VII and rules made thereunder including any amendments/modifications/ additions thereof. The major sectors where TEL expands its hands under CSR are as follows:

a) Education - Contribution to the Non-profit organisations engaged in providing education, including special education and employment enhancing vocation skills, especially amongst children, women, elderly, and differently abled and livelihood enhancement projects.

b) Healthcare - Improving health care with the help of modern medical equipment and establishment of modern health care facilities in villages. Contributing to the non-profit organisations indulged in rendering of free services including lab testing, dispensary, sanitation and emergency services.

c) Eradicating Hunger and Poverty - Distribution of food and clothes to the needed people to eradicate hunger and poverty.

d) Animal Welfare - Contribution to the Non-Profit Organisations engaged in animal welfare.

The Company is committed to discharging its social responsibility as a good corporate citizen and to facilitate good education and medical facilities to the required citizens in society.

2. Composition of CSR Committee

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. Vijay Kumar Sharma	Executive Director (Chairperson of Committee)	2	2
2.	Mr. Kuldeep Singh Bhalla (upto March 31, 2026)	Independent Director (Member of Committee)	2	2
3.	Mrs. Seema Sethi	Independent Director (Member of Committee)	2	2

3. Web links where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company

Composition: https://talbrosaxles.com/board-of-directors/

CSR Policy: https://talbrosaxles.com/pdf/csr-policy.pdf

CSR Projects: https://talbrosaxles.com/about-us/#sustainability

4. Details of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014:

The provisions of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable on the Company.

5. (a) Average net profit of the Company as per Section 135(5): Rs. 2949.63 Lakhs

(b) Two percent of average net profit of the Company as per section 135(5): Rs. 58.99 Lakhs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(d) Amount required to be set off for the financial year, if any: Rs. 0.47 Lakhs

(e) Total CSR obligation for the financial year [(5b) + (5c) – (5d)]: Rs. 58.52 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 55.70 Lakhs

(b) Amount spent in Administrative Overheads: Rs. 2.93 Lakhs

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year (a+b+c): Rs. 58.63 Lakhs

(e) CSR Amount spent or unspent for the financial year:

Total Amount spent for the Financial Year (In Rs. Lakhs)	Amount Unspent (In Rs.)				
	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
58.63	NIL	NA	NA	NIL	NA

(f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (Rs. in lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5) of the Act.	58.99
(ii)	Amount required to be set off for the financial year	0.47
(iii)	Total amount spent for the Financial Year	58.63
	Excess amount spent for the Financial Year[(iii)-{(i)-(ii)}]	0.10
(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 year [(iii) - (iv)].	0.10

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (In Rs.)	Amount spent in the reporting Financial Year (In Rs. Lakhs)	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.)
				Name of the fund	Amount (In Rs.)	Date of Transfer	
1	2024-25	NIL	NIL	NA	NIL	NA	NIL
2	2023-24	NIL	NIL	NA	NIL	NA	NIL
3	2022-23	NIL	NIL	NA	NIL	NA	NIL

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: Not Applicable

Furnish the details relating to such asset (s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

(a)	Short particulars of the property or asset(s) [including complete address and location of the property]\	Not Applicable
(b)	Pincode of the property or asset(s)	
(c)	Date of creation or acquisition of the capital asset(s).	
(d)	Amount of CSR spent for creation or acquisition of capital asset.	
(e)	Details of the entity/Authority/beneficiary of the registered owner including their CSR Registration No., if applicable, Name and Registered address etc.	

9. **Specify the reason(s) if the Company has failed to spend two percent of the average net profit as per Section 135(5):**

Not applicable. The Company has spent and utilised the entire CSR fund during the financial year under review.

For and on behalf of the Board

Sd/-
Vijay Kumar Sharma
Executive Director and Chairman of CSR Committee
DIN: 06394784
R/o H. No. 309, Sector 3,
Faridabad, Haryana

Sd/-
Ankush Jindal
Executive Director
DIN: 03634690
R/o H. No. 37, Sector 55
Faridabad, Haryana

Place: Faridabad
Date: August 13, 2026

Annexure - D

CONVERSATION OF ENERGY, TECHNOLOGY, ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

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

(A) Conservation of Energy:

Talbros Engineering Limited (TEL) remains committed to responsible and sustainable growth by integrating energy efficiency, resource conservation, and environmental stewardship into its business strategy and operations. The Company continues to implement initiatives that optimize energy consumption, conserve natural resources, improve operational efficiency, and reduce its environmental footprint.

The Company continues to strengthen its transition towards cleaner and more efficient operations through focused energy initiatives. During the year:

- Long-Term Open Access Power Purchase Agreements (PPAs) were executed for procurement of renewable solar power in Haryana. Upon commissioning of the solar plants, nearly 20% of the Company's total electricity requirement will be met through renewable energy.
- Approximately 1 MW of rooftop solar capacity was operationalized & effectively maintained during the course of the year 2025-26.
- Robust systems were implemented to monitor and analyse the performance of major energy-consuming equipment, enabling continuous improvement in specific energy consumption.
- Total Electrical connected load was optimized by rationalizing independent feeders and adopting common billing, resulting in lower fixed electricity charges.
- Clear roofing sheets were installed across shop floors to maximize natural daylight and reduce daytime lighting demand.
- New and upgraded PNG-based manufacturing equipment was commissioned at the new plant, promoting cleaner fuel usage.
- Energy efficiency has been adopted as a key criterion in the selection of all new electrical switchgear and transformers.
- An optimum power factor was consistently maintained across all plants to maximize benefits under the kVAh billing mechanism.
- During the year, diesel-operated forklifts were progressively replaced with battery-operated forklifts, while recyclable packaging materials were adopted in place of conventional wooden packaging, supporting responsible resource utilization and reducing environmental impact.

(B) Technology absorption:

- Advanced Eddy current sorting machine has been installed for inspection of surface hardening, core hardness and case depth.
- Imported Computer Numerical Control (CNC) and Lathe to automate manufacturing process and maintain high quality production.
- 2.5m long shaft hardening machine with phase has been installed to improve surface hardness, enable controlled induction hardening of critical shaft components.
- Vertical Press forging machine has been installed for more efficient and effective production.
- Advanced testing machine has been installed which helps in improving the quality of the product.

(C) Foreign Exchange Earning and Outgo:

Sl. No.	Particulars	Amount (In Rs. Lakhs)
	Expenditure	
1	Commission on Export Sales	3.00
2	Foreign Travelling	13.22
3	Component RAS	411.03
4	Fixed Assets	1,192.77
5	Repair & Maintenance (Plant & Machinery)	13.76
	Total	**1,633.78**
	Earnings	
1	Value of Exports on FOB Basis	14,099.37
	Total	**14,099.37**

Annexure - E

FORM NO. MGT-9

EXTRACTS OF ANNUAL RETURN

As on the financial year ended on 31st March, 2026

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN: L74210HR1986PLC033018

ii) Registration Date: 09/10/1986

iii) Name of the Company: **TALBROS ENGINEERING LIMITED**

iv) Category / Sub-Category of the Company: Company Limited by Shares

v) Address of the Registered Office and contact details:

Plot No. 74-75-76, Sector 6, Faridabad, Haryana - 121 006
Ph.: 0129-4284300, Fax: 0129-4061541

vi) Whether listed Company: Yes

vii) Name, Address and Contact details of Registrar and Transfer Agent:

Beetal Financial & Computer Services Private Limited

Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Das Mandir, New Delhi - 110062, Ph.: 011-29961281, 29961282

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Manufacturing of Axle Shafts	29301	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	N.A.	N.A.	N.A.	N.A.	N.A.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) INDIAN									
a) Individual / HUF	36,84,860	Nil	36,84,860	72.59	36,84,861	Nil	36,84,861	72.59	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any Other...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	**36,84,860**	**Nil**	**36,84,860**	**72.59**	**36,84,861**	**Nil**	**36,84,861**	**72.59**	**Nil**
(2) FOREIGN									
a) NRIs – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other– Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Total Shareholding of Promoter (A)=(A)(1) + (A)(2)	**36,84,860**	**Nil**	**36,84,860**	**72.59**	**36,84,861**	**Nil**	**36,84,861**	**72.59**	**Nil**
B. PUBLIC SHAREHOLDING									
(1) INSTITUTIONS									
a) Mutual Funds	586	Nil	586	0.01	586	Nil	586	0.01	Nil
b) Banks / FI	Nil	720	720	0.01	Nil	220	220	0.00	(0.01)
c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	10	Nil	10	0.00	10	Nil	10	0.00	Nil
g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil\

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
Sub-total (B)(1):-	**596**	**720**	**1,316**	**0.02**	**596**	**220**	**816**	**0.01**	**(0.01)**
(2) NON-INSTITUTIONS									
a) Bodies Corp.									
i) Indian	34,764	2,174	36,938	0.73	35,856	2,087	37,943	0.75	0.02
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	5,97,171	56,934	6,54,105	12.86	6,05,210	48,337	6,53,547	12.87	0.01
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	94,579	Nil	94,579	1.86	94,579	Nil	94,579	1.86	Nil
c) Others:									
(i) Trusts	278	Nil	278	0.01	278	Nil	278	0.01	Nil
(ii) NRI	4,70,108	585	4,70,693	9.27	4,68,680	585	4,69,265	9.24	(0.03)
(iii) HUF	43,508	Nil	43,508	0.86	39,953	Nil	39,953	0.79	(0.07)
(iv) Clearing Member	24	Nil	24	0.00	14	Nil	14	0.00	Nil
(v) IEPF Authority	89,853	Nil	89,853	1.77	95,175	Nil	95,175	1.87	0.10
(vi) Suspense Escrow A/c	350	Nil	350	0.01	73	Nil	73	0.00	(0.01)
Sub-total (B)(2):-	**13,30,635**	**59,693**	**13,90,328**	**27.39**	**13,39,818**	**51,009**	**13,90,827**	**27.40**	**Nil**
Total Public Shareholding (B)=(B)(1) + (B)(2)	**13,31,231**	**60,413**	**13,91,644**	**27.41**	**13,40,414**	**51,229**	**13,91,643**	**27.41**	**Nil**
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	**50,16,091**	**60,413**	**50,76,504**	**100.00**	**50,25,275**	**51,229**	**50,76,504**	**100.00**	**Nil**

(ii) Shareholding of Promoters and Promoter Group

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Mr. Kartik Talwar	3,30,558	6.51	Nil	3,30,558	6.51	Nil	Nil
2	Mr. Karan Talwar	3,94,845	7.78	Nil	3,94,846	7.78	Nil	Nil
3	Rakesh Talwar (HUF)	2,414	0.05	Nil	2,414	0.05	Nil	Nil
4	Mrs. Naini Talwar	2,84,411	5.60	Nil	2,84,411	5.60	Nil	Nil
5	Mr. Rakesh Talwar	2,71,252	5.34	Nil	2,71,252	5.34	Nil	Nil
6	Mrs. Gita Talwar	10,11,754	19.93	Nil	10,11,754	19.93	Nil	Nil
7	Mr. Rajesh Talwar	10,10,498	19.91	Nil	10,10,498	19.91	Nil	Nil
8	Mrs. Shweta Talwar	3,79,128	7.47	Nil	3,79,128	7.47	Nil	Nil
	Total	**36,84,860**	**72.59**	**Nil**	**36,84,861**	**72.59**	**Nil**	**Nil**

(iii) Change in Promoters' Shareholding

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1	Mrs. Gita Talwar	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	10,11,754	19.93	10,11,754	19.93
	- Change during the year	Nil	Nil	10,11,754	19.93
	At the end of the year	**10,11,754**	**19.93**	**10,11,754**	**19.93**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
2	Mr. Rajesh Talwar	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	10,10,498	19.91	10,10,498	19.91
	- Change during the year	Nil	Nil	10,10,498	19.91
	At the end of the year	**10,10,498**	**19.91**	**10,10,498**	**19.91**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
3	Mr. Karan Talwar	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	3,94,845	7.78	3,94,845	7.78
	- Change during the year	1	0.00	3,94,846	7.78
	At the end of the year	**3,94,846**	**7.78**	**3,94,846**	**7.78**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
4	Mrs. Shweta Talwar	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	3,79,128	7.47	3,79,128	7.47
	- Change during the year	Nil	Nil	3,79,128	7.47
	At the end of the year	**3,79,128**	**7.47**	**3,79,128**	**7.47**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
5	Mr. Kartik Talwar	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	3,30,558	6.51	3,30,558	6.51
	- Change during the year	Nil	Nil	3,30,558	6.51
	At the end of the year	**3,30,558**	**6.51**	**3,30,558**	**6.51**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
6	Mrs. Naini Talwar	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	2,84,411	5.60	2,84,411	5.60
	- Change during the year	Nil	Nil	2,84,411	5.60
	At the end of the year	**2,84,411**	**5.60**	**2,84,411**	**5.60**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
7	Mr. Rakesh Talwar	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	2,71,252	5.34	2,71,252	5.34
	- Change during the year	Nil	Nil	2,71,252	5.34
	At the end of the year	**2,71,252**	**5.34**	**2,71,252**	**5.34**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
8	Rakesh Talwar (HUF)	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	2,414	0.05	2,414	0.05
	- Change during the year	Nil	Nil	2,414	0.05
	At the end of the year	**2,414**	**0.05**	**2,414**	**0.05**

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr. Sartaj Kumar Sahni	4,51,004	8.88	4,48,872	8.84
2	Investor Education and Protection Fund	89,853	1.77	95,175	1.87
3	Lincoln P Coelho	40,000	0.78	40,000	0.78
4	Mahendra Girdharilal	32,100	0.63	32,100	0.63
5	Sushil Soni	22,479	0.44	22,479	0.44
6	GAMCO Limited	0	0.00	11340	0.22
7	Thakkar Brinda Vipul	5,625	0.11	11250	0.22
8	Ramesh Singh C	11,222	0.22	11,222	0.22
9	Kavita Gogia	9,728	0.19	9,728	0.19
10	Karan Suresh Majithia	7,509	0.15	7,524	0.15

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr. Vijay Kumar Sharma – Executive Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
2	Mr. Ankush Jindal – Executive Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
3	Mrs. Seema Sethi - Director				
	At the beginning of the year	2	0.00	2	0.00
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	2	0.00
	At the end of the year	2	0.00	2	0.00

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
4	Mrs. Shashi Khurana – Director				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
5	Mr. Kuldeep Singh Bhalla – Director				
	At the beginning of the year	100	0.001	100	0.001
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	100	0.001
	At the end of the year	100	0.001	100	0.001
6	Mr. Sarabjeet Singh–Director				
	At the beginning of the year	130	0.002	130	0.002
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	130	Nil
	At the end of the year	130	0.002	130	0.002
7	Mr. Manoj Kumar Chauhan– CFO				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
8	Mr. Divam Mittal – Company Secretary*				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
9	Mrs. Kajal Gupta– Company Secretary*				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

**Mr. Divam Mittal has tendered his resignation from the office of Company Secretary (CS) w.e.f. 30th June, 2025 and Mrs. Kajal Gupta has been appointed as Company Secretary (CS) w.e.f. 01st September, 2025.*

V. INDEBTEDNESS (Rs. In Lakhs)

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	10,775	2,434	Nil	13,209
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	9	Nil	Nil	9
Total (i+ii+iii)	**10,784**	**2,434**	**Nil**	**13,218**
Change in Indebtedness during the financial year				
• Addition	1,775	Nil	Nil	1,775
• Reduction	Nil	200	Nil	(200)
Net Change	**1,775**	**200**	**Nil**	**1,575**
Indebtedness at the end of the financial year				
i) Principal Amount	12,545	2,234	Nil	14,779
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	14	Nil	Nil	14
Total (i+ii+iii)	**12,559**	**2,234**	**Nil**	**14,793**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Ankush Jindal - ED	**Mr. Vijay Kumar Sharma - ED**	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14.30	15.84	30.14
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - As % of profit - Others, specify	 Nil Nil	 Nil Nil	 Nil Nil
5.	Others: (i) Medical Reimbursement	Nil	Nil	Nil

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
	Total (A)	**14.30**	**15.84**	**30.14**
	Ceiling as per the Act (being 10% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013).			**389.35 Lakhs**

B. Remuneration to other directors: (Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mrs. Seema Sethi	**Mrs. Shashi Khurana**	**Mr. Kuldeep Singh Bhalla**	**Mr. Sarabjeet Singh**	
1.	Independent Directors					
	• Fees for attending board/ committee meetings	15,000	15,000	15,000	15,000	60,000
	• Commission	Nil	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	**15,000**	**15,000**	**15,000**	**15,000**	**60,000**
2.	Other Non-Executive Directors					
	• Fees for attending board/ committee meetings	Nil	Nil	Nil	Nil	Nil
	• Commission	Nil	Nil	Nil	Nil	Nil
	• Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
	Total (B) = (1+2)	**15,000**	**15,000**	**15,000**	**15,000**	**60,000**
	Total Managerial Remuneration					**60,000**
	Overall Ceiling as per the Act (being 1% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013).					**38.94 Lakhs**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: (Amount in Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Company Secretary*	**CFO**	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.87	5.33	11.20
	(b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- As % of profit	Nil	Nil	Nil
	- Others, specify	Nil	Nil	Nil
5.	Others:	Nil	Nil	Nil
	(i) Medical Reimbursement			
	Total	**5.87**	**5.33**	**11.20**

**Salary of Company Secretary includes Salary of Mr. Divam Mittal upto 30th June, 2025 and for Mrs. Kajal Gupta, from 01st September, 2025.*

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			**NIL**		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			**NIL**		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			**NIL**		
Compounding					

For and on behalf of the Board

Sd/-
Vijay Kumar Sharma
Executive Director
DIN: 06394784
R/o H. No. 309, Sector 3,
Faridabad, Haryana

Sd/-
Ankush Jindal
Executive Director
DIN: 03634690
R/o H. No. 37, Sector 55
Faridabad, Haryana

Place: Faridabad
Date: August 13, 2026

CORPORATE GOVERNANCE REPORT

(for the Financial Year ended March 31, 2026)

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is about commitment to values and ethical business conduct. It is an insight into the management of affairs of the Company. It is the system of rules, practices and processes by which a Company is directed and controlled. It involves balancing the interests of Company's stakeholders such as shareholders, senior management, customers, suppliers, government and the community.

At Talbros Engineering Limited ("TEL") it is believed that sound corporate practices-rooted in transparency, accountability, and unwavering integrity-are essential for the long-term enhancement of shareholder and stakeholder value. Our governance framework seeks to balance shareholders' interests with corporate goals, ensuring efficient business conduct and fulfilling our stakeholder obligations.

The Company's Governance comprises of a twofold layer, the Board of Directors and its committees at apex level and the management of the company at an operational level. This brings about a homogenous blend in governance as the Board lays down the overall corporate objectives and provides direction and independence to the management to achieve these objectives within a given framework. Our board and its committees convene quarterly meetings, perform thorough disclosures, the timely and accurate information regarding the financial situation, performance, ownership and governance of the Company, manage risks proactively, and ensure fairness at every level—not just because regulations require it, but because empathy, ethics, and common purpose compel us. We ensure fair treatment for all investors, maintain vigilant oversight, and continuously enhance our compliance. Your Company is following transparent and fair practices of good Corporate Governance and has fulfilled all the existing guidelines and has complied with all the applicable Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or re-enactment thereof.

2. BOARD OF DIRECTORS:

(a) Composition, Category of Directors and their directorship as on March 31, 2026

The Board of the Company represents an optimum mix of professionalism, knowledge and experience, which enables it to discharge its responsibilities and provide effective leadership to fulfil its long-term vision and ensure the highest governance standards. As on March 31, 2026, the Board of Directors of the Company comprised of Two Executive Directors and Four Non-Executive Independent Directors. The composition of the Board, as on March 31, 2026, is in conformity with the provisions of the Companies Act, 2013 ('the Act') and Regulation 17 of the Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations)

The members of the Board elects Chairman at the respective meeting. The Executive Director is authorized for conducting the general business of the Company. The Board of the Directors meets at regular intervals and take the decisions as and when required for smooth running of the operations of the Company. Separate meetings of independent directors are also being conducted at regular intervals to evaluate the performance of executive directors.

Sl. No.	Name of the Directors	Category	No. of Directorships held in other Companies (Public & Pvt. Ltd. Companies)	No. of memberships held in Committees of other Companies	No. of Equity Shares Held in the Company
1	Mr. Vijay Kumar Sharma (DIN: 06394784)	Director (Executive)	Nil	Nil	Nil
2	Mr. Ankush Jindal (DIN: 03634690)	Director (Executive)	1	Nil	Nil
3	Mrs. Seema Sethi (DIN: 07133329)	Director (Non-Executive and Independent)	Nil	Nil	2
4	Mr. Kuldeep Singh Bhalla* (DIN: 07504884)	Director (Non-Executive and Independent)	1	Nil	100
5	Mr. Sarabjeet Singh (DIN: 08601346)	Director (Non-Executive and Independent)	Nil	Nil	130
6	Mrs. Shashi Khurana (09613592)	Director (Non-Executive and Independent)	Nil	Nil	Nil

** Term of Mr. Kuldeep Singh Bhalla has been ceased as a Non-Executive Independent Director of the Company w.e.f. March 31, 2026 and Mr. Sumit Kumar Sachdeva (DIN: 08774114) has been appointed as the Non-Executive Independent Director of the company w.e.f. April 01, 2026.*

(b) Attendance of Directors in Board Meetings and Last AGM

Sl. No.	Name of the Directors	Board Meetings held during the year and attendance of Directors				Attendance in Last AGM (30.09.2025
		20.05.2025	07.08.2025	06.11.2025	06.02.2026	
1	Mr. Vijay Kumar Sharma	Yes	Yes	Yes	Yes	Yes
2	Mr. Ankush Jindal	Yes	Yes	Yes	Yes	Yes
3	Mrs. Seema Sethi	Yes	Yes	Yes	Yes	Yes
4	Mr. Kuldeep Singh Bhalla	Yes	Yes	Yes	Yes	Yes
5	Mr. Sarabjeet Singh	Yes	Yes	Yes	Yes	Yes
6	Mrs. Shashi Khurana	Yes	Yes	Yes	Yes	Yes

The notice and agenda of each Board Meeting are circulated to all the directors before the prescribed dates of meeting through the permissible modes. All major agenda items are backed by comprehensive background information to enable the board to take informed decisions.

The details of Directors seeking appointment and re-appointment at the ensuing Annual General Meeting have been furnished in the Notice convening the Meeting of the shareholders.

The Company did not have any pecuniary relationship of transactions with its Non-Executive and / or independent Directors of the Company during the year under review.

No Director of the Company is related to any other Director of the Company.

Disclosure of relationships between Directors inter-se

All the Directors including Whole time Directors and Independent Directors of the Company act in their individual capacities and do not have any inter-se relationship among them. The Board periodically reviews the compliance report of all applicable laws to the Company.

Shareholding of Non-Executive Directors

Number of Equity Shares held by non-executive directors as on March 31, 2026 is give below:

Sl. No.	Name of the Directors	No. of shares held
1	Mr. Kuldeep Singh Bhalla	100
2	Mr. Sarabjeet Singh	130
3	Mrs. Seema Sethi	2

Code of Conduct for Directors and Senior Management (Designated Persons)

The Company has adopted a Code of Conduct for Designated Persons of the Company which helps in maintaining the standard of business conduct for the Company and ensures compliance with legal requirements, deter wrong doing and promoting ethical conduct. The code is applicable to all the members of the Board of Directors, principal executive officers, principal financial officers, principal accounting officers and all professionals involved.

All Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct for the Financial Year 2025-26. A declaration signed by the Executive Director stating that members of board of directors and senior management personnel have affirmed compliance with Code of Conduct of the Board of Directors and Senior Management has been obtained and annexed with this report.

Certificate from Practicing Company Secretary

M/s. Anuj Gupta and Associates, Practicing Company Secretaries has issued a certificate as required under Listing Regulations, confirming that none of the Directors on the Board have been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this report.

Vigil Mechanism / Whistle Blower Policy

Pursuant to Section 177(9) of the Act and Listing Regulations, company has established a vigil mechanism for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct. The vigil mechanism provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in appropriate or exceptional cases) including multiple channels for reporting concerns including an option for escalation to the Chairperson of the Audit Committee of the Company. The Company has a vigil mechanism named Vigil Mechanism / Whistle Blower Policy to deal with instances of fraud, abuse of position, mismanagement, etc. The Audit Committee periodically review the existence and functioning of the mechanism and no personnel has been denied access to the Audit committee. However, no such instance was reported during the year under review. The policy has also been displayed on the website of the Company www.talbrosaxles.com.

Independent Directors

Independent Directors are non-executive Directors as defined under section 149(6) of the Companies Act, 2013 (the Act) and Regulation 16(1)(b) of SEBI (LODR) Regulations. The maximum tenure of the Independent Directors is in compliance with the Act.

Your Company has appointed Independent Directors who are having expertise / experience in their respective field / profession. None of the Independent Directors are promoters or related to promoters of the Company. They do not have any pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

Every independent Director, at the first meeting of the Board in which he/she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as required under section 149 of the Companies Act, 2013. The Company had issued a formal letter of appointment to all the independent Directors.

All Independent Directors maintain their limits of directorships as required under Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Independent Directors have registered themselves in the databank of Indian Institute of Corporate Affairs as required under Companies Act, 2013.

The Following is the list of core skills/expertise/ competencies identified by the Board of Directors as required in context of its business to function effectively:

Knowledge of Company's Affairs and Automobile Industry	Knowledge of the company's affairs business, policies, missions, vision, goals, strategic plans, risks, threats, opportunities and knowledge of the industry in which company operates.
Financial Expertise	Financial literacy and skills, legal and governance
Leadership/ Entrepreneur	Strategic planning, thinking and decision making, risk and compliance oversight, mentoring abilities.
Technical/ Professional Skills	Technical/Professional skills and specialized Knowledge to assist the ongoing aspects of the business.
Board Services and Governance	Service on board of other public companies, posses insights on maintaining board and management accountability, attributes and competencies to use their knowledge and skills to interact with shareholders and observing appropriate governance practices.
Sales and Marketing	Experience in developing strategies to grow Sales and market share.
Integrity and ethical standard	Maintain code of conduct and ethical standards for conduct of business.

The core skills / expertise / competencies identified are available with the Board.

Determining Qualifications, attributes and independence of a Director, Evaluation of Individual Directors, the Board and its Committees and Board Diversity

The Company has adopted the guidelines on Board effectiveness which inter-alia covered Board effectiveness review, the Composition and role of the Board and nominations, appointment, induction and development of Directors.

Determining qualification, attributes and independence of a Director:

(i) A Director will be considered as an Independent Director, if he/she meets the criteria for Independent Director as laid down in the Companies Act, 2013 and SEBI (LODR) Regulations.

(ii) Independent Directors should be well versed with their respective functions in order to contribute to the Board.

(iii) Independent Directors are expected to be abide by the 'Code for Independent Directors' as outlined in the Act.

Evaluation of Individual Directors, the Board and its Committees

Pursuant to the provisions of the Companies Act, 2013, SEBI (LODR) Regulations and Guidance Note on Board evaluation issued by SEBI, the Board has carried out the performance evaluation for the financial year 2025-26 of its own performance, the Directors individually as well as the evaluation of the working of Committees namely:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee; and
4. Corporate Social Responsibility Committee

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

Role & Accountability

- Understanding the nature and role of independent directors' position
- Undertaking the risks associated with the business
- Application of knowledge for rendering advice to management for resolution of business issues
- Offer constructive challenge to management strategies and proposals
- Active engagement with the management and attentiveness to progress of decisions taken

Objectivity

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views

Leadership and Initiative

- Heading Board Sub-committees
- Driving any function or identified initiative based on domain knowledge and experience

Personal Attributes

- Commitment to role & fiduciary responsibilities as a Board member
- Attendance and active participation
- Proactive, strategic and lateral thinking.

Professional Qualification, Knowledge and Competency, fulfilment of functions, Commitment, contribution, integrity and Independence.

Evaluation of Board:

The areas for evaluation as per the guidance note issued on Board evaluation includes:

(i) Structure of the Board;
(ii) Meetings of the Board;
(iii) Functions of the Board;
(iv) Board and Management; and
(v) Professional Development

The broad criteria followed for evaluation of performance of Board and its committees includes:

(i) Mandate and composition;
(ii) Effectiveness of the Committee;
(iii) Structure of the Committee and meetings;
(iv) Roles and Responsibility/terms of reference;
(v) Independence of the Committee from the Board;
(vi) Contribution to decisions of the Board;

(vii) Meeting and Administration;

(viii) Chairperson;

(ix) Attendance and Contribution at meetings; and

(x) Compliance of applicable laws

Board Diversity:

The Board ensures that a transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is ensured that the Board has an appropriate blend of functional and industry expertise.

3. DETAILS OF COMMITTEES OF BOARD OF DIRECTORS:

(A) AUDIT COMMITTEE:

Your Company has duly constituted Audit Committee, and its composition meets the requirements of section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

(a) Composition of Audit Committee, Meetings held during the year and Attendance of Members:

The Audit Committee consists of three Independent Directors Mr. Kuldeep Singh Bhalla, Mr. Sarabjeet Singh and Mrs. Seema Sethi as on 31st March, 2026. Mr. Kuldeep Singh Bhalla has been designated as Chairman of the Committee. The Committee met 4 (Four) times during the year ended 31st March, 2026 and the requisite quorum was present for all the below mentioned meetings. The attendance record of the members at the meeting were as follows:

Sl. No.	Name of Member	Designation in Committee	Meetings held during the year and attendance of Members			
			20.05.2025	07.08.2025	06.11.2025	06.02.2026
1	Mr. Kuldeep Singh Bhalla*	Chairman	Yes	Yes	Yes	Yes
2	Mr. Sarabjeet Singh	Member	Yes	Yes	Yes	Yes
3	Mrs. Seema Sethi	Member	Yes	Yes	Yes	Yes

**Term of Mr. Kuldeep Singh Bhalla has been ceased w.e.f. March 31, 2026 and Mr. Sumit Kumar Sachdeva has been appointed as the Non-Executive Independent Director of the company w.e.f. April 01, 2026 and designated as the Chairman of the Audit Committee.*

All the members of the Committee are financially literate and the Chairman has accounting or related financial management expertise.

The Audit Committee meetings are attended by the Chief Operating Officer, Chief Financial Officer, Representatives of Statutory Auditors and Internal Auditors of the Company. The Company Secretary of the Company acts as Secretary of the Audit Committee. The Chairman of the Audit Committee had marked his presence at the last Annual General Meeting held on September 30, 2025.

There have been no instances during the year when recommendations of the Audit Committee were not accepted by the Board.

(b) Terms of Reference:

The brief terms of reference of Audit Committee are as follows:

(i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(iii) Approval of payment to statutory auditors for any other services rendered by statutory auditors;

(iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particulars reference to:

a. Matters required to be included in the Director's Responsibility Statement in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of Companies Act, 2013.

b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgement by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Qualifications / Modified opinions(s) in the draft audit report

(v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

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

(vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

(viii) Approval of any subsequent modification of transactions of the company with related parties;

(ix) Scrutiny of inter-corporate loans and investments;

(x) Valuation of undertakings or assets of the company, wherever it is necessary;

(xi) Evaluation of internal financial controls and risk management systems;

(xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xiii) Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xiv) Discussion with internal auditors of any significant findings and follow up there on;

(xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xviii) To review the functioning of the Whistle Blower mechanism;

(xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(xxi) Reviewing the utilization of loans and/or advances availed from Bank(s), promoters and NBFC(s).

The Audit Committee shall mandatorily review the following information:

(i) Management Discussion and Analysis of financial condition and results of operations;

(ii) Statement of Significant related party transactions (as defined by the Audit Committee), submitted by management;

(iii) Management Letters / letters of internal control weaknesses issued by the Statutory Auditors;

(iv) Internal Audit Reports issued by Internal Auditors;

(v) The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;

(vi) Statement of Deviations:

(a) Quarterly statement of deviation(s), if any including report of monitoring agency, if applicable submitted to stock exchange in terms of Regulation 32(1) of SEBI (LODR) Regulations.

(b) Annual Statements of fund utilized for purposes other than those stated in the offer document/ prospectus/notice, if applicable in terms of Regulation 32(7) of SEBI (LODR) Regulations.

(vii) Compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time at least once in a financial year effective from 01st April, 2019 and shall verify that the systems of internal control are adequate and are operating effectively.

(B) NOMINATION AND REMUNERATION COMMITTEE:

Your Company has duly constituted Nomination and Remuneration Committee, and its composition meets the requirements of section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

(a) Composition of Nomination and Remuneration Committee, Meetings held during the year and Attendance of Members:

The Nomination and Remuneration Committee consists of three Independent Directors Mr. Kuldeep Singh Bhalla, Mr. Sarabjeet Singh and Mrs. Seema Sethi as on 31st March, 2026. Mr. Kuldeep Singh Bhalla has been designated as Chairman of the Committee. The Committee met 2 (Two) times during the year ended 31st March, 2026 and the requisite quorum were present at all meetings. The attendance record of the members at the meeting were as follows:

Sl. No.	Name of Member	Designation in Committee	Meetings held during the year and attendance of Members	
			20.05.2025	07.08.2025
1	Mr. Kuldeep Singh Bhalla*	Chairman	Yes	Yes
2	Mr. Sarabjeet Singh	Member	Yes	Yes
3	Mrs. Seema Sethi	Member	Yes	Yes

**Term of Mr. Kuldeep Singh Bhalla has been ceased w.e.f. March 31, 2026 and Mr. Sumit Kumar Sachdeva has been appointed as the Non-Executive Independent Director of the company w.e.f. April 01, 2026 and designated as the Chairman of the Nomination and Remuneration Committee.*

The Company Secretary of the Company acts as Secretary of the Nomination and Remuneration Committee. The Chairman of the Nomination and Remuneration Committee had marked his presence at the last Annual General Meeting held on September 30, 2025.

(b) Terms of Reference:

The terms of reference of Nomination and Remuneration Committee are as follows:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

(ii) Recommend to the Board the setup and composition of the Board and its committees.

(iii) Periodically reviewing the composition of the Board with an objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.

(iv) Formulation of criteria for evaluation of independent Directors and the Board;

(v) Devising a policy on Board diversity;

(vi) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

(vii) Recommend to the Board regarding appointment of Key Managerial Personnel (KMP) and executive team members of the Company.

(viii) Support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual Directors.

(ix) Oversee the performance review process of the KMP and executive team of the Company.

(x) Recommend to the Board the remuneration policy for Directors/ Senior Management/executive team/ KMP.

(xi) Recommend to the Board all remuneration in whatever form payable to the Directors, KMP and Senior Management of the Company.

(xii) To look after the term of appointments of Independent Directors and their re-appointments thereof.

(xiii) Oversee familiarization programmes for Directors.

(xiv) Performing such other duties and responsibilities as may be consistent with the provisions of the Act and Listing Regulations.

(c) Remuneration Policy:

The Nomination and Remuneration Committee has formulated a policy which deals with the manner of selection of Board of Directors including Executive Directors, Non-Executive Directors, Independent Directors, KMPs and payment of their remuneration. The criteria of selection and remuneration to be paid are as follows:

Non-Executive and Independent Director

The Non-Executive Directors shall be selected and appointed on the basis of high integrity with relevant expertise and knowledge so as to govern the Board of Directors in the field of manufacturing, sales & marketing, finance, taxation, law, governance and general management.

The independent Directors shall be selected and appointed after considering the independence as prescribed in the provisions of section 149 of Companies Act, 2013 and rules made thereunder and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The independent director should be a person of integrity and possesses relevant expertise and experience.

The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment pursuant to the provisions of Section 164 of Companies Act, 2013.

Managing Director / Whole Time Director

In case for the appointment as a Managing Director / Whole Time Director, the Nomination and Remuneration Committee shall identify the person of integrity who possess rich expertise, experience, knowledge, qualification and leadership qualities required for the position and shall take into consideration, the recommendations, if any, received from the members of the Board. The candidate identified shall be recommended to the Board of Directors and is eligible for appointment only after the approval of members of the Company in general Meeting. The committee shall also ensure that the candidate identified shall fulfil all the conditions and criteria as envisaged in the relevant clauses and schedules of Companies Act, 2013 and rules made there under.

Remuneration to Directors

The independent Directors shall only be entitled to receive the remuneration by way of sitting fees and reimbursement of the actual expenses incurred by them for participation in Board Meetings. The said remuneration to be paid should be recommended by Nomination and Remuneration Committee and approved by the Board of Directors considering the overall ceiling limits prescribed under the Companies Act, 2013 and rules made there under. The quantum of sitting fees may be subject to review on periodic basis, as and when required.

The Managing Director / Whole Time Director shall be entitled to receive the remuneration as mutually agreed between the members of the Board of Directors and Managing Director/ Whole time Director, subject to the approval of members of the Company in General Meeting. The remuneration to be paid shall be within the overall limits as prescribed under the Companies Act, 2013 and rules made there under. In case of change in remuneration beyond the limits approved by shareholders, a new approval from shareholders is required.

The remuneration of Managing Director / Whole Time Director comprises of salary, allowances, perquisites, amenities and retirement benefits as decided by the Nomination and Remuneration Committee and approval of Board of Directors from time to time.

(d) Details of Remuneration paid during the year 31st March, 2026:

Sl. No.	Name of the Director	Designation	Remuneration Paid (Amount in Rs. Lakhs)
1	Mr. Vijay Kumar Sharma	Executive Director	15.84
2	Mr. Ankush Jindal	Executive Director	14.30

The Company has paid sitting fees of Rs. 15,000/- each to Mrs. Seema Sethi, Mrs. Shashi Khurana, Mr. Kuldeep Singh Bhalla and Mr. Sarabjeet Singh, Independent Directors of the company, for all the meetings attended during the year.

None of the independent Directors of the Company is in receipt of any kind of remuneration / commission other than sitting fees as mentioned above. None of the Directors along with their relatives holds more than 2 percent shares of the Company.

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

Your Company has duly constituted Stakeholders Relationship Committee, and its composition meets the requirements of section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

(a) Composition of Stakeholders Relationship Committee, Meetings held during the year and Attendance of Members:

The Stakeholders Relationship Committee consists of three Directors (including one Executive Director and two Non-Executive Independent Director) Mr. Kuldeep Singh Bhalla, Mr. Sarabjeet Singh and Mr. Vijay Kumar Sharma as on 31st March, 2026. The Committee met 4 (Four) times during the year ended 31st March, 2026 and the requisite quorum were present at all meetings. The attendance record of the members at the meeting were as follows:

Sl. No.	Name of Member	Designation in Committee	Meetings held during the year and attendance of Members			
			20.05.2025	07.08.2025	06.11.2025	06.02.2026
1	Mr. Kuldeep Singh Bhalla*	Chairperson	Yes	Yes	Yes	Yes
2	Mr. Sarabjeet Singh	Member	Yes	Yes	Yes	Yes
3	Mr. Vijay Kumar Sharma	Member	Yes	Yes	Yes	Yes

**Term of Mr. Kuldeep Singh Bhalla has been ceased w.e.f. March 31, 2026 and Mr. Sumit Kumar Sachdeva has been appointed as the Non-Executive Independent Director of the company w.e.f. April 01, 2026 and designated as Chairperson of the committee.*

The committee is looking after and reviewing the actions for redressal of shareholders and investors grievances. The Committee is also responsible for transfer, transmission and rematerialization of shares as requested by the shareholders of the company from time to time.

The Company Secretary of the Company acts as the Secretary of the Committee. The Chairperson of the Stakeholder's Relationship Committee had marked his presence at the last Annual General Meeting held on September 30, 2025.

(b) Terms of Reference:

The functioning and terms of reference of the Committee as prescribed is in compliance with the Act and Regulation 20 read with Part D of Schedule II of Listing Regulations which includes:

(i) Review statutory compliance relating to all security holders.

(ii) Consider and resolve the grievances of security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report/declared dividends/ notices/balance sheet, issue of new/duplicate share certificates, general meetings etc.

(iii) Review of measures taken for effective exercise of voting rights by shareholders.

(iv) Review of adherence to the service standards adopted by the listed entity in various services being rendered by the Registrar and Share Transfer Agent.

(v) Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports/statutory notices by the shareholders of the Company.

(vi) Review movements in shareholding and ownership structures of the Company.

(c) The details of Shareholders complaints received so far, resolved and pending during the Financial Year 2025-26 are as follows:

Received	Resolved	Pending
3	3	Nil

(d) Name, designation and Address of the Nodal and Compliance Officer:

Name of Company Secretary-cum-compliance officer and Nodal Officer	Mrs. Kajal Gupta*
Address	Plot No. 74-75-76, Sector 6, Faridabad, Haryana - 121006
Email ID	cs@talbrosaxles.com
Contact No.	0129-4284300

**Mrs. Kajal Gupta, Company Secretary of the Company has been appointed as compliance officer and Nodal Officer of the Company w.e.f September 01, 2025.*

(D) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Your Company has duly constituted Corporate Social Responsibility Committee (CSR) and its composition meets the requirements as per section 135 of the Companies Act, 2013.

(a) Composition of Corporate Social Responsibility Committee, Meetings held during the year and Attendance of Members:

The Corporate Social Responsibility Committee consists of three Directors (including One Executive Director and Two Non-Executive and Independent Directors) Mr. Vijay Kumar Sharma, Mr. Kuldeep Singh Bhalla and Mrs. Seema Sethi as on 31st March, 2026. The Committee met 2 (two) times during the financial year ended 31st March, 2026 and the necessary quorum was present at all the meetings.

Sl. No.	Name of Member	Designation in Committee	Attendance of Members in Meetings held during the year	
			20.05.2025	06.02.2026
1	Mr. Vijay Kumar Sharma	Chairman	Yes	Yes
2	Mr. Kuldeep Singh Bhalla*	Member	Yes	Yes
3	Mrs. Seema Sethi	Member	Yes	Yes

**Term of Mr. Kuldeep Singh Bhalla has been ceased w.e.f. March 31, 2026 and Mr. Sumit Kumar Sachdeva has been appointed as the Non-Executive Independent Director of the company w.e.f. April 01, 2026*

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

(b) Terms of Reference:

The Committee is responsible for the following purposes:

- formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the company as specified in the Companies Act, 2013, its rules and regulations thereof for the time being in force;
- recommendation on the amount of expenditure to be incurred on the various CSR activities;
- monitoring of the CSR Policy of the company from time to time;
- to oversee activities impacting the CSR projects;
- such other acts and deeds in relation to CSR activities of the company, as it may deem fit or as may be assigned to it by the Board of Directors.

(4) INDEPENDENT DIRECTORS MEETING:

During the year ended 31st March, 2026, the Independent Directors met on 20th May, 2025 and 06th February, 2026, inter alia to review, discuss and take note of:

(i) the performance of Non-Independent Directors and the Board of Directors as a whole;

(ii) to assess the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

(iii) Familiarization Programme conducted during the Financial Year 2025-26.

There are 4 (Four) independent Directors in the Company and all were present in both the meetings.

(5) DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING:

In accordance with the provisions of the Section 152 of the Companies Act, 2013 and the company's articles of association, Mr. Vijay Kumar Sharma (DIN: 06396784), retires by rotation at the forthcoming Annual General Meeting (AGM) and is offering himself for re-appointment.

Further, pursuant to provisions of Section 149 of the Companies Act, 2013, it is proposed for re-appointment of Mrs. Shashi Khurana as non-executive and independent director of the company for a second term of five consecutive years. A brief profile of Directors seeking appointment / reappointment has been given in the notice convening the 40th Annual General Meeting of the Company.

(6) FAMILIARISATION PROGRAMMES FOR DIRECTORS:

The Company has framed familiarisation programme for its Directors to make them understand their roles, rights and responsibilities, organisational structure, business model, finance, human resources, technology, Strategy, operations and functions of the Company.

The roles, rights and responsibilities of Independent Directors have been incorporated in their letters of appointment issued to them. The amendments/ updates in statutory provisions are informed from time to time.

The above initiate helps the directors to understand the Company, its business and the regulatory framework in which the Company operates to effectively fulfil the role as Directors of the Company.

The details of familiarisation programme have been uploaded on the Company's website www.talbrosaxles.com

(7) GENERAL BODY MEETINGS:

(a) Particulars of past three Annual General Meeting (AGMs)/ Extra-Ordinary General Meeting:

Year	Date, time and venue	Special Resolution(s) Passed
Annual General Meeting ('AGM')		
2024-25 39th AGM	September 30, 2025 at 11.30 A.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The deemed Venue was the Registered Office of the Company.	• To re-appoint Mr. Vijay Kumar Sharma (holding DIN: 06394784) as Whole-time Director, designated as Executive Director of the company for a term of five consecutive years w.e.f. October 01, 2025. • To appoint Mr. Sumit Kumar Sachdeva (holding DIN: 08774114) as a Non-Executive and Independent Director of the company for a term of five consecutive years w.e.f. April 01, 2026. • To increase the borrowing limit under section 180 (1) (C) of the Companies Act, 2013. • To provide the security in connection with the borrowings of the company under section 180(1) (A) of the Companies Act, 2013.
2023-24 38th AGM	September 30, 2024 at 11.00 A.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The deemed Venue was the Registered Office of the Company.	• To re-appoint Mr. Sarabjeet Singh (holding DIN: 08601346) as an Independent Director for a consecutive tenure of 5 years commencing from November 15, 2024
2022-23 37th AGM	September 29, 2023 at 11.00 A.M. through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The deemed Venue was the Registered Office of the Company.	• To appoint Mr. Ankush Jindal (holding DIN: 03634690) as a Whole Time Director (to be nominated as Executive Director) w.e.f November 01, 2023 • To appoint Mrs. Seema Sethi (holding DIN: 07133329) as an Independent Director of the Company for a period of five years w.e.f April 01, 2024.
Extra-Ordinary General Meeting - NO EGM in past three years		

(b) Postal Ballot:

During the year ended March 31, 2026, no ordinary or special resolution has been passed by the shareholders through Postal Ballot.

(8) MEANS OF COMMUNICATION:

The Company recognizes communication as a key element to the overall Corporate Governance framework, and therefore emphasizes on prompt, continuous, efficient and relevant communication. Your Company has promptly reported all material information, including shareholders meeting notices/other notices, Audited Financial Statements, Board's' Report, Auditor's Report, or any other document, to its shareholders and to the Stock Exchanges where the securities of your Company are listed. Such information was, also, simultaneously displayed immediately on your Company's website i.e. www.talbrosaxles.com. The quarterly and half-yearly Financial Results of the Company during the year 2025-26 were published in leading newspapers (English & Hindi), viz., The Financial Express and Jansatta.

The "Limited Review" Reports of the Financial Results for the quarters ended June 30, 2025, September 30, 2025 and December 31, 2025 were obtained from the Statutory Auditors of the Company and filed with the stock exchange(s).

To facilitate prompt correspondence with investors/ shareholders relating to their queries and grievances, the Company has a dedicated email-id, viz., cs@talbrosaxles.com.

As part of its 'Green Initiatives', Government has permitted Companies to provide various documents to its Shareholders in electronic form i.e. through e-mail. Your Company is fully committed towards such an initiative and has accordingly requested its Shareholders to provide or update their e-mail ids with their respective DPs/Company Registrar, as the case may be, and give their option for receiving documents in electronic form.

(9) GENERAL SHAREHOLDER INFORMATION:

(a) Forthcoming AGM: Date, time and venue

The 40th Annual General Meeting of the Company will be held on Wednesday, 30th September, 2026 at 11:30 a.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The Deemed Venue of the AGM shall be the Registered Office of the Company.

(b) Financial Year

The Financial year of the Company is from April 1st to March 31st every year.

Financial Calendar (Tentative)

For 1st quarter ending 30th June, 2026	Second week of August, 2026
For 2nd Quarter / half year ending 30th September, 2026	First week of November, 2026
For 3rd Quarter / nine months ending 31st December, 2026	First week of February, 2027
For 4th Quarter / Year ending 31st March, 2027	Last week of May, 2027
Annual General Meeting for the year ending 31st March, 2027	Last week of September, 2027

(c) Record Date: Wednesday, September 23, 2026

(d) Dividend Payment Date

The Dividend will be paid within stipulated time i.e. 30 days from the date of approval of shareholders in the ensuing Annual General Meeting.

(e) Listing on Stock Exchanges

The Company's equity shares are traded on BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

Annual listing fees for Financial Year 2025-26 and 2026-27 has been paid to the above stock exchange.

(f) Stock Code

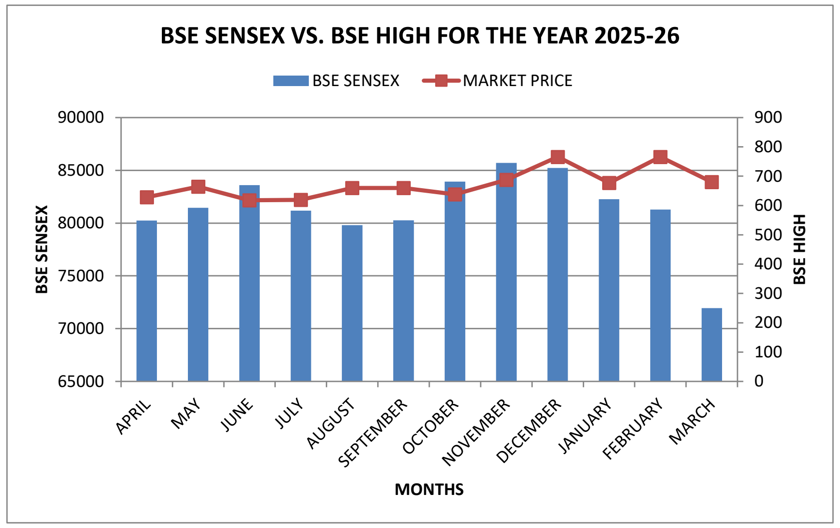
The Stock codes allotted to the Company are as follows:

Name of the Stock Exchange	Stock Code (Scrip Code)
BSE Limited	538987

(g) Market price Data: High, Low during each month in last financial year

The Company's equity shares are listed and are available for trading on BSE Limited. The month wise High/Low of Market Price of Company's equity shares traded on BSE Limited (BSE) during the year ended on 31st March, 2026 were as follows:

Month(s)	Market Price (Rs.)		BSE Sensex
2025-26	High	Low	
April	627.95	485.25	80,242.24
May	664.00	550.05	81,451.01
June	617.95	552.15	83,606.46
July	619.00	565.00	81,185.58
August	660.00	548.00	79,809.65
September	660.00	538.60	80,267.62
October	638.35	584.00	83,938.71
November	687.45	590.00	85,706.67
December	766.00	560.50	85,220.6
January	677.00	569.95	82,269.78
February	766.00	596.00	81,287.19
March	680.00	592.30	71,947.55



(h) Registrar and Transfer Agents

M/s Beetal Financial & Computer Services Private Limited, Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110062. Phone No.: 011-29961281-83; Email: beetal@beetalfinancial.com.

(i) Share Transfer System

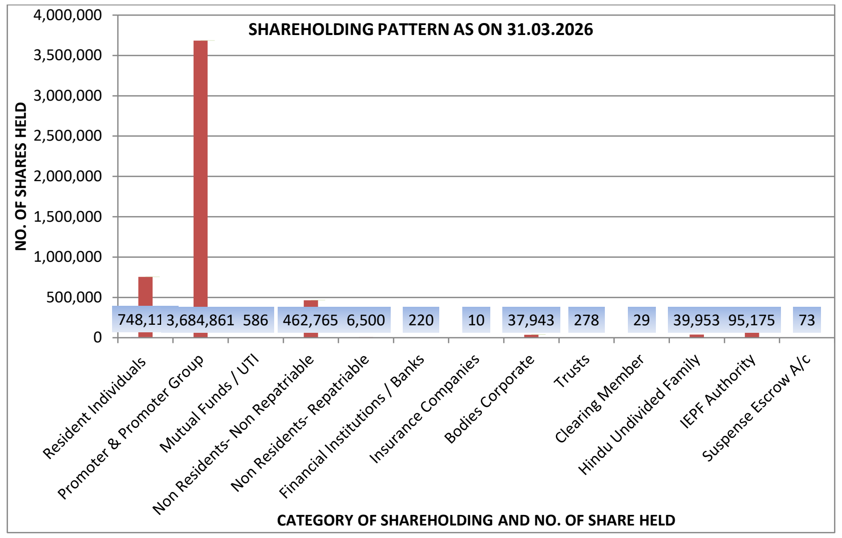
The transfer of shares are processed by the Share Transfer Agent and approved by the Stakeholders Relationship Committee which meets at frequent intervals. The Board has delegated the authority for approval of transfer, transmission etc to Stakeholders Relationship Committee comprising of One Executive Director and Two Non-Executive Directors. A summary of transfer/transmission of shares so approved by the Committee is placed before the Board.

SEBI, effective from 01st April, 2019 has barred transfer of physical shares of the listed companies and mandated transfer through De-mat only. Hence, the company has stopped accepting any fresh lodgement of transfer of shares in physical form. However, investors are allowed to hold the shares in physical form. Further, there is no restriction on transmission of shares.

(j) Distribution of Shareholding

(a) On the basis of Category

Sl. No.	Category of Shareholding	Number of shareholders	No. of shares held	% of shareholding
1	Resident Individuals	6,802	7,48,111	14.74
2	Promoters	9	36,84,861	72.59
3	Mutual Funds / UTI	1	586	0.01
4	Non Residents – Non Repatriable	71	4,62,765	9.12
5	Non Residents - Repatriable	47	6,500	0.13
6	Financial Institutions / Banks	2	220	0.00
7	Insurance Companies	1	10	0.00
8	Bodies Corporate	50	37,943	0.75
9	Trusts	1	278	0.00
10	Clearing Member	2	29	0.00
11	Hindu Undivided Family (HUF)	144	39,953	0.79
12	IEPF Authority	1	95,175	1.87
13	Suspense Escrow A/c	1	73	0.00
	TOTAL	**7,132**	**50,76,504**	**100.00**



(b) On the basis of Shares held

Size of Holdings	No. of Share holders	Percentage (%) to Total	No. of shares held	Percentage (%) to Total
Upto 5000	6908	96.86	405794	7.99
5001 to 10000	109	1.53	81000	1.60
10001 to 20000	59	0.83	80378	1.58
20001 to 30000	21	0.29	51659	1.02
30001 to 40000	8	0.11	29485	0.58
40001 to 50000	4	0.06	19133	0.38
50001 to 100000	8	0.11	54171	1.07
100001 and above	15	0.21	4354884	85.79
TOTAL	**7,132**	**100.00**	**50,76,504**	**100.00**

(c) *On the basis of ownership*

Sl. No.	Category of Shareholder	Number of Shareholders	Total number of shares	% of holding
(A)	**Promoters**			
1.	*Indian Individuals*			
(a)	Promoters	9	36,84,861	72.59
(B)	**Public Shareholding**			
1.	*Institutions*			
(a)	Mutual Funds / UTI	1	586	0.01
(b)	Financial Institutions / Banks	2	220	0.00
(c)	Insurance Companies	1	10	0.00
2.	**Non-institutions**			
(a)	Bodies Corporate	50	37,943	0.75
(b)	Individuals	6,802	7,48,111	14.74
(c)	Trusts	1	278	0.00
(d)	Clearing Member	2	29	0.00
(e)	Non-Resident Indians – Non Repatriable	71	4,62,765	9.12
(f)	Non-Resident Indians – Repatriable	47	6,500	0.13
(g)	Hindu Undivided Family	144	39,953	0.79
(h)	IEPF Authority	1	95,175	1.87
(i)	Suspense Escrow A/c	1	73	0.00
	TOTAL	**7,132**	**50,76,504**	**100.00**

(k) Dematerialization of shares and liquidity

As on 31st March, 2026, 98.99% of the total shareholding was held in dematerialized form as per details mentioned below:

Particulars	No. of holders	No. of Shares	% of Total Issued Capital
Physical System	748	51,229	1.01
NSDL	2,762	45,71,006	90.04
CDSL	3,622	4,54,269	8.95
Total	**7,132**	**50,76,504**	**100.00**

The Demat ISIN of the Company's equity shares is ***INE717E01013.***

(l) Credit Rating

CARE Ratings Limited has re-affirmed the ratings of your Company as per below given details and outlook on the long-term rating is stable.

Facilities	Earlier Rating	Revised/ Re-affirmed Rating
(Long Term Bank Facilities) Long Term Ratings	CARE A-; Stable	CARE A-; Stable (Single A Minus; Outlook: Stable) **(reaffirmed)**
(Short Term Bank Facilities) Short Term Ratings	CARE A-; Stable / CARE A2+	CARE A-; Stable / CARE A2+ (Single A Minus; Outlook: Stable / A Two Plus) **(reaffirmed)**

(m) Outstanding GDRs/ADRs/Warrants or any other convertible instrument

There are no outstanding GDRs/ADRs/Warrants or any other convertible instrument.

(n) Plant Locations

(a) Registered Office:

Plot No. 74-75-76, Sector 6, Faridabad,
Haryana – 121 006
Phone: +91-129-4284300
Fax No.: +91-129-4061541
Email ID: cs@talbrosaxles.com

(b) Unit Locations:

(i) Plot No. 35,36,37,38 & 57, Industrial Area, Hathin, Distt. Palwal, Haryana

(ii) Plot No. 26, Industrial Area, Hathin, Distt. Palwal, Haryana

(iii) Plot No. 77, Sector 68, IMT, Faridabad, Haryana

(iv) Plot No. 80, Sector 68, IMT, Faridabad, Haryana

(v) Plot No. 3, Sector 5, Faridabad, Haryana

(vi) Plot No. 2 & 3, 20/4, Mathura Road, Nepco Compound, Faridabad, Haryana

(vii) Plot No. 27, Sector 4, Faridabad, Haryana

(viii) Plot No. 38, Sector-4, Faridabad, Haryana

(ix) Plot No. 79, Sector 6, Faridabad, Haryana

(x) Plot No. 70, Sector 6, Faridabad, Haryana

(o) Address for Correspondence

Registered Office:

Plot No. 74-75-76, Sector 6, Faridabad,
Haryana - 121 006
Phone: +91-129-4284300
Fax No.: +91-129-4061541
Email ID: cs@talbrosaxles.com

(10) OTHER DISCLOSURES:

1. There are no materially significant transaction made by the Company with its promoters, directors and their relatives or any other related parties which have potential conflict with the interests of the Company at large.

2. **Related Party Policy:** The Board of Directors has adopted and approved Related Party policy for the transactions between related parties. The same has been hosted on the website of the Company www.talbrosaxles.com/policies.

3. **Internal Auditor:** The Company has appointed M/s GRAB and Associates, Chartered Accountants as an Internal Auditors of the Company. The quarterly reports provided by Internal Auditors for the quarter ended June, September and December, 2025 are presented to the Audit Committee. However, M/s G R A B & Associates, tendered their resignation from Internal Auditors of the company w.e.f. January 01, 2026.

   In accordance with that, Board of Directors, on the recommendation of the Audit Committee, in their meeting held on February 06, 2026 had appointed M/s Bansal Harshit & Associates, (FRN: 042733N) as the Internal Auditors of the company for the period January 01, 2026 to March 31, 2026. The Auditor issued their report for the said period, which was duly placed before the Audit Committee and Board of Directors of the company.

4. **Secretarial Auditor:** The Company has appointed M/s Anuj Gupta and Associates, Company Secretaries as Secretarial Auditors of the Company. The Secretarial Report provided for the year ended March 31, 2026 by the Secretarial Auditors is presented to the Audit Committee and Board of Directors.

5. **Fees to Statutory Auditor:** The total fees for all the services rendered by Statutory Auditors have been fixed at Rs. 9.00 Lakhs (including statutory and Tax Audit) excluding all applicable taxes.

6. The Company publish its quarterly/half yearly results in English and Hindi newspapers having wide circulation and the same shall not be sent to shareholders household.
7. The Auditors have expressed an unmodified opinion in their report on the financial statements of the Company for the year ended on 31st March, 2026. The declaration for the same has been provided by the Executive Director along with financial results.
8. During the year, no funds have been raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A).
9. The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
10. **Certificate on Corporate Governance:** The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements), 2015 and has obtained Certificate on Corporate Governance issued by the Company Secretary in Practice, which is duly annexed with this report.
11. In accordance with the provisions of Regulation 26(6) of the SEBI (LODR) Regulations, the Key Managerial Personnel, the Director(s) and the Promoter(s) of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation of profit sharing in connection with dealings in the securities of the Company.
12. The Company has adopted a Code of Conduct to Regulate, Monitor and Report trading by Designated Persons under SEBI (Prohibition of Insider Trading) Regulations, 2015. The said code/policy has been uploaded on the website of the Company at www.talbrosaxles.com. The Audit Committee and Board of Directors review the cases of non-compliance, if any, under SEBI (Prohibition of Insider Trading) Regulations, 2015 from time to time.
13. There is no application or proceeding pending under the Insolvency and Bankruptcy Code (IBC), 2016 during the year.
14. There is no difference between the amounts of the valuation executed at the time of one- time settlement and the valuation done while taking loan from Bank or Financial Institution.
15. There was no instance of non-compliance by the Company on any matters relating to capital markets; nor was there any penalty/ strictures imposed by the Stock Exchange or SEBI or any other statutory authority on such matters during the last three years.
16. **Confirmation regarding Independent Directors:** Mrs. Seema Sethi, Mr. Sarabjeet Singh, Mrs. Shashi Khurana and Mr. Sumit Kumar Sachdeva are independent Directors on the Board at present. Based on the declarations provided, the Board is of the opinion that the Independent Directors meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations and amendments thereof.
17. There is no material subsidiary of the Company.
18. The Company has not carried any commodity hedging activities during the year under review.
19. There was no instance of non-acceptance by Board for any recommendation made by the Committee of the Board which is mandatorily required.
20. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
    a. Number of complaints filed during the financial year: NIL
    b. Number of complaints disposed of during the financial year: NIL
    c. Number of complaints pending as on end of the financial year: NIL
21. The Company has not advanced any loan to any firm/companies in which the directors are interested.

(11) COO/CFO Certification: In compliances with Regulation 17 (8) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, a certificate from Chief Operating Officer and Chief Financial Officer of the company to the Board of Directors as specified in Part B of Schedule II of the said regulation is duly annexed with this report.

(12) DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SHARE SUSPENSE ACCOUNT

The Company has a Share Suspense Account with SMC Global Securities Limited holding unclaimed bonus equity shares of the Company.

During the year, the Company has received request for claiming shares from three shareholders. Following is the reconciliation of the same:

Sl. No.	Particulars	No. of Shareholders	No. of Shares
1	At the beginning of year	167	5701
2	Claim request received	3	410
3	At the end of year	164	5291

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

DECLARATION

As provided under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, We hereby declare that all the Board of Directors and Senior Management Personnel of the Company have affirmed the compliance with the Code of Conduct for the year ended 31st March, 2026.

For and on behalf of the Board

Sd/-	**Sd/-**
Vijay Kumar Sharma	**Ankush Jindal**
Executive Director	**Executive Director**
DIN: 06394784	**DIN: 03634690**
R/o H. No. 309, Sector 3, Faridabad, Haryana	**R/o H. No. 37, Sector 55, Faridabad, Haryana**

Place: Faridabad
Date: August 13, 2026

DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

Pursuant to Regulation 34(3) read with Schedule V Para D of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, I Ankush Jindal, Executive Director of Talbros Engineering Limited, hereby confirm that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2026.

Place: Faridabad
Date: August 13, 2026

Sd/-
Ankush Jindal
Executive Director
DIN: 03634690

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members
Talbros Engineering Limited
Plot No. 74-75-76, Sector 6,
Faridabad, Haryana - 121 006

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Talbros Engineering Limited having CIN L74210HR1986PLC033018 and having its Registered Office at Plot No. 74-75-76, Sector 6, Faridabad, Haryana (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and based on the declaration received from respective directors, We hereby certify that as on financial year ended on **March 31, 2026**, 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, Ministry of Corporate Affairs, or any such other Statutory Authority.

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 on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Anuj Gupta & Associates**
(Company Secretaries)

Sd/-
CS Anuj Gupta
(Proprietor)
M. No. ACS 31025
COP No: 13025

Place: New Delhi
Date: August 13, 2026
UDIN: A031025H001101160
Peer Review Certificate No. 1126/2021

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER LISTING REGULATIONS, 2015

To
The Members
Talbros Engineering Limited
Plot No. 74-75-76, Sector 6,
Faridabad, Haryana - 121 006

1. We, Anuj Gupta and Associates, Company Secretaries, the Secretarial Auditors of Talbros Engineering Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company for the year ended on March 31, 2026 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C, D, E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations").

Management's Responsibility

2. The Compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on certificate of Corporate Governance issued by the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for special purposes (revised 2016) issued by the ICAI.

Opinion

6. Based on our examination of the relevant records and according to the best of our information and explanations provided to us, we certify that the Company has complied with the conditions of regulations of Corporate Governance as stipulated in the Listing Regulations referred in paragraph 1 above.
7. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management of the Company has conducted the affairs of the Company.

This certificate is issued solely for the purpose of complying with the aforesaid Listing regulations.

For **Anuj Gupta & Associates**
(Company Secretaries)

Sd/-
CS Anuj Gupta
(Proprietor)
M. No. ACS 31025
COP No: 13025

Place: New Delhi
Date: August 13, 2026
UDIN: A031025H001101270
Peer Review Certificate No. 1126/2021

COO/CFO CERTIFICATION TO THE BOARD

[Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015]

We, Tarun Talwar, Chief Operating Officer and Manoj Kumar Chauhan, Chief Financial Officer of the Company, Talbros Engineering Limited, to the best of our knowledge and belief, certify that:

(1) We have reviewed financial statements and cash flow statement for the year ended on 31st March, 2026 and that to the best of our knowledge and belief:-
  (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(2) To the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the company's code of conduct.

(3) We accept responsibility for establishing and maintaining internal controls for financial reporting and that have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(4) We have indicated to the Auditors and the Audit Committee:-
  (i) Significant changes in internal control over financial reporting during the year;
  (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to financial statements; and
  (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company' internal control system over financial reporting.

Sd/-	**Sd/-**
Tarun Talwar	**Manoj Kumar Chauhan**
Chief Operating Officer	**Chief Financial Officer**

Place: Faridabad
Date: August 13, 2026

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your directors have pleasure in presenting the management discussion and analysis report for the year ended 31st March, 2026.

(A) GLOBAL ECONOMIC REVIEW

In fiscal 2025-26, the global economy registered a steady but modest growth of 3.4% broadly in line with the previous year, supported by easing inflation, stable consumer demand and continued investment in technology and infrastructure. According to the International Monetary Fund's July, 2026 World Economic Outlook, Global economic growth have been 3.0% in 2026 and is projected at 3.4 % in 2027, indicating a phase of steady but slower expansion. Global inflation is expected to increase from 4.1 % in 2025 to 4.7 % in 2026 before declining to 3.9% in 2027. The Growth has been affected by escalating geopolitical tensions in the Middle East, higher commodity Prices and tighter financial conditions, leading to disruptions in commodity flows and renewed pressure on inflation and financial conditions.

The outlook for the global economy is expected to sustain moderate growth, supported by infrastructure investments, industrial activity and policy support. At the same time, risks such as geopolitical tensions, inflationary pressures and financial market volatility may continue to affect economic growth. Despite these challenges, demand across core end -use sectors such as commercial vehicles, construction equipment and agriculture is expected to remain structurally supported by infrastructure development, freight movement and ongoing mechanisation trends.

(Source: IMF April and July Outlook Report)

(B) INDIAN ECONOMY REVIEW

The Indian Economy is growing steadily, supported by strong domestic demand, continued infrastructure development and rising activity across manufacturing, services and the digital sectors. As per the Press Information Bureau (PIB) press release, Real GDP growth for 2025-26 is estimated at 7.6%, higher than the 7.1% recorded in 2024-25, reflecting strong consumption and continued investments across infrastructure and manufacturing sectors and sustained performance across key sectors.

India's emphasis on strengthening domestic manufacturing through initiatives such as Make in India and Productive Linked Incentive (PLI) Schemes is enhancing cost competitiveness, supply chain localisation and resilience.

The outlook for the Indian Economy remains favourable, supported by strong domestic demand, sustained infrastructure investments and expanding manufacturing capacity. Robust infrastructure development and an improving business environment are expected to create new market opportunities, while sustained demand and evolving consumer preferences are likely to support continued growth despite external uncertainties and cost pressure.

(Source: Press Information Bureau (PIB) Press Release dated February 27, 2026)

(C) INDIAN AUTOMOBILE INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian Automobile Industry continued its growth momentum in FY 2025-26, driven by healthy demand, infrastructure investments, supportive Government policies, and continued emphasis on sustainable mobility. As per the press release issued by Society of Indian Automobile Manufactures (SIAM), all key vehicles including Passenger Vehicles, Commercial Vehicles, Three-Wheelers and Two-Wheelers, together posted their highest ever annual sales in a financial Year, after seven years. The strong contributors to this growth have been the positive sentiments created through GST 2.0 reforms and multiple Repo Rate cuts during the year.

Government initiatives such as Make in India and the Production Linked Incentives (PLI) Schemes are driving investments across key sectors including automotive, auto components, engineering and advanced manufacturing, thereby strengthening the domestic value chain and supporting long-term demand for commercial vehicles and aggregates.

India continued to strengthen its position as global automotive manufacturing hub, with exports witnessing robust growth during the year. Growth was driven by strong demand from emerging markets including in the Middle East, Africa and Latin America, supported by improving competitiveness and diversified product offerings from Indian Manufactures.

Segment – Wise Sales and Exports of Automobiles (Units in Lakhs)

Segment	Domestic Sale			Export		
	2025-26	2024-25	Growth in %	2025-26	2024-25	Growth in %
Passenger Vehicles	46.43	43.02	7.9%	9.05	7.70	17.5%
Commercial Vehicles	10.80	9.57	12.8%	0.95	0.81	17.4%
Three Wheelers	8.36	7.41	12.8%	4.61	3.10	48.71%
Two Wheelers	217.06	196.07	10.7%	51.80	42.00	23.4%

(Source:https://www.siam.in/news-&-updates/press-releases/auto-industry-performance-of-q4-jan--march-2026-fy-2025-26/605)

FY 2025-26 has been a landmark year for the Indian Automobile industry, supported by a series of structural policy reforms that have strengthened demand fundamentals and significantly boosted consumer confidence. Therefore, Industry is optimistic and expecting growth to continue in all the Vehicle Categories in 2026-27, continuing strong domestic momentum from the latter half 2025-26.

The industry is also witnessing a gradual shift towards electric and technology-led mobility, with increasing EV adoption- particularly in two and three wheelers, supported by policy incentives, localization efforts and improving cost dynamics.

However, uncertainties arising from the West Asia conflict, particularly prices of Crude Oil and Commodities, higher exchange rates and disruptions in Shipping Routes, remains a concern for the Auto Sector. Stable geopolitical environment will help build confidence of the industry, which can in-turn drive further growth Auto Industry's performance in 2026-27.

(D) COMPANY OVERVIEW

Talbros Engineering Limited (TEL) is engaged in manufacturing Rear Axles Shafts for leading automobile companies in India and Foreign Markets. Today TEL is the number two largest axle shaft manufacturing company in India with an installed capacity of 4 million axles shafts per annum servicing OEM's across the globe.

The organization's current foot print is spread across 20 acres of land encompassing 7 plants in the Faridabad NCR Area. The Company has recently signed an agreement to expand into Madhya Pradesh and shall set up an 08th 10 acre manufacturing unit.

As a result of sizable investment in recent years current manufacturing facilities are state of the art, include high levels of automation and robotic sophistication, and are managed by a highly experienced in-house professional team.

TEL has a commanding domestic market share of ~90% in SUV's. The domestic market share in HCV is 30% and Tractor and Off Highway is 5%. These segments are large growth opportunities for TEL.

TEL is EV future ready. Since, Rear Axle Shafts transmits power and torque, drive motion, enhance vehicle performance, and serve as the primary load bearing backbone of vehicles. The Product line is EV agnostic and intricate to vehicular design regardless of preferred power source ICE, CNG, Hydrogen or EV.

(E) SWOT ANALYSIS

Strength

- Established leadership in axles, particularly in commercial vehicle segments;
- Consistent growth across domestic and export markets supported by long-standing OEMs relationship
- Strong engineering capabilities supported by advanced, technology-driven manufacturing infrastructure

Weaknesses

- Capital -intensive operations requires continuous investment in technology and capacity
- Dependence on OEM cycles, leading to demand concentration risks
- Higher working capital requirements to manage inventory

Opportunities

- Expansion of electric vehicle and hybrid platforms.

- Growing exports to global OEMs.
- Rising localisation of automotive components, supported by government initiatives such as Make in India and Production Link Incentive (PLI) Schemes.
- Growing investments in infrastructure and logistics, supporting demand for commercial vehicle components.

Threats

- Competition from both domestic and international auto-component manufactures, increasing pressure on price can impact profitability
- Global economic uncertainties, geopolitical tensions and trade disruptions, impacts exports and supply chains
- Technology transition towards electrification and digitalisation, necessitate continuous investment in R & D and capacity building.

(F) BUSINESS OUTLOOK

Talbros Engineering Limited continued to strengthen its position as a leading manufacturer of axle shafts and catering to domestic and international OEMs and the aftermarket.

The Company remained focused on:

- Expanding its product portfolio and customer base.
- Enhancing manufacturing efficiencies through automation and process excellence.
- Increasing export penetration.
- Strengthening operational excellence through digitalisation and lean manufacturing initiatives.

While external risks such as geopolitical tensions and commodity price volatility may create near term uncertainties, Talbros Engineering Limited remains well positioned to capitalise on emerging opportunities, supported by its strong presence in axles, deep engineering capabilities and long-standing OEM relationship, along with a continual focus on product reliability, cost competitiveness and operational excellance.

With a continued emphasis on technology, operational efficiency, the company remains well-postioned to sustain growth and enhance its competitive positioning across domestic and global markets.

(G) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control procedures commensurate with the size and structure of the Company. The company has also engaged the services of independent Chartered Accountant to carry out the internal audit and to identify the proper and adequate internal control system and sufficient measures are taken to update the internal control system. Observations and recommendations from audits are regularly reviewed by the Audit Committee. The implementation of SAP has resulted in better management and system development. The system also ensures that all transactions are appropriately authorised, recorded and reported.

The Company's internal control systems are aligned with global best practices, supported by well defined processes and governance mechanisms.

(H) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your Company has achieved a sales turnover of Rs. 51,748 Lakhs in this financial year ended on 31^{st} March, 2026 as against Rs. 43,026 Lakhs in the previous financial year. Net profit after tax for this year stands at Rs. 2,916 Lakhs as against Rs. 2,017 Lakhs in previous year. Exports turnover (F.O.B. Value) for the year ended on 31^{st} March, 2026 is Rs. 14,099 Lakhs as compared to Rs. 7,284 Lakhs in the previous financial year.

(I) OPERTIONAL EXCELLANCE

The Company continued its journey towards manufacturing excellence through:

- Lean manufacturing practices.
- Automation and digital manufacturing initiatives.
- Capacity optimisation.
- Continuous quality improvement.
- Energy efficiency projects.
- Enhanced productivity through employee engagement and skill development.

(J) RESEARCH AND DEVELOPMENT

Innovation remains a strategic priority. The Company continued investing in product development, process improvements, tooling capabilities, and advanced engineering to meet evolving customer requirements and strengthen its competitive advantage in domestic and international markets.

(K) HUMAN RESOURCE MANAGMENT

Employees remain the Company's most valuable asset. During the year, emphasis was placed on capability building, leadership development, safety, employee engagement, and fostering a culture of innovation, accountability, and continuous improvement.

As on March 31, 2026, the Company had a total workforce of approximately 1500 employees (including contractual employees) at its manufacturing plants and administrative office located at Faridabad and Hathin.

(L) ENVIRONMENT, SOCIAL AND GOVERNANCE

Talbros Engineering Limited (TEL) remains committed to responsible and sustainable growth by integrating energy efficiency, resource conservation, and environmental stewardship into its business strategy and operations. The Company continues to implement initiatives that optimize energy consumption, conserve natural resources, improve operational efficiency, and reduce its environmental footprint.

Recognizing the growing importance of Environmental, Social and Governance (ESG) principles, TEL has embarked on a structured ESG journey aligned with evolving stakeholder expectations and global sustainability practices. These initiatives reaffirm the Company's commitment to responsible governance, transparency, and long-term value creation.

During the Financial Year ended March 31, 2026, approximately 1 MW of rooftop solar capacity was operationalized & effectively maintained and Long-Term Open Access Power Purchase Agreements (PPAs) were executed for procurement of renewable solar power in Haryana. Upon commissioning of the solar plants, nearly 30% of the Company's total electricity requirement will be met through renewable energy.

The Company continues to strengthen resource conservation initiatives by implementing an organization-wide water monitoring system with defined reduction targets. During the year, diesel-operated forklifts were progressively replaced with battery-operated forklifts, while recyclable packaging materials were adopted in place of conventional wooden packaging, supporting responsible resource utilization and reducing environmental impact.

These initiatives reflect TEL's continued commitment to building a resilient, resource-efficient and future-ready organization while creating sustainable value for its stakeholders.

(M) RISKS AND CONCERNS

The company adopts a structured and a step wise risk management approach which includes identification of risk at different levels including internal and external business risks. The risks so identified are properly assessed and analysed at each level and thereafter, corrective and preventive measures are taken to overcome the identified risks.

The Company continuously monitors key business risks including:

Key Business Risks	Our Strategic Response
Global geopolitical uncertainties	• TEL continuously monitors economic factors to manage political disruptions and protect its growth and operational activities.
Fluctuations in steel and alloy prices	• Strengthen long term supplier partnership, improves sourcing strategies, increase material efficiency and take initiatives to mitigate cost fluctuations.
Foreign exchange volatility	• Use natural hedging, prudent treasury management and appropriate hedging instruments to manage currency fluctuations affecting exports and imports.
Supply chain disruptions	• Develop multi-source procurement strategies, maintain optimal inventory levels, strengthen supplier collaboration and enhance supply chain visibility
Intense competition	• Long-term Customer engagements to mitigate demand volatility • Development of value driven offerings aligned with customer expectation • Focus on enhancing competitiveness through excellence in quality, cost and delivery.
Changing customer preferences and technological transitions	• Continuous tracking of technological advancements and strong focus on product development and innovation • Investment in future-ready technologies and digital capabilities.

Robust risk management practices, diversified customer relationships, operational flexibility, and continuous cost optimisation help mitigate these risks.

(N) KEY FINANCIAL RATIOS

Sl. No.	Ratios	31st March, 2026	31st March, 2025	Change in %
1	Debtors Turnover	6.80	5.55	22.42%
2	Inventory Turnover	7.06	6.84	3.17%
3	Interest Coverage Ratio	4.85	4.23	14.56%
4	Current Ratio	3.60	3.34	7.91%
5	Debt Equity Ratio	0.41	0.46	-9.58%
6	Operating Profit Margin (%)	11.28%	11.16%	1.06%
7	Net Profit Margin (%)	7.29%	6.09%	19.62%

(O) RETURN ON NET WORTH

The return on net worth for the current year ended on March 31, 2026 is 18.31 % as compared to 14.74 % during the fiscal year ended on March 31, 2025.

For and on behalf of the Board

Sd/-
Vijay Kumar Sharma
Executive Director
DIN: 06394784
R/o H. No. 309, Sector 3,
Faridabad, Haryana

Sd/-
Ankush Jindal
Executive Director
DIN: 03634690
R/o H. No. 37, Sector 55
Faridabad, Haryana

Place: Faridabad
Date: August 13, 2026

INDEPENDENT AUDITORS' REPORT

To,

The Members of

Talbros Engineering Limited

Faridabad (Haryana)

Report on the Audit of the Ind AS Financial Statements

Opinion:

We have audited the accompanying Ind AS Financial Statements of **TALBROS ENGINEERING LIMITED** ("the Company"), which comprises the Balance Sheet as at **March 31, 2026**, the Statement of Profit and Loss, the Statement of changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 Accounting Standards prescribe under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

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

Key Audit Matters:

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the financial statement as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In the audit of the current period, we have not have observed any key audit matters required to be reported separately.

Information Other than the Ind AS Financial Statements and Auditor's Report Thereon:

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management and Board of Director's Responsibility for the Ind AS Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Rules, 2015, as amended.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, the management and the Board of Directors 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statement:

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS Financial Statements.

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

identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements:

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

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

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

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

    d) In our opinion, the aforesaid Ind AS Financial Statements comply with the AS specified under Section 133 of the Act.

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

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

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

        i) The Company does not have any pending litigation which would impact its Financial position;

        ii) The Company did not have any long-term contracts including derivative contracts for which they were any material foreseeable losses under the applicable law or accounting standards.

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

        iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

        (b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate

Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v) The final dividend paid by the Company during the current year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013. As stated in notes to the financial statements, the Board of Directors of the Company have proposed final dividend for the current year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act.

vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention

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

For Rakesh Raj & Associates
Chartered Accountants
FRN: 005145N

Sd/-
ABHISHEK KUMAR
(PARTNER)
M.NO: 519429
UDIN: 26519429VYPAZP9601

Place: Faridabad
Date: 29.05.2026

Annexure - A to the Independent Auditors' Report

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

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

We have audited the internal financial controls over financial reporting of **TALBROS ENGINEERING LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

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 Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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 Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For Rakesh Raj & Associates
Chartered Accountants
FRN: 005145N

Sd/-
ABHISHEK KUMAR
(PARTNER)
M.NO: 519429
UDIN: 26519429VYPAZP9601

Place: Faridabad
Date: 29.05.2026

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TALBROS ENGINEERING LIMITED of even date). We report that:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are carried out by the company at reasonable intervals. No material discrepancies have been noticed on such verification during the year.

(c) Title deeds of all the immovable properties are held in the name of the Company. The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee).

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

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

(ii) (a) As explained to us, the inventory has been regularly verified during the year and the frequency of such verification is reasonable. As far as we could ascertain and according to the information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets during the year. The Statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company.

(iii) (a) (A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided security to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans and advances in the nature of loans during the year to other parties, details of which are stated below. The Company has not provided guarantees or granted loans or advances in the nature of loans during the year to firms or limited liability partnerships.

(B) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted advances in the nature of Employee loans to its employees.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the guarantees provided during the year and the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans and advances in the nature of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loans given to same parties.

(f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) 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 neither made any investments nor has it given loans or provided guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act") and the Company has not provided any security as specified under Section 186 of the Act. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act in relation to loans given, guarantees provided and investments made.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it.

(vii) (a) The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Custom Duty, Excise Duty and Cess and any other material statutory dues applicable to it. According to the information and explanations given to us no undisputed amounts payable in respect of statutory dues were in arrear as at 31st March 2026 for a period of more than six months from the date they become payable other than ESI payable on Contractor Rs. 24.33 Lakhs.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute.

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

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

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

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, 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, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March 2026.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).

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

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(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 Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) No whistle blower complaints were received by the Company during the year requiring consideration from auditors

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company.

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

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

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

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project.

(xxi) The Company does not prepare consolidated Financial Statements.

For Rakesh Raj & Associates
Chartered Accountants
FRN: 005145N

Sd/-
ABHISHEK KUMAR
(PARTNER)
M.NO: 519429
UDIN: 26519429VYPAZP9601

Place: Faridabad
Date: 29.05.2026

BALANCE SHEET AS AT MARCH 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

ASSETS	Notes	As at 31st March 2026	As at 31st March 2025
Non-Current Assets			
Property plant and equipments	4.1	**19,669.85**	17,029.87
Intangible Assets	4.2	**30.67**	33.92
Capital Work in Progress	4.3	**1,847.10**	436.09
Financial Assets			
Non Current Investments	5	**8.60**	8.60
Trade receivables	6	**11.21**	7.48
Other Financial Assets	7	**497.61**	534.24
Other non-current assets	8	**206.90**	653.95
Current Assets			
Inventories	9	**7,591.86**	6,521.30
Financial Assets			
Trade Receivables	10	**7,878.83**	8,031.00
Cash and Cash Equivalents	11	**19.70**	19.77
Other Bank Balances	12	**9.41**	10.34
Loans	13	**23.48**	23.39
Assets for Current Tax (net)	14	**-**	21.67
Other Current Assets	15	**369.24**	353.18
TOTAL		**38,164.46**	33,684.80
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	**507.65**	507.65
Other Equity	17	**17,727.20**	14,938.33
Non-Current Liabilities			
Financial liabilities			
Borrowings	18	**6,012.31**	5,585.94
Provisions	19	**93.11**	78.36
Deferred Tax Liabilities (Net)	20	**648.51**	467.17
Current Liabilities			
Financial liabilities			
Borrowings	21	**8,766.84**	7,622.84
Trade Payables	22	**2,655.46**	2,143.22
Other financial liabilities	23	**2,097.77**	1,948.57
Other Current Liabilities	24	**(480.81)**	356.27
Provisions	25	**45.52**	36.44
Liabilities for current tax(net)	14	**90.91**	-
TOTAL		**38,164.46**	33,684.80
Summary of significant accounting policies	2	-	-

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of
TALBROS ENGINEERING LIMITED

For RAKESH RAJ & ASSOCIATES
Chartered Accountants
FRN: 005145N

Sd/-
(Abhishek Kumar)
Partner
Membership No. 519429

Place: Faridabad
Date: 29.05.2026
UDIN: 26519429VYPAZP9601

Sd/-
Vijay Kumar Sharma
Executive Director
DIN: 06394784

Sd/-
Ankush Jindal
Executive Director
DIN: 03634690

Sd/-
Kajal Gupta
Company Secretary
M.No. : A52114

Sd/-
Manoj Kumar Chauhan
Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

	Notes		Year Ended 31st March 2026		Year Ended 31st March 2025
INCOME					
Revenue From Operations (Gross)	26		**53,575.84**		44,608.89
Other Income	27		**347.49**		43.15
Total Income			**53,923.33**		44,652.03
EXPENSES					
Cost of Raw Material Consumed	28		**26,987.05**		23,927.81
Changes in Inventories of Finished Goods, Work in Progress and Stock-in-Trade	29		**(37.62)**		(755.24)
Employee Benefits Expenses	30		**3,962.42**		3,625.73
Finance Costs	31		**1,246.39**		1,176.37
Depreciation and Amortization Expense	32		**1,214.05**		1,124.88
Other Expenses	33		**16,621.28**		12,832.01
Total Expenses			**49,993.56**		41,931.56
Profit before Exceptional Items and Tax			**3,929.76**		2,720.47
Exceptional Items			**-**		-
Profit before Tax			**3,929.76**		2,720.47
Current Tax		**833.00**		560.00	
Deferred Tax		**181.34**		141.53	
Taxes For Earlier Years		**(0.65)**	**1,013.68**	1.85	703.38
Profit after Exceptional Items and Tax			**2,916.08**		2,017.09
Other Comprehensive Income					
i) Items that will not be classified to profit or loss			**(5.44)**		2.51
Remeasurement of Defined Benefit Plans					
ii) Items that will be classified to profit or loss			**-**		-
Effective portion of gains/(losses) on hedging instrument in cash flow hedges					
Other Comprehensive Income for the year, net of Taxes			**(5.44)**		2.51
Total Other comprehensive income			**2,910.64**		2,019.61
Earnings per Equity Share (Face Value of Rs. 10/-)					
Basic and Diluted Restated Earnings Per Share			**57.34**		39.78
Summary of significant accounting policies	2				

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of
TALBROS ENGINEERING LIMITED

For RAKESH RAJ & ASSOCIATES
Chartered Accountants
FRN: 005145N

Sd/-
(Abhishek Kumar)
Partner
Membership No. 519429

Place: Faridabad
Date: 29.05.2026
UDIN: 26519429VYPAZP9601

Sd/-
Vijay Kumar Sharma
Executive Director
DIN: 06394784

Sd/-
Ankush Jindal
Executive Director
DIN: 03634690

Sd/-
Kajal Gupta
Company Secretary
M.No. : A52114

Sd/-
Manoj Kumar Chauhan
Chief Financial Officer

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED ON MARCH 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

PARTICULARS	As at 31st March 2026	As at 31st March 2025
Net Profit before taxation, and exceptional item	**3,929.76**	2,720.47
Adjustment for:		
Depreciation	**1,214.05**	1,124.88
Preliminary Expenses W/off	-	-
Interest Paid	**1,246.39**	1,176.37
Loss/(Profit) on Sale of Fixed Assets	**(6.10)**	(17.96)
Interest Received	**(0.86)**	(12.07)
Exceptional Items	-	-
Operating Profit before Working Capital Changes	**6,383.24**	4,991.69
Adjustments for:-		
Trade and Other Receivables	**148.44**	(3,027.26)
Inventories	**(1,070.56)**	245.08
Other Current Assets	**(176.57)**	19.81
Trade Payables	**512.24**	301.97
Other Current Liabilities	**(94.16)**	2,086.64
CASH GENERATED FROM OPERATIONS:	**5,702.62**	4,617.93
Interest paid	**(1,246.39)**	(1,176.37)
NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES (A)	**4,456.24**	3,441.56
Interest Received	**0.86**	12.07
Purchase of Fixed Assets	**(5,263.75)**	(2,691.21)
Sale of Fixed Assets	**7.77**	24.56
Dividend Received	-	-
NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES (B)	**(5,255.13)**	(2,654.57)
Proceeds from /(Repayment) of long Term Borrowings	**441.13**	(234.66)
Proceeds from Share Capital	-	-
Proceeds from Security Premium	-	-
Dividend paid	**(126.91)**	(126.91)
Proceeds from /(Repayment) of long Term Loans & Advances	**483.68**	(417.74)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	**797.90**	(779.31)
INCREASE IN CASH OR CASH EQUIVALENTS (A+B+C)	**(0.99)**	7.67
Cash/Cash Equivalents as at 1st April (Opening Balance)	**30.10**	22.43
Cash/Cash Equivalents as at 31st March (Closing Balance)	**29.11**	30.10

As per our report of even date

For and on behalf of the Board of Directors of TALBROS ENGINEERING LIMITED

For RAKESH RAJ & ASSOCIATES
Chartered Accountants
FRN: 005145N

Sd/-
(Abhishek Kumar)
Partner
Membership No. 519429

Sd/-
Vijay Kumar Sharma
Executive Director
DIN: 06394784

Sd/-
Ankush Jindal
Executive Director
DIN: 03634690

Place: Faridabad
Date: 29.05.2026
UDIN: 26519429VYPAZP9601

Sd/-
Kajal Gupta
Company Secretary
M.No. : A52114

Sd/-
Manoj Kumar Chauhan
Chief Financial Officer

Notes to the Ind AS financial statements for the year ended March 31, 2026

1 COMPANY OVERVIEW

Talbros Engineering Limited (the 'Company') is a public company in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in manufacturing of Rear Axle Shafts. The company caters to both international and domestic market. The company has its manufacturing plants at Plot No 74-75-76, Plot no 70 and Plot No 79, Sector-6, Faridabad-121006, Plot No 35-38 & 57, Industrial Area, Hathin, Palwal, Plot No. 3, Sector 5, Faridabad, Plot No. 2, 20/4, Nepco Compound, Faridabad, Plot no 27, Secto 4, Faridabad and Plot No. 77 and Plot no 80, Sector 68, IMT Faridabad

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

2.1 Statement of Compliance

(i) These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable).

(ii) These Financial Statements were approved for issue by the Board of Directors on 29.05.2026

2.2 Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

2.3 Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional currency. All financial information presented in Rupees rounded off to Lakhs with two decimals

3 SIGNIFICANT ACCOUNTING POLICIES

These Financial Statements have been prepared in accordance with the Accounting policies, set out below and were consistently applied to all the periods presented unless otherwise stated.

3.1 Revenue Recognition

a) Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty. Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer which generally coincides with delivery.

b) Export benefits are accounted on recognition of export sales. Dividend income is recognised when the right to receive payment is established. Interest income is recognised using effective rate of interest method.

c) Interest income is recognised on accrual basis determined by the amount outstanding and the rate applicable and when there is no significant uncertainty as to measurability or collectability exists.

3.2.1 Property, plant and equipment

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for impairment if any. Initial cost of property, plant and equipment comprises of its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred.

3.2.2 Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment.

3.2.3 Depreciation

a) Depreciation on all fixed assets is charged on straight line method (SLM) over the estimated

Notes to the Ind AS financial statements for the year ended March 31, 2026

useful life of the assets. Useful life of the assets is determined in accordance with schedule II to the Companies Act, 2013.

b) During the current year, depreciation has been charged on double and triple shift basis, as per actual running of plants.

c) Depreciation is not recorded on assets until construction and installation are complete and asset is ready for its intended use.

d) When a revalued asset is depreciated, difference between depreciation charged on the revalued amount and the depreciation that would have been charged on the assets' original cost is transferred from Revaluation Surplus Reserve.

3.2.4 Intangible assets

Intangible assets are recognized as per the criteria specified in Ind Accounting Standard 38 " Intangible Assets" and recorded at the consideration paid for acquisition, whenever acquired.

3.2.5 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.2.6 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits having original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and such short-term deposits.

3.2.7 Impairment of Non-financial assets

At the end of each year the company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that on impairment loss may have occurred in accordance with the Ind AS 36 on impairment of assets issued by the Institute of Chartered Accountants of India. An impairment loss is charged to statement of profit and loss in the year in which asset is identified as impaired when the carrying value of the asset exceeds its recoverable value. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

3.2.8 Inventories

Cost of inventory comprise of cost of purchase, of conversion and other manufacturing overheads incurred in bringing them to their respective present location and condition. closing inventories have been valued as follows:

- Raw materials, Stores, Spares & Packing Material are valued at lower of cost or net realisable value. Cost is determined on First in First Out (FIFO) basis.
- Finished goods and work in progress are valued at cost. Cost includes variable and fixed overheads allocated to work in progress and finished goods

3.2.9 Provision for liabilities and charges, Contingent liabilities and contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty, are treated as contingent, and disclosed by way of notes to the accounts. Contingent assets are neither recognized nor disclosed in the Financial statements.

3.2.10 Taxation

a) 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 applicable at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in

Notes to the Ind AS financial statements for the year ended March 31, 2026

correlation to the underlying transaction either in OCI or directly in equity.

b) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

3.2.11 Employee benefit schemes

Retirement benefits to employees comprise contribution to Provident Fund, Gratuity and Leave Encashment under the scheme of the company. The company makes yearly contribution to the Provident Fund authorities in accordance with the provisions of the relevant statute. The contributions to the provident fund are charged to the statement of profit and loss for the year.

a) Gratuity

Gratuity is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. Valuation is done on " Projected Unit Credit Method ". Gratuity is administered by a trust formed for this purpose through the Group Gratuity with Life Incorporation of India.

b) Leave encashment

Leave Encashment liability, being a retirement benefit, is accounted for on actuarial valuation basis.

3.2.12 Foreign currency transactions

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the statement of profit and loss. The Company's financial statements are presented in INR. The Company determines the functional currency as INR on the basis of primary economic environment in which the entity operates.

3.2.13 Earnings per share

Earning Per Share (EPS) is 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 determined as per Accounting Standard.

For the purpose of calculating Diluted Earning Per share, the Net Profit or Loss for the period attributable to equity shareholders is divided by the Weighted Average Number of shares outstanding during the period determined as per Accounting Standard after adjusting for the effects of all dilutive potential equity shares.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.2.14 Cash Flow Statement

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits. Cash flows are reported using the indirect method, whereby a profit before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash payments or receipts. The cash flows from operating, financing and investing activities of the company are segregated.

3.2.15 Segment Reporting

The entire operations of the company relates to only one Segment, VIZ. Automobile Components. Hence, as per IND AS-108 issued by ICAI, there is no reportable Segment

3.2.16 Research and development

Revenue expenditure towards research and development is charged to the statement of profit and loss in the year it is incurred. Capital expenditure on research and development related to property, plant and equipments is included in the cost of related

Notes to the Ind AS financial statements for the year ended March 31, 2026

property, plant and equipments.

3.2.17 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

3.2.18 Use Of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements.

3.2.19 Share Issue Expenses

Share issue expenses are adjusted from Securities Premium Account at the time of issue of respective shares as prescribed under the provisions of companies Act.

3.2.20 Derivative Financial Instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately excluding derivatives designated as cashflow hedge.

3.2.21 Hedge Accounting

a) Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under the heading reserve and the ineffective portion is recognised immediately in the statement of Profit and Loss

b) Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in hedging reserve is retained until the forecast transaction occurs upon which it is recognised in the statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognised immediately to the statement of profit and loss.

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

4. PROPERTY PLANT AND EQUIPMENTS

		As at 31st March 2026	As at 31st March 2025
4.1	Tangible assets	**19,669.85**	17,029.87
		19,669.85	17,029.87
4.2	Intangible assets	**30.67**	33.92
		30.67	33.92
4.3	Capital work in progress	**1,847.10**	436.09
		1,847.10	436.09

4.1 PROPERTY PLANT AND EQUIPMENT

	NAME OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2025	Addition during the Year	Sale/ adjust. during the Year	As at 31.03.2026	As at 31.03.2025	For Period ended on 31.03.2026	Adjustments during the year	Total up to 31.03.2026	As at 31.03.2026	As at 31.03.2025
	LAND	3,555.48	-	-	3,555.48	-	-	-	-	3,555.48	3,555.48
	BUILDING	5,183.23	484.66	-	5,667.90	569.47	167.61	-	737.08	4,930.82	4,613.76
	PLANT & MACHINERY	15,727.23	2,991.50	9.56	18,709.18	7,908.66	853.45	9.08	8,753.03	9,956.14	7,818.57
	VEHICLES	584.13	109.45	23.78	669.79	265.13	65.59	22.59	308.13	361.66	318.99
	FURNITURE & FIXTURES	145.50	12.28	-	157.78	75.94	18.68	-	94.62	63.17	69.57
	OFFICE EQUIPMENT	208.85	45.62	-	254.48	126.12	12.65	-	138.77	115.70	82.74
	ELECTRIC INSTALLATION	806.06	183.10	-	989.16	259.80	75.68	-	335.48	653.68	546.26
	COMPUTER	114.91	23.25	-	138.16	90.41	14.55	-	104.96	33.20	24.50
	CURRENT YEAR	**26,325.39**	**3,849.86**	**33.34**	**30,141.92**	**9,295.52**	**1,208.21**	**31.67**	**10,472.07**	**19,669.85**	**17,029.87**
	PREVIOUS YEAR	20,296.34	6,173.86	144.81	26,325.39	8,314.51	1,119.22	138.21	9,295.52	17,029.87	11,981.83
4.2	**INTANGIBLE ASSETS**	65.43	2.89	-	68.32	31.51	6.13	-	37.64	30.67	33.92
	CURRENT YEAR	**65.43**	**2.89**	**-**	**68.32**	**31.51**	**6.13**	**-**	**37.64**	**30.67**	**33.92**
	PREVIOUS YEAR	55.05	10.38	-	65.43	25.56	5.95	-	31.51	33.92	29.49
4.3	**CAPITAL WORK IN PROGRESS**										
	CWIP - BUILDING	436.09	294.37	484.66	245.80	-	-	-	-	245.80	436.09
	CWIP - PLANT & MACHINERY	-	4,553.58	2,952.28	1,601.30	-	-	-	-	1,601.30	-
	CURRENT YEAR	**436.09**	**4,847.95**	**3,436.94**	**1,847.10**	**-**	**-**	**-**	**-**	**1,847.10**	**436.09**
	PREVIOUS YEAR	3,929.13	2,508.39	6,001.42	436.09	-	-	-	-	436.09	3,929.13
	TOTAL CURRENT YR	**26,826.92**	**8,700.70**	**3,470.28**	**32,057.33**	**9,327.03**	**1,214.35**	**31.67**	**10,509.71**	**21,547.62**	**17,499.88**
	PREVIOUS YEAR	24,280.52	8,692.63	6,146.23	26,826.92	8,340.06	1,125.18	138.21	9,327.03	17,499.88	15,940.45

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

5. NON -CURRENT INVESTMENTS

	As at 31st March 2026	As at 31st March 2025
Unquoted Non Trade Equity Instruments (At Cost)		
Talbros Sealing Materials Pvt. Ltd. (33000 fully paid up Equity Shares of Rs. 10/- Each)	**8.60**	8.60
	8.60	8.60

6. TRADE RECEIVABLES

	As at 31st March 2026	As at 31st March 2025
Unsecured, Considered Good		
Less than 6 months	**11.21**	-
6 months to 1 year	**-**	-
More than 1 Year	**-**	7.48
Total trade receivables	**11.21**	7.48

7. OTHER FINANCIAL ASSETS

	As at 31st March 2026	As at 31st March 2025
Security Deposits	**497.61**	534.24
	497.61	534.24

8. OTHER NON CURRENT ASSETS

	As at 31st March 2026	As at 31st March 2025
Capital Advances	**206.90**	653.95
	206.90	653.95

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

9. INVENTORIES

	As at 31st March 2026	As at 31st March 2025
(Taken, Valued and Certified by the Management)		
Raw Materials	**2,610.16**	1,596.94
Work-in-Progress	**4,329.03**	4,337.90
Finished Goods	**-**	-
Stores ,Spares and Loose Tools	**305.69**	344.30
Scrap	**147.57**	101.09
Others(Packing Materials)	**199.41**	141.08
	7,591.86	6,521.30

10. TRADE RECEIVABLES

	As at 31st March 2026	As at 31st March 2025
Unsecured, Considered Good		
Less Than 6 months	**7,878.83**	8,031.00
6 months to 1 year	**-**	-
1-2 years	**-**	-
	7,878.83	8,031.00

11. CASH AND CASH EQUIVALENTS

	As at 31st March 2026	As at 31st March 2025
Cash in hand	**1.55**	1.09
Balances with banks in current Accounts	**1.50**	1.50
Fixed Deposit with Bank (Current Maturity)	**16.65**	17.18
	19.70	19.77

12. OTHER BANK BALANCES

	As at 31st March 2026	As at 31st March 2025
In dividend accounts	**9.41**	10.34
Margin Money	**-**	-
	9.41	10.34

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

13. LOANS

	As at 31st March 2026	As at 31st March 2025
Unsecured, Considered Good		
Loans to Employees	**23.48**	23.39
	23.48	23.39

14. ASSETS FOR CURRENT TAX (Net)

	As at 31st March 2026	As at 31st March 2025
Advance Income Tax	**742.09**	581.67
Provision for Income Tax	**833.00**	560.00
	(90.91)	21.67

15. OTHER CURRENT ASSETS

	As at 31st March 2026	As at 31st March 2025
Unsecured, Considered Good		
Prepaid Expenses	**37.17**	38.56
Advance to Suppliers	**109.31**	195.73
Other Advances	**92.31**	41.12
Balances with Statutory/Govt. Authorities:-		
GST under Protest	**6.88**	6.88
GST Refundable	**64.95**	-
Income Tax Advance	**36.05**	13.73
Duty Drawback Receivable	**22.58**	57.17
	369.24	353.18

16. EQUITY SHARE CAPITAL

		As at 31st March 2026	As at 31st March 2025
16.1	**AUTHORISED SHARE CAPITAL**		
	51,00,000 (P.Y. 51,00,000) Equity Shares of Rs. 10/- each	**510.00**	510.00

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

		As at 31st March 2026	As at 31st March 2025
16.2	**ISSUED, SUBSCRIBED AND PAID UP CAPITAL**		
	50,76,504 (P.Y. 50,76,504) Equity Shares of	**507.65**	507.65
	Rs. 10/- each Fully Paid up		
	Total Issued, Subscribed and fully paid up capital	**507.65**	507.65
16.3	**RECONCILIATION OF THE SHARES AT THE BEGINNING AND THE END OF REPORTING PERIOD**		
	Equity shares		
	At the beginning of the year	**5,076,504**	5,076,504
	Changes due to Prior Period Errors	**-**	-
	Restated Balance at the beginning of Current year	**5,076,504**	5,076,504
	Changes during the Current Year	-	-
	Outstanding at the end of the year	**5,076,504**	5,076,504

16.4 **TERMS/ RIGHTS AND RESTRICTIONS ATTACHED TO EQUITY SHARES**

The company has only one class of equity shares having par value of INR Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by Board of Directors is Subject to Approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders

For the Financial year ended on 31st March 2026, directors have proposed dividend to Equity Shareholders at 30%, being Rs. 3.00 Per Share

16.5 **DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY**

	As at 31st March 2026		As at 31st March 2025	
	No of Shares	%age	No of Shares	%age
Rajesh Talwar	**1010498**	19.91%	1010498	19.91%
Gita Talwar	**1011754**	19.93%	1011754	19.93%
Rakesh Talwar	**271252**	5.34%	271252	5.34%
Naini Talwar	**284411**	5.60%	284411	5.60%
Sartaj K Sahni	**448872**	8.84%	451004	8.88%
Shweta Talwar	**379128**	7.47%	379128	7.47%
Karan Talwar	**394846**	7.78%	394845	7.78%

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

Kartik Talwar	**330558**	6.51%	330558	6.51%

As per the records of the company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

16.6(a) **Shares held by Promotors at the End of the year**

Name of Promotor	No of Shares	%age
Rajesh Talwar	**1010498**	19.91%
Gita Talwar	**1011754**	19.93%
Shweta Talwar	**379128**	7.47%

16.6(b) **Shares held by Promotors at the End of Previous year**

Name of Promotor	No of Shares	%age
Rajesh Talwar	**1010498**	19.91%
Gita Talwar	**1011754**	19.93%
Shweta Talwar	**379128**	7.47%

17. OTHER EQUITY

		As at 31st March 2026	As at 31st March 2025
17.1	CAPITAL RESERVE	**174.87**	174.87
17.2	SECURITIES PREMIUM ACCOUNT	**179.37**	179.37
17.3	REVALUATION RESERVE	**6.71**	7.01
17.4	GENERAL RESERVE	**307.25**	307.25
17.5	OTHER RESERVES	**76.30**	76.30
17.6	RETAINED EARNINGS	**16,982.69**	14,193.52
		17,727.20	14,938.33

		As at 31st March 2026	As at 31st March 2025
17.1	**CAPITAL RESERVE**		
	As per last balance sheet	**174.87**	174.87
	Add/less: adjustment during the year	**-**	-
	Closing balance	**174.87**	174.87

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

		As at 31st March 2026	As at 31st March 2025
17.2	**SECURITIES PREMIUM ACCOUNT**		
	As per last balance sheet	**179.37**	179.37
	Add: Security premium raised during the year	**-**	-
	Less: Bonus Shares Issued	**-**	-
	Closing balance	**179.37**	179.37

		As at 31st March 2026	As at 31st March 2025
17.3	**REVALUATION RESERVE**		
	Revaluation Reserve	**7.01**	7.31
	Less: Transferred to Profit & Loss A/c	**(0.30)**	(0.30)
	Closing balance	**6.71**	7.01

		As at 31st March 2026	As at 31st March 2025
17.4	**GENERAL RESERVE**		
	As per last balance sheet	**307.25**	307.25
	Add/less: adjustment during the year	**-**	-
	Closing balance	**307.25**	307.25

		As at 31st March 2026	As at 31st March 2025
17.5	**OTHER RESERVES**		
	Capital Subsidy		
	As per last balance sheet	**76.30**	76.30
	Add/less: adjustment during the year	**-**	-
	Closing balance	**76.30**	76.30
	Total Other Reserves	**76.30**	76.30

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

		As at 31st March 2026	As at 31st March 2025
17.6	**RETAINED EARNINGS**		
	As per last balance sheet	**14,193.52**	12,303.34
	Profit for the year	**2,916.08**	2,017.09
	Add: Transfer from Other Comprehensive Income	**5.44**	(2.51)
	Dividend on equity shares	**126.91**	126.91
	Closing balance	**16,988.12**	14,191.01
	OTHER COMPREHENSIVE INCOME		
	Remeasurement of Defined Benefit Obligation(net)	**(5.44)**	2.51
	Transfer to retained earnings	**(5.44)**	2.51
		16,982.69	14,193.52

18. LONG TERM BORROWINGS

	As at 31st March 2026	As at 31st March 2025
SECURED BORROWINGS		
From banks	**3,777.95**	3,151.83
From others	-	-
Total secured long term borrowings (I)	**3,777.95**	3,151.83
UNSECURED BORROWINGS		
Loans and advances from related parties	**2,234.36**	2,434.11
From others	-	-
Total unsecured long term borrowings (II)	**2,234.36**	2,434.11
Total Long Term Borrowings (I+II)	**6,012.31**	5,585.94

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

18.1 **Requisite particulars in respect of secured long term borrowings are as under:**

Particulars of loan /security	Terms of Repayment	Balance	As at 31st March 2026	As at 31st March 2025
TERM LOANS FROM HDFC BANK				
Secured by exclusive charge on Plot No. 77 and Plot No 80, Sector -68, Faridabad. Further secured by personal guarantees of President and Chief Operating Officer of the company. The rate of Interest is Repo Rate with agreed Spread	Equated monthly Instalments beginning from the month of disbursement.	**Closing Balance**	**2543.12**	1888.56
		Current Maturity	**649.95**	644.89
		Non Current Maturity	**1893.17**	1243.67
TERM LOANS FROM YES BANK				
Secured by exclusive charge on Plot no. 76, Sector-6, Faridabad. Further secured by personal guarantees of President and Chief Operating Officer of the company and NCGTC to the extent of loans advanced under GECL 2.0. Rate of interest is based on Repo Rate with Agreed Spread	Equated monthly Instalments beginning from the month of disbursement.	**Closing Balance**	**1199.99**	781.94
		Current Maturity	**400.17**	361.72
		Non Current Maturity	**799.82**	420.22
TERM LOANS FROM HSBC BANK				
Secured By Exclusive Charge on Plot no 27, Sector 4, Faridabad. Further secured by personal guarantees of President and Chief Operating Officer of the company. Rate of Interest is based on Tbill rate with Agreed Spread	Equated monthly Instalments beginning from the month of disbursement.	**Closing Balance**	**1409.85**	1828.74
		Current Maturity	**418.89**	418.89
		Non Current Maturity	**990.96**	1409.85

Particulars of loan /security	Terms of Repayment	Balance	As at 31st March 2026	As at 31st March 2025
VEHICLE LOANS FROM BANKS				
Secured against Hypothecation of Vehicles. The rate of Interest is as agreed between lender and the Company	Equated monthly Instalments beginning from the month of disbursement.	**Closing Balance**	**166.93**	143.38
		Current Maturity	**72.93**	65.29
		Non Current Maturity	**93.99**	78.09

19. LONG TERM PROVISION

	As at 31st March 2026	As at 31st March 2025
Annual Leave Payable	**93.11**	78.36
Total Long Term Provision	**93.11**	78.36

20. DEFERRED TAX LIABILITIES

	As at 31st March 2026	As at 31st March 2025
Fixed Assets	**648.51**	467.17
Deferred Tax Liability (Net)	**648.51**	467.17

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

21. SHORT TERM BORROWINGS, SECURED

		As at 31st March 2026	As at 31st March 2025
a)	**Working Capital Loans From Banks***		
	HDFC Bank Ltd	**1,205.65**	343.45
	Yes Bank Ltd	**3,168.57**	2,943.05
	DBS Bank Ltd	**(223.12)**	440.92
	HSBC Bank Ltd	**2,323.79**	1,404.62
	Short Term Borrowings from Others	**750.00**	1,000.00
b)	**Current Maturities of Long Term Debt**	**1,541.94**	1,490.79
	Total Short Term Borrowings	**8,766.84**	7,622.84

The Working Capital facilities from banks are secured by way of hypothecation of stock in trade and book debts and further by way of second charge on immovable properties of the company. The facilities are further secured by personal Guarantees of President and COO of the Company

22. TRADE PAYABLES

	As at 31st March 2026	As at 31st March 2025
Working Capital Loans From Banks*		
Dues to MSME*		
Less than 1 year	**467.28**	299.65
1-2 years	**-**	-
2-3 years	**-**	-
More than 3 years	**-**	-
Dues of other than MSME		
Less than 1 year	**2,188.18**	1,843.57
1-2 years	**-**	-
2-3 years	**-**	-
More than 3 years	**-**	-
Total Trade Payables	**2,655.46**	2,143.22

*The above information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information provided by the parties to the Company.

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

23. OTHER FINANCIAL LIABILITIES

	As at 31st March 2026	As at 31st March 2025
Interest accrued and due on Borrowings	**-**	-
Interest accrued but not due on borrowings	14.26	9.19
Unpaid Dividends	**9.41**	10.34
Creditors for Expenses	**1,264.76**	1,359.28
Creditors for Capital Expenditure	355.15	182.69
Other Liabilities:-		
Accrued Salary & Benefits	**141.33**	105.37
Security Job Contractors	**36.71**	34.56
Other payables	**276.14**	247.13
	2,097.77	1,948.57

24. OTHER CURRENT LIABILITIES

	As at 31st March 2026	As at 31st March 2025
Advance from Customers	**50.92**	31.79
Statutory Dues payable	**48.56**	43.30
GST payable	**(632.71)**	225.47
TDS payable	**52.43**	55.73
	(480.81)	356.27

25. PROVISIONS

	As at 31st March 2026	As at 31st March 2025
Provision for Employee Benefits	**45.52**	36.44
	45.52	36.44

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

26. REVENUE FROM OPERATIONS

	Year Ended 31st March 2026	Year Ended 31st March 2025
SALE OF PRODUCTS		
Domestic Sales	**37,178.73**	35,327.88
Export Sales	**14,569.43**	7,697.80
	51,748.16	43,025.67
OTHER OPERATING REVENUES		
Other operating revenues	**1,827.68**	1,583.21
Total Revenue From Operations	**53,575.84**	44,608.89

27. OTHER INCOME

	Year Ended 31st March 2026	Year Ended 31st March 2025
Interest Income	**0.86**	12.07
Foreign Exchange Fluctuation	**346.63**	31.08
Total Other Income	**347.49**	43.15

28. COST OF RAW MATERIAL CONSUMED

	Year Ended 31st March 2026	Year Ended 31st March 2025
Opening Stock	**1,596.94**	2,279.01
Purchases	**27,989.52**	23,234.86
Cartage Inward	**10.76**	10.88
	29,597.22	25,524.75
Closing Stock	**(2,610.16)**	(1,596.94)
Total Raw Material Consumed	**26,987.05**	23,927.81

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

29. CHANGES IN INVENTORIES OF FINISHED GOOD, W.I.P. AND STOCK IN TRADE

	Year Ended 31st March 2026	Year Ended 31st March 2025
CLOSING STOCK		
Finished Goods	-	-
Work-in-progress	**4,329.03**	4,337.90
Scrap	**147.57**	101.09
	4,476.61	4,438.98
OPENING STOCK		
Finished Goods	-	-
Work-in-progress	**4,337.90**	3,611.81
Scrap	**101.09**	71.93
	4,438.98	3,683.74
(Increase) / Decrease In Stock	**(37.62)**	(755.24)

30. EMPLOYEE BENEFITS EXPENSE

	Year Ended 31st March 2026	Year Ended 31st March 2025
Salaries and Wages	**3,257.67**	3,058.90
Contribution to Provident and other Funds	**117.77**	100.49
Director's Remuneration	**29.98**	27.75
Gratuity	**19.55**	18.55
Staff Welfare Expenses	**537.45**	420.03
Total Employee Benefits Expense	**3,962.42**	3,625.73

31. FINANCE COST

	Year Ended 31st March 2026	Year Ended 31st March 2025
Interest Expense	**852.44**	863.54
Other Borrowing Cost	**393.95**	312.84
Total Finance Cost	**1,246.39**	1,176.37

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

32. DEPRECIATION AND AMORTISATION

	Year Ended 31st March 2026	Year Ended 31st March 2025
Depreciation on Tangible Assets	**1,214.35**	1,125.18
Amount transferred from Revaluation Reserve	**(0.30)**	(0.30)
Total Depreciation and Amortisation	**1,214.05**	1,124.88

33. OTHER EXPENSES

	Year Ended 31st March 2026	Year Ended 31st March 2025
MANUFACTURING EXPENSE		
Stores, Spares and Tools Consumed	**5,216.32**	3,537.24
Power & Fuel	**4,180.40**	3,602.31
Processing Charges	**1,052.95**	880.76
Repairs & Maintenance :		
Buildings	**206.69**	81.04
Plant & Machinery	**1,185.90**	936.05
Other	**220.20**	170.12
Total Manufacturing Expense (I)	**12,062.45**	9,207.53
ADMINISTRATIVE EXPENSES		
Rent, Rates and Taxes	**332.43**	295.10
Fine and penalties	**-**	-
Insurance	**84.92**	38.81
Travelling Expenses	**79.74**	66.05
Commission on Sale	**5.87**	67.59
Packing Expenses	**1,435.12**	1,034.37
Advertisement & Sales Promotion	**7.11**	17.90
Printing & Stationary	**24.05**	18.77
Postage & Telegram	**2.44**	2.34
Telephone Expenses	**13.33**	13.22
Legal & Professional Charges	**190.55**	149.84
Membership & Subscription	**0.85**	0.86
Charity & Donation	**0.15**	0.20
Corporate Social Responsibility Expense	**58.63**	60.90

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

	Year Ended 31st March 2026	Year Ended 31st March 2025
Security Services	**218.66**	171.73
Miscellaneous Expenses	**4.57**	29.41
Loss on Sale of Fixed Assets (Net)	**(6.10)**	(17.96)
Conveyance Expenses	**8.06**	6.47
Vehicles Running & Maintenance	**27.87**	27.65
Freight Outward	**2,064.99**	1,635.65
Auditors Remuneration :-		
Audit Fees	**5.00**	5.00
Director's Sitting Fee	**0.60**	0.60
Total Administrative Expense (II)	**4,558.83**	3,624.48
Total Other Expenses (I+II)	**16,621.28**	12,832.01

34. CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

		For The Year Ended 31st March 2026	For The Year Ended 31st March 2025
a)	**Gross amount required to be spent during the year**	**58.52**	60.43
	Amount unspent for Previous financial year	**-**	-
	Total Amount to be spent on CSR for the year	**58.52**	60.43
b)	Amount spent during the year on		
	i) Construction/ acquisition of any asset	**NIL**	NIL
	ii) On purposes other than i) above	**58.63**	60.90
c)	**Nature of CSR Activities**	Education and Promoting Education, Health Care, Orphanage / Old Age home and Animal Welfare	

35. SEGMENT REPORTING

The entire operations of the company relates to only one operating Segment, VIZ. Automobile Components.

Hence, as per Ind AS-108 issued by ICAI, there is no reportable Segment

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

36. FOREIGN CURRENCY TRANSACTIONS:

		For The Year Ended 31st March 2026	For The Year Ended 31st March 2025
I.	**CIF Value of Imports :**		
	a) Plant & Machinery	**1,682.29**	-
II.	**Expenditure in Foreign currency**		-
	a) Commission on Export Sales	**3.00**	67.59
	b) Foreign Travel (Foreign Exchange Utilized)	**13.22**	19.68
	c) Repair & Maint. (Plant & Mach.)	**13.76**	-
	d) Fixed Assets	**1,192.77**	335.31
	e) Component RAS	**411.03**	179.74
III.	**Earnings in Foreign Exchange**		
	Value of Export on F.O.B. basis	**14,099.37**	7,284.21
IV.	**Dividend paid in Foreign Currency**		
	Details of amount remitted during the year in foreign currency on account of dividend	**-**	0.01

37. EARNING PER SHARE

		For The Year Ended 31st March 2026	For The Year Ended 31st March 2025
	Earning per Share computed in accordance with Accounting Standard (Ind AS-33)		
a)	**Numerator**		-
	Net Profit After Taxation as per Statement of Profit and Loss (Before Exceptional Items)	**2,910.64**	2,019.61
	Net Profit After Taxation as per Statement of Profit and Loss (After Exceptional Items)	**2,910.64**	2,019.61
b)	**Denominator**		
	No. of Shares at the beginning of the year	**5,076,504**	5,076,504
	Total Equity shares outstanding at the end of the year	**5,076,504**	5,076,504
	Weighted Average no of Equity shares for the year	**5,076,504**	5,076,504
	Weighted Average of Diluted Equity shares for the year	**5,076,504**	5,076,504
c)	**Face value per Share (Rs.)**	**10**	10
d)	**Earning Per Share**		
	Basic and Diluted (before Exceptional Items)	**57.34**	39.78
	Basic and Diluted (After Exceptional Items)	**57.34**	39.78

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

38. ASSETS TAKEN ON OPERATING LEASE AS PER IND AS-17

(a) The Company has during the year taken assets on non-cancellable operating lease.

Minimum lease payments for company being charged to P&L account during the year is Rs. 301.04 lacs.

(b) Future commitments in respect of minimum lease payments payable in respect of aforesaid lease entered by the company are as follows:

Particulars	As at 31st March 2026	As at 31st March 2025
Not later than one year	**301.04**	247.43
Later than one year and not later than five years	**1,423.23**	1,119.07
Later than five years	**-**	-

39. CONTINGENT LIABILITIES AND COMMITMENTS

CONTINGENT LIABILITIES

		As at 31st March 2026	As at 31st March 2025
a)	Guarantees	**150.63**	8.00
b)	Bills discounted from Kotak Mahindra Bank Ltd with recourse, not due for payment	**1,429.15**	863.30
c)	Estimated amount of contracts remaining to be executed on capital account and not provided		
	Total value of Contracts	**721.23**	2,708.15
	Contracts Remaining to be executed	**508.39**	1,954.03

40. LICENSED AND INSTALLED CAPACITY

	Axles Shafts (Nos)	Axles Shafts (Nos)
Licensed Capacity	**N.A.**	N.A.
Installed Capacity Per Annum (As certified by the Management and relied upon by the Auditors being a technical matter)	**2,940,000**	2,820,000
Actual Production	**2,983,898**	2,557,038

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

41. TURNOVER, PURCHASE, OPENING AND CLOSING STOCK OF GOODS, CONSUMPTION ETC.

CONSUMPTION ANALYSIS

RAW MATERIAL AND COMPONENTS	For The Year Ended 31st March, 2026		For The Year Ended 31st March, 2025	
	Quantity	Value	Quantity	Value
Metallic Rods	**38985927**	**26,987.05**	34469608	23,927.81
Indigenous	**100%**	**26,987.05**	100%	23,927.81
Total	**100%**	**26,987.05**	100%	23,927.81

COMPOSITIONS OF STORES, SPARES AND TOOLS CONSUMED	For The Year Ended 31st March, 2026		For The Year Ended 31st March, 2025	
	Quantity	Value	Quantity	Value
Indigenous	**100%**	**5,216.32**	100%	3,537.24
Total	**100%**	**5,216.32**	100%	3,537.24

TURNOVER	For The Year Ended 31st March, 2026		For The Year Ended 31st March, 2025	
Finished Goods:	Quantity	Value	Quantity	Value
Axle Shafts (Nos.)	**2,983,898**	**51,748.16**	2,557,038	43,025.67
Scrap and Others (Kgs.)	**5,689,763**	**1,545.28**	4,487,870	1,299.62
Total		**53,293.44**		44,325.29
STOCK OF GOODS				
Opening Stock:				
Axle Shafts (Nos.)	-	-	-	-
Closing Stock:				
Axle Shafts (Nos.)	-	-	-	-

42. LEAVE ENCASHMENT

Following Basis were adopted for the computation of the said liabilities

a) Mortality Table : LIC 1994-96 Ultimate

b) Suitable adjustment in respect of withdrawals and other Restrictive provisions.

c) Future (expected) payment based on terminals salary.

	31.03.2026		31.03.2025	
Determined by assuming salary rise of 6% per annum have been discounted by assuming the imputed rate of interest of 8 % per annum	**Numbers Of Employees**	**Actuarial Value of Leave Encashment**	Numbers Of Employees	Actuarial Value of Leave Encashment
	336	93.11	223	78.36

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

43. GRATUITY

	As at 31st March 2026	As at 31st March 2025
Assumptions		
Discount Rate	**7.70%**	6.93%
Salary Escalation	**6.00%**	6.00%

EMPLOYEE BENEFITS

Defined Contribution Plans:-

The Company has recognised INR 19.55 lakhs as expenses in the Statement of Profit and loss account for the year, (P.Y. INR 18.55 Lakhs)

Defined Benefit Plans:-

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The scheme is funded.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit & Loss, the funded Status and amounts recognized in the balance sheet for the respective plans (As per Actuarial Valuation as on 31st march 2026)

Plan Liability

The actuarial value of gratuity liability calculated on the above assumptions works out as under.

Date Ending	31.03.2026	31.03.2025
Present value of obligation as at the end of the period	**262.97**	204.36

	Service Cost	31.03.2026	31.03.2025
a)	Current Service Cost	**24.31**	16.32
b)	Past Service Cost including curtailment Gains/Losses	**-**	-
c)	Gains or Losses on Non routine settlements	**-**	-
d)	Total Service Cost	**24.31**	16.32

	Net Interest Cost	31.03.2026	31.03.2025
a)	Interest Cost on Defined Benefit Obligation	**14.16**	12.94
b)	Interest Income on Plan Assets	**15.12**	15.98
c)	Net Interest Cost (Income)	**(0.96)**	(3.04)

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

	Change in Benefit Obligation	31.03.2026	31.03.2025
a)	Present value of obligation as at the beginning of the period	**204.36**	178.97
b)	Acquisition adjustment	**-**	-
c)	Interest Cost	**14.16**	12.94
d)	Service Cost	**24.31**	16.32
e)	Past Service Cost including curtailment Gains/Losses	**-**	-
f)	Benefits Paid	**(15.50)**	-
g)	Total Actuarial (Gain)/Loss on Obligation	**35.63**	(3.87)
h)	Present value of obligation as at the End of the period	**262.97**	204.36

	Bifurcation of Actuarial Gain/Loss on Obligation	31.03.2026	31.03.2025
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	**-**	-
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	**(16.43)**	4.64
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	**52.06**	(8.50)

	Actuarial Gain/Loss on Plan Asset	31.03.2026	31.03.2025
a)	Expected Interest Income	**15.12**	15.98
b)	Actual Income on Plan Asset	**43.49**	15.47
c)	Actuarial gain /(loss) for the year on Asset	**28.37**	(0.51)

	Balance Sheet and related analysis	31.03.2026	31.03.2025
a)	Present Value of the obligation at end	**262.97**	204.36
b)	Fair value of plan assets	**265.78**	236.44
c)	Unfunded Liability/provision in Balance Sheet	**2.81**	32.09

	The amounts recognized in the income statement	31.03.2026	31.03.2025
a)	Total Service Cost	**24.31**	16.32
b)	Net Interest Cost	**(0.96)**	(3.04)
c)	Expense recognized in the Income Statement	**23.35**	13.28

	Other Comprehensive Income (OCI)	31.03.2026	31.03.2025
a)	Net cumulative unrecognized actuarial gain/(loss) opening	**-**	-
b)	Actuarial gain / (loss) for the year on PBO	**(35.63)**	3.87
c)	Actuarial gain /(loss) for the year on Asset	**28.37**	(0.51)
d)	Unrecognized actuarial gain/(loss) for the year	**(7.26)**	3.36

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

	Change in plan assets	31.03.2026	31.03.2025
a)	Fair value of plan assets at the beginning of the period	**218.24**	220.97
b)	Actual return on plan assets	**43.49**	15.47
c)	Fund Charges	**-**	-
c)	Employer contribution	**19.55**	-
d)	Benefits paid	**(15.50)**	-
e)	Fair value of plan assets at the end of the period	**265.78**	236.44

	Major categories of plan assets (as %age of total plan assets)	31.03.2026	31.03.2025
a)	Government of India Securities	**-**	-
b)	State Government securities	**-**	-
c)	High Quality Corporate Bonds	**-**	-
d)	Equity Shares of listed companies	**-**	-
e)	Property	**-**	-
f)	Funds Managed by Insurer	**100%**	100%
g)	Bank Balance	**-**	-
	Total	**100%**	100%

	Change in Net Defined Benefit Obligation	31.03.2026	31.03.2025
a)	Net defined benefit liability at the start of the period	**(13.88)**	(42.01)
b)	Acquisition adjustment	**-**	-
c)	Total Service Cost	**24.31**	16.32
d)	Net Interest cost (Income)	**(0.96)**	(3.04)
e)	Re-measurements	**7.26**	(3.36)
f)	Contribution paid to the Fund	**(19.55)**	-
g)	Benefit paid directly by the enterprise	**-**	-
h)	Net defined benefit liability at the end of the period	**(2.81)**	(32.09)

	Bifurcation of PBO at the end of year in current and non current	31.03.2026	31.03.2025
a)	Current liability (Amount due within one year)	**46.84**	45.05
b)	Non-Current liability (Amount due over one year)	**216.13**	159.31
	Total PBO at the end of year	**262.97**	204.36

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

	Expected contribution for the next Annual reporting period	31.03.2026	31.03.2025
a)	Service Cost	**33.44**	20.82
b)	Net Interest Cost	**(0.22)**	(2.22)
c)	Expected Expense for the next annual reporting period	**33.22**	18.60

	Sensitivity Analysis of the defined benefit obligation	31.03.2026	31.03.2025
A)	Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	**262.97**	204.36
a)	Impact due to increase of 0.50%	**(10.06)**	(7.77)
b)	Impact due to decrease of 0.50 %	**10.83**	8.38
B)	Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	**262.97**	204.36
a)	Impact due to increase of 0.50%	**9.75**	7.50
b)	Impact due to decrease of 0.50 %	**(9.15)**	(7.01)

44. RELATED PARTY DISCLOSURE AS PER (IND AS-24) ISSUED BY ICAI:-

In accordance with the requirements of Ind AS 24, names of the related party where control exists/able to exercise significant influence along with aggregate Transactions and year end balances are given below:

KEY MANAGERIAL PERSONNEL AND THEIR RELATIVES

Mr. Rajesh Talwar	President
Mr. Tarun Talwar	C.O.O.
Mr. Vijay Kumar Sharma	Executive Director
Mr. Ankush Jindal	Executive Director
Mr. Anuj Gupta	Company Secretary upto 14.08.2024
Mr. Divam Mittal	Company Secretary upto 30.06.2025
Mrs. Kajal Gupta	Company Secretary from 01.09.2025
Mr. Kanwar Pal Pawar	CFO Upto 31-10-2024
Mr. Manoj Chauhan	CFO
Mr. Tarun Talwar (HUF)	HUF of Mr. Tarun Talwar
Ms. Gita Talwar	Mother of Mr. Tarun Talwar
Ms. Sameena Talwar	Sister of Mr. Tarun Talwar
Ms. Shweta Talwar	Wife of Mr. Tarun Talwar
Mr. Rakesh Talwar	Member of Promotor Group
M/s Rakesh Talwar HUF	Member of Promotor Group
Mr. Karan Talwar	Member of Promotor Group
Mr. Kartik Talwar	Member of Promotor Group
Mrs. Naini Talwar	Member of Promotor Group

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

Transactions with Key Managerial personnel and their relatives

Nature	Aggregate Transactions		Receivables / (Payables)	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Short Term Employee Benefits	**412.08**	338.05	**(16.65)**	(13.28)
Dividend Paid	**92.12**	92.12	**-**	-
Interest paid	**195.06**	276.33	**-**	-
Loans Received	**273.90**	627.00	**(2,234.36)**	(2,434.73)
Loans Repaid	**474.27**	1517.61	**-**	-

45. ADDITIONAL REGULATORY INFORMATION

i) Title Deeds of immovable properties not held in the name of Company : NIL

ii) Loans and Advances to Promotors, Directors KMPs or related parties : NIL

iii) CWIP Aging Schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	3 Yrs above	
Building Under Construction	**194.10**	51.67	**0.03**	NIL	245.80
Plant & Machinery under Installation	**1601.30**	NIL	**NIL**	NIL	1601.30
	1795.40	51.67	**0.03**	0.00	1847.10

iv) The Company has borrowings from Banks and Financial Institutions on the basis of security of Current Assets.

The Statement of current assets filed by the Company with Banks and Financial Institutions are in agreement with books of accounts

V	Financial Ratios	31.03.2026	31.03.2025	% age Change
a)	Current Ratio	**3.60**	3.34	**7.91%**
b)	Debt Equity Ratio	**0.41**	0.46	**-9.58%**
c)	Debt Service Coverage Ratio	**3.36**	2.61	**28.42%**
d)	Return on Equity Ratio	**0.16**	0.13	**22.46%**
e)	Inventory Turnover Ratio	**7.06**	6.84	**3.17%**
f)	Trade Receivables Turnover Ratio	**6.80**	5.55	**22.42%**
g)	Trade Payables Turnover Ratio	**18.36**	19.02	**-3.46%**
h)	Net Capital Turnover Ratio	**2.94**	2.89	**1.73%**
i)	Net Profit Ratio	**7.29%**	6.09%	**19.62%**
j)	Return on Capital Employed	**28.39%**	25.23%	**12.51%**
k)	Return on Investment	**-**	-	**-**

Notes to the Ind AS financial statements for the year ended March 31, 2026

(All Amount in INR Lakhs unless otherwise stated)

Items included in Numerator and Denominator for computing ratios explained as follows:

a)	Current Ratio	Current Assets over Current Liabilities
b)	Debt Equity Ratio	Debt Over Total Shareholders Equity
c)	Debt Service Coverage Ratio	Earnings before Interest and Tax over current Maturities of Long Term Debt
d)	Return on Equity Ratio	Profit after Tax over Shareholders Equity
e)	Inventory Turnover Ratio	Revenue from operations over average Inventory
f)	Trade Receivables Turnover Ratio	Revenue from operations over average trade receivables
g)	Trade Payables Turnover Ratio	Cost of Goods Sold over Average Trade payables
h)	Net Capital Turnover Ratio	Revenue from operations over equity
i)	Net Profit Ratio	Net profit over Total Income
j)	Return on Capital Employed	Profit before interest and Tax over average capital employed
k)	Return on Investment	Interest income, net gain on sale of investments and net fair value gain over average investments

Explanation for Variance Exceeding 25%

Increase in Debt Service Coverage Ratio is on account of improvement in Profitability of the Company

46. In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities has been made.

47. Previous year figures have been regrouped/ reclassified wherever found necessary to correspond with the current year classification

48. All amounts in the financial statements are rounded off to Lakhs with two digits, except as otherwise stated.

49. Current year figures are shown in bold prints

As per our report of even date

For RAKESH RAJ & ASSOCIATES
Chartered Accountants
FRN: 005145N

Sd/-
(Abhishek Kumar)
Partner
Membership No. 519429

Place: Faridabad
Date: 29.05.2026
UDIN: 26519429VYPAZP9601

For and on behalf of the Board of Directors of
TALBROS ENGINEERING LIMITED

Sd/-
Vijay Kumar Sharma
Executive Director
DIN: 06394784

Sd/-
Ankush Jindal
Executive Director
DIN: 03634690

Sd/-
Kajal Gupta
Company Secretary
M.No. : A52114

Sd/-
Manoj Kumar Chauhan
Chief Financial Officer

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TALBROS ENGINEERING LIMITED

CIN No.: L74210HR1986PLC033018

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