

Ref: STL/SE/2026-2027/AGM Notice & Annual Report/32

Dated: 25th August, 2026

To,
Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001

To,
Listing Department,
National Stock Exchange of India Limited
C-1, G-Block, Bandra-Kurla Complex,
Bandra, (E), Mumbai – 400 051

BSE Code: 541163; NSE: SANDHAR

Sub: Notice of the 34th Annual General Meeting along with the Annual Report for the Financial Year 2025-2026.

Dear Sir/Ma'am,

With reference to the captioned subject, we are submitting herewith the Notice of 34th Annual General Meeting ("AGM") along with the Annual Report for the Financial Year 2025-2026, which is being sent to the shareholders by Electronic Mode.

The 34th Annual General Meeting of the Company will be held on Tuesday, the 22nd September, 2026 at 11:30 A.M. (IST) through Video Conferencing/Other Audio Visual means.

The Schedule of events relating to the AGM is set out below:

Events	Day and Date	Time (IST)
Relevant Date/Record Date/Cut-off date to vote on AGM Resolution	Friday, 11 th September, 2026	NA
Book Closure Date for AGM and Final Dividend	Saturday, 12 th September, 2026 to Tuesday, 22 nd September, 2026 (both days inclusive)	NA
Remote e-voting Start date and time	Saturday, 19 th September, 2026	09:00 A.M.
Remote e-voting End date and time	Monday, 21 st September, 2026	05:00 P.M.
AGM date and time	Tuesday, 22 nd September, 2026	11:30 A.M.

The Annual Report containing the notice is also uploaded on the Company's website viz. <https://sandhargroup.com/investors/annual-reports>.

Kindly take the same on record.

Thanking you,
Yours faithfully,

For SANDHAR TECHNOLOGIES LIMITED

Yashpal Jain

Digitally signed by Yashpal Jain
Date: 2026.08.25 18:11:00
+05'30'

Yashpal Jain
(Chief Financial Officer & Company Secretary)
M. No. A13981

Encl.: As above

Sandhar Technologies Limited

SANDHAR

Growth. Motivation. Better Life

CIN-L74999DL1987PLC029553

Corporate Office: 13, Sector-44, Gurugram-122002, Haryana, India
Ph.: +9112-4518900

Registered office:

B-6/20, L.S.C, Safdarjung Enclave, New Delhi - 110029, India
Ph.: +91-11-40511800

Email : enquiries@sandhar.in Website : www.sandhargroup.com

Notice

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

Dear Member(s),

Notice is hereby given that the Thirty Fourth (34th) Annual General Meeting ("AGM") of the Members of Sandhar Technologies Limited ("the Company") will be held on Tuesday, the 22nd September, 2026 at 11:30 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended the 31st March, 2026 together with the reports of the Board of Directors and Auditors thereon.

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

"RESOLVED THAT the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2026 together with the Reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To declare a final dividend of INR 4.00/- (Indian Four Rupees only) each on the fully paid up Equity Shares of the Company of face value of INR 10/- (Indian Rupees Ten) each for the financial year 2025-2026.

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

"RESOLVED THAT the final dividend of INR 4.00/- (Indian Four Rupees) (40%) per equity share of the Company, having face value of INR 10/- (Indian Rupees Ten only) each, as recommended by the Board of Directors at their meeting held on 21st May, 2026, be and is hereby declared for the Financial Year ended on 31st March, 2026 and the same be paid to those members whose names appear on the register of members on 11th September, 2026, out of the profits of the Company."

3. To consider and approve re-appointment of Smt. Monica Davar (DIN: 00100875), as a Non-Executive Non-Independent Director, who retires by rotation and being eligible offers herself for re-appointment:

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

"RESOLVED THAT pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), if any, and in accordance with Articles of Association of the Company, Smt. Monica Davar (DIN: 00100875), Non-Executive Non Independent Director, who retires by rotation at this Annual General Meeting and being eligible for re-appointment, offers herself for re-appointment as a Director, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. Ratification of Remuneration payable to Cost Auditor viz., M/s Satija & Co., for audit of cost records of the Company for the Financial Year 2026-2027

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee, the remuneration payable to M/s Satija & Co., Cost Accountants (Firm Registration No.004907), appointed by the Board of Directors of the Company as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for FY 2026-27, amounting to INR 10,00,000 (Indian Rupees Ten Lakh Only) per annum plus applicable taxes and reimbursement of out-of-pocket expenses as may be incurred by them during the course of aforesaid audit be and is hereby ratified.

RESOLVED FURTHER THAT any Director or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Appointment of Smt. Gazal Kalra (DIN: 07278754) as Non-Executive, Independent Director of the Company.

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules made there under, the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR Regulations") [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], in accordance with the applicable provisions of Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Smt. Gazal Kalra (DIN: 07278754), who was appointed as an Additional Director in the capacity of an Independent Director of the Company with effect from 11th August, 2026 and who holds office as such upto the date of next General Meeting of the Company or upto three months from the date of appointment, whichever is earlier in terms of Section 161 of the Act read with LODR Regulations and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director of the Company and being eligible for appointment under the provisions of the Act and the Rules framed thereunder and the LODR Regulations, be and is hereby appointed as an Independent Director of the Company to hold office for a term of upto five (5) consecutive years from the original date of appointment i.e. 11th August, 2026 upto 10th August, 2031 (both days inclusive) and that she shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any Director or the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To approve for enhancement of the Company's limits for granting Loans, making Investments, providing Guarantees and Securities under Section 186 of the Companies Act, 2013

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory amendment(s) thereto or re-enactment(s) thereof) and subject to such approvals, consents, sanctions and permissions as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors

of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, from time to time, as it may be deemed beneficial and in the interest of the Company, that the aggregate of the loans and investments so far made, the amount for which guarantees or securities so far provided to or in all other bodies corporate along with the investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of INR 2,000/- Crores (Indian Rupees Two Thousand Crores only) or the limits as prescribed under Section 186 of the Act, (i.e., 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more) whichever is higher;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to authorising signatories, taking from time to time all decisions and steps in respect of the above loans, guarantees, securities and investment(s), including the timing, amount and other terms and conditions of such loans, guarantees, securities and investment(s) and varying the same either in part or in full as it may deem appropriate and to negotiate, finalise and execute agreement(s) or such other document(s), by whatever name called and to do all acts, matters and things as may be necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members and to delegate all or any of the powers or authorities herein conferred to any director(s) or other officer(s) of the Company, and to engage any advisor, consultant, agent or intermediary, as may be deemed necessary."

**By Order of the Board
For Sandhar Technologies Limited**

Sd/-
YASHPAL JAIN
Chief Financial Officer & Company Secretary
ICSI Membership Number : A13981
Place: Gurugram, Haryana
Dated: 11th August, 2026

Registered Office:

B-6/20 L.S.C. Safdarjung Enclave,
New Delhi-110029
CIN: L74999DL1987PLC029553
Phone: 0124-4518900
Fax: 0124-4518912
Email: investors@sandhar.in
Website: www.sandhargroup.com

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India and, where applicable, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), setting out the material facts relating to the Special Business under Item Nos. 4, 5 and 6 of the accompanying Notice, is annexed hereto. Further, the relevant details and additional information in respect of Item No. 3 of the Notice are also annexed hereto in accordance with the applicable provisions of the Act, the SEBI Listing Regulations and SS-2.

2. The Ministry of Corporate Affairs ("MCA") vide its General Circular No. 14/2020 dated 8th April, 2020 and subsequent circulars issued in this regard, latest being General Circular No. 3/2025 dated 22nd September, 2025 (collectively referred to as "MCA Circulars") has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue.

Further, the Securities and Exchange Board of India ("SEBI"), have also provided relaxations from compliance with certain provisions of the SEBI Listing Regulations relating to the sending of Annual Report to security holders as well as appointing of proxy.

In compliance with the applicable provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 34th AGM of the Members of the Company is being held through VC / OAVM on Tuesday, 22nd September, 2026. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at B-6/20, L.S.C. Safdarjung Enclave, New Delhi-110029.

The Company has engaged the services of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) as agency for providing VC/OAVM facility and e-voting facility (remote e-voting and e-voting during AGM) to shareholders of the Company in order to cast their votes electronically.

3. Pursuant to the above-mentioned MCA Circulars, SEBI Listing Regulations r/w relevant SEBI Circulars, physical attendance of the Members is not required at the AGM, and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM, pursuant to the applicable MCA Circulars read with Act and the SEBI Listing Regulations physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/ Institutional Members intending to authorize their representatives to participate

and vote at the Meeting are requested to send a scanned copy (PDF/JPG format) of its Board or governing body resolution/Authorization letter etc. at e-mail ID investors@sandhar.in and to the scrutinizer kksachdeva201@gmail.com atleast 48 hours before the remote e-voting, pursuant to section 113 of the Act.

6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote at the AGM.
7. Members of the Company under the category of Institutional members are encouraged to attend and participate in the AGM through VC/OAVM and vote.
8. In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
9. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act along with documents referred to in the accompanying Notice of the AGM and the Explanatory Statement will be available for inspection in electronic mode for inspection on all working days except Saturday and Sunday, during normal business hours 09:00 A.M. to 05:00 P.M. (IST) from date of dispatch of notice to members of the Company to 21st September, 2026 and on the date of AGM. Members can inspect the same by sending an email to investors@sandhar.in
10. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42 of the SEBI Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 12th September, 2026 to Tuesday, 22nd September, 2026 (both days inclusive).
11. Details as required in Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards-2 issued by the Institute of Company Secretaries of India in respect of the Directors seeking appointment / re-appointment at the AGM is attached as Annexure -1 forming part of this Notice.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts.
13. Dividend: Subject to Section 126 of the Act, dividend, if declared, will be paid, on or after September 23, 2026 subject to deduction of tax at source, as may be applicable to those Members whose names appear in the Register of Members as at the end of business hours on September 11, 2026 and who are beneficial owners as at the close of business hours on the said date as per the beneficiary list provided by Central Depository Services (India) Limited and National Securities Depository Limited.

14. Members may please note that the bank account details as furnished by the respective Depository Participants ("DPs") to the Depositories will be considered for the purpose of payment of dividend. Accordingly, the Company and its Registrar to an Issue and Share Transfer Agent ("RTA") will not entertain any direct request from Members holding shares in dematerialised form for change or deletion of such bank account details. Members holding shares in dematerialised form are, therefore, requested to update their bank account details, including IFSC, email address and other KYC particulars, with their respective DPs to avoid any delay in receipt of dividend and other communications.

Pursuant to the applicable provisions of the SEBI Listing Regulations, dividend, if declared at the AGM, shall be paid through electronic mode to those Members whose bank account details are registered with the Depositories or the Company/RTA, as applicable.

15. Members who hold shares in dematerialised form and wish to update their PAN, contact details, Bank details, signatures and Nomination, are requested to contact their respective DPs.
16. As per the provisions of Section 72 of the Act and SEBI Circulars, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting a request to their Depository Participant in Form No. SH-13.
17. All existing investors are encouraged, in their own interest, to provide 'choice of nomination' for ensuring smooth transmission of securities held by them as well as to prevent accumulation of unclaimed assets in securities market. However, all new investors shall continue to be required to mandatorily provide the 'Choice of Nomination' for demat accounts except for jointly held demat accounts.
18. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid/unclaimed Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. Relevant details in this respect are posted on the Company's website <https://sandhargroup.com/investors/unclaimed-and-unpaid-dividend>.
19. The details of Dividend and Shares transferred to IEPF are provided in the Board's report which is forming part of the Annual Report for the Financial Year 2025-26.
20. The dividend that remains unclaimed out of the dividend declared for the Financial Year ended 31st March, 2019, is due for transfer to IEPF. Members are requested to contact Company or RTA immediately to encash the unclaimed dividend. The Company has uploaded the details of unpaid / unclaimed dividend on the website of the Company.
21. The Company has sent communication in this respect to concerned shareholders from time to time as may be necessary. Members are requested to contact the Company or the RTA to encash the unclaimed dividend and in case any pending legal disputes, provide certified copy of order from court / authority restraining transfer, payment of dividend etc.

22. The members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same as well as the corresponding dividend by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in. The member can file only one consolidated claim in a financial year as per the IEPF Rules.

COMMUNICATION ON TAX DEDUCTION AT SOURCE ON DIVIDEND DISTRIBUTION

Pursuant to the Income-tax Act, 2025 read with the Finance Act, 2026 (effective w.e.f. 1st April, 2026), dividend income continues to be taxable in the hands of shareholders, and the Company is required to deduct Tax at Source (TDS) at the time of making payment or distribution of dividend, at the prescribed rates. Tax shall be deducted at source @10% for resident shareholders with a valid Permanent Account Number (PAN); or @20% (or such higher rate as prescribed) for resident shareholders without PAN or with an invalid PAN, as per Section 397(2) of the Income-tax Act, 2025 (corresponding to the erstwhile Section 206AA).

Further, TDS is required to be deducted at the rate prescribed in the lower/nil tax withholding certificate issued under Section 395(1) of the Income-tax Act, 2025 (corresponding to the erstwhile Section 197), if such valid certificate (Form No. 128) is provided.

However, no tax shall be deducted on the dividend payable to a resident individual Member if the total dividend to be received by them during Tax Year 2026-27 from the Company does not exceed Rs. 10,000 u/s 393(4), and also in cases where Members furnish a self-declaration in Form No. 121 under Section 393(6) of the Income-tax Act, 2025 (corresponding to the erstwhile Form 15G/Form 15H, applicable to individuals aged 60 years or more, as applicable), subject to conditions specified in the Act and Rules, by email to RTA of the Company at investor.helpdesk@in.mpms.mufig.com.

Non-resident shareholders can avail beneficial rates under the tax treaty between India and their country of residence under Section 393(2) of the Income-tax Act, 2025 (corresponding to the erstwhile Section 195), subject to providing necessary documents, i.e., No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form No. 41 under Section 159(8) of the Income-tax Act, 2025 (corresponding to the erstwhile Form 10F), and any other document required to avail treaty benefits, by sending an email to RTA of the Company at investor.helpdesk@in.mpms.mufig.com. The aforementioned documents and declaration need to be submitted by shareholders by Tuesday, 15th September, 2026.

Note: If a shareholder holds multiple demat accounts under a single PAN, and the aggregate dividend across all such accounts exceeds Rs. 10,000, TDS shall be deducted on the entire amount.

ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT:

In accordance with the MCA Circulars and SEBI Listing Regulations, Annual Report for Financial Year 2025-26 and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company and the Depositories. The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same. Members may send their request on investors@sandhar.in.

Members holding shares in dematerialized (demat) form are requested to update their email addresses with their respective Depository Participants (DPs). In case of any queries or difficulties in registering the e-mail address, Members may write to enotices@in.mpms.mufg.com or contact Tel: 022-49186000.

A copy of the Notice of this AGM along with Annual Report for the FY 2025–26 is available on the website of the Company at <https://sandhargroup.com/investors/annual-reports/>, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of Registrar and Share Transfer Agent ("RTA") <https://instavote.linkintime.co.in>.

Additionally, as per SEBI Listing Regulations, the Company is also sending a letter to shareholders whose e-mail addresses are not registered with Company/ RTA/ depositories/ DPs providing the weblink, including the exact path of Company's website where the complete details of the Notice and Annual Report for F.Y. 2025–26 is available.

In case of any assistance, the members are requested to write an email to investors@sandhar.in

Any member desirous of receiving any information on the Financial Statements or Operations of the Company is requested to forward his/her queries to the Company at least seven working days prior to the AGM through e-mail on investors@sandhar.in. The same shall be replied by the Company suitably.

SCRUTINISER FOR E-VOTING:

The Company has appointed M/s K.K. Sachdeva & Associates, Practicing Company Secretaries (M. No. FCS 7153), to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.

The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, scrutinize the votes cast through e-voting during the meeting and through remote e-voting. The Scrutinizer shall then submit a Consolidated Scrutinizer's Report of the total votes cast in favour of and against each Resolution, along with details of invalid votes, if any, within two working days from the conclusion of the AGM, to the Chairman or to any person authorized by him in writing. The Chairman or the authorized person shall countersign the same and declare the consolidated results of the voting forthwith. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of AGM, i.e., September 22, 2026.

The result declared along with the scrutinizers report shall be displayed at the registered office as well as corporate office of the Company and will also be placed on the Company's website at www.sandhargroup.com under the head "Investor Relations" and on the website of MUFG Intime India Private Limited at <https://instavote.linkintime.co.in> and shall also be communicated to the Stock Exchanges where the Company's Equity Shares are listed viz. Bombay Stock Exchange Limited ('BSE') and The National Stock Exchange of India Limited ('NSE').

ONLINE DISPUTE RESOLUTION MECHANISM

With a view to safeguard the interests of the investors and to streamline the resolution mechanism in the Indian Securities

Market, SEBI vide its circular no. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated December 28, 2023 as amended from time to time, mandated establishment of common Online Dispute Resolution Portal ("ODR Portal"), by Market Infrastructure Institutions, which harnesses online conciliation and online arbitration for resolution of disputes arising between investors/clients and listed companies (including their RTAs) or specified intermediaries/regulated entities, in Indian Securities Market.

The ODR Portal allows the investors/shareholders to enrol themselves, file unresolved grievance, upload documents and get status updates pertaining to the unresolved grievances filed against listed entities/its RTA.

The process for initiation of Dispute Resolution process is enumerated below:

- An investor/client shall first take up his/her grievance with the Market Participant by lodging a complaint directly with the concerned Market Participant.
- If the grievance is not redressed satisfactorily the investor/ shareholder may escalate the same through the SCORES Portal (www.scores.gov.in) in accordance with SCORES Guidelines in accordance with the process laid out.
- If the investor/client is still not satisfied with the outcome, he/she can initiate dispute resolution through the ODR Portal. Alternatively, the investor/client may initiate dispute resolution through the ODR Portal if the grievance lodged with the concerned Market Participant was not satisfactorily resolved or at any stage of the subsequent escalations (prior to or at the end of such escalation(s)).
- The concerned Market Participant may also initiate dispute resolution through the ODR Portal after having given due notice of at least 15 calendar days to the investor/client for resolution of the dispute which has not been satisfactorily resolved between them.
- The SMART ODR Portal can be accessed at: <https://smartodr.in/login> and for more information shareholders are requested to visit the weblink https://sandhargroup.com/uploads/Investor/link-to-smart-odr-portal-signed_file.pdf

PROCEDURE FOR SPEAKER REGISTRATION OR TO RAISE QUESTIONS/ QUERIES:

- Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at e-mail: investors@sandhar.in on or before 18th September, 2026 at 05:00 P.M. The Company reserves the right to restrict the number of speakers and time for speaking, depending on the availability of time for the AGM.
- Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at e-mail: investors@sandhar.in. The same will be replied by the Company suitably.

PROCEDURE FOR REMOTE E-VOTING

Pursuant to Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide the facility to Members

to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Company has engaged the services of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) as agency for providing e-voting facility (remote e-voting and e-voting during AGM) to shareholders of the Company in order to cast their votes electronically. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 11th September, 2026 i.e., the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the resolutions set forth in this Notice.

A person who is not a member as on the cut-off date should treat this Notice of AGM for information purpose only.

Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request to Registrar. However, if he/she is already registered with Registrar for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

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

Members who are present in the meeting through VC/OAVM and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting. Vote once casted can't be changed subsequently.

The Members who have casted their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Saturday, 19th September, 2026 at 9:00 A.M. (IST) and ends on Monday, 21st September, 2026 at 5:00 P.M. (IST). The remote e-voting module shall be disabled by MUFG Intime India Private Limited for voting thereafter. The members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Friday, 11th September, 2026 may cast their vote electronically. The voting right of members shall be in proportion to their share.

E-Voting Event Number (EVEN)– 260534

Process and manner for attending the Annual General Meeting through InstaMeet:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22.09.2025, the Companies can conduct their AGMs/EGMs by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

- Visit URL: <https://instameet.in.mpms.muvg.com> & click on "Login".
- Select the "Company Name" and register with your

following details:

- Select Check Box – Demat Account No. / Folio No. / PAN
 - Shareholders holding shares in NSDL/ CDSL demat account shall select check box – Demat Account No. and enter the 16-digit demat account number.
 - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
 - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
 - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
 - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.

d) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through Insta-Meet:

- Shareholders who would like to speak during the meeting must register their request with the company.
- Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders to Vote during the General Meeting through Insta-Meet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
- Click on 'Submit'.

- d) After successful login, you will see “Resolution Description” and against the same the option “Favour/Against” for voting.
- e) Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended

to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 - 4918 6000 / 4918 6175.

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

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	METHOD 1 – NSDL OTP based login - Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp - Enter your 8 – character DP ID, 8 – digit Client Id, PAN, Verification code and generate OTP. - Enter the OTP received on your registered email ID/ mobile number and click on login. - Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period. Method – 2: If registered with NSDL IDeAS facility - Shareholders who have registered for NSDL IDeAS facility: - Visit URL: https://eservices.nsdl.com and click on “Beneficial Owner” icon under “Login”. - Enter User ID and Password. Click on “Login” - After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services. Click on “MUFG InTime” or “e-voting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period. OR Shareholders not registered for NSDL IDeAS facility: - To register, visit URL: https://eservices.nsdl.com and select “Register Online for IDeAS Portal” or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Proceed with updating the required fields. - Post successful registration, user will be provided with Login ID and password. - After successful login, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services. - Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period. Method – 3: By directly visiting the e-voting website of NSDL: Visit URL: https://www.evoting.nsdl.com Click on the “Login” tab available under ‘Shareholder/Member’ section. - Enter your 8 – character DP ID, 8 – digit Client Id, PAN, Verification code and generate OTP - Enter the OTP received on your registered email ID/ mobile number and click on login. - Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services. - Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 – CDSL e-voting page

- a) Visit URL: <https://www.cdslindia.com>.
- b) Go to e-voting tab.
- c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on “**Submit**”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “**evoting link displayed alongside Company’s Name**” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 : From CDSL Easi/ Easiest facility

Shareholders registered for Easi/ Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or Visit URL: www.cdslindia.com, click on “**Login**” and select “**My Easi New (Token)**”.
- b) Enter existing username, Password & click on “**Login**”.
- c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders not registered for Easi/ Easiest facility:

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Home/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration>.
- b) Proceed with updating the required fields for registration.
- c) Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through “**e-voting**” option.
- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) Post successful authentication, click on “**MUFG InTime**” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

STEP 1: LOGIN / SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.linkintime.co.in> & click on “Login” under ‘SHARE HOLDER’ tab.

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

- b) Enter details as under:

- User ID: Enter User ID
- Password: Enter existing Password
- Enter Image Verification (CAPTCHA) Code
- Click “Submit”.
- (Home page of e-voting will open. Follow the process given under “Steps to cast vote for Resolutions”)

Shareholders not registered for INSTAVOTE facility:

- c) Visit URL: <https://instavote.linkintime.co.in> & click on “Sign Up” under ‘SHARE HOLDER’ tab & register with details as under:

InstaVote USER ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No + Folio no. registered with the Company

1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders, holding shares in NSDL form, shall provide ‘point 4’ above.
 - Shareholders, holding shares in CDSL form, shall provide ‘point 3’ or ‘point 4’ above.
 - Shareholders, holding shares in physical form but have not recorded ‘point 3’ and ‘point 4’, shall provide their Folio number in ‘point 4’ above
5. Set the password of your choice. (The password should contain minimum 8 characters, at least one special Character (!#\$%*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click “Submit” (You have now registered on InstaVote). Post successful registration, click on “Login” under ‘SHARE HOLDER’ tab & follow steps given above in points (a-b)

STEP 2: Steps to cast vote for Resolutions through InstaVote

- a) Post successful authentication and redirection to InstaVote inbox page, you will be able to see the “Notification for e-voting”.
- b) Select ‘View’ icon. E-voting page will appear.
- c) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
- d) After selecting the desired option i.e. Favour / Against, click on ‘Submit’.
- e) A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

NOTE: Shareholders may click on “Vote as per Proxy Advisor’s Recommendation” option and view proxy advisor recommendations for each resolution before casting vote. “Vote as per Proxy Advisor’s Recommendation” option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorizing its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

Guidelines for Institutional shareholders (“Custodian / Corporate Body/ Mutual Fund”)

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on “Sign Up” under “Custodian / Corporate Body/ Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person’s email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on “Investor Mapping” tab under the Menu Section
- c) Map the Investor with the following details:
 - A ‘Investor ID’ –
 - i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.
 - B. ‘Investor’s Name – Enter Investor’s Name as updated with DP.
 - C. ‘Investor PAN’ – Enter your 10-digit PAN.
 - D. ‘Power of Attorney’ – Attach Board resolution or Power of Attorney.

*File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.

- d) Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.

STEP 3 – Voting through remote e-voting

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 – VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on “Votes Entry” tab under the Menu section.
- c) Enter the “Event No.” for which you want to cast vote.
- d) Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- e) Enter “16-digit Demat Account No.” for which you want to cast vote.
- f) Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
- g) After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

OR

METHOD 2 – VOTES UPLOAD

Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.

- a) After successful login, you will be able to see the “Notification for e-voting”.
- b) Select “View” icon for “Company’s Name / Event number”.
- c) E-voting page will appear.
- d) Download sample vote file from “Download Sample Vote File” tab.
- e) Cast your vote by selecting your desired option ‘Favour / Against’ in the sample vote file and upload the same under “Upload Vote File” option.
- f) Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

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

Forgot Password:**Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:**

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on "Login" under 'SHARE HOLDER' tab.
- Click "forgot password?"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%*), at least one numeral, at least one alphabet and at least one capital letter.

User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Click "forgot password?"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

By Order of the Board
For Sandhar Technologies Limited

Sd/-
YASHPAL JAIN
Chief Financial Officer & Company Secretary
ICSI Membership Number: A13981

Place: Gurugram, Haryana
Dated: 11th August, 2026

Registered Office:

B-6/20 L.S.C. Safdarjung Enclave,
New Delhi-110029
CIN: L74999DL1987PLC029553
Phone: 0124-4518900
Fax: 0124-4518912
Email: investors@sandhar.in
Website: www.sandhargroup.com

EXPLANATORY STATEMENT

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

Item No 4:

Ratification of Remuneration payable to Cost Auditor viz., M/s Satija & Co., for audit of cost records for the Financial Year 2026–2027

The Company is required, under the provisions of Section 148(3) of the Companies Act, 2013 ("the Act"), read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, to have audit of its cost records conducted by a cost accountant.

The Board on the recommendation of Audit Committee, at its meeting held on 11th August, 2026, approved the re-appointment of M/s Satija & Co., (Firm Reg. No. 004907), as the Cost Auditor to conduct the audit of cost records maintained by the Company for the financial year ending the 31st March, 2027 at a remuneration of INR 10,00,000 (Indian Rupees Ten Lakh Only) plus applicable taxes thereon, and reimbursement of out of pocket expenses incurred during the course of audit.

The fee approved by the Board of Directors on the recommendation of the Audit Committee of the Board of the Company is after considering work & time involved, size of audit team and frequency of audit.

M/s. Satija & Co., Cost Accountant, has furnished certificate confirming that they hold the valid Certificate of Practice under Section 6(1) of the Cost Works Accountant Act, 1959. Further, the firm has confirmed that it is qualified and eligible for such appointment.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, the consent of the Members is sought for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending the 31st March, 2027.

None of the Directors, Key Managerial Personnel(s) and their relatives (except to the extent of their shareholding in the Company, if any) are in any way, concerned or interested, whether financially or otherwise in this resolution.

The Board recommends the resolution set out in Item No. 04 of this notice for the approval of members as an Ordinary resolution.

Item No 5:

Appointment of Smt. Gazal Kalra (DIN: 07278754) as Non-Executive, Independent Director of the Company.

The Board of Directors, on the recommendation of Nomination & Remuneration Committee ("NRC") approved appointment of Smt. Gazal Kalra (DIN: 07278754) as Additional Director (in the capacity of Independent Director) of the Company on 11th August, 2026 pursuant to the provisions of Sections 149, 150, 161(1) and Schedule IV of the Companies Act, 2013 ("the Act"), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and the relevant provisions of the Articles of Association of the Company. In terms of the provisions of

Section 161(1) of the Act, Smt. Gazal Kalra holds office as such only up to the date of the next Annual General Meeting of the Company or the last date on which the Annual General Meeting should have been held, whichever is earlier.

Further, as per Regulation 17(1C) of the LODR Regulations as amended from time to time, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Furthermore, as per Regulation 25(2A) of the LODR Regulations, the appointment of an Independent Director of a listed entity, shall be subject to the approval of shareholders by way of a Special Resolution. Pursuant to the first proviso of Regulation 25(2A) of the LODR Regulations, where a Special Resolution for the appointment of an Independent Director fails to get the requisite majority of votes but the votes cast in favour of the resolution exceed the votes cast against the resolution and votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution, then the appointment of such Independent Director shall be deemed to have been made as if the approval of the shareholders have been obtained by way of Special Resolution.

Pursuant to Section 149, 150, 152, 160 and Schedule IV (Code for Independent Directors) of the Act read with Rules framed thereunder, the LODR Regulations and the Articles of Association of the Company, the Board of Directors of the Company after evaluating the skills, experience, expertise, knowledge of Smt. Gazal Kalra has recommended her for appointment as an Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years from 11th August, 2026 till 10th August, 2031.

Brief profile of Smt. Gazal Kalra including nature of her expertise is as follows:

Gazal Kalra is the Co-Founder of Nuuk, one of India's fastest growing D2C brands today.

She started Nuuk from the simple belief that India deserves better. Better designs, better products. For far too long, we have had to put up with products that were not designed for us but instead given to us from the western world. Between design, performance and affordability – we were left to choose only two. Nuuk exists to change that. To bring purpose back into the products that power our lives.

Having studied the fundamentals of design thinking at Stanford Design School, she brings a product-led approach rooted in human-centered design along with operational excellence with a vision to create high-performance appliances that reflect modern lifestyles. Gazal is deeply committed to building consumer brands that solve real-world problems alongside raising the bar for thoughtful design, long-term utility, and future-ready approach to sustainability.

Before Nuuk, Gazal co-founded Rivigo, the logistics-tech unicorn that disrupted India's long-haul trucking sector by introducing relay trucking and tech-enabled efficiency at scale – establishing her as a design-thinker, bold problem-solver with an eye for scalable impact. Her career also spans influential roles at McKinsey & Company and the World Bank in Washington DC, giving her a unique cross-sectoral perspective on systems, policy, and innovation.

Gazal has been recognized as a Young Global Leader by the World Economic Forum, featured in Fortune's 40 Under 40, and named among Business Today's Most Powerful Women in Business in India.

An alumna of IIT Delhi, Gazal holds an MBA from Stanford Graduate School of Business, where she was a Reliance Dhirubhai Ambani Fellow, and a Master's in Public Administration from Harvard Kennedy School as a Fulbright Scholar. With expertise across product development, manufacturing, and design thinking, she also remains an active voice in the ecosystem, especially around women in entrepreneurship and Make in India-led growth.

The Board has received all the requisite disclosures/declarations from Smt. Gazal Kalra and a notice under Section 160 of the Act from a member, proposing her candidature as an Independent Director of the Company.

Further, Smt. Gazal Kalra has registered herself with the Independent Director's data bank maintained by the Indian Institute of Corporate Affairs. Also, she has confirmed that she is not debarred or disqualified by any order of SEBI, Ministry of Corporate Affairs or any such other Statutory Authority from holding the office as a Director of the Company.

In the opinion of the NRC and the Board Smt. Gazal Kalra is a person of integrity and possesses experience, knowledge, positive attributes and skills and fulfils the conditions for appointment as an Independent Director as specified in the Act and the LODR Regulations and that she fulfils all the conditions as specified under the Act read with LODR Regulations and is independent of the management and her association as an Independent Director will immensely benefit the Company.

Other disclosures and details of terms and conditions of appointment of Smt. Gazal Kalra as stipulated under Regulation 36 of the LODR Regulations and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are provided in the Annexure- 1 to this Explanatory Statement and should be taken and read as part hereof.

Further, being a Non-Executive Independent Director of the Company, Smt. Gazal Kalra shall be entitled to receive the sitting fee for attending meetings of the Board of Directors or any Committee thereof. She shall also be entitled to receive such commission as approved by the members of the Company at the 32nd Annual General Meeting.

Except Smt. Gazal Kalra and her relatives (to the extent of their shareholding in the Company, if any), none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at item No. 5 of the Notice.

The Board recommends the resolution set out in Item No. 05 of the accompanying Notice for approval of the Members by way of Special Resolution.

Item No 6:

To approve enhancement of the Company's limits for granting Loans, making Investments, providing Guarantees or Securities under Section 186 of the Companies Act, 2013

The Company, in the ordinary course of its business and as part of its strategic and financial management objectives, may deploy its surplus funds from time to time by way of investments in securities of other body corporates, granting of loans and providing guarantees or securities, including in relation to its subsidiaries, associates, joint ventures and other strategic business entities, as may be considered appropriate and in the best interests of the Company.

The Company evaluates various opportunities for deployment

of capital and financial resources with a view to optimise returns, strengthen its business ecosystem and support its long-term growth objectives. The Company may undertake investments, provide financial support or enter into strategic arrangements with entities that are aligned with, ancillary to or complementary to the Company's existing business activities.

The details of investments made, loans granted, guarantees provided and securities given by the Company are disclosed in the Standalone Financial Statements of the Company under the relevant Notes forming part thereof, in accordance with the applicable provisions of the Companies Act, 2013 ("the Act"), the applicable Indian Accounting Standards (Ind AS), Schedule III to the Act and other applicable financial reporting requirements. Such disclosures provide the Members and stakeholders with appropriate information regarding the nature, particulars and extent of such transactions undertaken by the Company.

As part of its long-term growth strategy, the Company continually evaluates opportunities for organic and inorganic growth, including strategic acquisitions, business expansion, investments, joint ventures, partnerships, collaborations and other value-enhancing opportunities. The Company also evaluates suitable ventures and business opportunities in its existing line of business or in areas which are complementary or synergistic to its existing operations, with the objective of enhancing capabilities, expanding market presence, strengthening competitiveness and creating sustainable value for its stakeholders.

To enable the Company to efficiently pursue such opportunities and respond promptly to evolving business requirements, the Company requires adequate financial flexibility to deploy funds through investments, loans, guarantees or securities, wherever considered commercially viable and appropriate. Accordingly, the Board of Directors considers it necessary to enhance the existing enabling limits approved under Section 186 of the Act.

Pursuant to the provisions of Section 186(2) of the Act, a company shall not directly or indirectly give any loan to any person or other body corporate, give any guarantee or provide security in connection with any loan to any other body corporate or person, or acquire by way of subscription, purchase or otherwise the securities of any other body corporate, exceeding sixty per cent (60%) of its paid-up share capital, free reserves and securities premium account or one hundred per cent (100%) of its free reserves and securities premium account, whichever is higher, unless approved by the Members by way of a Special Resolution in accordance with Section 186(3) of the Act.

As on 31 March 2026, sixty per cent (60%) of the paid-up share capital, free reserves and securities premium account of the Company aggregates to INR 767.99 Crores, while one hundred per cent (100%) of its free reserves and securities premium account aggregates to INR 1,219.79 Crores. Accordingly, the maximum limit available to the Company under Section 186(2) of the Act is INR 1,219.79 Crores.

As on 31 March 2026, the aggregate value of loans granted, investments made, guarantees given and securities provided by the Company stood at INR 1,004.73 Crores, thereby leaving limited headroom within the statutory limits prescribed under Section 186(2) of the Act.

The Members of the Company had earlier approved, by way of a Special Resolution passed through Postal Ballot dated 02nd August, 2026, an overall enabling limit of INR 1,500 Crores

(Indian Rupees One Thousand Five Hundred Crores only) under Section 186 of the Act for making investments, granting loans, providing guarantees or securities as may be required from time to time.

Considering the Company's projected business growth, anticipated capital requirements, strategic acquisitions, investments, expansion initiatives, treasury operations, capital expenditure, financial support to subsidiaries and associates, evaluation of strategic ventures and other business opportunities, the Board of Directors, at its meeting held on 11 August 2026, approved and recommended for the Members' approval the enhancement of the aforesaid overall enabling limit from INR 1,500 Crores (Indian Rupees One Thousand Five Hundred Crores only) to INR 2,000 Crores (Indian Rupees Two Thousand Crores only) or such higher limit as may be permissible under Section 186(2) of the Act from time to time, whichever is higher.

The proposed limit has been determined after considering the Company's medium-term business requirements and is intended to provide adequate financial and operational flexibility to pursue organic and inorganic growth opportunities, strategic investments, acquisitions, business expansion initiatives and other value-enhancing opportunities in a timely and efficient manner.

The approval sought under this Resolution is enabling in nature and does not, by itself, result in any immediate investment, loan, guarantee, security or acquisition. The proposed authorisation does not constitute any commitment or obligation on the part of the Company to utilise the entire approved limit. Any transaction undertaken pursuant to this approval shall be evaluated on its own commercial merits, financial feasibility, strategic relevance and risk considerations and shall be undertaken only when considered appropriate and in the best interests of the Company and its stakeholders.

The Company remains committed to maintaining high standards of transparency, governance and timely disclosures. The details of loans granted, investments made, guarantees provided and securities given by the Company shall continue to be disclosed in accordance with applicable provisions of the Act, Ind AS and other applicable financial reporting requirements.

Further, any additional or fresh investment, strategic acquisition, business combination, joint venture, material transaction or other corporate development undertaken pursuant to the proposed authorisation, wherever applicable, shall be disclosed to the Stock Exchanges in accordance with Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Act and other applicable laws and regulations. Accordingly, the Members and investors shall continue to receive timely information regarding material developments through the prescribed stock exchange disclosures and statutory filings of the Company.

The proposed authorisation will enable the Board of Directors of the Company (including any Committee thereof authorised by the Board), from time to time, to make investments, grant loans, provide guarantees or securities and acquire securities of other body corporates, as may be considered expedient and in the best interests of the Company, subject to the aforesaid overall limit and applicable laws.

The Company has neither accepted any deposits under the Act nor defaulted in the repayment of any deposits or payment of interest thereon and is therefore eligible to undertake

transactions under Section 186 of the Act.

All transactions undertaken pursuant to the proposed authorisation shall be carried out with appropriate standards of governance, financial prudence and risk management and shall be in compliance with the applicable provisions of the Act, rules made thereunder, SEBI Regulations and other applicable laws.

The Board of Directors accordingly recommends the Special Resolution set out at Item No. 6 of the accompanying Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed Resolution, except to the extent of their respective shareholding, if any, in the Company.

**By Order of the Board
For Sandhar Technologies Limited**

Sd/-

YASHPAL JAIN

Chief Financial Officer & Company Secretary
ICSI Membership Number: A13981

Place: Gurugram, Haryana

Dated: 11th August, 2026

Registered Office:

B-6/20 L.S.C. Safdarjung Enclave,
New Delhi-110029

CIN: L74999DL1987PLC029553

Phone: 0124-4518900

Fax: 0124-4518912

Email: info@sandhar.in

Website: www.sandhargroup.com

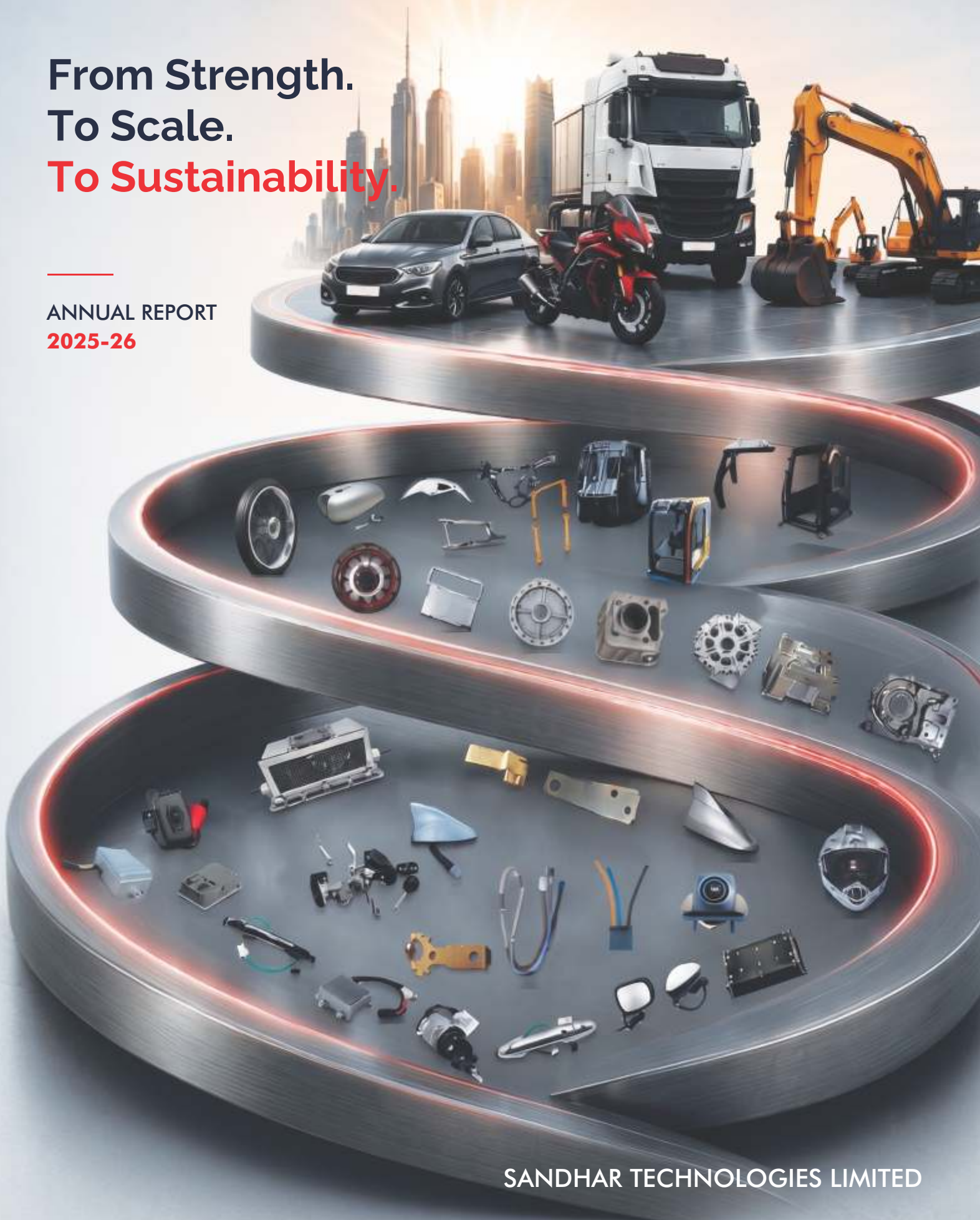
ANNEXURE-1

Details of Directors seeking Appointment/Re-appointment at the Annual General Meeting pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards (SS-2).

Name of the Director	Monica Davar	Gazal Kalra
DIN	00100875	07278754
Date of Birth	07/09/1965	09/09/1985
Age	61	40
Nationality	Indian	Indian
Date of first Appointment on the Board	24.10.1987	11.08.2026
Experience/Expertise in specific Functional Area	Four decades of experience in the auto components sector	As stated in explanatory statement
Past Remuneration	Details have been provided in the Corporate Governance Report which forms the part of the Annual Report 2025-2026.	N.A.
Terms and Conditions of appointment/re-appointment including the Remuneration to be paid	Re-appointment as Non-Executive Non-Independent Director, liable to be retire by rotation. Smt. Monica Davar will be entitled only to the sitting fees for attending the Board and Committee Meetings, as may be decided by the Board from time to time and commission	Appointment as Non-Executive Independent Director, not liable to retire by rotation, for a period of 5 years from 11th August, 2026 to 10th August, 2031. She will be eligible for the payment of sitting fees for attending the Board and Committee Meetings, as may be decided by the Board from time to time and commission.
Board Membership of listed Companies except Sandhar Technologies Limited	NIL	NIL
Committee of the Board of (Sandhar Technologies Limited)	Corporate Social Responsibility Committee Risk Management Committee	NA
Committee of the Board (Other Companies)	N.A.	NA
Resignation during last three years from listed entity	N.A.	N.A.
Relationship with Directors and Key Managerial Personnel	Smt. Monica Davar is related to Shri. Jayant Davar and Shri. Neel Jay Davar, Directors of the Company	Smt. Gazal Kalra is not related to any Director of the Company.
Number of Shares held in the Company including shareholding as a beneficial owner as on June 30, 2026	NIL	NIL
Capacity/ Position	Non-Executive Non Independent Director	Non-Executive Independent Director
Number of the Meetings of the Board attended during the financial year ended 31st March, 2026	5 Board Meetings were held during the Financial Year ended 31st March, 2026. 4 meetings were attended by her	N.A.
Brief Resume and Qualification,	Smt. Monica Davar is a Non-Independent, Non-Executive Director of our Company. Smt. Davar was appointed as a Director in 1987. She completed her pre-university studies in the Commerce stream. She has over 40 years of experience in the auto components sector.	As stated in explanatory statement

**From Strength.
To Scale.
To Sustainability.**

**ANNUAL REPORT
2025-26**



Pg.04-26

Corporate Overview

About Sandhar	04
A Legacy of Engineering	08
Strength in Every Solution	10
Rooted in India. Scaling Across the World	12
Growing Responsibly	14
Partnerships That Power Progress	16
Chairman's Message	18
Profile of Board of Directors	20
Committed to Community Development	24
Corporate Information	26

Pg.27-93

Statutory Reports

Board's Report	27
Management Discussion & Analysis –Financial Performance FY 2026	43
Annual Report on Corporate Social Responsibility Activities	49
Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo	52
Report on Corporate Governance	54
Business Responsibility & Sustainability Report	93

Pg.132-309

Financial Statements

Standalone Financial Statements	132
Consolidated Financial Statements	219

Every road
ahead is
shaped by the
**engineering
within.**

FROM
STRENGTH.

TO
SCALE.

TO
SUSTAINABILITY.





Building tomorrow, together.

Every journey of progress begins with strength – strength of purpose, capability, relationships and execution.

At Sandhar, this strength has been built over decades through engineering excellence, manufacturing depth, customer trust and a consistent focus on quality. Today, this foundation is enabling us to scale with confidence across products, markets and mobility segments.

As the automotive industry moves toward smarter, safer and more sustainable mobility, Sandhar continues to invest in technology, expand capabilities, deepen partnerships and grow responsibly.

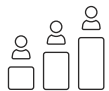
From Strength. To Scale. To the Future.

This is our journey of building tomorrow, together.

Emerging Opportunities. Expanding Horizons.

Aligned with the road ahead.

Sandhar is well-positioned to respond to emerging opportunities in the automotive and mobility space by leveraging its manufacturing strength, product diversity, customer relationships and global collaborations.



Changing Demographics

A growing consumer base continues to drive demand for personal and commercial mobility.



Globalization

Expanding markets are creating new avenues for growth while increasing the need for quality and efficiency.



Digital Transformation

Smart technologies are driving demand for advanced, integrated and reliable solutions.



Sustainable Mobility

The shift toward EVs and cleaner technologies is opening new possibilities for future-ready manufacturers.

As the industry evolves, Sandhar continues to strengthen its capabilities for the road ahead.

A Legacy of Engineering.

A future of possibilities.

Since 1987, Sandhar has grown through engineering excellence, customer focus and continuous innovation.

From locking systems to mirrors, from operator cabins to aluminium components and precision assemblies, our products are part of a larger mobility ecosystem built around quality, safety and performance.

Our legacy gives us strength.

Our scale gives us reach.

Our future gives us direction.



Vision

To be the Most Preferred Choice of Global Stakeholders.



Mission

To be the leading player in Global Markets with fully satisfied Stakeholders, maintaining cost effectiveness through innovative technology and optimum utilisation of talent and resources.

What moves us?

Growth. Motivation. Better Life.

These guiding principles continue to shape how we think, work and grow. They inspire us to create value for customers, employees, partners, communities and all stakeholders.

A Core of Convergence

S Spirit of Accomplishment

A Appropriate Attitude

N Never Dying Passion for Excellence

D Dynamic

H Honest

A Accountable

R Reliable



Strength in Every Solution.

Engineered for performance. Built for tomorrow.

At Sandhar, every product reflects precision, reliability and purpose.

Our portfolio supports diverse mobility needs across vehicle segments and applications. With strong technological competencies and disciplined manufacturing processes, we continue to deliver solutions that create value for customers.

Our strength lies not only in what we manufacture, but in the performance, safety and dependability our solutions enable.



PRODUCT RANGE



AUTOMOTIVE DIVISION

Manufactures and supplies high-quality, reliable auto component parts for customers across markets.



CASTING, MACHINING & TOOLING

Supports internal requirements of key materials and processes for products manufactured by the automotive division.



SHEET METAL & ALLIED BUSINESS

Strengthens Sandhar's presence in the two-wheeler steel wheels market through advanced manufacturing technologies and processes.



CABINS AND FABRICATION DIVISION

Serves the off-highway vehicle segment with high-quality, cost-effective precision steel metal components.

Rooted in India.

Scaling Across the World.

Indian manufacturing strength. Global market relevance.

From a modest beginning in 1987, Sandhar has grown into a trusted global partner with a strong manufacturing footprint, a large workforce and strategic collaborations with leading global players.

Our presence across India and international markets enables us to serve customers with local responsiveness and global standards.

As we scale, we remain committed to Atmanirbhar Bharat - supporting indigenous manufacturing, innovation, employment generation and sustainable industrial growth.



Our Global Footprint

Manufacturing Facilities:

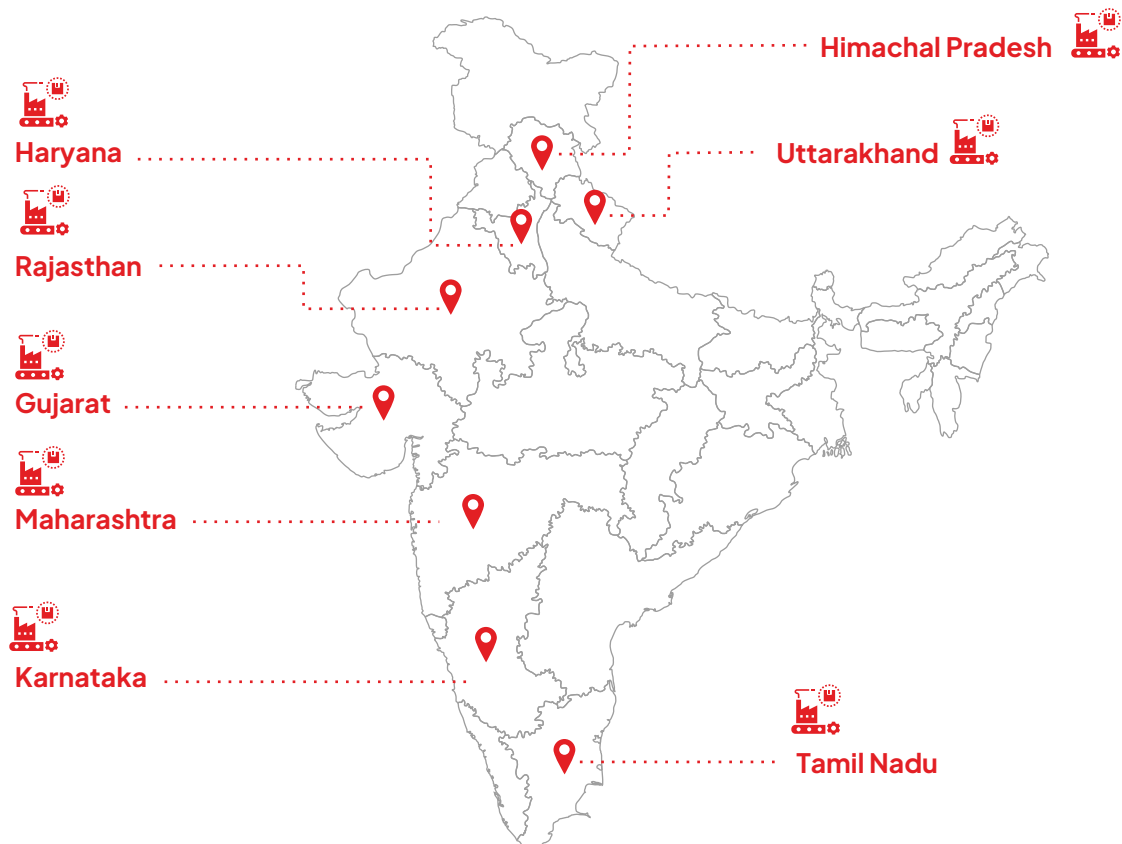
Overseas: Romania | Poland | Mexico | Spain

India: Uttarakhand | Haryana | Maharashtra | Gujarat | Tamil Nadu | Himachal Pradesh | Rajasthan | Karnataka

Strategic Collaborations:

Japan | South Korea | Taiwan

Key Metrics:



Growing Responsibly

Performance with purpose.

For Sandhar, growth and responsibility go hand in hand.

As we scale our operations and expand capabilities, we remain conscious of our responsibility toward the environment, communities and future generations.

Sustainability is embedded into how we think, manufacture and grow—from lowering emissions and adopting renewable energy to optimizing resources and developing efficient components.

Every step forward is a step toward smarter, stronger and greener progress.

Our Sustainability Pillars



Climate Conscious

- Lowering CO₂ emissions and increasing adoption of renewable energy.



Quality & Compliance

- Aligning products and processes with global regulatory, safety and quality standards.



Resource Efficient

- Optimizing use of raw materials and energy while minimizing waste across operations.



Strategic Actions for Future Growth

Focused. Scalable. Future-ready.

Sandhar's growth is the result of deliberate strategy and disciplined execution. As markets evolve, we continue to align our actions with long-term mobility trends and customer needs.



Investing in Emerging Trends

Investing in R&D, collaborations and technology-led initiatives to build differentiated solutions.



Scaling with Demand

Expanding capacity through new facilities and enhanced operations to remain agile and responsive.



Expanding Our Product Portfolio

Innovating and diversifying offerings to serve growing needs across vehicle segments.



Deepening Customer Relationships

Strengthening partnerships through performance, innovation, quality and value creation.



Value created

Every strategy we adopt is a step toward building a stronger, smarter and more sustainable Sandhar.



Partnerships That Power Progress

Growing together with customers.

Our customers are partners in progress. From leading OEMs to emerging EV platforms, we work closely with customers to co-create solutions built on trust, performance and shared ambition.



Our enduring partnerships reflect our customer-first approach, responsiveness, reliability and commitment to quality.

For us, success is not only what we build. It is who we build it with.

2/3 Wheeler



4-Wheeler



CV & OHV



2 Wheelers EVs



EVs Commercial Vehicles



उद्योगिनं पुरुषसिंहम् उपैति लक्ष्मीः

“Fortune favours those who meet adversity with strength, effort, and resolve—not those who merely wait for it to pass.”



Dear Members of the Sandhar Family,

I have always believed that it is not in our easiest moments but in our most testing ones that we discover who we truly are. The past year reminded me of this again and again. Around the world, businesses and nations alike have had to navigate a "polycrisis"—geopolitical tensions, shifting trade equations, climate extremes, and rapid technological disruption, all unfolding together. And yet, time and again, I have seen that it is not the size of the challenge that determines the outcome—it is the strength, the vigour, and the togetherness with which we meet it. That is the spirit I want to celebrate in this letter, because it is the spirit that has carried Sandhar through this year.

So before anything else—thank you. Thank you for the energy you bring to work every single day, for the problems you solve quietly without waiting to be asked, and for the faith you continue to place in this organisation and in each other.

India: Strength Turning Into Stride

If there is one story that captures this spirit at a national scale, it is India's. In a year when the world looked inward and grew cautious, India looked outward and grew

bolder. Our economy crossed the USD 3.9 trillion mark, cementing its place among the fastest-growing major economies in the world. Our space programme reached new heights—from the success of the SpaDeX docking mission, a critical step toward Gaganyaan, to the proud moment of an Indian astronaut reaching the International Space Station for the first time. Our scientists and engineers pushed India up the global rankings in artificial intelligence, backed by the IndiaAI Mission's massive investment in compute and talent, while semiconductor manufacturing took real, visible shape on Indian soil for the first time. And on the sporting field, our cricketers lifted the ICC Women's ODI World Cup for the first time in history—a reminder that persistence, eventually, finds its moment.

None of this happened by chance. It happened because, individually and collectively, India chose to respond to a difficult world with strength and vigour rather than hesitation. That is precisely the energy I see reflected in our own Sandhar story this year.

Sandhar: A Year We Can Be Proud Of

FY 2025–26 was, by every measure, our best year yet. Our consolidated revenue crossed ₹4,850 crore, growing nearly 25% over the previous year—our highest—

Chairman's Message

ever annual revenue. Our consolidated net profit grew even faster, up over 40% to nearly ₹199 crore, reflecting not just growth but growing efficiency and discipline across our businesses. Our core India operations grew strongly as well, with margins expanding meaningfully—proof that our existing businesses are getting stronger even as we build new ones. The strength of this performance was recognised externally too, with our credit rating reaffirmed at IND AA-/Stable, and our stock touching an all-time high during the year—a reflection of the confidence the market places in Sandhar's direction. The Board has recommended our highest-ever dividend in recognition of this performance, a small way of sharing this success with all our shareholders.

Strategically, this was a year of building blocks falling into place. The integration of the aluminium die-casting business—now consolidated under Sandhar Ascast—is progressing well, bringing new capability and scale into our portfolio. Our EV business continued to gain ground, moving steadily toward its goal of profitability. And we took a meaningful step onto the global stage with the establishment of Sandhar Technologies Barcelona, extending our presence into Europe and bringing us closer to some of the world's most demanding customers.

Each of these milestones represents thousands of decisions, taken well, by people across this organisation. That is the real achievement.

People and Communities

Growth that does not lift the communities around us is, to me, only half a story. Alongside the continued work of Swabhimaan and the Sandhar Foundation in skilling, healthcare, and education, our Sandhar Ki Beti initiative continues to be one I hold close to my heart. Year after year, it has quietly supported the education of girls in the communities where we operate—and this year was no exception, with more young girls continuing their schooling and learning journeys with our support.

We believe that when you educate a daughter, you don't just change one life—you change a family, and often, a generation. That belief has stayed with us since the day Sandhar Ki Beti began, and it remains as true today as it was then—that given the right support at the right time, talent finds its way.

Looking Ahead

The world will likely remain uncertain for some time—that much we cannot control. What we can control is how we choose to respond: with clarity instead of confusion, with action instead of anxiety, and with the same strength and vigour that has carried us this far. Electrification, smarter manufacturing, and new mobility solutions will continue to reshape our industry, and we intend to keep showing up prepared, the way we always have.

In Gratitude

To our employees, on the shop floor and in the office—your hard work and honesty are the real foundation of everything we have achieved. To our customers and partners—thank you for trusting us with more, and for growing alongside us. To our suppliers—thank you for standing with us through every season. And to our shareholders and Board—thank you for your continued confidence and support.

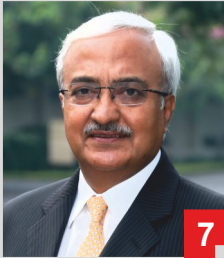
As we step into the year ahead, let us carry this lesson with us: difficult times don't ask us to be fearless—they ask us to be steady, to be willing, and to show up with strength. That is what Sandhar has always done, and that is what we will keep doing.

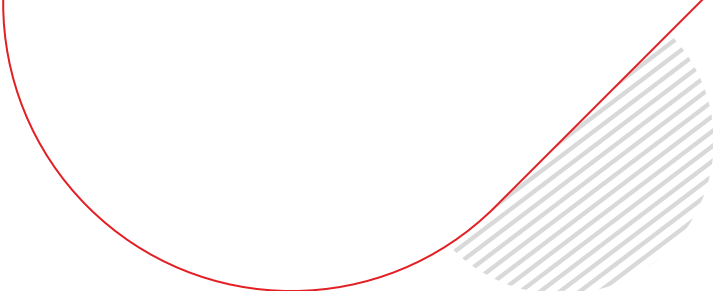
With warmth and gratitude,

Jayant Davar

Executive Chairman (Executive Director)
and Chief Executive Officer
Sandhar Technologies Ltd.

Profile of Board of Directors





1

Shri Jayant Davar is the Founder, Executive Chairman (Executive Director) & Chief Executive Officer of the Company. Shri Jayant Davar holds a Bachelor's degree in Mechanical Engineering from Thapar Institute of Engineering & Technology (TIET)-Patiala and has been conferred with the distinguished Alumnus Award by his College. Shri Davar is also an alumnus of Harvard Business School, Boston, and Springdales School.

He has a rich experience of over four decades in the auto component sector and is actively involved with several professional bodies. He is on the Board of several leading Companies and Educational Institutions and is presently Member of Advisory Committee of Fraunhofer Gesellschaft, Germany and Advisor to Automotive Component Manufacturers Association (ACMA). He is also a Member of Executive Committee in National Council, Confederation of Indian Industry (CII) and of Sectoral Committee on Auto & Auto Components of Haryana Government. Besides this, Shri Davar is also Co-Chairman of the Hero Motocorp Suppliers Council.

As founder, he has played a pivotal role in shaping the company's trajectory to success. His visionary leadership and strategic acumen have been instrumental in steering the organization towards achieving its goals and surpassing milestones.

Under his stewardship, the company has witnessed remarkable growth and expansion, cementing its position as a market leader in the industry.

In addition to his role as Executive Chairman (Executive Director) & Chief Executive Officer, he is actively involved in various industry forums and associations, contributing his expertise towards driving positive change and fostering industry-wide collaboration both as an investor and as a strategic advisor, in the start-up ecosystem.

2

Smt. Archana Kapoor is an Independent Director of our Company from November, 2018. Smt. Kapoor holds a Masters' degree in Business Administration with specialization in Finance and Market Research, University of Allahabad, UP (India). She has a versatile profile in different sectors such as Tourism, Banking & Finance and Social. She is an Independent Director of total 5 listed Companies (including Sandhar), 2 Public Company and since 2014 also a Member Secretary and Project Director of an NGO i.e. Indian Trust for Rural Heritage and Development (ITRHD). She has over 38 years of work experience in Finance and International Business.

3

Shri Vikrampati Singhania is an Independent Director of the Company. He is President of Automotive Component Manufacturers Association of India (ACMA). In addition, he is member of the Managing Committee of the Associated Chambers of Commerce & Industry of India (ASSOCHAM). He is also member of the Fuqua Indian Advisory Board of Duke University, USA.

Shri Singhania is a fourth-generation industrialist belonging to one of the largest industrial groups in India – J.K. Organisation. J.K. Organisation is 141 years old business house with leadership across multiple sectors. The Group is present in over 100 countries apart from all India presence with annual sales revenue of over US\$ 6 billion. The Group manufactures and markets a wide range of products from Paper, Automobile Tyres, Cement, Auto & Industrial Components, Textiles, Agri Products etc.

Shri Singhania did his Master's Degree in Commerce from Kanpur University and MBA from Fuqua School of Business, Duke University, USA.

Shri Singhania is a Director of J.K. Organisation, Vice-Chairman & Managing Director of J.K. Fenner (India) Ltd, one of the leading automotive parts manufacturing company in the country. He is also Managing Director of JK Agri Genetics Ltd, which produces and markets hybrid seeds.

4

Shri Sandeep Dinodia is a Bachelor of Commerce from Shriram College of Commerce, Delhi University and L.L.B. from Delhi University in 1986. He is a F.C.A. from the Institute of Chartered Accountants of India, since 1984. He is an empanelled as a Peer Reviewer with ICAI.

Shri. Dinodia is a senior partner of S.R. Dinodia & Co. LLP, Chartered Accountants where under his expert guidance and supervision the firm conducts assurance and consultancy services.

Shri. Dinodia provides strategic guidance to large companies on corporate governance, regulatory compliance, and financial management, helping firms navigate complex legal and financial landscapes to achieve sustainable growth and diversification. He is also the co-chair of the PHD Chambers' Corporate House Committee.

5

Shri Arjun Sharma, an Independent Director of the Company, is a distinguished business leader shaping India's retail, hospitality, and tourism landscape. As Chairman of the Select Group, he has been instrumental in developing Nexus Select Trust-India's first shopping centre REIT-in partnership with Blackstone, comprising

world-class malls across 14 cities with over 10.06 million sq. ft. of retail and office space, along with two premium hotels: Hyatt Regency Chandigarh and Oakwood Residence Whitefield Bangalore. He also leads Heritage Village Resorts in Goa and Manesar, known for their award-winning hospitality. A seasoned entrepreneur and travel and tourism professional, he played a pivotal role in scaling Le Passage to India and establishing its joint venture with TUI AG, creating India's leading travel business. He has been a Council Member of the World Travel & Tourism Council, India Initiative (WTTICII) since its inception in 2000 and served as its Chairman in 2010. Passionate about education and philanthropy, he chairs the Board of The British School, New Delhi, and actively supports various CSR initiatives.

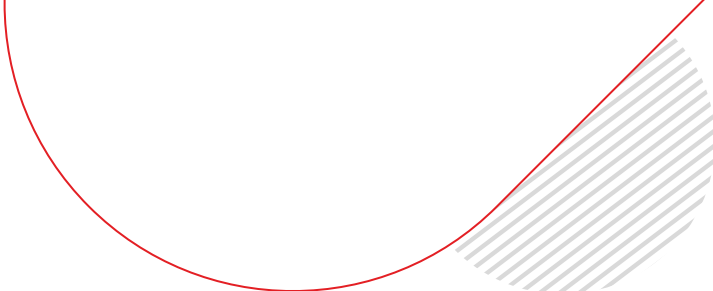
6

Shri Bharat Anand is an Independent Director of our Company. Shri Anand is a Partner in the Corporate and Commercial practice group and leads the Firm's NCR Delhi office. He is also a member of the Firm's National Executive Committee. Prior to joining Khaitan & Co, he had a successful career at the London offices of Freshfields from 2001 until 2009. Shri. Anand's practice spans a range of areas including Mergers and Acquisitions, Joint Ventures, Private Equity Transactions as well as being a Strategic Advisor on particularly complex or sensitive situations in India. He has a wide range of industry experience including Financial Services, Insurance, Renewable Energy, Telecom, Information Technology, Manufacturing and Consumer goods. He represents Financial Sponsors, Founders and family offices on Control Deals, Growth Capital Investments, Joint Ventures and Exits. He has also advised Indian and foreign clients on disputes in India.

7

Shri Vimal Mahendru is a strategic advisor with over 35 years of global leadership experience in strategy, standardization, governance, and sustainability. He advises boards and senior management on regulatory strategy, market access, and organizational transformation, with a focus on digitalization and sustainability. In 2022, he was awarded the International Electrotechnical Commission (IEC) Lord Kelvin Award for his contributions to standards supporting rural electrification.

He serves as Vice President of the IEC and Chair of the IEC Standardization Management Board (SMB), overseeing global standardization across emerging and critical technologies. He is also the IEC Special Envoy for the United Nations Sustainable Development Goals (SDGs).



He was the founding Chair of the IEC Systems Committee on Low Voltage Direct Current (LVDC), including initiatives related to electricity access.

In India, he is a member of the Electrotechnical Divisional Council of the Bureau of Indian Standards (BIS) and is associated with industry bodies including IEEMA. He was formerly President of Legrand India and held senior leadership positions at Indo Asian Fusegear Limited.

8

Smt. Aabha Bakaya is the Independent Director of the Company. Smt. Bakaya is a prominent figure in TV journalism, known for her multifaceted roles across several esteemed news channels including Business Today, India TV group, ET Now, NDTV Good Times, and CNBC TV18 etc. Her career spans content curation, news reporting and conducting insightful interviews with industry leaders. Smt. Aabha Bakaya established herself as a thought leader contributing significantly in the field of finance, economy, and corporate affairs through her comprehensive reporting and engaging interviews.

Smt. Bakaya has done her Bachelor's Degree in Media and Communication from the University of New South Wales and also holds Certificate in Creative Writing and Screen writing from Columbia University in the City of New York. And the Women in Leadership course from Wharton.

9

Smt. Monica Davar is a Non-Independent, Non-Executive Director of our Company. Smt. Davar was appointed as a Director in 1987. She completed her pre-university studies in the Commerce stream. She has over 40 years of experience in the auto components sector.

10

Shri Neel Jay Davar serves as a Non-Executive Director on the Board. He is the son of Shri Jayant Davar (Chairman and Managing Director) and Smt. Monica Davar (Non-Executive Director), and the grandson of the late Shri Dharmendar Nath Davar (Chairman Emeritus). He holds a degree in Engineering from the University of California, Berkeley.

11

Shri Gurvinder Jeet Singh brings a wealth of experience, with a distinguished career spanning 37 years in the industry. He has dedicated over 21 years to Sandhar Technologies Limited, holding several key leadership roles. Throughout his tenure, he has played a pivotal role in driving strategic initiatives, managing greenfield projects, leading mergers and acquisitions, and overseeing the operations of various business verticals.

Currently, Shri. Singh serves as the Whole Time Director & Head- Corporate Strategy at Sandhar Technologies Limited. Prior to his tenure at Sandhar, he held the position of Head of Design and Development at Schefenacker Motherson Limited.

Shri. Singh is a qualified Tool Engineering professional and has further enhanced his skills through specialized courses on Manufacturing & Business Excellence.

Committed to Community Development

Creating value beyond business.

Sandhar believes that true progress must extend beyond business performance. Through focused CSR initiatives and community engagement, we continue to support meaningful development and responsible corporate citizenship. Our efforts are guided by the belief that sustainable growth must create value for all stakeholders



CSR Activities

Responsible growth. Meaningful impact.

Sandhar actively engages in community development initiatives that reflect its commitment to social responsibility. By prioritising sustainability, ethical practices and corporate citizenship, we aim to make a positive contribution to society and the environment.

Our CSR approach is aligned with our larger belief that business growth should go hand in hand with social progress.

 Health Care	Sandhar Healthcare Centre - Village Begumpur Khatola, Gurugram	Sandhar Foundation
 Education	Sandhar ke Beti Sandhar Centre of Learning - Devli Sangam Vihar	Spring Dales Education Society Khushi NGO
 Skillling & Vocational	Swabhimaan	Spring Dales Education Society
 Senior Care	Adopt a Gran	Spring Dales Education Society



CORPORATE INFORMATION FOR THE FINANCIAL YEAR 2025–26

Board of Directors

Shri Jayant Davar

Executive Chairman (Executive Director) and Chief Executive Officer

Smt. Archana Capoor

Non-Executive, Independent Director

Shri Vikrampati Singhanian

Non-Executive, Independent Director

Shri Sandeep Dinodia

Non-Executive, Independent Director

Shri Arjun Sharma

Non-Executive, Independent Director

Shri Bharat Anand

Non-Executive, Independent Director

Smt. Aabha Bakaya

Non-Executive, Independent Director

Shri Vimal Mahendru

Non-Executive, Independent Director

Smt. Monica Davar

Non-Executive & Non Independent Director

Shri Neel Jay Davar

Non-Executive & Non-Independent Director

Shri Gurvinder Jeet Singh

Whole time Director & Head – Corporate Strategy

Chief Financial Officer and Company Secretary

Shri Yashpal Jain

Audit Committee

Smt. Archana Capoor

Chairperson

Shri Sandeep Dinodia

Member

Shri Vimal Mahendru

Member

Smt. Aabha Bakaya

Member

Nomination & Remuneration Committee

Shri Vikrampati Singhanian

Chairperson

Smt. Archana Capoor

Member

Shri Arjun Sharma

Member

Smt. Aabha Bakaya

Member

Stakeholders' Relationship Committee

Shri Arjun Sharma

Chairperson

Shri Jayant Davar

Member

Shri Vimal Mahendru

Member

Smt. Aabha Bakaya

Member

Risk Management Committee

Shri Sandeep Dinodia

Chairperson

Shri Vimal Mahendru

Member

Smt. Aabha Bakaya

Member

Smt. Monica Davar

Member

Corporate Social Responsibility Committee

Shri Jayant Davar

Chairperson

Shri Vikrampati Singhanian

Member

Smt. Monica Davar

Member

Finance and Strategy Committee

Shri Jayant Davar

Chairperson

Shri Vikrampati Singhanian

Member

Shri Sandeep Dinodia

Member

Shri Vimal Mahendru

Member

Smt. Aabha Bakaya

Member

Share Transfer & Allotment Committee

Shri Jayant Davar

Chairperson

Smt. Archana Capoor

Member

Shri Vimal Mahendru

Member

Compliance Officer

Shri Gulshan Ahuja

Plot No. 13, Sector 44, Gurgaon – 122001, Haryana – India

Tel No: 0124–4518900

Fax No: 0124–4518912

Email: investors@sandhar.in

Corporate Identity Number

L74999DL1987PLC029553

Bankers/Financial Institutions

Citi Bank N.A;

The Federal Bank Limited;

Yes Bank Limited;

HDFC Bank Limited;

Kotak Mahindra Bank Limited;

Bajaj Finance Limited;

ICICI Bank Limited;

SMBC;

CTBC Bank

Registered Office

B-6/20 L.S.C. Safdarjung Enclave, New Delhi-110029

Corporate Office

Plot No 13, Sector 44 Gurgaon-122002

E-mail : investors@sandhar.in

Registrar & Share Transfer Agent

M/s MUFG Intime India Private Limited

C-101, 1st floor 247 Park L B S Marg,

Vikhroli (West) Mumbai 400 083

Tel: +91 22 4918 6270;

Fax: +91 22 4918 6060

Investor Grievance e-mail:

investor.helpdesk@in.mpms.mufg.com

Website: www.in.mpms.mufg.com

BOARD'S REPORT

DEAR SHAREHOLDERS,

The Board of Directors take pleasure in presenting its 34th (Thirty Fourth) Annual Report on the business and operations of Sandhar Technologies Limited ("the Company") along with the Audited Financial Statements for the Financial Year ended the 31st March, 2026.

In compliance with the applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for time being in force) ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations'), this report covers the financial results and other developments during the financial year ended 31 March, 2026 and upto the date of the Board meeting held on 11th August, 2026 to approve this report, in respect of the company.

INDUSTRY UPDATES

The Indian automotive industry continues to be one of the world's largest and fastest-growing automobile markets and remains a key contributor to the country's economic and industrial development. The sector contributes approximately 7.1% to India's Gross Domestic Product (GDP) and around 49% to manufacturing GDP, while generating significant direct and indirect employment across the value chain. As a critical pillar of the manufacturing sector, the industry plays an important role in driving economic growth, exports, innovation, and technological advancement.

India's emergence as a global automotive hub reflects the technical capabilities, manufacturing excellence, and entrepreneurial strength of both vehicle manufacturers and component suppliers. Indian automotive companies have established strong international footprints, with growing exports and increasing acceptance of Indian-made vehicles and components across developed and emerging markets. The industry has consistently demonstrated its ability to adopt global best practices while maintaining cost competitiveness, operational efficiency, and value-driven offerings.

The industry is undergoing a significant transformation driven by evolving consumer preferences, increasing adoption of electric vehicles (EVs), technological advancements, digitalization, and sustainability initiatives. Registrations of electric passenger vehicles, for instance, grew by more than 80% during Financial Year 2025–26 compared to the previous year, reflecting the pace at which electrification is gaining ground across vehicle categories. Continued investments in infrastructure, manufacturing capabilities, localization, and research and development are further strengthening the sector's long-term growth prospects.

As reported by the Society of Indian Automobile Manufacturers (SIAM), Financial Year 2025–26 was a landmark year for the Indian automobile industry. Overall vehicle wholesales crossed an all-time high of 2.83 crore units, growing 10.4% over the previous year, with the Passenger Vehicle, Two-Wheeler, Three-Wheeler and Commercial Vehicle segments all recording their highest-ever annual sales together for the first time in seven years, since Financial Year 2018–19. The Passenger Vehicle segment achieved record sales of 46.43 lakh units, registering growth of 7.9% over the previous year, while exports reached an all-time high of 9.05 lakh units,

reflecting growth of 17.5%. The Two-Wheeler segment also recorded its highest-ever sales of 2.17 crore units, growing by 10.7%, with exports increasing by 23.4% to a record 51.8 lakh units. The Commercial Vehicle and Three-Wheeler segments delivered similarly strong performances, with sales of 10.80 lakh units (up 12.6%) and 8.36 lakh units (up 12.8%) respectively. Industry growth was supported by favourable macroeconomic conditions, the implementation of GST 2.0 reforms, income tax relief measures, successive interest rate cuts by the Reserve Bank of India, improving affordability, and rising consumer confidence.

The strong performance during the year was reinforced by robust momentum in the second half of Financial Year 2025–26, which more than offset a relatively subdued first half. The Passenger Vehicle segment, for instance, moved from a marginal de-growth in the first half to double-digit growth in the second, as the GST 2.0 rate reduction, effective from 22nd September 2025, combined with improved financing conditions, rising disposable incomes, and sustained infrastructure investments to lift demand. Export demand remained resilient across key international markets, including Africa, the Middle East, Latin America, and neighbouring countries, with total vehicle exports from India crossing 66.48 lakh units during the year, up 24% over Financial Year 2024–25, further strengthening India's position as a global automotive manufacturing and export hub.

This momentum extended to the automotive component industry, which is closely linked to the Company's core business. As per the Automotive Component Manufacturers Association of India (ACMA), industry turnover for the first half of Financial Year 2025–26 grew by 6.8% over the corresponding period of the previous year to ₹3.56 lakh crore, with supplies to OEMs growing by 7.3% and the aftermarket segment expanding by 9%. Component exports rose by 9.3% to USD 12.1 billion during the period, even as imports grew at a faster pace, resulting in a marginal trade deficit. Electric vehicle components accounted for about 4.6% of total supplies to OEMs, reflecting the steady shift of the component ecosystem towards new-age mobility technologies, with the record vehicle sales and GST-led demand tailwinds of the second half expected to have sustained this momentum through the remainder of the fiscal year.

Looking ahead, the Indian automotive industry is expected to maintain a positive growth trajectory, supported by favourable demographics, increasing vehicle penetration, infrastructure development, technological advancements, and the transition towards sustainable mobility solutions. The industry, however, continues to operate in an environment marked by geopolitical uncertainties, particularly ongoing tensions in West Asia, which may impact crude oil prices, commodity costs, freight rates, and global trade flows. Additionally, volatility in fuel prices, foreign exchange fluctuations, supply chain disruptions, shipping route constraints, and broader macroeconomic uncertainties may influence demand patterns, input costs, and operational efficiencies across the automotive value chain. Despite these challenges, the long-term outlook for the Indian automotive sector remains positive, supported by strong domestic demand fundamentals, policy support, growing export competitiveness, and continued investments in technology, innovation, and manufacturing capabilities.

FINANCIAL RESULTS

The summary of the standalone and consolidated financial results of the Company for the year ended 31st March, 2026, is as follows:

Corresponding figures for the previous year have been regrouped / recast wherever necessary to correspond to current year / year Classification	(INR. in Lacs)			
	Standalone		Consolidated	
	Financial Year		Financial Year	
	2025-2026	2024-2025	2025-2026	2024-2025
Revenue and other Income	3,12,065.95	2,93,627.99	4,92,744.31	3,90,103.63
EBITDA as per financial statements	34,501.17	30,045.00	51,297.61	39,978.80
Less: Financial Expenses	(2,137.11)	(2,048.86)	(6,876.81)	(5,660.89)
Profit before Exceptional Items, Depreciation & Tax	32,364.06	27,996.14	44,420.80	34,317.91
Less: Depreciation	(9,068.94)	(9,686.19)	(19,336.01)	(17,060.12)
Profit Before Exceptional Items and Tax Provisions	23,295.12	18,309.95	25,084.79	17,257.79
Add: Share in profit of joint ventures	-	-	768.30	969.87
Add/ (Less): Exceptional items	(178.01)	304.33	(278.39)	231.70
Less: Tax Provisions	(5,205.68)	(4,651.57)	(5,708.77)	(4,295.12)
Net Profit After Tax Provisions	17,911.43	13,962.71	19,865.93	14,164.24
Add: Other Comprehensive Income/(Expense)	688.40	(115.07)	1623.30	62.89
Total Comprehensive Income	18,599.83	13,847.64	21,489.23	14,227.13
Less: Profit attributable to Non-controlling interest	-	-	-	-
Less: Appropriations:	-	-	-	-
Dividend	(2,106.67)	(1,956.20)	(2,106.67)	(1,956.20)
Adjustment on account of acquisition of interest in subsidiary	-	-	-	-
Balance carried forward in Balance Sheet	16,493.16	11,891.44	19,382.56	12,270.93

OPERATING RESULTS & BUSINESS PERFORMANCE

On Consolidated basis, the Company recorded an increase in revenue from operations by 24.91%. The Revenue from Operations increased to INR 4,85,208.61 Lacs during the Financial Year 2025-2026 compared to INR 3,88,450.22 Lacs of the previous year. The underlying EBITDA margin for Financial Year 2025-2026 stood at 10.57%, as against 10.29% in Financial Year 2024-2025. The Company earned a Profit Before Tax (PBT) of INR 25,574.70 Lacs during the Financial Year 2025-2026 compared to INR 18,459.36 Lacs during the previous year registering an increase of 38.54%. The Profit After Tax (PAT) increased by 40.25% to INR 19,865.93 Lacs in the Financial Year 2025-2026 as compared to INR 14,164.24 Lacs in the previous financial year.

On Standalone basis, the Operating revenue of the Company recorded an increase of 4.51% during Financial Year 2025-2026 over previous year. The Revenue from Operations increased to INR 3,04,443.58 Lacs during the FY 2025-2026 compared to INR 2,91,303.56 Lacs during the previous year. The Profit Before Tax (PBT) increased by 24.19% to INR 23,117.11 Lacs in the FY 2025-2026 compared to INR 18,614.28 Lacs in the previous year. The Profit After Tax (PAT) increased to INR 17,911.43 Lacs in the FY 2025-2026 compared to INR 13,962.71 Lacs during the previous financial year.

MAJOR HIGHLIGHTS

1. The Finance and Strategy Committee, in its meeting held on 18th June, 2025, approved the sale of the Company's entire stake in its joint venture namely, Kwangsung Sandhar Technologies Private Limited (KSTPL), along with its stake in the subsidiary of KSTPL, Kwangsung Sandhar Automotive System Private Limited (KSASPL). Subsequently, on 19th June, 2025, the Company entered into a Share Purchase Agreement with Kwangsung Corporation Ltd. (JV Partner) a joint stock company incorporated and existing

under the Laws of Korea, having its registered office at 212-14, Neungan-gil, Songsan-myeon, Dangjin-si, Chungcheongnam-do, Korea for the sale of entire stake in the KSTPL and KSASPL. This strategic divestment is in line with the Company's objective to streamline operations, optimise resource allocation, enhance operational efficiency, and strengthen its focus on core business areas to drive sustainable, long-term growth.

2. The Board at its meeting held on 07th August, 2025 approved the Slump Sale of Aluminium Die Casting business of following units/ undertaking on a going concern basis through execution of Business Transfer Agreement;
 - i) From Sandhar Technologies Limited (TN) – Unit I, located at Plot No. 758/B2, Old Anekal Road, Poonapalli Village, Hosur Taluk, Krishnagiri, Tamil Nadu- 635114 to Sandhar Ascast Private Limited, a wholly owned subsidiary of the Company. The transaction was completed on 01st March, 2026.
 - ii) From Sandhar Technologies Limited (HR) – Unit V, located at Plot No-14, Sector-5, Industrial Estate, Growth Centre, Phase-II Bawal, Rewari Haryana -123501 to Sandhar Ascast Private Limited, a wholly owned subsidiary of the Company. The transaction was completed on 01st February, 2026.
3. The Company made an additional investment in the equity share capital of Sandhar Technologies Barcelona S.L. through a rights issue amounting to EUR 915,000 (Euro Nine Hundred Fifteen Thousand only).
4. The Company entered into the Share Purchase Agreement with Clean Renewable Energy KK1A Private Limited (SPV) for making investment amounting to INR 2,72,00,000/- to secure a long-term reliable source of renewable energy through Solar and Wind Power, in the State of Karnataka. This energy will be sourced from a Captive Generating

Plant ("CGP") being developed, owned, operated, and maintained by Clean Renewable Energy KK 1A Private Limited.

STATE OF COMPANY'S AFFAIRS

A comprehensive analysis of the state of affairs of the Company has been addressed within the Management Discussion and Analysis (MDA) section. The MDA for the relevant year, as mandated by Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), is annexed as "Annexure-A" forming part of the Annual Report.

Further, during the year under review, there was no change in the nature of business of the Company.

AMOUNT TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for Financial Year 2025-26 appearing in the Statement of profit and loss.

DIVIDEND

The Board of Directors at their meeting held on 21st May, 2026, recommended a final dividend amounting to INR 4.00/- (Indian Rupees Four only) per Equity Share of face value INR 10/- (Indian Rupees Ten only) each fully paid - up i.e., (40%) for the financial year ended 31st March, 2026.

The Board's recommendation is in accordance with the parameters set out in the Company's Dividend Distribution Policy and compares to the dividend of INR 3.50 (Indian Three Rupees and Fifty Paise only) per fully paid equity share declared for the previous financial year.

Subject to the approval of the Members in the forthcoming Annual General Meeting, the dividend will be paid to those members whose names appear in the Register of Members (including Beneficial Owners) of the Company as of the close of business hours on 11th September, 2026.

The proposed dividend entails a total cash outflow of INR 24.08 crores representing a payout ratio of 13.44% for the financial year ended 31st March, 2026.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Members with effect from 1st April, 2020. Accordingly, the Company is required to deduct tax at source on dividend payments, at applicable rates, in accordance with the provisions of the Income Tax Act, 2025.

RECORD DATE

The Company has fixed Friday, 11th September, 2026 as the "Record Date" for determining the entitlement of Members to receive the final dividend for the financial year ended 31st March, 2026.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the 'SEBI Listing Regulations', the Board had formulated a Dividend Distribution Policy ('the Policy'). The Policy is available on the Company's website URL at: <https://sandhargroup.com/uploads/Governance/policy-on-dividend-distribution.pdf>

SHARE CAPITAL

As on 31st March, 2026, the Authorised Share Capital of the Company stood at INR 8,000.00 lakh comprising 780.00 lakh Equity Shares of INR 10/- each and 2.00 lakh Preference Shares of INR 100/- each

During the year under review, pursuant to the approval of the shareholders at the 33rd Annual General Meeting held on 19th September, 2025, the Authorised Share Capital of the Company was increased from INR 7,000.00 lakh to INR 8,000.00 lakh.

The Issued, Subscribed and Paid-up Equity Share Capital of the Company as on 31st March, 2026 stood at INR 6,019.07 lakh comprising 601.91 lakh Equity Shares of INR 10/- each fully paid-up.

During the year under review, there were no instances of public issues, rights issues, bonus issues, or preferential issues. The company did not issue shares with differential voting rights, sweat equity shares, nor did it grant any stock options.

Further, the Company has not bought back any of its securities during the year under review.

PERFORMANCE HIGHLIGHTS OF KEY OPERATING SUBSIDIARIES

Sandhar Engineering Private Limited (SEPL)

Sandhar Engineering Private Limited ("SEPL"), a wholly owned subsidiary of the Company, is engaged in the manufacturing and assembly of sheet metal components, automotive parts and other fabricated products. SEPL operates manufacturing facilities across Haryana, Karnataka, Tamil Nadu, Himachal Pradesh and Gujarat catering to leading automotive original equipment manufacturers ("OEMs") and other customers.

During the year under review, SEPL reported revenue from operations of INR 83,141.03 Lakhs as compared to INR 70,927.70 Lakhs in the previous year, registering a growth of 17.22%. The growth was primarily driven by increased business volumes, new product additions and improved customer off-take across key segments. Profit after tax for the year stood at INR 2,851.03 Lakhs as against INR 1,922.36 Lakhs in the previous year, reflecting a year-on-year increase of 48.30%.

Sandhar Ascast Private Limited (SAPL)

Sandhar Ascast Private Limited ("SAPL"), a wholly owned subsidiary of the Company, is engaged in the manufacture of aluminium die-cast components, tooling solutions and related products. SAPL operates manufacturing facilities across Haryana, Karnataka and Tamil Nadu and serves several leading OEMs in India.

During the year under review, SAPL completed the acquisition of the High Pressure and Low Pressure Aluminium Die Casting Business of Sundaram-Clayton Limited at its Hosur facility through an all-cash transaction valued at approximately INR 163 Crores. The acquisition is expected to strengthen SAPL's manufacturing capabilities, expand its product portfolio and provide entry into the low-pressure die-casting segment, thereby enhancing its presence in the Aluminium Die casting business.

SAPL reported revenue from operations of INR 1,23,464.59 Lakhs during the year as compared to INR 68,816.99 Lakhs in the previous year, registering a growth of 79.41%. Profit after tax for the year stood at INR 4,691.07 Lakhs as against INR 5,247.42 Lakhs in the previous year.

Sandhar Automotive Systems Private Limited (SASPL)

Sandhar Automotive Systems Private Limited (SASPL), a wholly owned subsidiary of the Company, is primarily engaged in the business of manufacture, service, import, export, sale, trade in all kinds of automotive Fuel Pumps, Filters, Starter Motors, Wiper Blades, accessories, Emission Controlling, Engine Combustion and Calibration units, components/ parts and other ancillary automotive modules to vehicle manufacturers, distributors and dealers in India. SASPL reported revenue from operations of INR 13,807.86 Lakhs during the year as compared to INR 10,037.30 Lakhs in the previous year, registering a growth of 37.56 %. Profit after tax for the year stood at INR 946.73 Lakhs as against INR 298.75 Lakhs in the previous year, reflecting a year-on-year increase of 216.90%.

STRATEGIC INITIATIVES

During the year under review, the Company undertook a strategic realignment of its business operations aimed at creating focused business verticals, enhancing operational efficiencies, improving scalability and strengthening long-term value creation. As part of this initiative, the Company's casting machining and tooling business was transferred to Sandhar Ascast Private Limited ("SAPL") and the sheet metal and assembly business was transferred to Sandhar Engineering Private Limited ("SEPL"), both wholly owned subsidiaries of the Company, through a combination of slump sale of business undertakings on a going-concern basis as well as transfer of identified plant and machinery as the case may be in the interest of the Company.

The reorganization was undertaken in the interest of the Company as a whole and is intended to consolidate similar operations under dedicated entities with focused management oversight, specialized manufacturing capabilities and enhanced operational agility. Consequent to the restructuring, majority of castings, machining and tooling operations of the Group in India are now carried out through SAPL, while majority of sheet metal and assembly operations are carried out through SEPL.

The consolidation is expected to improve resource utilization, optimize capital deployment, drive economies of scale, strengthen customer engagement and facilitate faster decision-making across the respective business verticals. The restructuring also provides a strong platform for future growth, technology adoption and expansion opportunities within each business segment.

Considering the scale and significance of operations housed within these entities, SAPL and SEPL are qualified as Material Subsidiaries of the Company from the ensuing financial year in accordance with the applicable provisions of the SEBI Listing Regulations.

The initiative is aligned with the Company's long-term vision of building focused, technology-led and globally competitive automotive component businesses with leadership positions in their respective product segments. Through this strategic realignment, the Company aims to enhance operational excellence, improve profitability, strengthen stakeholder value creation and support sustainable long-term growth.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company, its subsidiaries and Joint Ventures for the Financial Year 2025-26, are prepared in accordance with the applicable provisions of the Companies Act, 2013 ('the Act'), read with the relevant Indian Accounting Standard specified under the Act, and the rules thereunder.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statements the subsidiaries and joint ventures is attached with the Board Report in Form AOC-1 as "Annexure-B".

Further, pursuant to the provisions of Section 136 of the Act, the financial statements along with other relevant documents, in respect of subsidiaries, are available on the Company's website and can be accessed at <https://sandhargroup.com/investors/subsidiary-annual-reports>

SUBSIDIARIES AND JOINT VENTURES

Sandhar Group entities continue to play a pivotal role in driving the overall revenue growth and performance of your Company. During the year under review, no new Subsidiary or Joint Venture Company has been incorporated.

The Group comprises of following Subsidiaries and Joint Ventures:

Subsidiaries:

- i. Sandhar Technologies Barcelona S.L (overseas Subsidiary)
- ii. Sandhar Engineering Private Limited
- iii. Sandhar Ascast Private Limited
- iv. Sandhar Auto Castings Private Limited
- v. Sandhar Automotive Systems Private Limited
- vi. Sandhar Auto Electric Solutions Private Limited

Step down subsidiaries: overseas

- i. Sandhar Technologies de Mexico, SR de L de CV¹
- ii. Sandhar Technologies, Poland, Sp. Zoo¹
- iii. Sandhar Technologies Ro SRL (Romania)¹

Joint Ventures:

- i. Sandhar Han Sung Technologies Private Limited
- ii. Sandhar Amkin Industries Private Limited²
- iii. Sandhar Whetron Electronics Private Limited
- iv. Winnercom Sandhar Technologies Private Limited
- v. Sandhar Han Shin Auto Technologies Private Limited

Notes:

1. Sandhar Technologies, Poland, SP. Zoo, Sandhar Technologies de Mexico SR de L de CV and Sandhar Technologies Ro SRL (Romania) are the subsidiaries of Sandhar Technologies Barcelona S.L.
2. Sandhar Amkin Industries Private Limited is treated as Joint Venture Company for the purpose of preparation of financial statements as required under Ind-AS. However, the shareholding of Sandhar Technologies Limited in this Company exceeds 50% therefore, as per the provisions of Companies Act, 2013 it is treated as Subsidiary.
3. The Finance and Strategy Committee, at its meeting on 18th June, 2025, approved the sale of entire stake in Kwangsung Sandhar Technologies Private Limited (KSTPL) and its subsidiary, Kwangsung Sandhar Automotive System Private Limited (KSASPL) to Kwangsung Corporation Ltd. South Korea. The transaction was completed on 24th June, 2025, and KSTPL and KSASPL ceased to be the Joint venture of the Company.

There has been no material change in the nature of the business of the Company's subsidiaries.

Report on the performance and financial position of each of the subsidiary and Joint Venture Companies included in the Consolidated Financial Statements and their contribution to the overall performance of the Company is provided in Form AOC-1 and Management Discussion and Analysis Report forming part of this annual report.

UNLISTED MATERIAL SUBSIDIARY

During the Year under review, Sandhar Technologies Barcelona S.L., an unlisted subsidiary incorporated outside India, was the material subsidiary of the Company. The Company has adopted a Policy for Determining Material Subsidiaries in accordance with the Regulation of the SEBI Listing Regulations.

The Policy is available on the Company's website at <https://sandhargroup.com/uploads/Investor/policy-for-determining-material-subsidiaries1.pdf>

Pursuant to the aforesaid Policy and based on the audited consolidated financial statements for the Financial Year 2025-26, Sandhar Technologies Barcelona S.L. ceased to qualify as a material subsidiary of the Company. Further, Sandhar Engineering Private Limited and Sandhar Ascst Private Limited have been identified as material subsidiaries and shall be treated as material subsidiaries of the Company with effect from the Financial Year 2026-27.

CAPEX AND LIQUIDITY

During the year under review, the Company invested INR 17,304.33 Lakhs in capital expenditure and investment in subsidiaries. Despite this significant expenditure, the Company managed to maintain a stable gross debt level throughout the year. This amount comprises INR 7,214.64 lakhs invested in equity shares of wholly owned subsidiaries and INR 10,089.69 lakhs spent on the acquisition of property, plant and equipment, capital work-in-progress, and other intangible assets.

At the consolidated level, cash and cash equivalents stood at INR 5,108.61 Lacs as of 31st March, 2026, compared to INR 8,109.18 Lacs in the previous fiscal, reflecting a strong liquidity position.

DEPOSITS

The Company has not accepted any deposits from the public during the year under review and as such, no amount of principal or interest on deposits from the public was outstanding as on the date of the balance sheet. Further, the company had not accepted any deposits during the previous financial year.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In Compliance with the provisions of the Act and SEBI Listing Regulations, the Company extends the financial assistance in the form of investment, loan, and guarantee, etc., in order to meet their business requirements.

The details of loans given, Guarantees provided and Investment made by the Company pursuant to provision of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 have been disclosed in the Standalone Financial Statements and forming part of the Annual Report. Please refer to Note no. 6A, B, F of the Standalone Financial Statements.

RELATED PARTY TRANSACTION

The Company has established a robust governance framework for the identification, approval, review and monitoring of related party transactions. All contracts, arrangements and transactions entered into by the Company with its related parties during the financial year under review were in the ordinary course of business and on an arm's length basis and were in compliance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as amended.

During the year under review, certain non-recurring transactions were undertaken between the Company and its wholly owned subsidiaries. Such transactions were exempt from the approval requirements under Regulation 23(5) of the SEBI Listing Regulations. However, in line with the Company's commitment to good corporate governance practices, these transactions were voluntarily placed before the Audit Committee and the Board of Directors for their review and approval. The Audit Committee and the Board, after due consideration, approved the said transactions, which were undertaken in the ordinary course of business and on an arm's length basis.

During the year under review, the Board of Directors revised the Policy for Determination of Materiality of and Dealing with Related Party Transactions to align the same with the amendments made to Regulation 23 of the SEBI Listing Regulations.

Further, during the year under review, neither the Company nor any of its subsidiaries entered into any contract, arrangement or transaction with related parties that could be considered material in accordance with the Company's Policy for Determination of Materiality of and Dealing with Related Party Transactions.

Prior omnibus approval of the Audit Committee was obtained for related party transactions that were repetitive and of a foreseeable nature. All related party transactions approved by the Audit Committee were placed before the Audit Committee for its periodic review. Further, all such transactions were undertaken in accordance with the Company's Policy for Determination of Materiality of and Dealing with Related Party Transactions.

None of the related party transactions entered into during the year attracted the provisions of Section 188(1) of the Companies Act, 2013 or were material in nature. Accordingly, the disclosure of related party transactions in Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, is not applicable and therefore does not form part of this Report.

The Policy for Determination of Materiality of and Dealing with Related Party Transactions is available on the website of the Company at <https://sandhargroup.com/uploads/Investor/3-policy-for-determination-of-materiality-of-and-dealing-with-related-party-transactions.pdf>

None of the transactions entered into with related parties was in conflict with the interests of the Company. On the contrary, such transactions were undertaken in the ordinary course of business and contributed to operational efficiencies and business synergies. The attention of the Members is drawn to Note No. 32 of the Standalone Financial Statements, which sets out the details of transactions with related parties.

MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION

There have been no significant or material changes affecting the financial position of the Company, after the conclusion of the Financial Year 2025–2026 until the date of this report.

IN-HOUSE R&D DIVISION

The Sandhar Centre for Innovation & Development (SCID), the dedicated R&D division of Sandhar Technologies Limited, recognized by the Department of Scientific and Industrial Research (DSIR) since 2012, continues to drive product innovation and technological advancement. Focused on delivering cutting-edge solutions for the automotive and related sectors, SCID collaborates closely with internal stakeholders to enhance the Company's value proposition. With a vision to become a Centre of Excellence in automotive engineering, SCID has filed 29 Patents to date, out of which 25 Patents have been granted by the Indian Patent Office. Backed by a highly qualified team and state-of-the-art facilities in both mechanical and electronics domain, SCID plays a pivotal role in developing, testing, and validating next-generation products for our customers.

INFORMATION TECHNOLOGY

To strengthen Company's cybersecurity and reduced cyber risks a centralized endpoint management platform (Manage Engine) has been deployed to automate patch management, enhance software compliance, and improve visibility across the IT environment. To reinforce data security and regulatory compliance, Data Loss Prevention (DLP) solution deployed for real-time monitoring and protection of sensitive information.

Also undertook several cost optimization initiatives in In-house applications development to reduce dependence on external cloud-hosted solutions that reduces considerable technology expenditure. Network internet and firewall services have been consolidated under a single service provider, resulting in improved uptime and cost efficiencies. Cloud storage utilization has been optimized through periodic reviews.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Sandhar's dedication to Corporate Social Responsibility (CSR) has remained steadfast since its inception. The Company's purpose, "Growth. Motivation. Better Life", serves as a guiding light. This philosophy is reflected in various areas, including the promotion of gender equality, women's empowerment, support for education, and community development, all guided by a commitment to "triple bottom line accountability".

With this ethos, Sandhar is committed to serving society through various social initiatives/programmes aimed at creating a positive social impact. Over the period of time, it has strategically engaged in numerous social initiatives. These CSR initiatives are primarily implemented through the Sandhar Foundation, which serves as the CSR and philanthropic arm of the Sandhar Group.

In addition, the Company collaborates with various other implementing agencies and undertakes initiatives independently as well. Furthermore, Sandhar integrates its business operations and objectives to create a more profound impact on sustainable societal development.

In compliance with Section 135 of the Act, the Company has formed a CSR Committee. Details regarding the composition of the CSR Committee are outlined in the CSR Annual Report and Corporate Governance Report, both forming the part of this Report.

The Company's CSR policy provides comprehensive guidelines for conducting CSR activities, which are accessible on the company's website at https://sandhargroup.com/uploads/Investor/csr-policy_08022023new.pdf

Some of the key CSR initiatives during the year under review include the following:

Sandhar is actively contributing to social development through dedicated Corporate Social Responsibility (CSR) activities addressing key areas such as quality education, healthcare access, animal welfare & livelihood generation. By implementing community-based programs. Sandhar is working towards bridging socio-economic gaps and promoting inclusive growth for the community.

Quality Education

1. Sandhar Centre for Learning

The Sandhar Foundation, in collaboration with KHUSHI NGO, is committed to fostering accessible and quality education for children from the Sangam Vihar community. Through the Sandhar Centres for Learning – 'Swatantra Shikshaantra', we focus on improving academic performance, nurturing holistic development, and integrating innovative teaching methods to create meaningful learning experiences.

Key Achievements & Impact:

- **Academic Support:**

Remedial education was provided to 900 students (Grades I to X) in core subjects, including English, Hindi, Mathematics, Science, and Computers, strengthening foundational learning and academic performance.

- **Impact of Remedial Classes:**

A comparative pre and post-assessment was conducted with students enrolled in Sandhar Centre for Learning and only government schools. The results highlighted a significant learning gain of 31.6% among SCL students, compared to 9.6% among only government school students, demonstrating the strong effectiveness of the program in improving academic outcomes.

- **Innovative Learning Resources:**

Providing Teaching and Learning Materials (TLMs) to students designed to be practical and interactive, enhancing engagement and comprehension.

- **Teachers' Capacity Building:**

A total of 14 expert-led sessions were conducted with 12 teachers, focusing on practical aspects of classroom instruction, curriculum design, and value-based education.

- **Technology Integration:**

Students are actively engaged through digital classrooms and hands-on training in basic computer operations, promoting digital literacy from a young age.

- **Student Attendance & Retention:**

Achieved an average attendance of over 90% and successfully reduced dropout rates to 1%, highlighting increased student interest and program effectiveness.

- **Mental Health & Well-being – ‘Mano Shakti’ Program:**

A comprehensive mental health initiative covering 900 students. 108 sessions conducted focusing on cognitive development, personality building, and cultivating a positive mind-set. 40+ group counselling sessions were held with 180+ students and 53 one-on-one sessions conducted to address individual concerns and emotional needs.

- **Parental Engagement:**

Regular parental engagement sessions conducted to encourage the creation of a supportive learning environment at home. 86% of parents participated in the engagement sessions.

- **Health & Hygiene Awareness (WASH):**

Conducted 20 sessions promoting proper hygiene and cleanliness, fostering healthy habits among students.

- **Menstrual Health Education:**

Awareness sessions conducted with girls, boys, and mothers from both the Learning Centre and the community. These sessions focused on menstrual hygiene, breaking taboos, and fostering open discussion to promote safe practices and health education.

- **Skill Enhancement Summer Workshop:**

A Skill Development Camp was hosted at the Sandhar Corporate Office, where students were exposed to real-time corporate functions and plant operations. The workshop offered career readiness, industry insights, and hands-on learning opportunities.

- **Cultural & Awareness Events:**

Students participated in a variety of special occasions including World Environment Day, Yoga Day, and Independence Day, fostering awareness, creativity, and cultural connection.

- **Summer Camp for Creativity & Holistic Learning:**

A Summer Camp for 750 students was organized featuring sessions on storytelling, yoga, painting, and creative learning activities, promoting cognitive and emotional development through joyful education.

- **Eye Check Up Camp**

Organized in collaboration with ‘Shri Banke Bihari Charitable Eye Hospital to provide free eye check up to 250+ students and community members.

2. Sandhar Ki Beti

“Sandhar Ki Beti” is a flagship initiative by Sandhar aimed at empowering young girls through access to quality education. Under this program, Sandhar sponsors the education of girl students from each class, ranging from Nursery to Class XII, at Springdales School, Dhaula Kuan, New Delhi.

The initiative began with the support of 12 girl students in 2013, and in the academic year 2025–26, the program was expanded to benefit 24 students, thereby doubling its reach and deepening its impact. Demonstrating the success of this initiative, more than 15 sponsored students achieved First Division in their academic performance, reflecting both their potential and the value of continued educational support.

Livelihood:

1. Adopt a Gran

Sandhar in collaboration with Springdales Education Society, implemented “Adopt a Gran” initiative to extend dignity, care, and support to elderly from economically disadvantaged backgrounds. The initiative not only addresses the physical and emotional well-being of the elderly but also reaffirms Sandhar’s commitment to building compassionate, inclusive communities where no one is left behind. The program currently supports 32 elderly “Grans” from the Dasghara and Todapur Basti communities.

Under this initiative, each adopted Gran receives:

- Monthly grocery kits to ensure food security and nutritional support throughout the year.
- Regular health check-ups, providing preventive care and early detection of health issues.
- Motivational sessions and emotional engagement activities, aimed at improving mental well-being and reducing feelings of isolation.
- Basic literacy support, empowering the Grans to engage more confidently in daily life and personal communication.

Health

1. Sandhar Healthcare Centre

The Sandhar Foundation is committed to making quality healthcare accessible and affordable for all, especially those in semi-urban and rural communities. The Sandhar Healthcare Centre, is addressing the critical gaps in the healthcare system by reaching out to the marginalized populations, including local residents and migrant workers and ensuring quality healthcare services to all.

Key highlights of the Centre include:

- Delivery of essential primary healthcare services such as OPD consultations, blood pressure and blood sugar monitoring, and general health check-ups at a minimal token cost.
- Over 12,000 patients benefited from healthcare services in FY’25, reflecting the Centre’s impact on community well-being.
- Focused women’s healthcare through weekly gynecology consultations, ensuring timely support for female-specific health issues and promoting menstrual hygiene awareness and awareness on maternal & child care.

Animal Welfare

1. Prayaas for Animal Welfare

Sandhar, in collaboration with Umeed for Animals Foundation, supports the rescue, treatment, rehabilitation, and care of abandoned and injured animals. The initiative focuses on strengthening animal welfare infrastructure and ensuring timely medical care and emergency response for animals in need.

Key Achievements & Impact

- Care and shelter for 160+ rescued animals, including dogs, cows, bulls, horses, monkeys, and pigs, by supporting safe housing, smooth shelter operations.

- Enhanced veterinary care through diagnostic support, including X-ray facilities, to enable timely and accurate treatment of injured and rescued animals.
- Improved shelter infrastructure and hygiene by supporting the upkeep of permanent animals through essential repairs, maintenance, and sanitation.
- Strengthened rescue and emergency response through the operation and maintenance of a dedicated rescue vehicle for animal rescue and emergency cases.
- Timely intervention for animals in distress by enabling prompt rescue, transportation, and access to appropriate medical care.

The annual report on CSR activities is attached as "Annexure-C" to the Board's Report.

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

The information pertaining to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo by the Company pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as "Annexure-D".

CORPORATE GOVERNANCE

Sandhar's Corporate Governance philosophy is rooted in strong business ethics, fairness, and trust in all its stakeholder interactions

The Company conducts its affairs with fairness and transparency, recognizing the importance of earning and maintaining the trust of its stakeholders. Corporate Governance is regarded as fundamental to nurturing a forward-thinking organization capable of delivering sustainable growth.

In its engagements with external stakeholders, the Company prioritizes transparency, ensuring the timely sharing of information. Leadership sets the tone through their actions, ensuring the organization remains aligned with its culture and values in both principle and practice.

The Company has complied with the Corporate Governance requirements as specified in the SEBI Listing Regulations and the Companies Act, 2013, a report on the same as stipulated in Regulation 34 read with Schedule V of the SEBI Listing Regulations is enclosed as "Annexure-E" to the Board's Report.

The Certificate issued by M/s. K.K. Sachdeva & Associates, Practising Company Secretaries, confirming the Compliance with conditions of Corporate Governance as stipulated in Regulation 34(3) read with Schedule V of the SEBI Listing Regulations is enclosed as "Annexure-F" to the Board's Report

DIRECTORS & KEY MANAGERIAL PERSONNEL

The contribution of the Board of Directors is vital in providing effective leadership, strategic direction, policy formulation, monitoring supervision, and ensuring accountability to shareholders & other stakeholders. Their role is essential in driving sustainable performance and upholding the highest standards of corporate governance.

The Board of your Company comprises an optimal mix of Executive and Non-Executive Directors, reflecting a balanced approach to leadership. The composition also acknowledges the importance of gender diversity, in line with best practices and regulatory expectations.

As of 31st March, 2026, the composition of the Board and Key Managerial Personnel is as follows:

Category of the Director(s) / KMP	Name of the Director(s) / KMP
Executive Director	Shri Jayant Davar Executive Chairman (Executive Director) and Chief Executive Officer Shri Gurvinder Jeet Singh Whole-time Director and Head Corporate Strategy
Non-Executive Independent Directors	Smt. Archana Capoor Shri Vikrampati Singhania Shri Sandeep Dinodia Shri Arjun Sharma Shri Bharat Anand Shri Vimal Mahendru Smt. Aabha Bakaya
Non-Executive & Non Independent Directors	Smt. Monica Davar Shri Neel Jay Davar
Key Managerial Personnel (KMP)	Shri Yashpal Jain (Chief Financial Officer and Company Secretary)
Deputy Company Secretary & Compliance Officer	Shri Gulshan Ahuja
Business/ Functional Heads Designated as Key Managerial Personnel's	Shri Niraj Hans (Chief Information Officer) Shri Ajay Kumar Raghav (Chief Operating Officer- Casting, Machining & Tooling Business) Shri Ankush Passi (Chief Operating Officer- Sheet Metal & Allied Business) Shri Vikas Puri (Chief Operating Officer- Automotive Business) Smt. Shirin Sachdeva (Chief of Staff)

CHANGE IN DIRECTORS & KMP

- Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on 22nd May, 2025, appointed Shri Gurvinder Jeet Singh (DIN: 02129467) as an Additional Director in the category of Executive Non-Independent Director with effect from 22nd May, 2025. The Board also approved his appointment as Whole-time Director in the category of Executive Non-Independent Director of the Company for a term of three (3) years, subject to the approval of the Members. The said appointment was subsequently approved by the Members through a Postal Ballot Resolution passed on 26th June, 2025.
- Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on 22nd May, 2025, approved the re-designation and appointment of Shri Sandeep Dinodia (DIN: 00005395) as a Non-Executive Independent Director of the Company, subject to the approval of the Members. The said appointment was subsequently approved by the Members through a Postal Ballot Resolution passed on 26th June, 2025, for a term of five (5) consecutive years commencing from 26th June, 2025 and ending on 25th June, 2030. (Both day inclusive)

- iii. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on 07th August, 2025, approved the re-appointment of Shri Jayant Davar as Executive Chairman (Executive Director) and Chief Executive Director with effect from 01st January, 2026 for the term of five (5) years, subject to approval of members. The said appointment was subsequently approved by the Members at the 33rd Annual General Meeting held on 19th September, 2025.
- iv. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on 07th August, 2025, approved the appointment and designation of below mentioned persons as Key Managerial Personnel;

S. No.	Name	Designation	Business/ Function
1	Shri. Vikas Puri	Chief Operating Officer	Automotive Business
2	Shri. Ankush Passi	Chief Operating Officer	Sheet Metal & Allied Business
3	Smt. Shirin Sachdeva	Chief of Staff	- Confidant and Advisor to the Chairman's Office - Strategic Initiatives

- v. Shri Venkataraman Srinivasan, Chief Operating Officer – Cabins & Fabrication Division and a Key Managerial Personnel of the Company, tendered his resignation from the services of the Company. Consequently, he ceased to be a Key Managerial Personnel of the Company with effect from 31st October, 2025.

All the Non-Executive Independent Directors are qualified to be appointed/continued as such under the relevant provisions of the Act read with the rules made thereunder and SEBI Listing Regulations and shall not be subject to determination for retirement by rotation. In the opinion of the Board, all the Independent Directors possess requisite integrity, expertise, and experience and are independent of the Management

None of the Directors of the Company is disqualified as per the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.

CHANGES OCCURRED AFTER THE END OF FINANCIAL YEAR AND TO THE DATE OF REPORT

The following changes occurred in the Board of Directors of the Company after the end of the financial year and the date of the report.

- i. Shri Arjun Sharma, Non-Executive Independent Director of the Company, completed his second and final term as Independent Director on 23rd May, 2026, and ceased to hold the position of Director from that date.
- ii. Shri Vikas Puri stepped down from the role of Chief Operating Officer – Automotive Business with effect from 13th June 2026 and subsequently tendered his resignation as a Key Managerial Personnel of the Company with effect from 17th June 2026.
- iii. Smt. Gazal Kalra (DIN: 07278754) appointed as Additional Director (Non-Executive Independent Director) of the Company with effect from 11th August, 2026 for the first term of five (5) consecutive years, subject to approval of members of the Company in the ensuing 34th Annual General Meeting.

RETIREMENT OF DIRECTORS BY ROTATION

In accordance with the provision of Section 152 of the Act read with the rules made thereunder and Articles of Association of the Company, Smt. Monica Davar (DIN: 00100875), Non-Executive & Non Independent Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered herself for re-appointment. Information as required under Regulation 36(3) of the SEBI Listing Regulations is provided in the Notice of 34th Annual General Meeting.

MEETINGS OF THE BOARD

Regular meetings of the Board were held to deliberate and decide on various business policies, strategies, financial matters, and other key issues. A calendar of meetings was prepared and circulated in advance to all the Board Members to enable them to plan their schedule for effective participation in the meetings. Due to business exigencies, the Board also passed some resolutions by circulation as required from time to time.

The Board/ Committee meetings of the Company were conducted in compliance with the provisions of the Companies Act, 2013, the SEBI Listing Regulations, and applicable Secretarial Standards issued by the Institute of Company Secretaries of India. Information as mentioned in the Act, Schedule II of the SEBI Listing Regulations, and all other material information, identified by the management, were presented to the Board for its consideration. Detailed agendas, including supporting documents, relevant data, and other necessary information, were shared in advance to enable informed decision-making and provide strategic guidance to the management information regarding the Board and its committees, including the meetings conducted throughout the year and the attendance records of individual directors/ members, is provided in the Corporate Governance Report of the Company.

During the year under review, 5 (five) Board Meetings were held and the gap between the meetings was as per the period prescribed under the Act and SEBI Listing Regulations.

S. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1.	22 nd May, 2025	11	10
2.	07 th August, 2025	11	11
3.	13 th November, 2025	11	10
4.	11 th February, 2026	11	10
5.	26 th March, 2026	11	11

Additionally, several Committee meetings were held during the Financial Year.

All recommendations made by the Audit Committee during the financial year 2025–26 were accepted by the Board.

COMMITTEES OF THE BOARD

As required under the Act and the SEBI Listing Regulations, your Company has constituted various Statutory Committees. Additionally, the Board has formed other governance Committees to review the specific business operations and governance matters, including any specific items that the Board may decide to delegate. The Board has constituted 7 (seven) committees in order to comply with the statutory guidelines and for the purpose of operational feasibility so as

to assist the Board in discharging its duties and responsibilities. The committees report to the Board on their activities on a periodic basis, and the minutes of the committee meetings are provided to Board.

As on 31st March, 2026, the Board has constituted the following Committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Corporate Social Responsibility Committee;
4. Stakeholders' Relationship Committee;
5. Share Transfer & Allotment Committee;
6. Finance & Strategy Committee; and
7. Risk Management Committee.

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

ANNUAL GENERAL MEETING

All the members of the Board of Directors, except Shri Vimal Mahendru, Non-Executive Independent Director, attended the 33rd Annual General Meeting ("AGM") of the Company held on Friday, 19th September, 2025, through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").

GREEN INITIATIVE

Pursuant to Sections 101 and 136 of the Act read with the Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014 and Regulation 36 of SEBI Listing Regulations, the Company can send Notice of AGM, Financial Statements and other communication to the shareholders in electronic form. Your Company is sending the Annual Report including the Notice of AGM for the Financial Year 2025–26 in electronic mode to the shareholders who have registered their e-mail addresses with the Company or RTA or their respective Depository Participants (DPs).

Your Company will also be sending communication providing web-link for accessing the Notice of AGM and Annual Report including the exact path to those shareholders who have not registered their e-mail address with the Company or RTA or DPs, however these shareholders are requested to register their e-mail addresses. Shareholders holding shares in demat form can register their e-mail addresses with their concerned DPs.

NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of Section 178 of the Companies Act, 2013 ("the Act") and the SEBI Listing Regulations, the Company has established a Nomination and Remuneration Policy. This policy provides a comprehensive framework for the appointment, performance evaluation, and remuneration of Directors, Key Managerial Personnel (KMP), and other employees and the objective of this policy is to attract, retain, and motivate qualified individuals through a fair and competitive remuneration structure while aligning their goals with the long-term interests of the Company and its stakeholders.

The remuneration policy for directors, key managerial personnel and other employees is also available on the Company's website at <https://sandhargroup.com/investors/corporate-governance>

SELECTION AND PROCEDURE FOR NOMINATION AND APPOINTMENT OF DIRECTORS

The Nomination and Remuneration Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of the Company and persons in the Senior Management. The Policy also lays down broad guidelines for performance evaluation of the Board as a whole and its Committees, individual Directors, including the Chairperson and the Independent Directors. The Policy encourages the appointment of women at senior executive levels and thereby promotes diversity. The Policy is designed to attract, recruit, retain, and motivate the best available talent.

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

In terms of the provisions of Section 178(3) of the Act and Regulation 19 of the SEBI Listing Regulations, the Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- **Qualifications** - The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.
- **Positive Attributes** - Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

The Board affirm that the remuneration paid to Directors, KMPs and employees is as per the Remuneration Policy of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an Independent Director.

The Board is of the opinion that the Independent Directors of the Company hold the highest standards of integrity and possess the requisite expertise and experience required to fulfil their duties as Independent Directors, and they are independent of the Management.

In terms of section 150 of the Companies Act, 2013 read with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by Indian Institute of Corporate Affairs, Manesar ("IICA").

SEPARATE MEETINGS OF INDEPENDENT DIRECTORS

In terms of the requirement of Regulation 25 of SEBI Listing Regulations and Schedule IV of the Act, the Independent Directors of the Company met separately on the 10th February, 2026, without the presence of any Non-Independent Director and members of management.

The meeting was conducted to discuss the matters pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman of the Company, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

PERFORMANCE EVALUATION OF THE BOARD

In terms of the requirements of the Section 134(3) (p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and SEBI Listing Regulation, the Board of Directors conducted an annual assessment of its own performance, Board Committees and individual directors.

The Company has implemented a structured and confidential evaluation process to assess the effectiveness of the Board, its Committees, and each Director, including the Chairperson. Directors provided feedback through a rating mechanism based on defined performance parameters.

The evaluation criteria were broadly aligned with the Guidance Note on Board Evaluation issued by SEBI on 5th January, 2017. The overall performance assessment was completed to the satisfaction of the Board, and the outcome of the evaluation was presented and discussed at the Board meeting.

FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS

To facilitate effective participation in Board discussions, the Board members were provided with necessary information, documents, and presentations to help them familiarise themselves with the Company's processes, policies, and practices.

Periodic presentations were made during Board Meetings to apprise the Directors of the Company's business performance, strategic initiatives, industry developments, and regulatory updates.

FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

In compliance with the requirements of Section 149 read with Schedule IV of the Companies Act, 2013 and Regulation 25(7) of the SEBI Listing Regulations, the Company has in place a structured Familiarisation Programme for Independent Directors. The objective of the programme is to enable the Independent Directors to understand the Company's business in depth and to update their knowledge on a continual basis. The Familiarisation Programme is conducted through various initiatives, including presentations by senior management and sharing of industry and regulatory updates.

Some of the familiarisation programme imparted to the Independent Directors are as follows:

1. A detailed presentation provided by Shri. Yashpal Jain, Chief Financial Officer and Company Secretary of the Company on the major amendments/updates in the Companies Act, 2013, SEBI Listing Regulations and NFRA Circular.

2. Visit to the Company's Manufacturing Unit at Pathredi, Rajasthan. The unit is primarily engaged in the manufacturing and assembly of a wide range of automotive components, inter alia:

- Electric Steering Locks (Smart Locks)
- Door Handle Assemblies (Body-coloured, Chrome-plated and Smart variants)
- Door Mirror Assemblies (Manual, Remote Control, Auto Turn, Side Turn, Lane Watch Camera, Auto Dimming, and EC Mirrors)
- Key Cylinder Sets (AT/MT Lock Sets)
- Driver Monitoring Systems and other new technology products
- Magnesium Die Casted Components and SMT-based electronic parts

3. A brief presentation provided by Shri. Vikas Puri, Key Managerial Personnel and Chief Operating Officer: Automotive Division of the Company, provided an overview of companies Automotive Business Group (ABG) including market trend, competitive landscape, technology road map, future growth initiative and profitability drivers.

Further, the complete details of the familiarization programmes held for the Independent Directors are also placed on the website of the Company at <https://sandhargroup.com/investors/disclosures-under-regulation-46-of-the-lodr>

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING AND FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

Company has adopted a Code of Conduct ("PIT Code") to regulate, monitor and report trading in Company's shares by Company's designated persons and their immediate relatives as per the requirements under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, which consist of 4 (four) parts mentioned below:

- a. Code of Conduct for prohibition of Insider Trading;
- b. Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information;
- c. Policy for determination of Legitimate purpose; and
- d. Policy on the procedure of enquiry in case of leak of Unpublished Price Sensitive Information.

The management undertakes various measures, inter-alia, trainings, regular communications to create awareness on Prevention of Insider Trading as per Code of Conduct for Prohibition of Insider Trading of the Company and the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code of Conduct for Prohibition of Insider Trading and the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information are formulated based on the principle that the Company's directors and employees have a fiduciary duty, among other obligations, to prioritize the interests of shareholders over their own. This includes conducting personal securities transactions in a manner that avoids conflicts of interest. These codes establish mechanisms to ensure timely and comprehensive disclosure of Unpublished Price Sensitive Information (UPSI) to the investor community, enabling them to make well-informed investment decisions regarding the Company's securities.

The Code of Conduct for Prohibition of Insider Trading prescribes the procedure for trading in securities of the Company and the disclosures to be made by the persons covered under the Insider Trading Policy with respect to their shareholding in the Company, both direct and indirect.

The Code of Conduct for prohibition of Insider Trading and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information have been uploaded on the Company's website at <https://sandhargroup.com/investors/corporate-governance>

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained, in terms of Section 134(5) of the Act, your Directors state that:

1. in the preparation of annual accounts for the year ended the 31st March, 2026, the applicable Accounting Standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date;
3. 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;
4. they have prepared the Annual Accounts on a going concern basis;
5. they have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Control are adequate and operating effectively; and
6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

POLICIES OF THE COMPANY

The Company is committed to conducting its business with the highest ethical standards, guided by a strong value system. In compliance with the SEBI Listing Regulations and the Act, the Board of Directors has framed and approved various policies as mandated. These policies are designed to ensure transparency, integrity, and sound governance practices across all operations. The Board periodically reviews these policies and ensures their continued relevance and effectiveness in line with regulatory requirements and evolving business needs.

Some of the key policies and their respective web links till date are as follows:

S. No.	Name of Policy	Web Link
1.	Code of Conduct for Directors and Senior Management	https://sandhargroup.com/assets/img/investors/Code%20of%20Conduct%20Policy.pdf
2.	Nomination and Remuneration Policy	https://sandhargroup.com/investors/corporate-governance
3.	Policy for determination of materiality of and dealing with Related Party Transactions	https://sandhargroup.com/uploads/Investor/3-policy-for-determination-of-materiality-of-and-dealing-with-related-party-transactions.pdf
4.	Whistle Blower Policy	https://sandhargroup.com/investors/corporate-governance
5.	Independent Directors Policy	https://sandhargroup.com/investors/corporate-governance
6.	Policy on determining Material Subsidiaries	https://sandhargroup.com/investors/corporate-governance
7.	Code of Conduct for Prohibition of Insider Trading	https://sandhargroup.com/investors/corporate-governance
8.	Corporate Social Responsibility Policy	https://sandhargroup.com/uploads/Investor/csr-policy_08022023new.pdf
9.	Policy for preservation of Documents and Archival of Documents	https://sandhargroup.com/investors/corporate-governance
10.	Policy on familiarisation of Independent Directors	https://sandhargroup.com/investors/disclosures-under-regulation-46-of-the-lodr
11.	Policy for Determination of Materiality of Events	https://sandhargroup.com/investors/disclosures-under-regulation-46-of-the-lodr
12.	Dividend Distribution Policy	https://sandhargroup.com/investors/disclosures-under-regulation-46-of-the-lodr
13.	Policy on Risk Management	https://sandhargroup.com/investors/corporate-governance
14.	Board Diversity Policy	https://sandhargroup.com/investors/corporate-governance

Other Policies/Criteria/Announcements are available on the Company's website on the link <https://sandhargroup.com/investors/investors>

RISK MANAGEMENT

The Company has a well-defined Risk Management Framework that is integral to its strategic planning and achievement of long-term objectives. The framework is designed to identify, assess, and mitigate risks that may impact the Company's performance and business continuity.

In compliance with Section 134(3)(n) of the Companies Act, 2013, the Board of Directors has constituted a Risk Management Committee, which is entrusted with the responsibility of formulating, implementing, and monitoring the Risk Management Policy and Framework. The Committee plays a vital role in overseeing the risk management process, which includes risk identification, impact assessment, formulation and execution of mitigation plans, and regular risk reporting. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to risk management. The Company also has in place a duly approved Risk Management Policy.

The Company places a strong emphasis on identifying and addressing risks that threaten the achievement of business objectives. A structured mechanism is in place for periodic risk assessment, which enables the identification, evaluation, and proactive mitigation of potential risks in a timely manner. The Risk Management Policy of the Company is available on the website of the Company at <https://sandhargroup.com/investors/corporate-governance>

CYBER SECURITY

The Company recognizes cyber security and information security as critical elements of its business resilience and risk management framework. With increasing digitalization of business processes and manufacturing operations, the Company continues to strengthen its cyber security posture through appropriate policies, procedures, technologies, and governance mechanisms designed to safeguard its information assets, operational systems, and stakeholder data.

Cyber security risk management forms an integral part of the Company's Risk Management framework. The Company has implemented measures for the identification, assessment, monitoring, and mitigation of cyber risks, including access controls, network security measures, vulnerability assessments, periodic reviews, incident response mechanisms, and employee awareness programmes.

The Board of Directors, through the Risk Management Committee oversight framework, periodically reviews cyber security risks, emerging threat landscapes, and the adequacy of controls implemented by the management. Cyber security preparedness, business continuity, and data protection measures are reviewed on a regular basis to strengthen the Company's resilience against evolving cyber threats.

During the year under review, no material cyber security incident or breach was reported that had a significant impact on the Company's operations, financial performance, assets, or reputation. The Company remains committed to continuously enhancing its cyber security capabilities and preparedness in line with evolving business requirements and regulatory expectations.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with the provisions of the Act, the rules made thereunder, and the applicable SEBI Listing Regulations, the Company has implemented a robust Vigil Mechanism / Whistle Blower Policy. The Audit Committee of the Company has been entrusted with the responsibility of overseeing the effective implementation of this mechanism.

The policy provides a secure and confidential platform for Directors, Employees, and Stakeholders to report concerns about unethical behavior, actual or suspected fraud, violations of the Company's Code of Conduct, improper practices, or any alleged misconduct. Such concerns may be reported directly to the Chairperson of the Audit Committee or, where appropriate, to the Chairman of the Company.

The policy outlines a clear and structured procedure for reporting and addressing such concerns while ensuring protection against any form of retaliation. It reflects the Company's commitment to maintaining the highest standards of ethical conduct and transparency.

The detailed Whistle Blower Policy is available on the Company's official website at the following link: <https://sandhargroup.com/investors/corporate-governance>

HUMAN RESOURCE DEVELOPMENT

Employees are the cornerstone of the Company's success and a driving force behind its continued excellence in the automobile industry. As a strategic business enabler, the Company's Human Resources (HR) function is closely aligned with its vision to emerge as a global leader in the integrated automobile space.

Our HR vision is to build and nurture world-class human capital by continuously innovating and implementing best-in-class HR practices. These practices are designed to support business leaders and foster a workforce that is engaged, empowered, and motivated.

As of 31st March, 2026, Sandhar employed 1356 individuals on its rolls. The Company empowers these dedicated individuals through its HR strategies, which prioritize workforce planning, talent acquisition, performance management, learning and development, career advancement, succession planning, leadership development, and the enhancement of employee experience and engagement. This is accomplished by offering top-tier employee facilities, welfare benefits, and fostering a conducive work environment.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Annual Report as "Annexure G".

The statement containing particulars of top 10 employees and particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders, excluding the aforesaid Annexure. The said information is available for inspection by the members at the Corporate Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary, whereupon a copy would be sent.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

At Sandhar Group, we are firmly committed to maintaining a safe, inclusive, and respectful workplace for all employees. In compliance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees (ICC), to consider and resolve the complaints related to sexual harassment, reinforcing our zero-tolerance approach towards any form of harassment.

All employees (permanent, contractual, temporary, trainees, etc.) and visitors are covered under the said Policy. The ICC includes external members with relevant experience. The ICC work extensively on creating awareness on relevance of sexual harassment issues. The employees are required to undergo a training on POSH to sensitize themselves and strengthen their awareness.

During the Year under review:

1. Number of sexual harassment complaints received during the year - Nil
2. Number of complaints disposed of during the year - NA
3. Number of cases pending for more than 90 days - NA

Your Company has filed the POSH annual return within the prescribed timeline, ensuring full regulatory compliance and remains committed to creating a workplace where dignity, equality, and safety are non-negotiable. Through continuous education, visible support structures, and a strong reporting framework, we strive to uphold the values of respect and trust across the organization.

AUDITORS' REPORT

STATUTORY AUDITORS

M/s. BSR & Co. LLP, Chartered Accountants (Firm's Registration No. 101248W/W-100022), were re-appointed as the Statutory Auditor of the company for the tenure of five years commencing from the conclusion of the 30th Annual General Meeting of the company until the conclusion of the 35th Annual General Meeting to be held in year 2027.

The Auditors' Report for the Financial Year 2025-2026 including report on Internal Financial Controls, are self-explanatory and does not carry any observation/qualification/ adverse remarks etc. or infirmity in the Company's affairs.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of SEBI Listing Regulations, the members of the Company at the 33rd Annual General Meeting held on 19th September, 2025, appointed M/s K.K. Sachdeva & Associates, Practicing Company Secretaries, (Peer Review Certificate No. 1684/2022) as the Secretarial Auditor of the Company for a period of 5 consecutive years commencing from FY 2025-26 until FY 2029-30. They have also confirmed that they are not disqualified from continuing as Secretarial Auditors of the Company in terms of provisions of the Act & Rules made thereunder and SEBI Listing Regulations.

The Secretarial Audit Report for the Financial Year 2025-26 does not contain any qualification, reservation or adverse remark and is attached to this Annual report as Annexure - H.

INTERNAL AUDITORS

The Board on the recommendation of Audit Committee approved the re-appointment of M/S GSA & Associates, LLP, Chartered Accountants, Internal Auditors (Firm's Registration No. 000257N/N500339), for conducting the Internal Audit of the Company for the Financial Year 2026-2027.

COST AUDITORS

The cost records as required to be maintained under Section 148 (1) of the Companies Act, 2013 are duly made and maintained by the Company.

M/s. Satija & Co., Cost Accountants (Firm Registration No. 004907) was the Cost Auditors of the Company for the FY 2024-25 & 2025-26. The cost audit report for the FY 2024-25 submitted by the said Cost Auditors during the FY 2025-26 does not contain any qualification, reservation, or adverse remark. Additionally, the Cost Auditors of the Company has submitted its report for the FY 2025-26 and have not reported any matter under Section 143(12) of the Companies Act, 2013 in their report for FY 2025-26.

The Board of Directors, upon recommendation of the Audit Committee, has re-appointed M/s. Satija & Co., Cost Accountants (Firm Registration No. 004907), as the Cost Auditors for FY 2026-27.

A resolution seeking approval of the members for ratification of the remuneration payable to the Cost Auditors for FY 2026-27 is provided in the Notice of the ensuing Annual General Meeting.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Secretarial Auditor and Cost Auditors of your Company have not reported any instances of fraud committed in the Company by its Officers or Employees to the Audit Committee, as required under Section 143(12) of the Act.

INTERNAL FINANCIAL CONTROL SYSTEMS AND ADEQUACY THEREOF

The Board has established comprehensive policies and procedures to govern the orderly and efficient conduct of its business, ensuring adherence to Company's policies, 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 and its disclosures.

The Company's internal control systems as laid down are adequate and commensurate with the nature of its business, the size and the complexity of its operations. To further strengthen the internal control system, the Company has a well-established internal audit mechanism. The internal audit is carried out by external independent auditor. The Internal Auditors periodically reviews operational compliances in accordance with documented policies and procedures and evaluates their effectiveness and efficacy in ensuring robust internal control.

The statutory auditors of the Company have audited the financial statements included in this Annual Report and have issued an attestation report on the Company's internal control over financial reporting (as defined in section 143 of the Act).

INVESTOR EDUCATION & PROTECTION FUND

Pursuant to the applicable provisions of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF Authority, established by the Government of India, after the completion of seven Consecutive years. Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. During the year, the Company has transferred the unclaimed and unpaid dividends and corresponding shares on which dividends were unclaimed for seven consecutive years were transferred to the IEPF Authority as per the requirements of the IEPF Rules as detailed below:

Type of Dividend	Amount of unclaimed dividend transferred	Number of corresponding equity shares transferred
Interim Dividend for the FY 2018-19	19,137.50/-	270

Year-wise amounts of unpaid/unclaimed dividends lying in the unpaid account up to the year, which are liable to be transferred have been provided in the Corporate Governance Report and are also available on the website of the Company at <https://sandhargroup.com/investors/unclaimed-and-unpaid-dividend>

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Business Responsibility and Sustainability Report for the Financial Year ended 31st March, 2026 describing the initiatives taken by the Company from an Environment, Social and Governance perspective in prescribed format as stipulated under Regulation 34(2)(f) of SEBI Listing Regulations, is annexed herewith the Annual report as "Annexure-I".

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS DISCLOSURES IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant and material orders, passed by the regulators and courts, or tribunals that materially impact the going concern status and the Company's operations in the future.

SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-I and Secretarial Standard-2 issued by the Institute of Company Secretaries of India on Board of Directors / Committee Meetings and General Meetings.

ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, read with the rules made thereunder, the annual return as on 31st March, 2026 to be prepared in accordance with Section 92(3) of the Act, and be made available on the website of your Company at <https://sandhargroup.com/investors/annual-return>

LISTING ON STOCK EXCHANGE

The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited.

CAUTIONARY STATEMENT

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

PERSONNEL & INDUSTRIAL RELATIONS

Cordial atmosphere across functional verticals / units contributed to the overall satisfactory performance of the Company. The Directors place on record their deep appreciation of the inspiring and motivating leadership provided by the Executive Chairman (Executive Director) and Chief Executive Officer, supported by the Chief Financial Officer and Company Secretary, and the commendable teamwork done by the executives, staff and workers at all levels in various units at different locations.

PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

During the Financial Year 2025-26, no proceedings were initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016.

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

During the Financial Year 2025-26, the Company has not made any one-time settlement with the banks or financial institutions, and there was no difference between the valuation of loan taken from the Banks or Financial Institution; therefore, the same is not applicable to the company.

DISCLOSURE UNDER THE MATERNITY BENEFIT ACT, 1961

In accordance with the requirements of the Maternity Benefit Act, 1961, the Company confirms that it is fully compliant with the provisions of the Act. The Company provides all statutory benefits and other entitlements as prescribed under the Act.

The Company is committed to fostering an inclusive and supportive work environment for all employees ensures that all applicable provisions relating to maternity benefits are implemented.

OTHER DISCLOSURES

The Executive Chairman (Executive Director) & Chief Executive Officer and Whole-time Director of the Company has not received any remuneration or commission from any of the subsidiary companies. Further, the Company does not have any holding Company;

APPRECIATION

Your Directors extend their gratitude to the various statutory authorities, departments, organizations, and agencies for their continued assistance and cooperation. They also gratefully acknowledge all stakeholders of the Company, including shareholders, customers, dealers, vendors, banks and other business partners, for their excellent support throughout the year. The Directors sincerely appreciate and commend all employees of the Company for their unwavering commitment and ongoing contributions to its success.

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

Sd/-

Jayant Davar

Executive Chairman (Executive Director)
and Chief Executive Officer
DIN: 00100801

Place: Gurugram, Haryana

Date: 11th August, 2026

Management Discussion & Analysis –Financial Performance FY 2026

Industry Snapshot:

India's automobile industry recorded its highest-ever annual sales across all major vehicle categories in FY 2025-26, supported by GST 2.0 reforms, multiple repo rate cuts and revised income tax slabs, which improved affordability and consumer sentiment. The year also marked the first industry-wide sales record since FY19, highlighting the sector's strong recovery from the pandemic-led demand slowdown.

The strong growth is strategically significant for India's manufacturing economy as rising vehicle demand is expected to accelerate investments across auto components, EV systems, dealership networks, financing ecosystems and rural mobility markets. SIAM highlighted that the year closed on a high note despite a modest start, with positive sentiment driven by lower borrowing costs and tax relief measures. The momentum also reinforces India's position as one of the world's fastest-growing automobile markets, while supporting downstream growth in steel, tyres, batteries, electronics and logistics services.

Production

The industry manufactured a total of 3,47,08,984 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers, and Quadricycles in April 2025 to March 2026, as against 3,10,36,333 units in April 2024 to March 2025 with an increase of 11.8%.

Domestic Sales

The sale of Passenger Vehicles has been 46,43,439 units in April-March 2026, compared to 43,01,848 units in April-March 2025, increased by 7.9%.

The overall sale of Commercial Vehicles has been 10,79,871 units in April-March 2026 compared to 9,58,514 units in April-March 2025, increased by 12.6%.

The sales of Three-wheelers has been 8,36,231 units in April-March 2026 compared to 7,41,420 units in April-March 2025, increased by 12.8%.

The Two-wheeler sale has been 2,17,05,974 units in April-March 2026, compared to 1,96,07,332 units in April-March 2025, increased by 10.7%.

Exports

The overall exports have been 66,47,685 units in April-March 2026 compared to 53,62,884 units in April-March 2025, increased by 24%.

Passenger Vehicles exports increased by 17.5%. Commercial Vehicles, Three Wheelers and Two Wheelers increased by 17.4%, 50.1% and 23.4% respectively in April-March 2026 over the same period last year.

The table below gives the year to date sales volumes of the Company's major OEMs:

OEM Growth Rates		FY'26	FY'25	YoY
Hero MotoCorp	Lacs (Vol.)	64.69	58.99	9.7%
TVS Motors	Lacs (Vol.)	56.70	46.09	23.0%
Honda Motorcycles	Lacs (Vol.)	63.72	58.32	9.3%
Bajaj Auto	Lacs (Vol.)	43.17	39.82	8.4%
Royal Enfield	Lacs (Vol.)	12.39	10.10	22.7%
Honda Cars	Lacs (Vol.)	0.88	1.26	(29.9%)
Tata Motors- CVs	Lacs (Vol.)	4.28	3.77	13.6%

FINANCIAL PERFORMANCE FY 2026

The performance of the Company for the year ended 31 March 2026 is as per the summary given below:

Total Income: At Consolidated level, the Total Income for the year ended 31 March 2026 at Rs. 4,927.44 Crs as against Rs. 3,901.04 Crs in year ended 31 March 2025, thereby representing a growth of 26%.

The individual Company's Total Income (including Other Income), net of Inter-Unit, stood as below:

Company Name	FY'26	FY'25	Act Gr Vs LY
	(Rs. In Crs)	(Rs. In Crs)	%
STL	3,120.66	2,936.28	6.28%
STB (WOS) including its subsidiaries	471.85	454.72	3.77%
STPL (WOS)	615.96	18.99	3,143.60%
SEPL (WOS)	842.81	397.20	112.19%
SASPL (WOS)	138.47	97.10	42.61%
SACPL (WOS)	82.42	81.62	0.98%
SAESPL (WOS)	20.82	3.12	567.31%
Inter Companies elimination/adjustments	(365.55)	(87.99)	
Total	4,927.44	3,901.04	26.31%

The total contribution of the Subsidiaries to the consolidated Income has been Rs. 1,806.78 Crs in the year ended March 2026 as compared to Rs. 964.76 Crs in the previous fiscal year, constituting 36.67% and 24.73% of the Total Income, respectively.

The individual Company's performance stands as below:

Company Name	FY'26 (Rs. In Crs)	FY'25 (Rs. In Crs)	Act Gr Vs LY %
STL	345.01	300.45	14.83%
STB (WOS) including its subsidiaries	41.09	43.03	(4.51%)
STPL (WOS)	40.42	5.11	691.00%
SEPL (WOS)	67.46	30.10	124.12%
SASPL (WOS)	14.11	6.62	113.14%
SACPL (WOS)	22.51	28.23	(20.26%)
SAESPL (WOS)	(5.77)	(5.62)	(2.67%)
Inter Companies elimination/adjustments	(11.85)	(8.13)	
Total EBITDA	512.98	399.79	28.31%

The total contribution of the subsidiaries in the Consolidated EBITDA increases to Rs. 167.97 Crs for the year ended March 2026 from Rs. 99.34 Crs for the year ended March 2025 thereby contributing 32.74% to the total Consolidated EBITDA as against 24.85% in the in same period the last year.

Total Manufacturing Cost

At Consolidated level, the manufacturing cost as a Percentage to Net Revenue from Operations stood at 82.53% in the FY'26 as compared to 81.16% in the FY'25.

At Standalone level, the manufacturing cost as a Percentage to Net Revenue from Operations stood at 83.91% in the FY'26 as compared to 82.97% in the FY'25.

Personnel, Selling and Admin & General Costs:

At Consolidated level, Personnel, Selling, Admin & General Cost are lower at 8.45% in the FY'26 as compared to 8.97% in the FY'25.

At Standalone level, Personnel, Selling, Admin & General Cost are lower at 7.26% in the FY'26 as compared to 7.52% in the FY'25.

Foreign exchange loss arising out of trade operations amounted to Rs. 0.98 Cr. in the year FY'26 as compared to gain of Rs. 0.08 Cr. in the previous year.

Finance Costs:

At Consolidated level, the Finance Costs increased to Rs. 68.77 Crs (1.42% of Net Revenue) for FY'26 versus Rs. 56.61 Crs (1.46% of Net Revenue) in the FY'25.

At Standalone basis, the Finance Costs increased to Rs. 21.37 Crs (0.70% of Net Revenue) for the FY'26 versus Rs. 20.49 Crs (0.70% of Net Revenue) in the FY'25. The interest cost on working capital loans and bill-discounting charges stood at Rs. 10.07 Crs for the FY'26 as compared to Rs. 8.57 Crs in the FY'25.

The average working capital borrowing at Standalone level decreased by Rs. 73.80 Crs (from Rs. 163.80 Crs in March 25 to Rs. 90.00 Crs in March 26).

EBITDA: At the Consolidated level, the Company registered an EBITDA of Rs. 512.98 Crs in the year ended March 2026 as compared to Rs. 399.79 Crs in the previous year, thereby registering a growth of 28.31%.

Loans (Borrowings):

At Consolidated level, the Term Loans as at the 31 March 2026 stood at Rs. 384.66 Crs versus Rs. 391.27 Crs as at 31 March 2025. Outstanding working capital loans at the Consolidated level stood at Rs. 563.49 Crs as against Rs. 429.96 Crs as at the 31 March 2025.

Outstanding Term Loans on Standalone basis, stood at Rs. 53.44 Crs as at the 31 March 2026 vs Rs. 90.94 Crs. as at the 31 March 2025.

Outstanding working capital loans on Standalone basis have been Rs. 90.00 Crs as at 31 March 2026 versus Rs. 163.80 Crs as at the 31 March 2025.

Sundry Debtors:

At Consolidated level, the Receivables as at the 31 March 2026 stood at Rs. 823.06 Crs versus Rs. 557.30 Crs as at the 31 March 2025.

The Receivables for the Company on Standalone basis, stood at Rs. 527.06 Crs as at the 31 March 2026 as against Rs. 467.99 Crs as at 31 March 2025.

Inventories:

At Consolidated level, the inventories as at the 31 March 2026 stood at Rs. 559.84 Crs versus Rs. 409.49 Crs as at the 31 March 2025.

The inventories for the Company on Standalone basis as at the 31 March 2026 stood at Rs. 179.12 Crs as against Rs. 217.85 Crs as at the 31 March 2025.

Current Liabilities:

At Consolidated level, the Current Liabilities & Provisions as at the 31 March 2026 stood at Rs. 951.76 Crs versus Rs. 672.82 Crs as at the 31 March 2025.

The current liabilities & provisions for the Company on Standalone basis, stood at, Rs. 415.08 Crs as at 31 March 2026 as against Rs. 419.66 Crs as at 31 March 2025. This includes Rs. 352.72 Crs trade payables as at 31 March 2026.

Investments:

The Total Investments made during the period in various subsidiaries aggregated Rs. 99.90 Crs.

S. No.	Name of Subsidiary/ Joint Venture	Total Investment as at 31 st March, 2026 (Rs. In Crs)	Addition during the year (Rs. In Crs)
1	Sandhar Engineering Private Limited	157.64	62.64*
2	Sandhar Auto Electric Solutions Private Limited	34.96	14.12
3	Sandhar Ascast Private Limited	50.45	13.14
4	Sandhar Technologies Barcelona S.L.	30.29	10.00
5	Sandhar Auto Castings Private Limited	12.75	-
6	Sandhar Automotive Systems Private Limited	16.66	-
7	Sandhar Amkin Industries Private Limited	26.62	-
8	Sandhar Han Sung Technologies Private Limited	19.56	-
9	Winnercom Sandhar Technologies Private Limited	4.00	-
10	Sandhar Han Shin Auto Technologies Private Limited	2.75	-
11	Sandhar Whetron Electronics Private Limited	9.78	-
	Total	365.46	99.90

* Includes Rs 27.75 Crs loan given to Sandhar Engineering which was converted into Equity.

Cash flow from Operations:

The Company's Cash Flow (Consolidated & Standalone level) as at 31 March 2026 stood as under: (Amount in Rs. Crs.)

Particulars	Consolidated		Standalone	
	FY'26	FY'25	FY'26	FY'25
Cash Flows from Operating Activities				
Profit before tax	255.75	184.59	231.17	186.14
Depreciation and amortization expense	193.36	170.60	90.69	96.86
Other adjustments	11.98	38.54	(39.50)	3.63
Operating profit before working capital changes	461.08	393.73	282.36	286.64
Movements in working capital:	(199.15)	(95.99)	(313.96)	(81.80)
Cash generated from operations	261.93	297.74	(31.60)	204.83
Taxes Paid	52.02	50.77	43.11	46.87
Net cash inflow from operating activities (A)	209.91	246.97	(74.70)	157.96
Cash Flows from Investing Activities				
Capital Expenditure	(298.85)	(316.18)	(100.90)	(140.11)
Investments in subsidiaries	-	-	(72.15)	(36.00)
Transaction on account of business transfer	-	-	292.68	-
Change in investments	-	9.18	(3.89)	-
Other Receipts	77.89	16.83	97.92	18.47
Net cash used in investing activities (B)	(220.96)	(290.17)	213.66	(157.64)
Cash Flows from Financing Activities				
Borrowings/(Repayment)	126.91	196.54	(111.30)	77.76
Payment of lease liabilities	(15.85)	(26.33)	(7.87)	(10.97)
Dividend Paid	(21.07)	(19.56)	(21.07)	(19.56)
Interest paid	(62.01)	(49.90)	(14.44)	(17.23)
Net cash flow generated from / (used in) financing activities (C)	27.99	100.75	(154.68)	29.99
Foreign currency translation gain	(46.95)	(9.60)	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	16.95	57.55	(15.72)	30.31
Opening Cash Balance	81.09	33.14	30.62	0.30
Cash and equivalents at the end of the year	51.09	81.09	14.89	30.62

Contingent Liabilities:

The Company's Contingent Liabilities as at the 31 March 2026 stood as under (all Fig. in Rs. Crs):

Particulars	31 March 2026	31 March 2025
a. Claims against the Company not acknowledged as debts		
- Service tax matters	0.56	0.56
- Goods and services tax	15.65	7.76
- Income tax matters	0.54	0.83
- Matters related to land	1.21	0.80
- Matters related to labour, employees/ ex-employees	0.39	0.55
- Other matters related to accident claim, environmental compensation, and supplier's matters etc.	6.52	7.62
b. Guarantees given by the Company	624.22	410.98
Total (a + b)	649.09	429.10

Outlook:

Looking ahead, domestic demand and macroeconomic fundamentals remain robust in FY 2026–27, which should aid steady growth for the industry. However, uncertainties arising from the West Asia conflict need to be closely monitored, as it may have impacts on production, commodity prices, fuel prices, freight rates and the overall economy.

Rating agency ICRA expects the Indian automotive Industry to witness a normalization of wholesale volume growth in 2026–27 following a period of elevated growth in the second half of 2025–26, which was driven largely by post GST reform-led factors and favorable rural demand sentiments. Key emerging trends in the sector like premiumization and transition in powertrain mix reflect a structural shift in consumer preferences and technology adoption.

Form AOC-1

STATEMENT PURSUANT TO FIRST PROVISOR TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT 2013, READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014 IN THE PRESCRIBED FORM AOC-1 RELATING TO SUBSIDIARY COMPANIES

PART - "A": - SUBSIDIARIES

(Rupee in Lacs)

S. No.	Name of Subsidiary	The date since when subsidiary was acquired	Reporting Currency	Exchange Rate as on Last Day of Relevant Financial Year	Share Capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment (excluding investment made in subsidiary)	Turnover	Profit before taxation	Provisions for taxation	Profit After taxation	Proposed Dividend	% of Shareholding
1.	Sandhar Ascact Private Limited (Formerly Known as Sandhar Tooling Private Limited)	26th February, 2002	INR	-	1240.61	4886.35	72881.18	66754.22	-	123464.59	4833.64	142.57	4691.07	-	100
2.	Sandhar Auto Casting Private Limited	29th July 2020	INR	-	1275	1192.10	8878.55	6411.45	-	8129.95	480.84	132.16	348.68	-	100
3.	Sandhar Engineering Private Limited	14th October, 2021	INR	-	14551	(473.24)	43383.84	29306.08	-	83141.03	3219.54	368.51	2851.03	-	100
4.	Sandhar Automotive Systems Private Limited	20th June, 2017	INR	-	3099.63	361.08	5919.67	2458.96	95.87	13807.86	1259.23	312.50	946.73	-	100
5.	Sandhar Auto Electric Solutions Private Limited	6th January, 2022	INR	-	3495.50	(1582.77)	3606.34	1693.61	-	2081.04	(708.07)	45.59	(662.48)	-	100
6.	Sandhar Technologies Barcelona S.L	18th May, 2007	INR	-	3143.01	1487.35	79868.50	75238.14	-	46824.85	(2618.67)	407.07	(2211.60)	-	100

STATEMENT PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

PART "B" JOINT VENTURES

(Rupees in Lacs)

S. No.		Name of Associate/ Joint Venture		Shares of Associate/ Joint Venture held by the company on the year end*					Profit For the Year			Reason why the Associate/ Joint Venture is not consolidated
		Date on which the associate or joint venture was associated or acquired	Latest Audited Balance Sheet Dates	No.	Amount of Investment in Associate/ Joint Venture	Extent of Holding %	Net worth attributable to Shareholding as per latest Audited Balance Sheet (In Lakhs)	Considered in Consoli- dation	Not Consid- ered in Con- solidation	Description of how there is significant influ- ence		
1.		Sandhar Han Sung Technologies Private Limited	20/06/2014	31st March, 2026	17220600	1722.06	50%	1649.15	144.32	144.32	Note (a)	N.A.
2.		Sandhar Han Shin Auto Technologies Private Limited	26/11/2019	31st March, 2026	2750000	275	50%	848.04	363.39	363.39	Note (a)	N.A.
3.		Winnercom Sandhar Technologies Private Limited	22/08/2019	31st March, 2026	4,00,000	400	50%	755.44	80.78	80.78	Note (a)	N.A.
4.		Sandhar Whetron Electronics Private Limited	19/07/2018	31st March, 2026	9784500	978.45	50%	1,027.42	38.58	38.58	Note (a)	N.A.
5.		Sandhar Amkin Industries Private Limited	06/09/2017	31st March, 2026	26620000	2,662	69.12%	1376.97	141.22	63.09	Note (a)	N.A.

* Equity Shares of Associate/ Joint Venture held by the company on the year end are considered.

Note:

(a) There is a significant influence by virtue of joint control

Place: New Delhi

Date: 21st May, 2026

For and on behalf of Board of Directors of Sandhar Technologies Limited

Jayant Davar Executive Chairman (Executive Director) & Chief Executive Officer DIN: 00100801	Yashpal Jain Chief Financial Officer and Company Secretary ICSIM. No. A13981	Archana Capoor Director DIN: 01204170

Sandeep Dinodia Director DIN: 00005395	Aabha Bakaya Director DIN: 05131734

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

1. Brief outline on CSR Policy of the Company:

At Sandhar Technologies Limited ("the Company"), Corporate Social Responsibility ("CSR") is an integral part of our corporate philosophy and commitment to sustainable development. Our CSR vision is to create a positive and lasting impact on society and the environment by contributing towards inclusive growth, improved quality of life, and environmental sustainability, thereby making our planet more livable for future generations.

The Company has been actively engaged in CSR initiatives long before the enactment of the Companies Act, 2013. To further strengthen and institutionalize its social responsibility efforts, Sandhar established the Sandhar Foundation in 2010, which serves as the principal vehicle for implementing the Company's CSR and philanthropic initiatives. In addition to undertaking projects through the Foundation, the Company also collaborates with various implementing agencies and undertakes independent initiatives to ensure effective execution and wider community outreach.

The Company's CSR Policy, formulated in accordance with Section 135 of the Companies Act, 2013 and based on the recommendations of the Corporate Social Responsibility Committee ("CSR Committee"), provides a comprehensive framework for identifying, implementing, monitoring, and evaluating CSR programmes and annual action plans. The policy focuses on the holistic development of underserved communities, particularly in and around the areas where the Company operates its offices and manufacturing facilities across India.

Sandhar's CSR initiatives are aligned with its business values and are aimed at creating sustainable economic, social, and environmental value. The Company continues to contribute towards nation-building and community development through interventions in the following key areas:

- Education and Skill Development for sustainable livelihoods;
- Healthcare, including preventive healthcare initiatives;
- Environmental sustainability and environmental protection;
- Promotion of gender equality and empowerment of women;
- Community development and rural development initiatives;
- Promotion of national heritage, art and culture; and
- Other activities as may be permitted under Schedule VII of the Companies Act, 2013.

Through these focused interventions, Sandhar remains committed to fostering inclusive growth, enhancing social sustainability, and creating long-term value for all stakeholders.

The detailed description is given in the CSR Policy of the Company.

2. Composition of the CSR Committee as on 31st March, 2026 :

S. No	Name of the Director	Designation	Nature of Directorship	No. of meetings held during the year	No. of meeting attended during the Year
1.	Shri Jayant Davar	Chairperson	Executive Chairman (Executive Director) and Chief Executive Officer	5	5
2.	Smt. Monica Davar	Member	Non-Executive & Non-Independent Director	5	5
3.	Shri. Vikrampati Singhania	Member	Non-Executive - Independent Director	5	5

3. Web-links of Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company at.

Composition of CSR Committee as on 31st March, 2026

<https://sandhargroup.com/investors/board-of-directors-its-committees>

CSR Policy- https://sandhargroup.com/uploads/Investor/stl_csr-policy.pdf

CSR Projects- <https://sandhargroup.com/about/sandhar-foundation>

4. Provide the executive summary along with web link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable - Not Applicable.

5. CSR Computation

- (a) (a) Average net profit of the company as per sub-section (5) of section 135 for the financial year 2025-26: INR 14,899.47 Lacs
- (b) 2% of average net profit of the company as per section 135(5): INR 297.99 Lacs
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (d) Amount required to be set off for the financial year if any: NIL
- (e) Total CSR obligation for the financial year (5b+5c-5d): INR 297.99 Lacs

6. CSR Amount Spent

- (a) Amount spend on CSR Projects (Other than Ongoing Project): INR. 83.92 Lacs
- (b) Amount spent in Administrative Overheads: NIL
- (c) Amount spend on Impact Assessment, if applicable: NIL
- (d) Total amount spent for the financial year (6a+6b+6c): INR. 83.92 Lacs ^{Note-1}
- (e) CSR amount spent or unspent for the financial year:

Total amount spent for the Financial Year (INR in lacs)	Amount Unspent (INR in Lacs)				
	Total amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
83.92	214.36	23 rd April, 2026	NIL	NIL	NIL

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

S. No.	Particulars	Amount (INR in lacs)
i)	Two percent of average net profit of the company as per section 135(5)	297.99
ii)	Total amount spent for the Financial Year	83.92
iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

1.	2.	3.	4.	5.	6			7.	8.
S. No.	Pre- ceding Financial year	Amount transferred to Unspent CSR Account under section 135(6) (INR in Lakhs)	Balance Amount in unspent CSR Account under section 135(6)	Amount spent in the Financial Year (INR in Lakhs)	Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any			Amount remaining to be spent in succeeding financial years (INR in Lacs)	Defi- ciency, If any
					Name of fund	Amount (in INR)	Date of transfer		
1	2024-25	130.00	130.00	NIL	NIL	NIL	NIL	130.00	-
2	2023-24	45.00	45.00	NIL	NIL	NIL	NIL	45.00	-
3	2022-23	NIL	NIL	NIL	NIL	NIL	NIL	NIL	-

8. Whether any Capital Assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

If yes, enter the number of Capital Assets created/ acquired: N.A.

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

Note 1: During the year under review, in compliance with its Corporate Social Responsibility (CSR) obligations for the financial year 2025–26, the Company disbursed an aggregate amount of INR 298.28 Lacs towards CSR Projects, comprising both ongoing and other than ongoing CSR Projects, as identified and approved by the Board of Directors on the recommendation of the CSR Committee. Of this, INR 297.99 Lacs was disbursed to the implementing agencies and INR 0.29 Lacs was spent directly by the Company.

Out of the total amount disbursed, INR 83.92 Lacs (comprising INR 83.63 Lacs spent through the implementing agency and INR 0.29 Lacs spent directly by the Company) was utilized during the financial year 2025–26 towards approved CSR Projects other than ongoing CSR Projects.

The balance amount of INR 214.36 Lacs, allocated towards the approved healthcare project (an ongoing CSR Project) and disbursed to the implementing agency for the financial year 2025–26, remained unspent as on 31st March, 2026. Accordingly, the said amount was transferred on 23rd April, 2026 to the Unspent CSR Account opened by the Company for the said financial year, in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the applicable Rules made thereunder.

The Company shall ensure that the said unspent amount of INR 214.36 Lacs, along with any other unspent amounts, is duly utilized towards the approved ongoing CSR Project (i.e., the healthcare project) within the tenure of the said Ongoing Project, being up to 31st March, 2027, in compliance with the provisions of Section 135 of the Companies Act, 2013 read with the applicable Rules made thereunder. The Company shall continue to monitor the progress of implementation of the said CSR Project through the implementing agency and shall ensure that the utilization of funds is undertaken in accordance with the timelines specified in the Board-approved CSR Project plan, so as to ensure full and timely compliance with its CSR obligations within the stipulated period.

Note 2: During FY 2023–24, the Company incurred CSR expenditure in excess of its prescribed CSR obligation by contributing an amount of INR 10.89 lakhs towards the ongoing CSR project, namely “SANDHAR HEALTH CARE & TRAINING CENTRE”, implemented through Sandhar Foundation. During FY 2024–25, the Company further incurred excess CSR expenditure of INR 9.39 lakhs towards the aforesaid ongoing CSR project. The aforesaid project is expected to be completed on or before 31 March 2027 in compliance with the applicable provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

Owing to technical and regulatory constraints, the Company has not been able to claim the aforesaid excess expenditure as a set-off against its CSR obligations in the respective preceding financial years. Accordingly, the Company has not claimed the aggregate excess amount of INR 20.20 lakhs as a set-off against its CSR obligation for FY 2025–26.

The Company proposes to claim the eligible excess expenditure as a set-off against its CSR obligation for FY 2026–27, being the last permissible financial year for availing such set-off in respect of the aforesaid ongoing project, which commenced in FY 2023–24, subject to compliance with the applicable provisions of Section 135 of the Companies Act, 2013 and Rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

Note 3: The company has made an excess CSR expenditure of INR 0.29 lacs towards its CSR activities over and above, the total obligation of INR 297.99 lacs for the Financial Year 2025–26.

For and on behalf of the Board of Directors of
For **Sandhar Technologies Limited**

Sd/-
Jayant Davar
Executive Chairman (Executive Director)
and Chief Executive Officer
Chairperson of CSR Committee
DIN: 00100801

Date: 11th August, 2026
Place: Gurugram, Haryana

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

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

(i) Steps taken or impact on conservation of energy:

The Company continues to place strong emphasis on energy conservation and efficiency improvement across all its manufacturing facilities. Various opportunities for energy optimization are regularly identified, evaluated, and implemented through systematic analysis and planning. Continuous efforts are made to minimize energy consumption by ensuring the optimum utilization of energy-intensive equipment and adopting sustainable practices.

During FY 2025–26, the following energy-saving initiatives were implemented across identified plants to enhance energy efficiency, optimize resource utilization, and support the Company's sustainability objectives:

- a) Standard-efficiency induction motors were progressively upgraded to premium-efficiency motors. Further, energy efficiency has been adopted as a key selection criterion for the procurement of new equipment to promote long-term energy conservation.
- b) UPS systems and servo stabilizers were deployed across identified facilities to maintain voltage stability and power continuity, enhancing equipment performance, reducing machinery failures, and improving overall energy efficiency.
- c) Installation of VFDs on process motors and servo motor-drive systems in hydraulic power packs of injection moulding machines to optimize energy consumption, improve process efficiency, and enhance equipment performance.
- d) Upgraded air conditioning systems to 5-star energy-rated units and replaced conventional shop floor lighting with energy-efficient LED lighting, with energy-efficiency criteria adopted for all new installations.

IMPACT: 3,30,248 Kwh overall saved

(ii) Steps Taken for utilizing alternate renewal sources of energy:

- a) Installed rooftop solar capacity increased to 4,235 kWp across Company facilities.
- b) Open Access Group Captive Power Project comprising 6 MWp Solar and 1 MW Wind capacity has been commissioned and is operational.
- c) Open Access Group Captive Solar Power Project (4.78 MWp) for Sandhar Haryana Units – PPA signed; Shareholders' Agreement (SHA) under progress.

IMPACT: 36,60,738 kWh of clean energy generated through Rooftop Solar system.

(iii) Capital investment on energy conservation equipment:

Total Investment: INR 3.05 Crore, comprising investments in renewable energy equity and energy-efficient motor upgrades

(iv) Green Initiatives

- a) 100% RECD installation completed on all STLDG sets, ensuring reduction of NOx, CO, PM, and HC emissions in line with regulatory requirements.
- b) LPG was adopted as a cleaner fuel alternative in new plants to reduce emissions and promote sustainable operations.
- c) Rainwater harvesting (RWH) systems were implemented to support groundwater recharge, with water-positive initiatives being planned across all plants.
- d) Dedicated feeders were installed to enhance power quality, improve machinery reliability, and reduce diesel consumption.
- e) Installation of digital water flow meters across units for accurate monitoring of water consumption and real-time alerts on excessive usage through integration with an online monitoring system

B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R&D):

(i) Efforts made towards technology absorption:

- a) IoT implementation is underway to enhance plant capacity utilization, energy efficiency, and process optimization
- b) FFC test rig upgraded for 100% valve opening pressure verification, improving product quality and reliability.
- c) Implemented low-current switch technology in conventional locksets to meet new EV two-wheeler requirements.
- d) Developed a low-current LIN-based immobilizer to enhance vehicle security and system efficiency.
- e) Advanced BLE-based smart lock system development as a next-generation technology upgrade.
- f) Expanded automated tumbler disc insertion facilities to enhance production capacity and efficiency.
- g) Introduced anti-theft technology in smart lock steering assembly for two-wheelers, enhancing vehicle security against forced lock rotation.

(ii) Research & Development activities carried out / new products developed in F.Y. 2025–26

- a) Sandhar Centre for Innovation & Development (SCID) is the centralized in-house R&D centre of Sandhar group. It is engaged in enriching the existing product portfolio, designing & developing futuristic products with anticipated business potential.
- b) The activities of SCID can be broadly classified as follows:
 - i. Development of futuristic products with anticipated business potential capturing the voice of customers and upcoming government regulations.

- ii. Sandhar has joined the PLI (Production Linked Incentive) Scheme launched by the Government of India and is committed to meet all the requirements to avail advantages of the PLI Scheme.
- iii. Upgradation of existing products to meet customers' expectations from time to time.
- iv. To support the engineering team at various plants in product design & development.
- v. IPR (Intellectual Property Rights) related activities, including patent filing, design registration, and vigilance against possible infringement and litigation.
- vi. Providing services to group companies related to FEA, RE, Prototyping, Inspection, and Benchmarking.

- c) We are equipped with adequate R&D infrastructure, with a team of more than 22 well qualified and experienced mechanical and electronics engineers playing a significant role in conducting R&D and developing tested and validated innovative products for our valued customers.

NEW PRODUCTS DEVELOPED

1. Low Current Switch based Lockset - (2W EV)
2. Low + High Current Hybrid Lockset - (2W EV)
3. Immobilizer Lockset - (ICE 2W)
4. Smart Mirrors (ADAS Mirrors) - (2W)
5. Anti-theft Lockset - (ICE 2W)

PATENTS GRANTED [02 PATENTS]

1. Keyless System for operating 2-Wheeler.
2. Fuel Tank Cap Assembly

(iii) In case of Imported technology (imported during the last three years reckoned from the beginning of the financial year):

Details of Technology imported	Year of Import	Whether the technology has been fully absorbed	If not fully absorbed, areas where absorption has not taken place and the reasons thereof
Electro Chromatic Mirror Assy (Dimming Mirror)	FY24	No.	1. We have observed Auto Dimming Mirror Assy Technology and set up Assy Line at Sandhar, Chennai Location (SAT). Localisation is done except Mirror Plate and mirror Stay Assy. 2. Localisation of Mirror Plate - Sustain volume is required (Minimum One Million / year) due to huge investment however we are discussing with various customers to ensure ROI before Investment. 3. Stay Assy - Considering in 2nd Phase due to double Ball Joint Technology part. Expecting FY27-28.
Smart Lock Assy for EV and IC scooters segment. Switch Assy Handle Lock, ECU & FOB Key is a set of Smart Lock.	FY24	Yes	N.A.
3DPA	FY25	Yes	N.A

(iv) The expenditure incurred on Research and Development:

S. No.	Particular	Amount (in Lakhs)
1	Capex	489.55
2	Opex	1043.00
Total		1532.55

C. FOREIGN EXCHANGE EARNING AND OUTGO DURING THE YEAR

Mar'26

Particulars	Amount in lakh
Inflow:	
Sales (FOB)	2,501.88
Total	2,501.88
Outflow:	
On Capital Equipment	1,443.41
On Know-how	N.A.
Others	94.72
Raw Materials	6,634.56
Consumables & Spares	1,576.02
Tour and Travel	-
Royalty	1,463.28

REPORT ON CORPORATE GOVERNANCE

The Board of Directors ("Board") of Sandhar Technologies Limited ("STL" or "the Company") is pleased to present the Corporate Governance Report of the Company for the financial year ended 31st March, 2026.

This Report has been prepared in compliance with the requirements of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time.

The Company remains committed to the highest standards of corporate governance and transparency. Its governance framework is designed to ensure accountability, ethical business conduct, and effective oversight of management. The Company continuously reviews and aligns its governance practices with the evolving regulatory requirements and has duly incorporated and complied with all applicable amendments to the SEBI Listing Regulations during the year under review.

I. PHILOSOPHY:

At Sandhar Technologies Limited, Corporate Governance is the cornerstone of our business philosophy and a key enabler of sustainable value creation. We believe that enduring business success is built on a foundation of ethical conduct, transparency, accountability, fairness and responsible stewardship. These principles guide our actions, shape our culture and reinforce the trust that stakeholders place in the Company.

Our governance framework is designed to uphold the highest standards of integrity while ensuring balanced and equitable treatment of all stakeholders, including shareholders, employees, customers, suppliers, business partners, lenders, regulators and the communities in which we operate. We recognize that robust governance practices are essential not only for safeguarding stakeholder interests but also for driving long-term growth, resilience and competitiveness in a dynamic business environment.

The Board of Directors provides strategic leadership and oversight, fostering a culture that promotes ethical decision-making, prudent risk management and sustainable business practices. Supported by its Committees and management, the Board ensures that the Company's affairs are conducted with professionalism, transparency and accountability, while maintaining a strong focus on long-term value creation.

At Sandhar, governance extends beyond compliance. We view it as an integral part of our corporate culture and business strategy. Our policies and practices are aligned with globally accepted governance standards and are aimed at strengthening accountability, enhancing operational excellence and promoting responsible corporate behaviour. The Company has instituted a comprehensive framework of policies covering, inter alia, Code of Conduct and Business Ethics, Anti-Bribery and Anti-Corruption, Prevention of Insider Trading, Data Privacy and Information Security, Human Rights, Equal Opportunity, Prevention of Sexual Harassment and Whistle Blower Mechanism.

Transparency and timely communication remain central to our stakeholder engagement approach. We are committed

to providing accurate, comprehensive and timely disclosures regarding our financial performance, business operations, governance practices and material developments, thereby enabling stakeholders to make informed decisions and fostering confidence in the Company's governance processes.

As a responsible corporate citizen, we are committed to integrating sustainability and Environmental, Social and Governance (ESG) considerations into our business practices and decision-making processes. We continuously strive to strengthen our governance framework by embracing evolving regulatory requirements, emerging best practices and stakeholder expectations, while remaining firmly anchored to our core values.

The Company's governance philosophy reflects its unwavering commitment to conducting business responsibly, creating sustainable value and preserving the highest standards of corporate integrity. We believe that strong governance is fundamental to building a resilient enterprise, nurturing stakeholder confidence and securing the Company's long-term success.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of Regulation 46(2) of the SEBI Listing Regulations, as applicable, with regard to corporate governance.

Sandhar upholds a robust legacy of fair, transparent and ethical governance practices. We have implemented a Code of Conduct for Directors and Senior Management, which is publicly accessible on our company's website at https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt_new.pdf.

II. BOARD OF DIRECTORS:

Composition:

The Board of Directors serves as the apex governing body of the Company and plays a pivotal role in providing strategic direction, exercising effective oversight and upholding the highest standards of corporate governance. The composition of the Board is aligned with the requirements of the Companies Act, 2013, the Rules framed thereunder, the SEBI Listing Regulations and other applicable laws, while also reflecting the Company's commitment to governance excellence and global best practices.

The Company firmly believes that a well-balanced Board, comprising individuals with diverse backgrounds, professional expertise, industry experience and independent judgment, is essential for fostering innovation, enhancing decision-making and creating sustainable long-term value for stakeholders. Independence of the Board remains a cornerstone of the Company's governance philosophy, ensuring objective oversight of management, balanced deliberations and protection of stakeholder interests.

As on 31st March 2026, the Board comprised 11 (Eleven) Directors, including 7 (Seven) Non-Executive Independent Directors, 2 (Two) Non-Executive Non-Independent Directors and 2 (Two) Executive Directors. The Board represents a diverse mix of competencies, perspectives and experience across areas such as business leadership, finance, governance, risk

management, legal and regulatory affairs, manufacturing, technology, human capital management and the automotive components sector. This range of expertise enables the Board to effectively guide the Company through a rapidly evolving business and regulatory landscape.

The Board periodically reviews its composition, structure and effectiveness to ensure that it continues to possess the appropriate balance of skills, experience, diversity and independence necessary to discharge its responsibilities effectively and support the Company's strategic ambitions.

As on 31st March 2026:

- (i) None of the Directors held directorships in excess of the limits prescribed under the Companies Act, 2013 and the SEBI Listing Regulations;
- (ii) None of the Directors was a member of more than ten committees, comprising the Audit Committee and Stakeholders' Relationship Committee, across all public companies in which he/she held directorships;
- (iii) None of the Directors chaired more than five committees, comprising the Audit Committee and Stakeholders' Relationship Committee, across all public companies in which he/she held directorships;

- (iv) None of the Directors exceeded the permissible limits relating to directorships and independent directorships in listed entities as prescribed under applicable laws;
- (v) None of the Whole-time Directors or Managing Directors of the Company served as an Independent Director in more than three listed entities; and
- (vi) None of the Independent Directors served as a Non-Independent Director on the Board of any company where a Non-Independent Director of the Company served as an Independent Director.

The Company has received all necessary disclosures, declarations and confirmations from the Directors and is satisfied that the composition of the Board is fully compliant with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations and other statutory requirements. The Board continues to function with a strong emphasis on integrity, accountability, transparency and responsible leadership, thereby reinforcing the Company's commitment to the highest standards of corporate governance.

Composition of Board of Directors as on the 31st March, 2026

Name of Director	Designation	Category
Shri Jayant Davar (DIN: 00100801)	Executive Chairman (Executive Director) and Chief Executive Officer	Promoter
Smt. Archana Capoor (DIN: 01204170)	Non-Executive Independent Director	Non-Promoter
Shri Vikrampati Singhania (DIN: 00040659)	Non-Executive Independent Director	Non-Promoter
Shri Sandeep Dinodia* (DIN: 00005395)	Non-Executive Independent Director	Non-Promoter
Shri Vimal Mahendru (DIN: 00006016)	Non-Executive Independent Director	Non-Promoter
Shri. Bharat Anand (DIN: 02806475)	Non-Executive Independent Director	Non-Promoter
Shri Arjun Sharma** (DIN: 00003306)	Non-Executive Independent Director	Non-Promoter
Smt. Aabha Bakaya (DIN: 05131734)	Non-Executive Independent Director	Non-Promoter
Smt. Monica Davar (DIN : 00100875)	Non-Executive & Non-Independent Director	Promoter
Shri Neel Jay Davar (DIN: 09201336)	Non-Executive & Non-Independent Director	Promoter
Shri Gurvinder Jeet Singh* (DIN: 02129467)	Whole-time Director & Head Corporate Strategy	Non-Promoter

* Pursuant to the approval of the Members obtained through a Postal Ballot process concluded on 26th June, 2025, Shri Gurvinder Jeet Singh was appointed as Whole-time Director & Head – Corporate Strategy of the Company with effect from 22nd May, 2025. The Members also approved the re-designation / appointment of Shri Sandeep Dinodia as a Non-Executive Independent Director of the Company with effect from 26th June, 2025.

** The second and final tenure of Shri Arjun Sharma as a Non-Executive Independent Director concluded on closure of business hours of 23rd May 2026. Consequently, he ceased to be a Director of the Company and also ceased to hold the position of Chairperson/Member of the various Board Committees with effect from the said date.

Notes:

- (i) Smt. Monica Davar, being the spouse of Shri Jayant Davar, Executive Chairman (Executive Director) and Chief Executive Officer of the Company, and Shri Neel Jay Davar, being his son, are related to Shri Jayant Davar.
- (ii) Except as above, none of the other Directors is related to any other Director on the Board.

Independent Directors

As on 31st March 2026, the Board comprised seven (7) Independent Directors whose independence, integrity, expertise and experience provide significant strength to the governance framework of the Company. In the opinion of the Board, all Independent Directors satisfy the criteria of independence prescribed under the Companies Act, 2013 and the SEBI Listing Regulations and are independent of the management.

The Company has received the requisite declarations from all Independent Directors confirming compliance with the independence requirements under Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. The Board has reviewed the same and is satisfied that each Independent Director continues to fulfil the prescribed conditions of independence.

The Independent Directors adhere to the Code for Independent Directors contained in Schedule IV to the Companies Act, 2013 and the Company's Code of Conduct, thereby reinforcing the principles of integrity, accountability, objectivity and responsible governance.

Meeting of Independent Directors

In compliance with Clause VII(1) of Schedule IV to the Companies Act, 2013 read with Section 149(8) thereof and Regulation 25(3) of the SEBI Listing Regulations, a separate meeting of the Independent Directors was held on 10th February 2026, without the presence of the Non-Independent Directors and members of the management.

During the meeting, the Independent Directors, inter alia, reviewed and assessed:

- the performance of the Whole-time Directors, Non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into consideration the views of the Executive and Non-Executive Directors; and
- the adequacy, quality, timeliness and effectiveness of the flow of information between the management and the Board, with a view to ensuring that the Board is able to effectively discharge its responsibilities and duties.

Familiarisation for Independent Directors

In compliance with Regulation 25(7) of the SEBI Listing Regulations, the Company has in place a structured familiarization and induction programme for its Directors. The programme is designed to provide Directors, particularly Independent Directors, with a comprehensive understanding of the Company's business, industry dynamics, governance framework, strategic priorities, operational processes, and their roles, rights and responsibilities as members of the Board.

The induction process enables Independent Directors to gain a deeper understanding of the Company's history, values, culture, business model and long-term vision. During the financial year 2025–26, the familiarization programme included presentations by key managerial personnel, senior management covering, inter alia, key amendments and developments under the Companies Act, 2013, SEBI Listing Regulations and NFRA guidelines; an overview of the Company's Automotive Business Group (ABG) and Cabins and Fabrication Division, including market trends, competitive landscape, technology roadmap, future growth initiatives and profitability drivers; and updates on the Company's strategic and operational priorities.

As part of the familiarization programme, the Directors also visited the Company's manufacturing facility at Pathredi, Rajasthan, where they were apprised of the manufacturing operations, production processes, technological capabilities and product portfolio, including smart locks, door systems, driver monitoring systems, magnesium die-cast components and SMT-based electronic products.

The Directors are also periodically updated on significant regulatory developments and emerging governance practices to enable them to effectively discharge their duties and remain informed about the evolving business and regulatory environment.

The details of the familiarisation programmes for Independent Directors are available on the website of the Company and can be accessed at <https://sandhargroup.com/investors/disclosures-under-regulation-46-of-the-lodr>

Resignation of Independent Directors

During the year under review, none of the Independent Directors of the Company has resigned.

Meetings of the Board

The Board of Directors met five (5) times during the financial year 2025–26 to review the Company's performance and to deliberate on key strategic, operational, financial and governance matters. The meetings were conducted in compliance with the requirements of the Companies Act, 2013 and the SEBI Listing Regulations, and the interval between any two meetings remained within the prescribed statutory limits.

As a part of its governance framework, the Company prepares a tentative annual calendar of Board Meetings, Committee Meetings and the Annual General Meeting at the commencement of each financial year. This enables Directors to effectively plan their schedules and devote adequate time to Board and Committee matters.

The composition of the Board as on 31st March 2026, along with the category of each Director and their attendance at the Board Meetings held during the year and the previous Annual General Meeting, is set out below.

S. No	Quarter		I	II	III	IV		No. of Total Meetings Attended	Attendance at Last Annual General Meeting held on 19 th September, 2025
	Date of Meeting		22.05. 2025	07.08. 2025	13.11. 2025	11.02. 2026	26.03. 2026		
	Director Name	Designation	(Through VC/Hybrid)	(Through VC/Hybrid)	(Through VC/Hybrid)	(Through VC/Hybrid)	Physical		
1.	Shri Jayant Davar ⁱ	Executive Chairman (Executive Director) and Chief Executive Officer	✓	✓	✓	✓	✓	5	✓
2.	Smt. Archana Capoor	Non-Executive Independent Director	✓	✓	✓	✓	✓	5	✓
3.	Shri Vikrampati Singhania	Non-Executive Independent Director	✓	✓	✓	LOA	✓	4	✓
4.	Shri Sandeep Dinodia ⁱⁱ	Non-Executive Independent Director	✓	✓	✓	✓	✓	5	✓
5.	Shri Arjun Sharma ⁱⁱⁱ	Non-Executive Independent Director	✓	✓	✓	✓	✓	5	✓
6.	Shri Vimal Mahendru	Non-Executive Independent Director	✓	✓	✓	✓	✓	5	Absent
7.	Shri Bharat Anand	Non-Executive Independent Director	LOA	✓	✓	✓	✓	4	✓
8.	Smt. Aabha Bakaya	Non-Executive Independent Director	✓	✓	✓	✓	✓	5	✓
9.	Smt. Monica Davar	Non-Executive & Non-Independent Director	✓	✓	LOA	✓	✓	4	✓
10.	Shri Neel Jay Davar	Non-Executive & Non-Independent Director	✓	✓	✓	✓	✓	5	✓
11.	Shri Gurvinder Jeet Singh ^{iv}	Whole-time Director & Head Corporate Strategy	✓	✓	✓	✓	✓	5	✓
Total Board Strength			11	11	11	11	11		
Total Present			10	11	10	10	11		
Absent/ Leave of Absence			1	0	1	1	0		

LOA: Leave of Absence

Notes:

- Shri Jayant Davar, who served as the Chairman, Managing Director and Chief Executive Officer (CEO) of the Company up to 31st December 2025, was appointed and re-designated as Executive Chairman (Executive Director) and Chief Executive Officer (CEO) of the Company with effect from 1st January 2026, pursuant to the approval of the shareholders at 33rd Annual General meeting held on 19th September 2025.
- Shri Sandeep Dinodia, who was serving as a Non-Executive Non-Independent Director of the Company, was appointed and re-designated as a Non-Executive Independent Director pursuant to the approval of the shareholders through a Postal Ballot, the results of which were declared on 26th June 2025. He was appointed for a term of five consecutive years commencing from 26th June 2025 and ending on 25th June 2030 (both days inclusive).
- Shri Arjun Sharma completed his second and final term as a Non-Executive Independent Director of the Company upon the close of business hours on 23rd May 2026. Accordingly, he ceased to be a Director of the Company and also ceased to serve as Chairperson/ Member of the Board Committees on which he was serving, with effect from the said date.
- Shri Gurvinder Jeet Singh was appointed as an Additional Director in the category of Executive Non-Independent Director and designated as Whole-time Director & Head – Corporate Strategy with effect from 22nd May 2025 for a term of three consecutive years. His appointment was subsequently approved by the Members of the Company through a Postal Ballot, the results of which were declared on 26th June 2025.

Shri Jayant Davar, Executive Chairman (Executive Director) & Chief Executive Officer (CEO), Smt. Monica Davar, Non- Executive Non Independent Director and Shri Neel Jay Davar, Non-Executive Non Independent Director of the company are relatives in terms of the Act.

Other Directorships, Chairmanships and Memberships of the Board members:

The following table indicating the number of directorships and committee positions held in other public companies and names of other listed entities in which Directorships is held, including category of Directorships, as on 31st March, 2026.

S. No.	Name of the Director	No. of Directorship in public Companies*	No. of Committee position in public companies (Audit Committee and Stakeholders' Relationship Committee)		Directorship in other listed entities (Category of Directorship)	
			Chairman	Member	Name of other listed entity	Category of Directorship
1.	Shri Jayant Davar, Executive Chairman (Executive Director) & Chief Executive Officer	2	0	3	i) HEG Limited	Independent Director
2.	Smt. Archana Capoor (ID)	7	3	10	(i) RSWM Limited (ii) S Chand and Company Limited (iii) Samhi Hotels Limited (iv) Bhilwara Technical Textiles Limited	Independent Director
3.	Shri Vikrampati Singhanian (ID)	5	1	3	(i) JK Agri Genetics Limited (i) Lumax Industries Limited (ii) Transport Corporation of India Limited	Managing Director Independent Director
4.	Shri Vimal Mahendru (ID)	1	0	2	-	
5.	Shri Bharat Anand (ID)	8	0	3	(i) Mankind Pharma Limited (ii) Syrma SGS Technology Limited (iii) JK Paper Limited (iv) Max Financial Services Limited	Independent Director
6.	Shri Arjun Sharma (ID)	1	1	1	-	
7.	Smt. Aabha Bakaya (ID)	1	0	2	-	
8.	Shri Sandeep Dinodia (ID)	1	0	1	-	
9.	Smt. Monica Davar (NINED)	1	0	0	-	
10.	Shri Neel Jay Davar (NINED)	1	0	0	-	
11.	Shri Gurvinder Jeet Singh (WTD)	1	0	0	-	

ID-Independent Director, WTD- Whole-Time Director, NINED – Non-Independent Non-Executive Director

* Includes directorship in Sandhar Technologies Limited and excludes directorship in Private Companies, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013, alternate directorships, Trust and Society.

Notes: In terms of Regulation 26(1)(b) of the SEBI Listing Regulations, the disclosure includes chairperson/membership of the Audit Committee and Stakeholders' Relationship Committee in Indian public companies (listed and unlisted) including Sandhar Technologies Limited.

(c) Board qualifications, expertise and attributes

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board and whether the person is a proven leader in a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Board has an adequate mix of skills, expertise and competencies for running the business of the Company as detailed below:

S. No.	Name of Director	Designation	Strategy & Planning	Administration and Management	Governance	Sales and Marketing	Finance and Law	Operations
1.	Shri Jayant Davar	Executive Chairman (Executive Director) & Chief Executive Officer	✓	✓	✓	✓	✓	✓
2.	Smt. Archana Capoor	Non-Executive Independent Director	✓	✓	✓	-	✓	-
3.	Shri. Vikrampati Singhania	Non-Executive Independent Director	✓	✓	✓	✓	✓	-
4.	Shri. Sandeep Dinodia	Non-Executive Independent Director	✓	✓	✓	✓	✓	-
5.	Shri. Vimal Mahendru	Non-Executive Independent Director	✓	✓	✓	✓	✓	✓
6.	Shri. Bharat Anand	Non-Executive Independent Director	✓	✓	✓	-	✓	-
7.	Shri. Arjun Sharma	Non-Executive Independent Director	✓	✓	✓	✓	✓	✓
8.	Smt. Aabha Bakaya	Non-Executive Independent Director	✓	✓	✓	✓	✓	-
9.	Smt. Monica Davar	Non-Executive & Non- Independent Director	-	✓	✓	✓	-	-
10.	Shri. Neel Jay Davar	Non-Executive & Non- Independent Director	✓	✓	-	✓	✓	✓
11.	Shri Gurvinder Jeet Singh	Whole-time Director & Head Corporate Strategy	✓	✓	✓	✓	✓	✓

During Financial Year 2025–26, information mentioned in Part A of Schedule II of the Listing Regulations and the compliance report of all applicable laws was duly placed before the Board for its consideration. Further, the Directors were provided the facility of Video-conferencing to participate in the meetings.

Details of Equity Shares of the Company held by the Directors as on the 31st March, 2026:

S. No	Name	Designation	Number of equity shares
1.	Shri Jayant Davar*	Executive Chairman (Executive Director) & Chief Executive Officer	3,04,33,998
2.	Smt. Archana Capoor	Non-Executive Independent Director	Nil
3.	Shri Vikrampati Singhania	Non-Executive Independent Director	Nil
4.	Shri Vimal Mahendru	Non-Executive Independent Director	Nil
5.	Shri Bharat Anand	Non-Executive Independent Director	Nil
6.	Shri Arjun Sharma	Non-Executive Independent Director	Nil
7.	Smt. Aabha Bakaya	Non-Executive Independent Director	Nil
8.	Shri Sandeep Dinodia	Non-Executive Independent Director	5,200
9.	Smt. Monica Davar*	Non-Executive & Non- Independent Director	Nil
10.	Shri Neel Jay Davar	Non-Executive & Non- Independent Director	15,55,995
11.	Shri. Gurvinder Jeet Singh	Whole-time Director & Head – Corporate Strategy	225

*During the financial year 2025–26, Shri Jayant Davar and Smt. Monica Davar, Promoters and Directors of the Company, created two family trusts, namely Cream and Cookies Family Trust and Hazelnut Family Trust, as part of their succession and estate planning arrangements.

Pursuant to the creation of these trusts, Shri Jayant Davar transferred 26,22,930 equity shares and Smt. Monica Davar transferred 26,22,930 equity shares of the Company to the aforesaid trusts. Consequently, the individual shareholding of Shri Jayant Davar and Smt. Monica Davar stood reduced by 26,22,930 equity shares each as on 31st March, 2026, with the corresponding shares being held through the said trusts.

CONVERTIBLE INSTRUMENT

The Company has not issued any convertible instruments during the year under review. Further, none of the Directors holds any convertible instruments.

III. BOARD COMMITTEES

To enhance governance effectiveness and ensure focused attention on critical areas of the Company's business and operations, the Board has constituted various Committees. These Committees assist the Board in the efficient discharge of its duties and responsibilities and function within the framework of authority delegated to them by the Board, in accordance with the provisions of the Companies Act, 2013, the SEBI Listing Regulations, and other applicable laws and regulations.

As on 31st March, 2026, the Board had seven Committees, namely the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, Finance & Strategy Committee and Share Transfer & Allotment Committee. The roles, responsibilities and powers of these Committees are clearly defined by the Board through their respective terms of reference.

The Committees meet periodically to deliberate on matters entrusted to them and provide guidance and recommendations to the Board. The agenda for Committee meetings is drawn up after consultation with the respective Chairperson to ensure comprehensive coverage of relevant matters. The minutes and recommendations of the Committees are placed before the Board for its review, noting and approval, wherever required. During FY 2025–26, all recommendations made by the Committees were duly considered and accepted by the Board.

The Company Secretary serves as the Secretary to all the Committees and facilitates compliance with the applicable statutory and procedural requirements relating to Committee meetings. During the year under review, certain Committees were reconstituted to ensure alignment with regulatory requirements and evolving business needs. The Board periodically reviews the composition, scope and terms of reference of its Committees to ensure their continued effectiveness and relevance in supporting the Company's governance framework.

A. AUDIT COMMITTEE

The Audit Committee serves as a key pillar of the Company's governance framework and assists the Board in overseeing the integrity of the Company's financial statements, the effectiveness of internal control systems, risk management processes and compliance with applicable legal and regulatory requirements. The

Committee is entrusted with the responsibility of ensuring that the financial reporting process is transparent, reliable and in line with the highest standards of corporate governance.

The Committee reviews the quarterly, annual financial results and financial statement the adequacy and effectiveness of internal financial controls, the scope and findings of internal audits, statutory audits, secretarial audits and cost audits, and monitors the implementation of corrective actions, wherever required. It also oversees compliance with applicable laws, regulations and internal policies, including the Code of Conduct for Prevention of Insider Trading and the Vigil Mechanism/Whistle Blower Policy.

The Internal Auditor has direct functional access to and reports independently to the Audit Committee. The Executive Chairman (Executive Director) & Chief Executive Officer, Whole-time Director, Key Managerial Personnel and members of the senior management team attend the meetings of the Committee as invitees, as and when required. The Company Secretary acts as the Secretary to the Committee and provides necessary support for the conduct of its meetings and proceedings.

The Committee operates in accordance with its terms of reference, which sets out its roles, responsibilities, powers and reporting obligations in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations. The terms of reference are reviewed periodically to ensure continued alignment with regulatory requirements and evolving governance practices.

a) Terms of Reference:

The Audit Committee was constituted at a meeting of the Board of Directors held on 31st May, 2010 and was subsequently reconstituted, on 21st February, 2018, 26th May, 2018, 19th December, 2018, 26th February 2021, 04th May, 2021, 18th May, 2022, 31st May, 2024 and 02nd October, 2024. The Committee adopted new terms of reference in the Board Meeting held on 06th August, 2021. The scope and function of the Audit Committee are in accordance with Section 177 of the Act and Regulation 18 of the Listing Regulations and inter-alia, includes the following:

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and the auditor's report thereon before submission to the board for approval, with particular reference to;
 - (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;

- (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 judgment 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) Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds 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 rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance and effectiveness of the audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. 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;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussion to ascertain any area of concern;
 17. 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;
 18. To review the functioning of the whistle blower mechanism;
 19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
 21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
 22. Review management discussion and analysis of financial condition and results of operations;
 23. Review statement of significant related party transactions (as defined by the audit committee), submitted by management;
 24. Review management letters / letters of internal control weaknesses issued by the statutory auditors;
 25. Review internal audit reports relating to internal control weaknesses;
 26. Review the appointment, removal and terms of remuneration of the chief internal auditor;
 27. Review statement of deviations;
 28. Review quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(I) of SEBI (LODR) Regulations, 2015;
 29. Review annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015;
 30. To review compliance with the provisions of Insider Trading Regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively; and
 31. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee is required to meet at least four times in a financial year as per Regulation 18 of the Listing Regulations.

The Chairperson of the Audit Committee is a Non-Executive Independent Director of the Company.

b) Composition, Meetings & Attendance during the year

S. No.	Name of Members	Quarter	I	II	III	IV	No. of meetings attended
		Date of Meeting	22.05.2025	07.08.2025	13.11.2025	11.02.2026	
		Designation in Committee	(Through VC/ Hybrid Mode)	(Through VC/ Hybrid Mode)	(Through VC/ Hybrid Mode)	(Through VC/ Hybrid Mode)	
1	Smt. Archana Capoor	Chairperson	✓	✓	✓	✓	4
2	Shri Sandeep Dinodia	Member	✓	✓	✓	✓	4
3	Shri Vimal Mahendru	Member	✓	✓	✓	✓	4
4	Smt. Aabha Bakaya	Member	✓	✓	✓	✓	4
Total Committee Strength			4	4	4	4	
Total Present			4	4	4	4	
Absent/ Leave of Absence			0	0	0	0	

Notes:

- (i) The necessary quorum was present for all the meetings.
- (ii) In addition to the members of the Audit Committee, these meetings were attended by Executive Chairman (Executive Director) & CEO, Whole-time Director, Chief Financial Officer, Company Secretary, Compliance Officer, Statutory Auditor, Internal Auditor and/or their representatives, wherever necessary and by such executives of the Company as were considered necessary for providing inputs to the Committee.
- (iii) The Company Secretary acts as the Secretary to the Committee.
- (iv) Smt. Archana Capoor, Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on Friday, 19th September, 2025.

B. NOMINATION & REMUNERATION COMMITTEE ('NRC')

The NRC of the Company functions according to its terms of reference, its objectives, composition, meeting requirements, authority and power, responsibilities, reporting and evaluation functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

a) Terms of Reference:

The Nomination and Remuneration Committee was originally constituted as "Remuneration Committee" by a meeting of the Board of Directors held on 23rd July, 2005 and was subsequently reconstituted, on 21st February, 2018, 04th May, 2021, 16th September, 2021, 10th November, 2022, 31st May, 2024 and 20th June, 2025. Initially, the terms of reference were changed on 23rd May, 2014 and the Committee adopted new terms of reference in the Board Meeting held on 13th August, 2019, inter-alia, includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of the performance of independent directors, the board of directors, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
3. Devising a policy on the diversity of the Board of Directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors;
6. Recommend to the board, all remuneration, in whatever form, be payable to senior management;
7. To develop a succession plan for the Board and to regularly review the plan; and
8. Such other terms of reference as prescribed/ defined under the Act and Listing Regulations from time to time.

b) Composition, Meetings & Attendance during the year

S. No.	Name of Members	Designation in Committee	Meeting held in the Financial Year 2025–26		No. of total meetings attended
			22.05.2025	06.08.2025	
			(Through VC/ Hybrid Mode)	(Through VC/ Hybrid Mode)	
1.	Shri Vikrampati Singhania	Chairperson	√	√	2
2.	Shri Arjun Sharma	Member	√	LOA	1
3.	Smt. Archana Capoor	Member	√	√	2
4.	Smt. Aabha Bakaya	Member	NA	√	1
Total Strength of Committee			3	4	
Total Present			3	3	
Absent/ Leave of Absence			0	1	

Notes:

- The Board, vide Circular Resolution passed on 20th June, 2025, reconstituted the Nomination & Remuneration Committee and appointed Smt. Aabha Bakaya (DIN: 05131734), Non-Executive Independent Director, as a Member of the Committee with effect from 20th June, 2025.
- The requisite quorum was present at all meetings of the Committee held during the year.
- Shri Vikrampati Singhania, Chairperson of the Nomination & Remuneration Committee was present at the Annual General Meeting of the Company held on Friday, 19th September, 2025.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee has formulated the criteria for evaluating the performance of Independent Directors. The evaluation framework considers various factors, including attendance and participation at Board and Committee meetings, contribution to deliberations and decision-making, commitment to the Company's objectives, effective application of knowledge and expertise, integrity, maintenance of confidentiality, and the exercise of independent and objective judgment.

Pursuant to the Company's Policy on Performance Evaluation of the Board, Committees and Individual Directors, evaluation questionnaires were circulated by the Company Secretary to all Directors for undertaking the annual performance evaluation of the Board, its Committees and Individual Directors for the financial year 2025–26.

Based on the feedback received, the annual performance evaluation was conducted in accordance with the approved evaluation framework. The results of the evaluation were consolidated and placed before the Board for its review and discussion. The evaluation affirmed the effectiveness of the Board and its Committees in discharging their responsibilities and highlighted the significant contributions made by the Directors towards strengthening the Company's governance framework and strategic oversight.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE ('SRC')

The SRC functions in accordance with Section 178 of the Act and Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations, to look into the redressal of grievances of shareholders and other security holders, if any.

a) Terms of Reference

The Stakeholders' Relationship Committee was constituted by the Board of Directors at their meeting held on 3rd September, 2015. The Committee was reconstituted by the Board at its meeting held on 29th March, 2018 and was subsequently reconstituted, on 11th May, 2020, 31st May, 2024, 02nd October, 2024 and 03rd June, 2026. The terms of reference of the Stakeholders' Relationship Committee, inter alia, includes the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring the timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

5. Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/consolidated share certificates, allotment and listing of shares, buy back of shares, compliance with all the requirements related to shares, debentures and other securities from time to time; and
6. Oversee the performance of the registrars and share transfer agents of the Company.

Recommend measures for overall improvement in the quality of investor services and to monitor the implementation and compliance of the code of conduct for the prohibition of insider trading pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and other related matters as assigned by the board of directors. To carry out any other function as prescribed under the Listing Regulations or as may be delegated by the Board of Directors.

b) Composition, Meetings & Attendance during the year

S. No.	Name of Members	Designation in Committee	Meeting held in the Financial Year 2025–2026	No. of total meetings attended
			10.02.2026	
			(Through VC/Hybrid Mode)	
1.	Shri Arjun Sharma	Chairperson	✓	1
2.	Shri Jayant Davar	Member	✓	1
3.	Shri Vimal Mahendru	Member	✓	1
4.	Smt. Aabha Bakaya	Member	✓	1
Total Strength of Committee			4	
Total Present			4	
Absent/Leave of Absence			0	

Notes:

- (i) The necessary quorum was present for the meeting.

Shri Arjun Sharma, Chairperson of the Stakeholders' Relationship Committee was present at the Annual General Meeting of the Company held on Friday, 19th September, 2025.

The Board, vide Circular Resolution dated 03rd June 2026, reconstituted the Stakeholders' Relationship Committee by appointing Shri Vimal Mahendru as the Chairperson of the Committee, consequent upon the completion of the second and final term of Shri Arjun Sharma as an Independent Director of the Company on 23rd May 2026. Accordingly, Shri Arjun Sharma ceased to be a Member of the Committee with effect from 23rd May 2026.

c) Name and Designation of Compliance Officer

The Compliance Officer monitors the email address for grievance redressal division i.e. investors@sandhar.in designated for the purpose of registering complaints by investors.

Shri Gulshan Ahuja (ICSI Membership No. A58924), is the Deputy Company Secretary & Compliance Officer of the Company.

Shareholders may also contact the Registrar & Share Transfer Agent of the Company for matters relating to transfer of shares, payment of dividends, IEPF Query or any other query relating to Equity Shares of your Company.

Number of investor complaints received and redressed during the year 2025–26

No. of Investor/ Shareholders complaints pending at the beginning of the Financial Year 2025–26	No. of Investor/ Shareholders complaints received during the Financial Year 2025–26	No. of Investor complaints not solved to the satisfaction of shareholders during the Financial Year 2025–26	No. of Investor complaints pending at the end of the Financial Year 2025–26
NIL	1	NIL	NIL

D. RISK MANAGEMENT COMMITTEE ('RMC')

The RMC is constituted and functions in accordance with Regulation 21 read with Part D of Schedule II of the SEBI Listing Regulations to frame, implement and monitor the risk management plan for the Company. The Committee was reconstituted by the Board at its meeting held on 31st May, 2024, 21st June, 2024 and was subsequently reconstituted on 02nd October, 2024. The terms of reference of the RMC, inter alia, includes the following:

a) Terms of Reference:

1. To formulate a detailed risk management policy which shall include the:
 - A framework for the Identification of internal and external risks specifically faced by the Company, in particular including the financial, operational, technological, sectoral, sustainability, information technology, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for Risk Mitigation including Systems and processes for internal control of identified Risk.
 - Business Continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risk associated with the business of the Company
3. To monitor and oversee the implementation of Risk Management Policy including evaluating the adequacy of risk management systems;
4. To periodically review the Risk Management Policy at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. Such other aspects as the Board may consider appropriate and required from the Committees from time to time; and
7. The Risk Management Committee shall coordinate its activities with other Committee, as per the framework laid down by the Board of Directors.

b) Composition, Meetings & Attendance during the year

S. No	Name of Members	Designation in Committee	Meeting held in the Financial Year 2025-2026			No. of total meetings attended
			20.05.2025 (Through VC/ Hybrid Mode)	06.08.2025 (Through VC/ Hybrid Mode)	10.02.2026 (Through VC/ Hybrid Mode)	
1.	Shri Sandeep Dinodia	Chairperson	√	√	√	3
2.	Shri Vimal Mahendru	Member	√	√	√	3
3.	Smt. Aabha Bakaya	Member	LOA	√	√	2
4.	Smt. Monica Davar	Member	√	√	√	3
Total Strength of the Committee			4	4	4	
Total Present			3	4	4	
Absent/ Leave of Absence			1	0	0	

Notes:

- (i) The necessary quorum was present for all the meeting.

Shri Sandeep Dinodia, Chairperson of the Risk Management Committee was present at the Annual General Meeting of the Company held on Friday, 19th September, 2025.

E. SENIOR MANAGEMENT

Details of Senior Management Personnel (SMP) (including changes therein) as on 31st March, 2026 as defined under Regulation 16(1)(d) of the Listing Regulations are as follows;

S. No.	Name	Designation	Changes if any, during the financial year 2025-26 (Yes/ No)	Nature of changes and effective dates
1.	Shri. Yashpal Jain	Chief Financial Officer and Company Secretary	No	-
2.	Smt. Shirin Sachdeva	Chief of Staff	Yes	Appointed as KMP of the Company w.e.f., 07 th August, 2025
3.	Shri. Niraj Hans	Chief Information Officer	No	-
4.	Shri. Vikas Puri	Chief Operating Officer – Automotive Business	Yes	Appointed as KMP of the Company w.e.f., 07 th August, 2025. Further, Shri Vikas Puri, resigned from his position w.e.f., 17 th June, 2026
5.	Shri Ajay Kumar Raghav	Chief Operating Officer- Casting, Machining and Tooling Business	No	-
6.	Shri Ankush Passi	Chief Operating Officer-Sheet Metal & Allied Business	Yes	Appointed as KMP of the Company w.e.f., 07 th August, 2025
7.	Shri Venkataraman Srinivasan	Chief Operating Officer – Cabins & Fabrication Division	Yes	Resigned from the position of KMP w.e.f., 31 st October, 2025
8.	Shri Ashish Vatsa	General Manager – After Market	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025
9.	Shri Narender Kumar Dogra	Vice President – Finance and Accounts	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025. Further, Shri Narender Kumar Dogra, superannuated w.e.f., 31 st August, 2025
10.	Shri Sunil Sarad	Senior General Manager – Humane Resource	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025
11.	Shri Rashmi Mohan Shrivastva	Vice President – Cabins Fabrication Department	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025. Further, Shri Rashmi Mohan Shrivastva resigned from his position w.e.f., 25 th June, 2026.
12.	Shri Atul Sharma	Vice President – Casting, Machining and Tooling Business	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025. Further, Shri Atul Sharma resigned from his position w.e.f., 11 th September, 2026.
13.	Shri Vijay Dahiya	Vice President – Casting, Machining and Tooling Business	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025
14.	Shri Som Prakash Kamboj	Vice President – Proprietary Business	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025
15.	Shri Prabodh Kumar	Vice President – Proprietary Business	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025
16.	Shri Harjit Singh	Assistant Vice President – R & D	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025 and resigned from his position w.e.f. 30 th October, 2025.
18.	Shri Vipin Kumar Rawat	Senior General Manager – Sheet Metal & Allied Business	Yes	Appointed as SMP of the Company w.e.f., 07 th August, 2025
19.	Shri Gulshan Ahuja	Deputy Company Secretary And Compliance Officer	No	-

F. OTHER COMMITTEES

(A) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In accordance with the requirements of Section 135 of the Act, the Board has constituted a CSR Committee to assist the Board in setting the Company's Corporate Social Responsibility Policy and assessing its Corporate Social Responsibility performance.

(a) Terms of Reference

The CSR Committee was constituted by the Board on 14th March, 2013. The composition was altered by a circular resolution on 21st February, 2018 and again reconstituted on 11th December, 2018 and 31st May, 2024. The scope and functions of the CSR Committee is in accordance with Section 135 of the Act. The terms and reference of the CSR Committee, inter alia, includes the following:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our Company as per the Act;
2. Formulate and recommend to the company's Board, an annual action plan in pursuance of its CSR policy, which shall include the following:

- i. The list of CSR projects or programmes that are approved to be undertaken;
 - ii. The manner of execution of such projects or programmes;
 - iii. The modalities of utilization of funds and implementation schedules for the projects or programmes;
 - iv. Monitoring and reporting mechanism for the projects or programmes; and
 - v. Details of need and impact assessment, if any, for the projects undertaken by the company.
3. Review and recommend the amount of expenditure to be incurred on activities to be undertaken by our Company;
 4. Monitor the Corporate Social Responsibility Policy of our Company and its implementation from time to time; and
 5. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as directed by the Board of Directors from time to time.

b) Composition, Meetings & Attendance during the year

S. No.	Name of Members	Designation in Committee	Meeting held in the Financial Year 2025-2026					No. of total meetings attended
			05.05.2025	25.07.2025	10.11.2025	03.02.2026	16.03.2026	
1.	Shri Jayant Davar	Chairperson	√	√	√	√	√	5
2.	Smt. Monica Davar	Member	√	√	√	√	√	5
3.	Shri. Vikrampati Singhania	Member	√	√	√	√	√	5
Total Strength of Committee			3	3	3	3	3	
Total Present			3	3	3	3	3	
Absent/ Leave of Absence			0	0	0	0	0	

Notes:

- (i) The necessary quorum was present for the meeting.

(B) FINANCE AND STRATEGY COMMITTEE:

On 2nd February 2019, the Board established a Finance Committee, which was subsequently reconstituted and its terms revised on 11th May, 2020, 6th November, 2020, 4th May, 2021, and 10th November, 2022, to reflect evolving responsibilities delegated by the Board. On 25th May, 2023, the Board both renamed this body the Finance and Strategy Committee and reconstituted it with updated terms. The Committee was further reconstituted on 31st May, 2024, 2nd October, 2024, and 19th February, 2026, and its mandate refined on 8th August, 2024 ensuring its composition and authority remain fully aligned with the Board's strategic and financial oversight objectives going forward. The terms of reference of the Committee include the following:

a) Terms of Reference:

- 1) Review, no less than annually, the Company's strategic plans and financial strategies and make recommendations to the Board in respect thereof;
- 2) Review & undertake decisions regarding the Company's cash flow, capital expenditures and financing requirements;
- 3) Review and make recommendations to the Board regarding the Company's scope and mix of business, acquisition and merger opportunities, the purchase of business assets and financing thereof;

- 4) Review the Company's policies with respect to financial risk assessment and management including investment strategies and guidelines;
- 5) Annually review the scope, cost and basic terms of the Company's insured risk management programs including general liability, D&O and other Insurance Policies;
- 6) Review & undertake the Company's foreign exchange & commodities risk management and exposure;
- 7) Review periodically the scope of this Committee and make recommendations to the Board regarding any changes thereto;
- 8) Take such other actions as the Committee, from time to time, may determine are necessary to fulfill its duties or are otherwise required by applicable laws, the Company's charter or the Byelaws or the Board;
- 9) To borrow money for the purpose of the Company's business not exceeding the overall limit up to which the Board of Directors of the Company are authorized / to be authorized under Section 180 of the Act;
- 10) To review and accept the sanction of various funding facilities sanctioned by Banks/Lenders and to open Current / Cash Credit / Overdraft / Fixed Deposit and other accounts with any Scheduled Bank and authorize its Officials to operate the same and vary, amend and modify the existing authorization to operate accounts of the Company with its Bankers and to issue instructions for closure of its operated accounts;
- 11) To authorize one or more Directors/Officers of the Company to execute and sign the documents with Banks in relation to any Loan or Credit Facility availed of or to be availed;
- 12) To authorize and appoint any Attorney(ies), Agent(s), Representative(s) of the Company to represent the interest of the Company in the manner and to the extent of the Powers/ Authorities as may be given, matters handled/ to be handled by him;
- 13) To approve making requests to other Associate Company(ies) to give a Guarantee or provide Security in connection with a loan made or to be made to the Company by any Bank, Financial Institution, Company(ies) or any other person;
- 14) To give a Guarantee or provide Security for loans sanctioned to other Company(ies) by Banks/ Financial Institutions, provided the aggregate amount for which the Guarantee is given or the Security provided does not exceed the limit prescribed by law and also sanctioned by the Shareholders in General Meeting, if any;
- 15) To make inter-corporate loans or deposits provided that the aggregate amount of loans shall not exceed the Limits laid down in Section 186 of the Act, also keeping in view the Provisions of Section 180 of the said Act;
- 16) To make investments in shares, debentures, bonds of Companies and fixed deposits with Banks, Companies and Corporates etc. subject to the Provisions of Section 186 of the Act provided that the aggregate of all such investments outstanding at any time shall not exceed the total limit laid down in the aforesaid Section;
- 17) To authorise one or more Directors/ Officers of the Company to (i) negotiate, execute and sign the necessary documents; and (ii) make necessary filings with regulatory/ governmental authorities (including registering of or filing of relevant documents with a quasi-regulatory/ regulatory /governmental authority), in relation to any guarantee or security to be provided by the Company to secure a loan availed by other Company (ies);
- 18) To authorise one or more Directors/ Officers of the Company to sign, execute all Commercial Agreements, Technical Collaboration Agreements, Contracts, Memorandum of Understandings, Letter of Intents, Purchase Agreements, Undertakings, Applications, Forms and all other Agreements/Documents, by whatever name called, as and when required;
- 19) To take up the matters of immediate importance in order to have operational and administrative convenience;
- 20) To authorize investments in the shares of any Company, Body Corporate, Joint Venture, or Subsidiary, either through equity, debt investment, convertible securities, preferred stock, venture capital or private equity, strategic investment, or any other forms as agreed upon by the committee members collectively. This includes decisions regarding the extent and manner of investments, ensuring mutual consensus among committee members for strategic financial decisions;
- 21) The authority to sell, lease, or otherwise dispose of assets, undertakings or entire business units, including divest shares held in joint ventures or subsidiaries, within the limits prescribed by Section 180(1)(a) of the Companies Act, 2013.

b) Composition, Meetings & Attendance during the year

S. No	Name of Members	Designation in Committee	Meeting held in the Financial Year 2025–2026				No. of total meetings attended
			16.05.2025	18.06.2025	01.10.2025	23.12.2025	
1.	Shri Jayant Davar	Chairperson	✓	✓	✓	✓	4
2.	Shri. Vikrampati Singhania	Member	✓	✓	✓	LOA	3
3.	Shri Vimal Mahendru	Member	LOA	LOA	✓	✓	2
4.	Smt. Monica Davar	Member	✓	✓	✓	✓	4
5.	Smt. Aabha Bakaya	Member	LOA	✓	✓	✓	3
Total Strength of the Committee			5	5	5	5	
Total Present			3	4	5	4	
Absent/ Leave of Absence			2	1	0	1	

Notes:

- (i) The Board vide Circular resolution passed on 19th February, 2026, has reconstituted the Finance & Strategy Committee with incorporating following changes:
- Smt. Monica Davar (Non-Executive, Non-Independent Director) stepped down from the membership of the Committee w.e.f. 19th February, 2026, due to her personal commitments.
 - Shri Sandeep Dinodia (Non-Executive Independent Director) was appointed as a member of the committee w.e.f. 19th February, 2026.
- (ii) The necessary quorum was present for the meeting.

(C) SHARE TRANSFER & ALLOTMENT COMMITTEE:

As on the 31st March, 2026, the Committee comprised the following directors as members:

S. No	Name of Members	Designation in Committee
1	Shri Jayant Davar	Chairperson
2	Smt. Archana Capoor	Member
3	Shri Vimal Mahendru	Member

There being no such business requiring Committee deliberation and approval, the Committee did not convene any meeting during the financial year 2025–2026.

IV. REMUNERATION POLICY OF DIRECTORS

The Remuneration policy of our Company is a comprehensive policy which is competitive, in consonance with industry practices and rewards the good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives. The Company has a Remuneration Policy which is uploaded on the website of the Company at https://sandhargroup.com/uploads/Investor/nomination-and-remuneration-policy_17032025.pdf

A. Remuneration of Executive Directors

The remuneration of the Executive Director is structured to be fair, competitive, and aligned with industry benchmarks for comparable leadership positions in companies of similar size, complexity, and business profile. It reflects the scope of responsibilities undertaken by him and is in accordance with the terms and conditions approved by the Members of the Company.

The Nomination and Remuneration Committee ("NRC") is responsible for formulating and reviewing the remuneration framework for the Executive Directors and recommending any revisions to the Board from time to time. In determining the remuneration, the NRC takes into consideration, inter alia:

- The nature, scale and complexity of the responsibilities assigned;
- Skills, experience, expertise and leadership contribution;
- Remuneration practices prevailing in the industry and peer group companies;
- The Company's performance and long-term business objectives; and
- The individual's performance and contribution towards sustainable value creation for stakeholders.

Based on the recommendations of the NRC, the remuneration payable to the Executive Directors, comprising salary, perquisites, allowances, incentives and/or commission, within the limits prescribed under the Companies Act, 2013 and other applicable statutory provisions, is approved by the Board of Directors and, wherever required, by the Members of the Company at a General Meeting.

The Executive Director is not paid any sitting fees for attending meetings of the Board of Directors or its Committees.

B. Remuneration of Non-Executive Directors/ Criteria for making payment to Non- Executive Directors

(i) Sitting Fees & Reimbursement of Expenses

The Company pays sitting fees to its Non-Executive Directors for attending meetings of the Board of Directors and its Committees, as approved by the Board from time to time and within the limits prescribed under the Companies Act, 2013, the SEBI Listing Regulations and other applicable statutory and regulatory requirements.

Any revision in the sitting fees is reviewed by the Nomination and Remuneration Committee ("NRC") and recommended to the Board for approval. While making such recommendations, the NRC takes into account, inter alia:

- The expected contribution of Directors, considering the size, scale and complexity of the Company's operations;
- Benchmarking with peer companies operating in similar industries and of comparable size; and
- Applicable legal, regulatory and governance requirements.

Non-Executive Directors are also entitled to reimbursement of expenses incurred for attending meetings of the Board and its Committees.

Pursuant to the recommendations of the NRC, the Board has approved the following sitting fee structure:

- INR 50,000 per meeting for attendance at meetings of the Board of Directors and the Independent Directors' Meeting;
- INR 35,000 per meeting for attendance at meetings of the Audit Committee, Nomination and Remuneration Committee and Risk Management Committee; and
- INR 20,000 per meeting for attendance at meetings of the Stakeholders' Relationship Committee.

The above sitting fees are payable only to Non-Executive Directors and are exclusive of reimbursement of expenses, wherever applicable.

In accordance with Section 197 of the Companies Act, 2013, sitting fees paid or payable to Non-Executive Directors are not included while computing the overall limits of managerial remuneration prescribed under the Act.

(ii) Payment of Profit-based Commission to Non-Executive Directors

The members at the Annual General Meeting held on 24th September, 2024 approved the payment of Commission of INR 3,00,000/- (Indian Rupee Three Lakhs only), to the eligible Non-Executive Directors not exceeding 1% (One Percent) of the Net Profit of the Company or within the such limits as prescribed in the Act for the period of five years commencing from the financial year 2024-25 upto and including financial year 2028-29.

(iii) Pecuniary transactions with Non-Executive Directors

During the financial year under review, there were no material pecuniary relationships or transactions between the Non-Executive Directors and the Company, except for the payment of sitting fees and commission, wherever applicable, in accordance with the approved remuneration framework.

The Company maintains the Register of Contracts and Arrangements as required under Section 189 of the Companies Act, 2013, and the same is placed before the Board from time to time for review and noting.

(iv) Stock Option Details

The Company has not implemented any stock option plan for its Directors. Accordingly, no stock options form part of the remuneration payable to any Executive Director or Non-Executive Director.

During the financial year 2025-26, no loans were granted or advanced by the Company to any of its Executive or Non-Executive Directors.

(v) Service Contracts, Notice Period and Severance Fees

As on 31st March 2026, the Board of Directors comprised eleven members, consisting of two Executive Directors and nine Non-Executive Directors, including seven Independent Directors.

Shri Jayant Davar, Executive Chairman (Executive Director) & Chief Executive Officer, and Shri Gurvinder Jeet Singh, Whole-time Director & Head - Corporate Strategy, being in the employment of the Company, are governed by the Company's policies and terms of employment relating to notice period and severance benefits, as applicable.

No notice period or severance compensation is applicable to the Non-Executive Directors, including Independent Directors, upon cessation of their office as Directors of the Company.

(vi) Remuneration to Directors

The details of remuneration, sitting fees, performance bonus and/or commission paid to each of the Directors during the year ended on the 31st March, 2026 are given below:

S. No.	Name of the Director	Salary and Perquisites (In INR)			Others		
		Fixed Pay & Bonus (In INR)	Perquisite (In INR)	Retirement Benefits (In INR)	Sitting Fees (In INR)	Commission (In INR)	No. of Share held
1	Shri Jayant Davar	1,35,00,000	42,83,807	-	-	5,87,13,622	3,30,56,928
2	Shri Gurvinder Jeet Singh	45,43,269	49,28,957	-	-	19,14,900	225
3	Smt. Monica Davar	-	-	-	3,05,000	3,00,000	-
4	Shri Neel Jay Davar	-	-	-	2,50,000	3,00,000	15,55,995
5	Shri Sandeep Dinodia	-	-	-	5,45,000	3,00,000	5,200
6	Shri Arjun Sharma	-	-	-	3,55,000	3,00,000	-
7	Shri Vikrampati Singhania	-	-	-	3,20,000	3,00,000	-
8	Smt. Archana Capoor	-	-	-	5,10,000	3,00,000	-
9	Shri Vimal Mahendru	-	-	-	5,65,000	3,00,000	-
10	Shri Bharat Anand	-	-	-	2,50,000	3,00,000	-
11	Smt. Aabha Bakaya	-	-	-	5,65,000	3,00,000	-

Notes:

- (i) Perquisite valued as per the Income Tax Act, 1961.

V. INFORMATION SUPPLIED/ AVAILABLE TO THE BOARD

The Board is regularly provided with comprehensive and timely information on all significant matters relating to the Company's operations, business performance, strategy, governance and risk management that require its review, guidance and approval. The Directors have unrestricted access to all relevant information within the Company, including access to members of the senior management team, and may seek any additional information necessary to enable informed and effective decision-making.

All meetings of the Board and its Committees are conducted based on a structured agenda, supported by detailed notes and relevant background materials, enabling meaningful deliberations on the matters placed before them.

During the year under review, the Board was apprised of and deliberated upon, inter alia, matters relating to operational and business performance, risk management, strategic initiatives, annual budgets, financial results, Corporate Social Responsibility initiatives, reports and minutes of the Board Committees, appointment and remuneration of senior management personnel, appointment and cessation of Key Managerial Personnel, details of joint ventures and collaborations, performance and governance of subsidiaries, material investments, acquisition or disposal of assets outside the ordinary course of business, foreign exchange exposure, compliance status under applicable laws and regulations, and instances of non-compliance, if any.

The Board also considered and approved such other matters as are required to be placed before it pursuant to the provisions of the Companies Act, 2013, the SEBI Listing Regulations, and other applicable statutory and regulatory requirements.

In addition, the Board and its Committees, wherever considered appropriate and permissible under law, approve certain business proposals, regulatory matters and routine administrative items through resolutions passed by circulation.

VI. POST MEETING COMMUNICATION / FOLLOW-UP SYSTEM

The Company has a robust mechanism for monitoring and tracking the implementation of decisions taken by the Board and its Committees. Action points arising from meetings are regularly followed up and tracked to closure. An Action Taken Report on key decisions and directions is placed before the subsequent meetings of the Board and the respective Committees to facilitate effective oversight and review.

VII. GENERAL BODY MEETINGS

(a) Location and time, where the last three Annual General Meetings were held

AGM	Date and time of AGM	Details of special resolution(s) passed at the AGMs, if any	Venue
31 st	21 st September, 2023 at 11:30 A.M.	1. Appointment of Shri Vikrampati Singhania as an Independent Director 2. Re-appointment of Smt. Archana Capoor as an Independent Director 3. Re-appointment of Shri Bharat Anand as an Independent Director 4. To Approve the variation, if any, in the remuneration of Shri Jayant Davar (DIN: 00100801), Co-Chairman and Managing Director of the Company in compliance with the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	
32 nd	24 th September, 2024 at 11:30 A.M	1. Appointment of Smt. Aabha Bakaya as an Independent Director 2. Re-appointment of Shri Vimal Mahendru as an Independent Director	Meeting were held through Video conferencing. (Deemed Venue Registered Office of the Company)
33 rd	19 th September, 2025 at 11:30 A.M	1. Re-Appointment of Shri. Jayant Davar (DIN: 00100801) as Executive Chairman (Executive Director) & Chief Executive Officer of the Company for 5 years w.e.f 01st January, 2026 2. Approval for the Increase in the borrowing limits of the Company 3. Approval for Increase in the limits for creation of charge, mortgage, hypothecation on or otherwise encumbering the movable and immovable properties of the Company 4. To consider the increase in Authorised Share Capital of the Company and consequent alteration to the Capital Clause of the Memorandum of Association 5. To consider and approve the raising of capital by way of Further Public Issue, Debt Issue, Rights Issue, Preferential Allotment, Private Placement, Qualified Institutions Placement (QIP) or Any Other Permissible Method/Mode.	

b) Extraordinary General Meetings ("EGM")

No EGM of the members was held during the Financial Year 2025–26.

c) Details of resolution passed through Postal Ballot during 2025–26:

During the Financial Year 2025–26, following resolutions was passed through postal ballot:

Brief Details of the Postal Ballot Notice

Date of Postal Ballot Notice	22nd May, 2025
Voting Period	28th May, 2025 to 26th June, 2025
Date of Passing of Resolution	26th June, 2025
Date of Declaration of Results	27th June, 2025
Weblink	Notice Outcome

1. Appointment/Re-designation of Shri. Sandeep Dinodia (DIN: 00005395), as Non-Executive Independent Director of the Company. (Special Resolution)

Details of the Voting Results

Category	No. of Shares held	No of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
	(1)	(2)	(3) = (2)/ (1)*100	(4)	(5)	(6) = (4)/ (2)*100	(7) = (5)/ (2)*100
Promoter and Promoter Group	42362245	42362245	100	42362245	-	100.0000	0.0000
Public-Institutions	10007060	9645478	96.3867	919815	8725663	9.5362	90.4638
Public-Non Institutions	7821403	8553	0.1094	8090	463	94.5867	5.4133
Total	60190708	52016276	86.4191	43290150	8726126	83.2242	16.7758

2. Appointment of Shri. Gurvinder Jeet Singh (DIN: 02129467), as Director (Executive – Non Independent Director) of the Company. (Ordinary Resolution)

Details of Voting Result

Category	No. of Shares held	No of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
	(1)	(2)	(3) = (2)/ (1)*100	(4)	(5)	(6) = (4)/ (2)*100	(7) = (5)/ (2)*100
Promoter and Promoter Group	42362245	42362245	100	42362245	-	100.0000	0.0000
Public Institutions	10007060	9645478	96.3867	9645478	-	100	0.0000
Public-Non Institutions	7821403	8552	0.1093	8089	463	94.5861	5.4139
Total	60190708	52016275	86.4191	52015812	463	99.9991	0.0009

3. Appointment of Shri. Gurvinder Jeet Singh (DIN: 02129467) as a Whole-time Director (Executive – Non Independent Director) designated as Whole-time Director & Head – Corporate Strategy of the Company. (Special Resolution)

Details of Voting Result

Category	No. of Shares held	No of Valid Votes Polled	% of Votes Polled on Outstanding Shares	No. of Votes in Favour	No. of Votes Against	% of votes in favour on Votes Polled	% of votes against on Votes Polled
	(1)	(2)	(3) = (2) / (1)*100	(4)	(5)	(6) = (4) / (2) * 100	(7) = (5)/ (2)*100
Promoter and Promoter Group	42362245	42362245	100	42362245	-	100.0000	0.0000
Public-Institutions	10007060	9645478	96.3867	9645478	-	100	0.0000
Public-Non Institutions	7821403	8552	0.1093	8089	463	94.5861	5.4139
Total	60190708	52016275	86.4191	52015812	463	99.9991	0.0009

Procedure for Postal Ballot:

The Postal Ballot Notice, together with the Explanatory Statement and relevant annexures, was electronically dispatched on 27th May, 2025 to those Members whose names appeared in the Register of Members/List of Beneficial Owners as on 16th May, 2025 (the "Cut-off Date") and whose e-mail addresses were registered with the Company, the Depositories or the Registrar and Share Transfer Agent.

In compliance with the applicable provisions of the Companies Act, 2013, the Rules framed thereunder, the SEBI Listing Regulations, and the circulars issued by the Ministry of Corporate Affairs from time to time, the Company provided its Members the facility to exercise their voting rights exclusively through remote e-voting. The remote e-voting facility was provided by Link Intime India Private Limited through its InstaVote platform.

The Company appointed Shri K.K. Sachdeva (FCS No. 7153, C.P. No. 4721) of M/s K.K. Sachdeva & Associates, Practicing Company Secretaries, as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. An advertisement regarding the completion of dispatch of the Postal Ballot Notice and the availability of the remote e-voting facility was published on 28th May, 2025 in all editions of Business Standard (English and Hindi).

The remote e-voting remained open from 28th May, 2025 to 26th June, 2025. The Special Resolutions were approved by the Members with the requisite majority and are deemed to have been passed on 26th June, 2025, being the last date of the remote e-voting period. The results of the Postal Ballot were declared on 27th June, 2025.

Further as on the date of this report, no special resolution is proposed to be conducted through postal ballot.

Details of Postal Ballot Resolution passed after the end of Financial Year 2025–26 and before the date of this report

After the closure of the financial year ended 31st March, 2026, the Company sought the approval of its Members by way of a Postal Ballot in accordance with the provisions of the Companies Act, 2013, the SEBI Listing Regulations, and the applicable MCA Circulars.

Pursuant to the recommendation of the Board of Directors at its meeting held on 21st May, 2026, the Board, through a circular resolution passed on 29th June, 2026, approved the Postal Ballot Notice for seeking Members' approval by way of a Special Resolution for enhancement of the Company's limits for granting loans, making investments, providing guarantees and furnishing securities under Section 186 of the Companies Act, 2013.

The Special Resolution was duly approved by the Members through remote e-voting conducted during the Postal Ballot process. The details of the Postal Ballot are set out below:

Brief Details of the Postal Ballot Notice

Cut-off Date for Notice Sending	26 th June, 2026
Date of Postal Ballot Notice	03 rd July, 2026
Voting Period	04th July, 2026 to 02nd August, 2026
Date of Passing of Resolution	02 nd August, 2026
Date of Declaration of Results	03 rd August, 2026
Web-link Notice	https://sandhargroup.com/uploads/AnnualGeneralMeeting/stl_intimation_postal_ballot_notice_3_july_2026_signed.pdf

The aforesaid Special Resolutions were duly approved by the members with the requisite majority and are deemed to have been passed on 02nd August, 2026, being the last date of the remote e-voting period.

The Company appointed Shri K.K. Sachdeva (FCS No. 7153, C.P. No. 4721) of M/s K.K. Sachdeva & Associates, Practicing Company Secretaries, as the Scrutinizer for conducting and scrutinizing the Postal Ballot process in a fair and transparent manner.

Pursuant to the applicable provisions of the Companies Act, 2013 and the circulars issued by the Ministry of Corporate Affairs from time to time, the Company provided its Members with the facility to exercise their voting rights only through remote e-voting.

An advertisement informing the Members about the completion of dispatch of the Postal Ballot Notice and the e-voting process was published on 04th July, 2026 in all editions of Business Standard (English and Hindi).

The remote e-voting facility was provided by Link Intime India Private Limited through its InstaVote platform <https://instavote.linkintime.co.in/>.

VIII. MEANS OF COMMUNICATION

The Company recognizes the importance of communication with Shareholders and promptly discloses information on material corporate developments and other events as required under the Listing Regulations. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of our Company's corporate governance framework. Further, Company uses several modes for communicating with its external stakeholders, such as announcements, press releases and other reports to the members, posting information on its website (<https://sandhargroup.com/>), intimation to the Stock Exchanges, responding to analysts' queries etc.

- a) **Quarterly Results:** The Company's quarterly results for the financial year 2025–26 were published in Business Standard.

S. No.	For the Quarter Ending	Date of Publication	Name of Newspaper Publication (English)	Name of Newspaper Publication (Hindi Vernacular)
1	31 st March, 2025	23 rd May, 2025	Business Standard	Business Standard
2	30 th June, 2025	08 th August, 2025	Business Standard	Business Standard
3	30 th September, 2025	14 th November, 2025	Business Standard	Business Standard
4	31 st December, 2025	12 th February, 2026	Business Standard	Business Standard

The aforesaid results were also uploaded at the Company's website at <https://sandhargroup.com/investors/investors>

- b) **News Release and Presentations:** Official news releases are sent to stock exchanges and simultaneously displayed on the Company's website www.sandhargroup.com

- c) **Presentations to Investors / Analysts:** The presentations on the Company's unaudited quarterly as well as audited annual financial results are made to the investors and financial analysts and simultaneously uploaded on the Company's website www.sandhargroup.com

- d) **Website:** The Company's website www.sandhargroup.com contains a separate dedicated section "Investor relations" which enables stakeholders to be informed and allows them to access information at their convenience. Up-to-date financial results, annual reports, shareholding pattern, official press releases, the investor/ analysts presentations, details of investor calls and meets, shareholding pattern, important announcements.

- e) **Annual Report:** Annual Report containing inter alia Audited Financial Statements, Director's Report, Auditors Report, Corporate Governance Report, is circulated to the members and others entitled thereto and is also available on the website of the Company.

- f) **Electronic filing with Stock Exchanges:** The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS/ Digital Exchange for NSE and on BSE Listing Centre for BSE.

S. No	Name	Address
1	BSE Limited	1 st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
2	National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra - Kurla Complex, Bandra (E), Mumbai 400 051

Further securities of the Company have not been suspended from trading during the year.

- (e) **Dematerialization of shares and liquidity;**

As on 31st March, 2026, 100% of the total equity shares were held in dematerialised form. The Company's shares are actively traded on the stock exchange.

- (f) **Share Transfer Agent;**

The Company vide Agreement dated 02nd April, 2018 has appointed the following agency to act as its Registrar and Share Transfer Agent ("RTA"). The RTA is, inter alia, responsible for processing requests pertaining to share transmission/ dematerialization/ re-materialisation and other activities related thereto for both electronic and physical shareholdings. Further, RTA also handles corporate actions such as data requirements for conduct of the AGMs, dividends etc. The RTA corresponds with the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in this regard.

M/s. MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)
C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083
Tel No: +91 22 49186000
Fax: +91 22 49186060

- (g) **Name and Designation of Compliance Officer:**

Shri. Gulshan Ahuja,
Deputy Company Secretary & Compliance Officer
Plot No. 13, Sector 44, Gurgaon - 122001
Haryana - India
Tel No: 0124-4518900; Fax No: 0124-4518912
Email: cs@sandhar.in

- (h) **Dispute Resolution Mechanism (SMART ODR)**

In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/investor(s), SEBI had issued a Standard

IX. GENERAL SHAREHOLDERS INFORMATION:

- (a) **34th Annual General Meeting (AGM)**

Day and Date	: Tuesday, 22 nd September 2026
Time	: 11:30 AM
Venue	: Video conferencing (VC) /Other Audio Visual Means(OAVM)

- (b) **Financial Year: 1st April 2025 to 31st March 2026**

- (c) **Dividend Payment Date**

The Dividend if declared, shall be paid by the Company within 30 days from the date of declaration of the dividend. Expected on or before 22nd October, 2026.

- (d) **Listing on Stock Exchanges:**

The Company equity shares are at present listed at the following Stock Exchanges and the Listing fees for the financial year 2026–27 has been duly paid to the Stock Exchanges:

Operating Procedure ('SOP') vide Circular dated May 30, 2022. As per this Circular, shareholder(s)/ investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 20, 2023), introduced the Online Dispute Resolution (ODR) Portal.

Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars and the same are available at the website of the Company https://sandhargroup.com/uploads/Investor/link-to-smart-odr-portal-signed_file.pdf

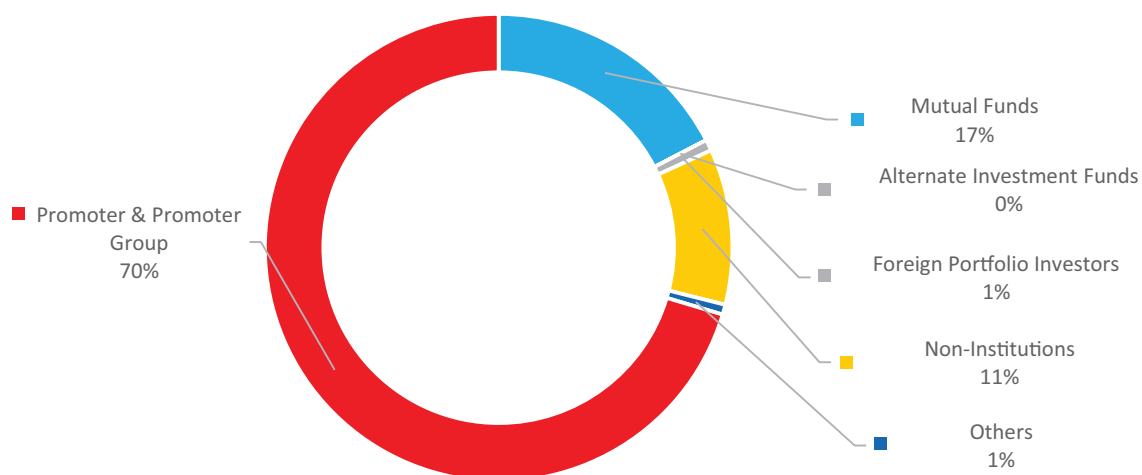
(i) Distribution of Shareholding

The below two tables provide details about the pattern of shareholding among various categories and the number of shares held, as on the 31st March, 2026:

Category Distribution:

Categories	As of 31 st March, 2026	
	No. of Shares	Percentage
Promoter & Promoter Group	42362245	70.38%
Mutual Funds	10464614	17.39%
Alternate Investment Funds	2651	0.00%
Foreign Portfolio Investors	460098	0.77%
Non-Institutions	6485081	10.77%
Others	416019	0.69%

Distribution of Shareholding as on the 31st March, 2026:



Distribution Of Shareholding (Shares)							
S. No	Shareholding of Shares			Shareholder	Percentage (%) of Total	Share	Percentage (%) of Total
1	1	To	500	40063	94.3992	2726039	4.529
2	501	To	1000	1360	3.2045	1020848	1.696
3	1001	To	2000	554	1.3054	810003	1.3457
4	2001	To	3000	173	0.4076	431084	0.7162
5	3001	To	4000	65	0.1532	229479	0.3813
6	4001	To	5000	54	0.1272	253093	0.4205
7	5001	To	10000	98	0.2309	705539	1.1722
8	10001	To	ABOVE	73	0.172	54014623	89.7391
			Total	42440	100	60190708	100

(j) Share Transfer System:

As on the 31st March, 2026, 100% of the equity shares of the Company were in dematerialised form. Transfer of the equity shares held in dematerialised form are done through the depositories with no involvement of the Company.

(k) Outstanding Convertible Instruments/ADRs/GDRs/Warrants:

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

(l) Reconciliation of Share Capital Audit Report

In terms of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary with a view to reconcile the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and those held in physical form with the total issued, paid up and listed capital of the Company. The audit report, inter alia, confirms that the Register of Members is duly updated and that demat requests were confirmed within the stipulated time etc. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

(m) Plant locations:

In view of the nature of the Company's business, the Company operates from various plants/units of the Company, its Subsidiaries and Joint Ventures located in India and abroad.

A. Plants of the Company

S. No.	Name of Unit	Location
1.	Sandhar Technologies Limited (HR) - Unit-I	Plot No. 3 & 4 Sector-18, HSIDC Indl. Area, Gurgaon Haryana-122015
2.	Sandhar Technologies Limited (HR) - Unit-II	Village Dhumaspur, PO Badshahpur, Distt. Gurgaon Haryana-122102
3.	Sandhar Technologies Limited (HR) - Unit-VI	Plot No-13, Sector-5, Industrial Estate, Growth Centre, Phase-II Bawal, Rewari Haryana -123501
4.	Sandhar Technologies Limited (KA) - Unit-I	Plot No. 8, Bommasandra, Jigani Link Road, Bommasandra, Anekal Taluk, Bangalore Karnataka -562106.
5.	Sandhar Technologies Limited (KA) - Unit-V	46A, Peenya Industrial Area, Bangalore, Karnataka-560058
6.	Sandhar Technologies Limited (TN) - Unit-II	Plot No.B-2, SIPCOT Industrial Growth Centre,Oragadam, Sriperumpudur(Tk), Kanchipuram (Dt)
7.	Sandhar Technologies Limited (TN) - Unit-III	S. No. 450/IA2, 451/ID3A, 1G1, 1K1, 1L1A, & 1L4A, Panruti 'B' Village, Sriperumpudur taluk, Kancheepuram District (TN)-631604
8.	Sandhar Technologies Limited (MH) - Unit-I	Gate No. 418, Village Ambethan Taluka Khed, Pune, Maharashtra - 410501
9.	Sandhar Technologies Limited (MH) - Unit-II	Gate No.3420-3421,Taluka-Shirur,village, Talegaon Dhamdhare Sub Post Office, Talegaon Dhamdhare, Pune, Maharashtra, 412208
10.	Sandhar Technologies Limited (MH) - Unit-III	Plot No. I-11, Part-II, Taluka Khed, Kanhersar, Pune, Maharashtra, 410505
11.	Sandhar Technologies Limited (MH) - Unit-IV	Plot No.E-10, MIDC, Chakan Industrial Area, Phase-III, Village Kuruli, Taluka Khed, Pune, Maharashtra- 410501
12.	Sandhar Technologies Limited (UK) - Unit-I	Plot No.-16, Industrial Park -4, Village - Begumpur Haridwar (Uttarakhand) -249403
13.	Sandhar Technologies Limited- Nalagarh Unit-I	Village Bhatian, Tehsil Nalagarh, District Solan, Pargna Plassi, Nalagarh, Solan, Himachal Pradesh-174101 and additional place of business Village Baghbania Post Office Manpura, Tehsil Baddi, Solan-173205
14.	Sandhar Himachal (A unit of Sandhar Technologies Limited)	Bharatgarh Road, Village Dhabhotta, Tehsil Nalagarh Distt. Solan (H.P.)
15.	Sandhar Technologies Limited (RJ) - Unit-I	Plot. No. SPI-889, RIICO Industrial Area, Pathredi, Bhiwadi, Rajasthan - 301019
16.	Sandhar Technologies Limited (RJ) - Unit-II	004-003 & 004-004, Ajmer Road-Mahindra World City, Village Narsinghpura Dadiya, Tehsil-Sanganer, Jaipur, Rajasthan - 302037
17.	Sandhar Centre for Innovation & Development	Plot No. 3 Sector-18, HSIDC Indl. Area, Gurgaon Haryana-122015

B. Plants of the Subsidiaries

S. No.	Name of Subsidiary	Name of Unit	Location
1.	Sandhar Technologies Barcelona S.L (overseas Subsidiary)	Sandhar Technologies Barcelona S.L (overseas Subsidiary)	Avda Col Rubio, 46 Pol, Indl, Casa Nova 08730 Sta. Margarida, I Els Manjos, Barcelona, Spain
2.	Sandhar Technologies de Mexico, SR de L de CV (Subsidiary of Sandhar Technologies Barcelona S.L)	Sandhar Technologies de Mexico, SR de L de CV (Subsidiary of Sandhar Technologies Barcelona S.L)	Av. Torre Centro Insurgentes, 3 Parque Opcion San Jose Iturbide 37980 (Guanajuato) Mexico
3.	Sandhar Technologies, Poland, Sp. Z.o.o (Subsidiary of Sandhar Technologies Barcelona S.L)	Sandhar Technologies, Poland, Sp. Z.o.o (Subsidiary of Sandhar Technologies Barcelona S.L)	Ul Legionow 59, 42-200 Czestochowa Poland
4.	Sandhar Technologies Ro SRL (Romania) (Subsidiary of Sandhar Technologies Barcelona S.L)	Sandhar Technologies Ro SRL (Romania) (Subsidiary of Sandhar Technologies Barcelona S.L)	Str. Bruxelles, Nr. 32, Prejmer, Brasov
5.	Sandhar Engineering Private Limited	Sandhar Engineering Private Limited (GJ) - Unit-I	Plot No. 107/1, Halol Masawad GIDC, Halol-II, Panchmahals, Gujarat - 389350
		Sandhar Engineering Private Limited (HR) - Unit-I	Village & P O Khandsa, Behrampur Road, Gurgaon Haryana - 122004
		Sandhar Engineering Private Limited (KA) - Unit-I	Building No. 244 and 242/1, Ballur Panchayat, Dasanapura village, Attibele Hubli, Anekal Taluk, Bengaluru (Bangalore) Urban, Karnataka - 562107
		Sandhar Engineering Private Limited (KA) - Unit-II	Building No. 191 to 194 and 202 to 205, 2 nd Phase Industrial Area, Thandya Industrial Estate, Mysuru, Karnataka - 571302
		Sandhar Engineering Private Limited (KA) - Unit-III	12-C and 13-A, KIADB Industrial Area, Attibele, Anekal Taluk, Bangalore District, Karnataka
		Sandhar Engineering Private Limited (KA) - Unit-IV	Survey No. 240/2, 242/1 Village Dasanapura Village, Ballur Panchayat, Attibele Hobli, Anekal Taluk, Bangalore, Urban Karnataka - 562107
		Sandhar Engineering Private Limited (TN) - Unit-II	Plot No. 6A, 6B, & 7A, Sengundram Village, Sengundram Industrial Estate, CMDA Industrial Complex, Melrosapuram, Maraimalai Nagar, Chengalpattu, Tamil Nadu, 603204
6.	Sandhar Ascast Private Limited (Formerly known as Sandhar Tooling Private Limited)	Sandhar Ascast Private Limited	Plot No-92, Sector-3 IMT Manesar, Gurgaon, Haryana - 122052
		Sandhar Ascast Private Limited (HR) - Unit-II	Plot No 24&25, Sector 3, IMT Manesar, Gurgaon
		Sandhar Ascast Private Limited (HR) - Unit-III	Plot no-14, Sector-5 Bawal Rewari (HR)
		Sandhar Ascast Private Limited (TN) - Unit-I	Survey No. 586/1, 586/2, 586/3, 587/1B1, 587/1B2A, 587/1B3, 587/1B2B, Taluk Kanchipuram, Singadivakkam, Kancheepuram, Tamil Nadu, 631561
		Sandhar Ascast Private Limited (TN) - Unit-II	Thally Road at Belagondapalli Village, Denkanikottai Taluk, Hosur, Krishnagiri District, Pin- 635114
		Sandhar Ascast Private Limited (TN) - Unit-III	Survey No. 758/B2 & 754/1A2, Old Anekal Road, Hosur Taluk, Krishnagiri District, Tamil Nadu, Poonapalli, Krishnagiri, Tamil Nadu, Pin 635114
		Sandhar Ascast Private Limited (KA) - Unit-I	Plot no 7A, KIADB Industrial Area, Attibele, Anekal Taluk, Bangalore District, Karnataka
7	Sandhar Automotive Systems Private Limited	Sandhar Automotive Systems Private Limited	Plot No. - 44, Sector-3, IMT Manesar, Gurugram, Haryana - 122052
8	Sandhar Auto Castings Private Limited	Sandhar Auto Castings Private Limited (KA) - Unit-I	Sy.No.129 & 132/3, Nanjanagudu Taluk, Chikkayyanachatra Hobli, Thandavapura, Mysuru, Karnataka - 571302
		Sandhar Auto Castings Private Limited (TN) - Unit-I	Sy.No.620/1A & 620/2A, SH 17A, Nagondapalli, Krishnagiri, Tamil Nadu, 635110
9	Sandhar Auto Electric Solutions Private Limited	Sandhar Auto Electric Solutions Private Limited	1747/1218/1, Khandsa Marg, Behrampur Road, Khandsa Village, Gurugram, Haryana

Plants of Joint Venture Companies (JVs)

S. No.	Name of JV Company	Name of Unit	Location
1.	Sandhar Han Sung Technologies Private Limited	Sandhar Han Sung Technologies Private Limited	Plot No-B-2 SIPCOT Indl Growth Center Oragadam, Chennai,
		Sandhar Han Sung Technologies Private Limited	Village P.O. Khandsa, Behrampur Road, Gurugram Haryana – 122004
2.	Sandhar Amkin Industries Private Limited	Sandhar Amkin Industries Private Limited	Plot No-26, Sector-5 IMT Manesar, Gurgaon Haryana-122050
3.	Sandhar Whetron Electronics Private Limited	Sandhar Whetron Electronics Private Limited	Village Dhumaspur, PO Badshahpur, Distt. Gurgaon Haryana-122101
4.	Winnercom Sandhar Technologies Private Limited	Winnercom Sandhar Technologies Private Limited	Plot No. 8, Bommasandra, Jigani Link Road, Bommasandra, Anekal Taluk, Bangalore Rural Karnataka-562106
5.	Sandhar Han Shin Auto Technologies Private Limited	Sandhar Han Shin Auto Technologies Private Limited	27/4, A4 Yarandahalli Jigani Link Road, 4 th Phase, KIADB Industrial Area Bommasandra, Bangalore Rural Karnataka-560105

(n) Address for correspondence:

Investors and shareholders may correspond with the RTA or at corporate office of the Company at the following address:

Registrar and transfer agent – MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)	Company
C-101, 1 st floor 247 Park L. B. S. Marg, Vikhroli (West) Mumbai 400 083	Registered Office: B-6/20 L.S.C. Safdarjung Enclave, New Delhi-110029
Tel: 8108116767 E-mail: Investor.helpdesk@in.mpms.mufg.com Investor Grievance e-mail: Investor.helpdesk@in.mpms.mufg.com Website: www.in.mpms.mufg.com	Corporate Office: Plot No. 13, Sector 44, Gurgaon – 122002 Email: investor.relations@sandhar.in (for Institutional Investors) Email: investors@sandhar.in (for Others)

(o) COMMODITY PRICE RISK OF FOREIGN EXCHANGE RISK & HEDGING ACTIVITIES

The Company has managed the foreign exchange risk and the transactions have been debarred or disqualified from hedging to the extent considered necessary. The details of foreign currency exposure are disclosed in Note No. 37 to the Standalone Financial Statements.

(p) CREDIT RATING

The Company has not issued any debt instruments and did not have any fixed deposit programme, scheme, or proposal involving mobilisation of funds, either in India or abroad, during the Financial Year ended 31st March, 2026.

During the year under review, at the request of the Company, the credit rating assigned by ICRA was withdrawn. However, the credit ratings assigned by India Ratings and Research continue to remain valid and in force. India Ratings and Research has reaffirmed the Company's credit ratings as follows:

S. No.	Name of Facilities	Credit Rating by India Rating & Research
1.	Term loan	IND AA-/ Stable
2.	Long-term/ Short term-Fund-based working capital limits	IND AA-/Stable/IND A1+
3.	Long-term/ Short term-Non-Fund-based working capital limits	IND AA-/Stable/IND A1+
4.	Commercial Paper	IND A1+

X. Other Disclosures:

(a) Related Party Transaction:

All related party transactions entered into by the Company during the Financial Year 2025–26 were in compliance with the provisions of the Companies Act, 2013 read with the Rules made thereunder and Regulation 23 of the SEBI Listing Regulations. All such transactions were approved by the Audit Committee prior to their execution. During the year under review, the Company entered into certain non-recurring transactions with its wholly owned subsidiaries. Although these transactions were exempt from the approval requirements under Regulation 23(5) of the Listing Regulations, they were voluntarily placed before the Audit Committee and the Board of Directors for their review and approval, in line with the Company's commitment to good corporate governance practices. After due consideration, the Audit Committee and the Board approved the said transactions. All related party transactions were undertaken in the ordinary course of business and on an arm's length basis, and the Company did not enter into any material related party transactions requiring shareholders' approval.

The Board has adopted a Policy on Related Party Transactions in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations. The Policy provides a comprehensive framework for the identification, approval, review, reporting and disclosure of related party transactions and, inter alia, stipulates that any Director who is concerned or interested in a related party transaction shall abstain from participating in the discussions and voting on the approval of such transaction. The Policy is reviewed periodically and updated, wherever necessary, to ensure continued alignment with the applicable statutory and regulatory requirements. The Policy is available on the Company's website at

<https://sandhargroup.com/uploads/Investor/policy-for-determination-of-materiality-of-and-dealing-with-related-party-transactions.pdf>

During the Financial Year 2025–26, the Audit Committee approved related party transactions, including omnibus approvals, in accordance with the Company's Policy on Related Party Transactions and Materiality thereof, the applicable provisions of the Companies Act, 2013 read with the Rules made thereunder and the SEBI Listing Regulations, including any statutory modification(s) or re-enactment(s) thereof. The Audit Committee also reviews, on a quarterly basis, the details of related party transactions entered into by the Company and its subsidiaries pursuant to the omnibus approvals granted.

During the year under review, the Company did not enter into any materially significant related party transaction that could have a potential conflict with the interests of the Company. All related party transactions were undertaken in the ordinary course of business and on an arm's length basis. Details of the related party transactions are disclosed in Note No. 32 to the Standalone Financial Statements forming part of this Annual Report. Further, in compliance with the SEBI Listing Regulations and the applicable Indian Accounting Standards relating to related party disclosures, the Company has made the requisite disclosures in its Standalone Financial Statements and submitted the prescribed related party transaction disclosures to the Stock Exchanges within the stipulated timelines

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three Years;

During the last three years, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any other statutory authority for non-compliance of any matter related to capital markets.

(c) Details of establishment of vigil mechanism, Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a Whistle Blower Policy/Vigil Mechanism to provide a formal avenue for stakeholders, including Directors, employees and other associated persons, to report genuine concerns regarding unethical behaviour, actual or suspected fraud, violations of the Company's Code of Conduct, or any other misconduct.

The Policy provides adequate safeguards against victimisation of individuals who avail of the mechanism and ensures direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. Any protected disclosures received under the Policy are investigated promptly and appropriately under the supervision of the Audit Committee.

The Company affirms that no Director, employee or other stakeholder has been denied access to the Chairperson of the Audit Committee. During the Financial Year 2025–26, no complaints were received under the Whistle Blower Policy.

The Whistle Blower Policy is available on the Company's website at https://sandhargroup.com/uploads/Investor/whistle-blower-policy_new.pdf

(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

All the mandatory requirements of the Listing Regulations relating to Corporate Governance has been duly complied by the Company in letter and spirit.

Also, the Company has duly fulfilled the following discretionary requirements as prescribed in Part E of Schedule II of the SEBI Listing Regulations:

Modified Opinion(s) in Audit Report

During the year under review, there is no audit qualification in your Company's consolidated and standalone financial statements.

Woman Independent Director

The Company has Seven Independent Directors, including two Woman Independent Directors.

Reporting of the Internal Auditor

In accordance with the provisions of Section 138 of the Companies Act, 2013, the Company has appointed an Internal Auditor who reports to the Audit Committee which reviews the audit reports and suggests necessary action.

(e) MATERIAL SUBSIDIARIES

In accordance with the Company's Policy on Material Subsidiaries, an unlisted subsidiary is considered a material subsidiary if its turnover or net worth exceeds 10% of the consolidated turnover or consolidated net worth, respectively, of the listed holding company and its subsidiaries, as reflected in the audited consolidated financial statements for the immediately preceding financial year.

The Policy on Material Subsidiaries is available on the Company's website at:

<https://sandhargroup.com/uploads/Investor/policy-for-determining-material-subsidiaries1.pdf>

Pursuant to the amendments to the SEBI Listing Regulations, effective from 1st April, 2019, Sandhar Technologies Barcelona S.L., together with its step-down subsidiaries, was classified as a material subsidiary of the Company.

Upon approval of the audited standalone and consolidated financial statements for the financial year ended 31st March, 2026, the Company reassessed the materiality of its subsidiaries in accordance with the aforesaid Policy. Based on such assessment, Sandhar Technologies Barcelona S.L. no longer satisfied the prescribed materiality criteria and accordingly ceased to be a material subsidiary of the Company. Further, Sandhar Engineering Private Limited and Sandhar Ascast Private Limited met the prescribed criteria and accordingly became material subsidiaries of the Company with effect from the approval of the audited financial statements for the financial year ended 31st March, 2026.

The Audit Committee periodically reviews the consolidated financial statements of the Company. The minutes of the Board meetings of the unlisted subsidiaries, together with reports on their significant developments, are placed before the Board of Directors of the Company on a periodic basis for its review.

Details of Subsidiaries of the Listed Entity

The Audit Committee reviews the financial statements of the subsidiaries. It also reviews the Investments made by such subsidiaries, the statement of all significant transactions and arrangements entered into by subsidiaries and the compliances of each materially significant subsidiary on a periodic basis. The Audit Committee also reviews the utilisation of loans/ advances/ investments given by the Company to its subsidiaries. The minutes of Board meetings of the subsidiary companies are placed before the Board for review.

Details of the subsidiary given below:

S. No	Name of subsidiary & its location	Date of Incorporation	Nature of subsidiary	Type of subsidiary pursuant to regulation 16(1) (c) of the Listing Regulations. i.e. [Material or otherwise]
1	Sandhar Ascast Private Limited Registered office at Plot No-13, Sector-44, Gurugram, Haryana -122002	26th February, 2002	Domestic company	Otherwise*
2	Sandhar Engineering Private Limited Registered office at Plot No-13, Sector-44, Gurugram, Haryana -122002	14th October, 2021	Domestic company	Otherwise*
3	Sandhar Auto Electric Solutions Private Limited Registered office at Plot No. 13, Sector-44, Gurugram, Haryana-122002	6th January, 2022	Domestic company	Otherwise
4	Sandhar Automotive Systems Private Limited Registered office at Plot No. 44, Sector-3, IMT Manesar, Gurugram, Haryana-122050	20th June, 2017	Domestic company	Otherwise
5	Sandhar Auto Castings Private Limited Registered office at Plot No.13, Sector-44, Gurugram, Haryana-122002	29th July 2020	Domestic company	Otherwise
6	Sandhar Technologies Barcelona S.L. Registered at Av. Cal Rubio, no 46, Santa Margarida I els Monjos, Barcelona, Spain	18th May, 2007	Foreign company (RBI UIN no. NDWAZ2090757)	Material*

* Based on the audited consolidated financial statements of the Company for the financial year ended 31st March, 2026, Sandhar Technologies Barcelona S.L. ceased to be a material subsidiary of the Company. Further, Sandhar Engineering Private Limited and Sandhar Ascast Private Limited qualified as material subsidiaries of the Company w.e.f., 01st April, 2026.

Company's wholly-owned foreign subsidiary, viz. Sandhar Technologies Barcelona S.L. has the following subsidiaries:

S. No	Name of subsidiary & its location	Date of Incorporation	Nature of subsidiary	Type of subsidiary pursuant to regulation 16(1)(c) of the Listing Regulations. i.e. [Material or otherwise]
1	Sandhar Technologies Poland sp. z.o.o. Registered Office at Ul Legionow 59, 42-200, Czesochowa, Poland	20 th June, 2011	Foreign company	
2	Sandhar Technologies De Mexico SR. de L de CV Registered Office at Av. Torre centro Insurgentes, 3 Parque Opcion, San Jose Iturbide 37980, Guanauato, Mexico	27 th February, 2014	Foreign company	Otherwise
3	Sandhar Technologies Ro SRL Registered Office 6-9 Corneliu Coposu Boulevard 8 th floor, Office No. MO9, 3 rd District Bucharest, 030606, Romania	4 th March 2021	Foreign Company	

(f) Details of material subsidiaries of the listed entity, including the date and place of incorporation and the name and date of appointment of statutory auditors of such subsidiaries

Name of Material Subsidiary	Date of incorporation	Place of Incorporation	Name of Statutory Auditor	Date of Appointment
Sandhar Technologies Barcelona S.L.,	18 th May, 2007	Registered at Av. Cal Rubio, no 46, Santa Margarida I els Monjos, Barcelona, Spain	SW Audit Control S.L.P.	06 th June, 2022

(g) Disclosure by the company and its subsidiaries of 'loans and advances' in the nature of loans to firms/companies in which directors are interested by name and amount.

The company and its subsidiaries have not granted any loans and advances in the nature of loans to firms/companies in which the company's directors are interested.

(h) Disclosure of accounting treatment in preparation of financial statements:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 read with Section 133 of the Act.

(i) Details of Utilisation of Funds of Preferential Allotment/QIP

The Company has not raised funds through Preferential Allotment/QIP during the year under review.

(j) Certificate from the Company Secretary in Practice regarding Non-Debarment and Non-Disqualification of Directors

A certificate from M/s. K K. Sachdeva & Associates, Company Secretaries certifying 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 SEBI/ Ministry of Corporate Affairs or any such statutory authority is attached as "Annexure- E1" to this report.

(k) Acceptance of Recommendation of Board Committees

During the Financial Year 2025-26, there was no recommendation by any committee of the Board which is mandatorily required and not accepted by the Board.

(l) Details of total fees paid to Statutory Auditors

Type of Service	(INR. in Lacs)	
	March, 2026	March, 2025
As Auditor		
Audit Fees	82.50	68.00
Limited Review	12.00	12.00
In Other Capacity		
Other Services (Certification Fees)	6.66	3.50
Reimbursement of Expenses	2.25	2.61
TOTAL	103.41	86.11

(m) Sexual Harassment of Women at the Workplace:

The Company has in place a policy on Prevention of Sexual Harassment at the workplace. For further details in this regard, please refer to the Board's Report forming part of this Annual Report.

Details of complaints received and redressed during the Financial Year 2025-26:

- Number of complaints received during the Financial Year: Nil
- Number of complaints disposed of during the Financial Year: Nil
- Number of complaints pending as on the end of the Financial Year: Nil

(n) Code of Conduct:

The Board has formulated and adopted a Code of Conduct and Ethics for the Board of Directors and Senior Management. The said code has been revised/ updated by the Board at its meeting held on 09th February, 2023, as updated from time to time and has been hosted on the website of the Company at https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt_new.pdf.

All Board members and Senior Management Personnel affirmed the compliance with the Code of Conduct as on 31st March, 2026.

A Declaration to this effect signed by the CEO in terms of SEBI Listing Regulations, forms part of the Board's Report regarding compliance and is annexed as "Annexure-E2" with this report.

(o) Code of Conduct for Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, the Code of Conduct for Prohibition of Insider Trading with Code of Practice and Procedure for fair Disclosure of Unpublished Price Sensitive Information was approved and adopted by the Company. The Code of Conduct for Prohibition of Insider Trading is displayed on the website of the Company <https://sandhargroup.com>

XI. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF

All the requirements of Corporate Governance Report of sub-paragraphs (2) to (10) Para C of Schedule V of Listing Regulations have been duly complied with.

XII. CONFIRMATION OF COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION 2 OF REGULATION 46

The Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations including disclosure requirements as enumerated under Schedule V thereto.

XIII. CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER CERTIFICATION

The Chief Executive Officer and the Chief Financial Officer have issued a certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. They also certify that, to the best of their knowledge and belief, no transactions entered into during the year were fraudulent, illegal or in violation of the code of conduct of the Company, they are responsible for establishment and maintenance of the Internal Financial Controls for financial reporting and they have indicated to the auditors and the Audit Committee about any significant changes in internal control over financial reporting, significant changes in the accounting policies and instances of significant frauds, if any, which they were aware. The said certificate is annexed as "Annexure-E3" and forms part of this Annual Report.

XIV. COMPLIANCE CERTIFICATE FROM M/S. K.K. SACHDEVA & ASSOCIATES, PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE IS ANNEXED AS “ANNEXURE-F”

XV. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

In accordance with the above, the details w.r.t. the Demat Suspense Account / Unclaimed Suspense Account are as follows:

- a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- b) aggregate number of shareholders and their shares transferred in the suspense account during the year: Nil
- c) number of shareholders who approached the listed entity for transfer of shares from the suspense account during the year: Nil
- d) number of shareholders to whom shares were transferred from the suspense account during the year: Nil
- e) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil;
- f) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

XVI. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES:

The company has not entered into any agreements as required to be disclosed under clause 5A of Paragraph A of Part A of schedule III of SEBI Listing Regulations.

For and on behalf of the Board of Directors

Sandhar Technologies Limited

Sd/-

Jayant Davar

Executive Chairman (Executive Director)
and Chief Executive Officer
DIN: 00100801

Place: Gurugram, Haryana

Date: 11th August, 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members,

Sandhar Technologies Limited

B-6/20 L.S.C. Safdarjung Enclave,

New Delhi-110029

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sandhar Technologies Limited having CIN: L74999DL1987PLC029553 and having Registered office at B-6/20 L.S.C. Safdarjung Enclave, New Delhi-110029 India (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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors 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 declarations received from respective Directors. We hereby certify that as on Financial Year ended on 31st March, 2026 none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Jayant Davar	00100801	24/10/1987
2.	Archana Capoor	01204170	05/11/2018
3.	Vikrampati Singhania	00040659	09/08/2023
4.	Vimal Mahendru	00006016	05/11/2019
5.	Bharat Anand	02806475	12/08/2019
6.	Arjun Sharma	00003306	24/05/2016
7.	Aabha Bakaya	05131734	08/08/2024
8.	Sandeep Dinodia**	00005395	02/02/2022
9.	Monica Davar	00100875	24/10/1987
10.	Neel Jay Davar	09201336	06/08/2021
11.	Gurvinder Jeet Singh	02129467	22/05/2025

*Date of Appointment is as per the MCA Portal

** Shri Sandeep Dinodia, who was serving as a Non-Executive Non-Independent Director of the Company, was appointed and re-designated as a Non-Executive Independent Director pursuant to the approval of the shareholders through a Postal Ballot, the results of which were declared on 26th June 2025. He was appointed for a term of five consecutive years commencing from 26th June 2025 and ending on 25th June 2030 (both days inclusive).

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 K.K. Sachdeva & Associates
Practicing Company Secretary

Sd/-

K.K. Sachdeva

(Proprietor)

FCS. 7153, CP No. 4721

UDIN: FO07153H001081017

Place: New Delhi

Date: 11th August, 2026

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

To,
The Members,
Sandhar Technologies Limited
B-6/20 L.S.C. Safdarjung Enclave,
New Delhi-110029

Sub: Declaration regarding compliance with the Company's Code of Conduct for Directors and Senior Management.

Ref.: Regulation 34(3) read with Part D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I, Jayant Davar, Executive Chairman (Executive Director) & CEO of Sandhar Technologies Limited, hereby declare that all the members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct for the financial year 2025-26.

FOR **SANDHAR TECHNOLOGIES LIMITED**

Sd/-

Jayant Davar

Executive Chairman (Executive Director)
and Chief Executive Officer

DIN:00100801

Place: Gurugram, Haryana

Date: 11th August, 2026

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To,
The Members,
Sandhar Technologies Limited
B-6/20 L.S.C. Safdarjung Enclave,
New Delhi-110029

Sub.: Compliance Certificate under Regulation 17(8) read with Part B of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that for the Financial Year ended 31st March, 2026:

1. We have reviewed the financial statements and the cash flow statement for the year as aforesaid and to the best of our knowledge and belief:
 - a) These financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) 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. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2026 which 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 we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee of deficiencies, if any, of which we are aware, in the design or operation of the Internal Control Systems and that we have taken the required steps to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a) That there were no significant changes in internal control over financial reporting, during the year;
 - b) All significant changes in the accounting policy during the year, if any, have been disclosed in the notes in respective place in the financial statements; and
 - c) There were no instances of significant fraud, of which we have become aware of and involvement therein, if any, of the management or an employee having significant role in companies internal control system over financial reporting.

FOR **SANDHAR TECHNOLOGIES LIMITED**

Sd/-

Jayant Davar

Executive Chairman (Executive Director)
and Chief Executive Officer
DIN: 00100801

Sd/-

Yashpal Jain

Chief Financial Officer & Company Secretary
M. No. A13981

Place: Gurugram, Haryana

Date: 11th August, 2026

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Sandhar Technologies Limited,
B-6/20, L.S.C. Safdarjung Enclave,
New Delhi-110029

We have examined the compliance of conditions of Corporate Governance by Sandhar Technologies Limited (hereinafter referred "the Company"), for year ended 31st March, 2026 as stipulated under Regulations 17 to 27, clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance with the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of Regulations of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Regulations of the Corporate Governance as stipulated in the above mentioned Listing Agreement/ Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **K.K. Sachdeva & Associates**
Practicing Company Secretary

Sd/-

K.K. Sachdeva
(Proprietor)

FCS. 7153, CP No. 4721

UDIN: FO07153H001081072

Place: New Delhi
Date: 11th August, 2026

Information pursuant to Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The ratio of the remuneration of each Director/ Key Managerial Personnel (KMP) to the median remuneration of the employee of the Company for the Financial Year 2025–26.

(INR in Lacs)

S. No.	Name of Director/ KMPs and Designation	Remuneration of Director / KMP for Financial Year 2025–26	Ratio of Remuneration of each Directors to the Median Remuneration of employees	(%) increase in remuneration in Financial Year 2025–26
1.	Shri. Jayant Davar (Executive Chairman(Executive Director) & Chief Executive Officer)**	764.77*	143	13.56%
2.	Shri Gurvinder Jeet Singh (Whole-Time Director & Head-Corporate Strategy) ***	113.87****	21	-
3.	Shri. Yashpal Jain (Chief Financial Officer and Company Secretary)	194	36	8.05%

Note: The Remuneration of Directors as disclosed in the Corporate Governance Report forming part of the Annual Report.

*Inclusive of Commission provided and payable for an amount of INR 587.14 Lacs.

** Shri Jayant Davar, who served as the Chairman, Managing Director and Chief Executive Officer (CEO) of the Company up to 31st December, 2025, was appointed and re-designated as Executive Chairman (Executive Director) and Chief Executive Officer (CEO) of the Company with effect from 1st January, 2026, pursuant to the approval of the shareholders at 33rd Annual General meeting held on 19th September, 2025.

*** Shri Gurvinder Jeet Singh appointed as Whole-time Director & Head-Corporate Strategy with effect from 22nd May, 2026.

****Inclusive of Commission provided and payable for an amount of INR 19.15 Lacs.

The median remuneration of the employees of the Company during the Financial Year 2025–2026 was INR 5.35 Lacs.

Percentage increase in the median remuneration of employees in the last Financial Year 2025–2026 was 9.87 % as compared to the previous year.

No. of permanent employees as on the 31st March, 2026 are 1356

Average percentage decrease in the salaries of employees other than managerial personnel in the Financial Year 2025–2026 was (15.86%); whereas the decrease in the managerial remuneration in the Financial Year 2025–2026 was (8.81%).

The change in compensation of employees is guided by factors such as market trends, internal parity and is in line with the normal pay revisions which is linked to individual performance and the Company's performance.

It is hereby affirmed that the remuneration paid is as per the Remuneration policy for Directors/ Key Managerial Personnel & other employees.

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

Place: Gurugram, Haryana
Date: 11th August, 2026

Sd/-
Jayant Davar
Executive Chairman (Executive Director)
and Chief Executive Officer
DIN: 00100801

**Form No. MR-3 SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026**

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

To,
The Members,
Sandhar Technologies Limited
B-6/20, L.S.C, Safdarjung Enclave, New Delhi- 110029

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sandhar Technologies Limited (CIN: L74999DL1987PLC029553) (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our 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:

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

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not Applicable to the Company during the Audit period);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021(Not Applicable to the Company during the audit period);

- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Company during the Audit period);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the Audit period);
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the Audit period);
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit period);
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi) We further report that having regard to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the all other laws as applicable.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect taxes, has not been reviewed in this Audit, since the same have been subject to review by statutory auditor and/ or such other designated professional in other laws.

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

- i) Secretarial Standards (SS) with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

Adequate notice is given to all Directors to schedule the Board/ Committee Meetings. The agenda and detailed notes on agenda were sent at least 7 days in advance (and a shorter notice for which necessary approvals obtained, if any) 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.

All the decisions at Board and Committee Meetings were carried out through unanimous consent as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that during the audit period, following major events have happened in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- a) The Company had increased its Authorized Share Capital to INR 80,00,00,000/- (Indian Rupees Eighty Crores only), divided into 7,80,00,000 (Seven Crores Eighty Lakhs) Equity Shares of INR 10/- each and 2,00,000 (Two Lakhs) Preference Shares of INR 100/- each, pursuant to the approval of the shareholders obtained at the Annual General Meeting held on 19th September, 2025.

- b) The Company has executed a Share Purchase Agreement dated 19th June, 2025 with Kwangsung Corporation Ltd. (KSC), a joint stock company incorporated and existing under the Laws of Korea, having its registered office at 212-14, Neungan-gil, Songsan-myeon, Dangjinsi, Chungcheongnam-do, Korea for the sale of entire stake in the joint venture Kwangsung Sandhar Technologies Private Limited (KSTPL) and Kwangsung Sandhar Automotive Systems Private Limited (Subsidiary of KSTPL).

Place: New Delhi

Date: 21st May, 2026

For K K Sachdeva & Associates

Company Secretaries

Peer Review: 1684/2022

Sd/-

K K Sachdeva

Proprietor

FCS No. 7153, CP No. 4721

UDIN: FO07153H000443809

To,
The Members,
Sandhar Technologies Limited
B-6/20, L.S.C, Safdarjung Enclave, New Delhi- 110029

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

1. Management 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. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the 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 procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have tried to verify the physical records, to the extent possible, for the period under review in order to verify the compliances, however, reliance was also placed on electronic records for verification.

Place: New Delhi
Date: 21st May, 2026

For K K Sachdeva & Associates
Company Secretaries
Peer Review: 1684/2022

Sd/-
K K Sachdeva
Proprietor
FCS No. 7153, CP No. 4721
UDIN: FO07153H000443809

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	: L74999DL1987PLC029553
2.	Name of the Listed Entity	: SANDHAR TECHNOLOGIES LIMITED
3.	Year of incorporation	: 19-10-1987
4.	Registered office address	: B-6/20, L.S.C. Safdarjung Enclave New Delhi, Delhi, India, 110029
5.	Corporate address	: Plot-13, Sector-44, Gurugram, Haryana, India, 122002
6.	E-mail	: brsr@sandhar.in
7.	Telephone	: 0124-4518900
8.	Website	: www.sandhargroup.com
9.	Financial year for which reporting is being done	: 2025-2026
10.	Name of the Stock Exchange(s) where shares are listed	: National Stock Exchange of India Limited and BSE Limited
11.	Paid-up Capital	: ₹ 6,019.07 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	: Shri. Yashpal Jain Email: brsr@sandhar.in Telephone: 0124-4518900
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	: The disclosures under this report are made on a standalone basis.
14.	Name of assessment or assurance provider:	Not Applicable
15.	Type of assessment or assurance obtained:	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Metal & Metal Products	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Locks	259, 282, 293, 309, 453 and 454	26.79%
2.	Sheet Metal Components	282, 293, 309, 453 and 454	20.76%
3.	Other Products	282, 293, 309, 453 and 454	23.88%
4.	Wheel Assembly	293, 309, 453 and 454	7.50%
5.	Cabins	282	9.71%
6.	Mirror Assembly	282, 293, 309, 453 and 454	8.45%
7.	Handle Bar Assembly	293, 309, 453 and 454	1.86%
8.	Plastic Parts	292, 293, 309, 453 and 454	1.05%

III. Operations

Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	16	2	18
International	-	-	-

*The total number of 16 plants includes.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28
International (No. of Countries)	8

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The overall contribution of the exports to the total turnover is 1.78%.

c. A brief on types of customers

- The Company is a market leader in the automotive components and system segment, offering a wide range of innovative, high-quality, and cost-effective products to customers worldwide. Sales are primarily conducted through a Business-to-Business (B2B) model, catering mainly to Original Equipment Manufacturers (OEMs).

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	845	789	93%	56	7%
2.	Other than Permanent (E)	39	26	67%	13	33%
3.	Total employees (D + E)	884	815	92%	69	8%
WORKERS						
4.	Permanent (F)	408	385	94%	23	6%
5.	Other than Permanent (G)	15	15	100%	-	0%
6.	Total workers (F + G)	423	400	95%	23	5%

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	0%	-	0%
2.	Other than Permanent (E)	-	-	0%	-	0%
3.	Total differently abled employees (D + E)	-	-	0%	-	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	0%	-	0%
5.	Other than permanent (G)	-	-	0%	-	0%
6.	Total differently abled workers (F + G)	-	-	0%	-	0%

c. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	11	3	27.27%
Key Management Personnel**	3	-	0%

* The Board of Directors comprises seven (7) Independent Director, two (2) Executive Director and two (2) Non-Executive Director.

**Key Managerial Personnel includes one member who is acting as Chief Financial Officer as well as Company Secretary. Further, Shri Jayant Davar, who served as the Chairman, Managing Director and Chief Executive Officer (CEO) of the Company up to 31 December 2025, was appointed and re-designated as Executive Chairman (Executive Director) and Chief Executive Officer (CEO) of the Company with effect from 1 January 2026, pursuant to the approval of the shareholders at 33rd Annual General meeting held on 19 September 2025. Furthermore, Shri Gurvinder Jeet Singh was appointed as an Additional Director in the category of Executive Non-Independent Director and designated as Whole-time Director & Head - Corporate Strategy with effect from 22 May 2025 for a term of three consecutive years. His appointment was subsequently approved by the Members of the Company through a Postal Ballot, the results of which were declared on 26 June 2025

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2025-2026 (Turnover rate in current FY)			FY 2024-2025 (Turnover rate in previous FY)			FY 2023-2024 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.45%	19.85%	18.54%	26.61%	32.48%	26.92%	26.09%	32.20%	26.43%
Permanent Workers	4.11%	8.16%	4.33%	4.18%	10.91%	4.55%	2.07%	3.85%	2.16%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the Holding/ Subsidiary/ Associate Companies/ Joint Ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Sandhar Automotive Systems Private Limited	Subsidiary	100%	No
2	Sandhar Ascat Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	100%	No
3	Sandhar Auto Castings Private Limited	Subsidiary	100%	No
4	Sandhar Engineering Private Limited	Subsidiary	100%	No
5	Sandhar Technologies Barcelona S. L	Subsidiary	100%	No
6	Sandhar Auto Electric Solutions Private Limited	Subsidiary	100%	No
7	Winnercom Sandhar Technologies Private Limited	Joint Venture	50%	No
8	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture	50%	No
9	Sandhar Whetron Electronics Private Limited	Joint Venture	50%	No
10	Sandhar Amkin Industries Private Limited	Joint Venture	69.12%	No
11	Sandhar Han Sung Technologies Private Limited	Joint Venture	50%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) -Yes

Turnover (in ₹) - 3,04,443.58 Lakhs

Net worth (in ₹) - 1,31,148.47 Lakhs

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)*	FY 2025–2026 Current Financial Year			FY 2024–2025 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	1	-	-	-	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	144	-	-	1,361	-	-
Value Chain Partners (Other than customers)	Yes	0	0	-	382	9	-
Other (please specify)	Not Applicable	-	-	-	-	-	-

*The Company's Vigil Mechanism/Whistle-Blower Policy provides a robust framework for employees and directors to raise concerns and grievances. The policy is accessible at: <https://sandhargroup.com/investors/disclosures-under-regulation-46-of-the-lodr>. Additionally, the Company has a Grievance Redressal Policy in place specifically for employees, ensuring that workplace-related concerns are addressed through a structured and transparent process.

A dedicated email ID, investors@sandhar.in, is available for investors and shareholders to raise their queries. The Legal and Secretarial Department oversees the monitoring and resolution of concerns received through this channel, in coordination with the relevant departments within the Company.

With regard to suppliers, customized surveys are periodically conducted to gauge their satisfaction and gather feedback on their business interactions with the Company.

Additionally, the Company obtains customer assessment and feedback through specified platforms as per the Company's Policy on a regular basis to identify areas of concern reported. This enables the identification of key concerns and areas for improvement, ensuring customer issues are addressed systematically and effectively.

** The previous year's figures have been revised or regrouped wherever necessary.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change	Risk & Opportunity	Climate change poses both risks and opportunities with significant implications for the Company's long-term operational and financial sustainability. As a leader in the automotive components and systems sector, the Company is exposed to both physical risks (e.g., extreme weather events, supply chain disruptions) and transition risks (e.g., evolving regulations, shifting market preferences). At the same time, climate change presents opportunities through increased demand for sustainable mobility solutions, including electric vehicles (EVs) and low-emission technologies.	The Company has integrated climate-related considerations into its enterprise risk management framework. Key mitigation strategies include: - Ongoing assessment and reduction of carbon footprint across operations and supply chain. - Adoption of cleaner technologies and energy-efficient manufacturing practices. - Monitoring regulatory developments and adapting business strategies accordingly. These initiatives are aimed at ensuring business resilience and regulatory compliance, while supporting the Company's long-term sustainability vision.	Negative and Positive
2	Stakeholder Engagement	Opportunity	Stakeholder engagement presents a strategic opportunity for the Company to strengthen its relationships with key internal and external stakeholders, including customers, employees, investors, suppliers, regulators, and the communities it serves. Engaging meaningfully with stakeholders helps the Company: - Gather actionable insights and diverse perspectives. - Anticipate emerging expectations and market trends. - Enhance trust, transparency, and brand reputation. - Make informed decisions that are aligned with stakeholder priorities and long-term value creation. The Company has institutionalized a robust and continual stakeholder engagement framework, involving structured dialogues, feedback mechanisms, and periodic assessments to ensure alignment with stakeholder interests.	Not Applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Waste Management	Risk and Opportunity	Improper handling, treatment, or disposal of waste can pose environmental, regulatory, and reputational risks to the Company. Being part of a resource-intensive manufacturing sector, the Company generates various types of industrial and hazardous waste. At the same time, efficient waste management presents a strategic opportunity to enhance resource efficiency, promote circularity, and reduce environmental footprint. By focusing on waste reduction, recycling, and reuse, the Company can derive environmental and operational benefits while aligning with sustainability goals.	Disposal of waste through authorised vendors.	Negative and Positive
4	Water Management	Risk and Opportunity	Water is a critical natural resource for manufacturing operations, and its efficient management is essential for business continuity, environmental stewardship, and community well-being. The Company recognizes water scarcity, regulatory pressure, and community expectations as key risks that require proactive mitigation. At the same time, adopting sustainable water practices offers opportunities to reduce operational costs, strengthen license to operate, and demonstrate leadership in responsible resource use. The Company is committed to enhancing water-use efficiency and ensuring equitable access to water for stakeholders in and around its operational areas.	To address water-related risks and promote sustainability, the Company has adopted a multi-pronged approach: - Zero Liquid Discharge (ZLD)-compliant systems have been implemented in four major manufacturing units, utilizing Rotary Evaporators and Solar Evaporators to significantly reduce liquid discharge. - Other facilities are equipped with Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) to ensure proper treatment of industrial and domestic wastewater. - Treated water is reused for non-potable applications such as gardening, thereby reducing the Company's dependence on freshwater sources. - The Company continuously evaluates new technologies and practices to improve water recycling and conservation.	Negative and Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Health & Safety	Risk & Opportunity	Health and safety management is a fundamental aspect of responsible business operations. Inadequate health and safety measures can lead to workplace incidents, legal liabilities, reputational damage, and loss of productivity making it a key risk area. On the other hand, robust health and safety practices enhance employee morale, retention, and operational efficiency, thereby presenting an opportunity to strengthen organizational resilience and stakeholder trust. The Company is fully committed to the continuous improvement of its health and safety practices, guided by its Safety, Health, and Environment (SHE) policy. This commitment applies across all business locations and extends to employees, contract workers, and other stakeholders.	- A structured health and safety management system is in place to ensure compliance with relevant laws and internal standards. - Regular training programmes, mock drills, and audits are carried out to promote awareness and preparedness. - Safety monitoring and incident tracking systems are deployed to ensure timely interventions. - Employee participation and feedback are actively encouraged in shaping safety initiatives.	Negative and Positive
6	Women Empowerment & Employee Engagement	Opportunity	A motivated, engaged, and inclusive workforce is essential for driving innovation, productivity, and sustainable business performance. The Company recognizes the importance of employee engagement and is committed to fostering a workplace culture that supports continuous learning, collaboration, and well-being. In addition, the Company is actively working toward enhancing gender diversity and empowering women through targeted initiatives, inclusive policies, and focused hiring efforts. These actions not only contribute to social equity but also strengthen the Company's positioning as a responsible and progressive employer.	Not Applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Community Engagement	Opportunity	Effective community engagement is a cornerstone of sustainable business practices and social license to operate. The Company recognizes its responsibility to contribute positively to the social and economic development of communities in and around its operational areas. Engaging proactively with local communities helps identify their needs, fosters mutual trust, and creates shared value. Through sustained dialogue and collaboration, the Company aims to support community well-being, enhance livelihoods, and promote inclusive growth. This engagement also helps mitigate potential social risks and strengthens long-term stakeholder relationships.	Not Applicable	Positive
8	Responsible Supply Chain Management	Risk & Opportunity	The Company acknowledges that its supply chain plays a critical role in its overall sustainability performance and reputation. Risks such as supply disruptions, non-compliance with labour and environmental standards, and unethical sourcing practices can adversely impact the Company's operations and stakeholder trust. Conversely, responsible supply chain management presents opportunities to enhance resilience, ensure compliance, drive innovation, and create shared value with suppliers. By fostering transparency, ethical sourcing, and sustainability across its supply chain, the Company aims to mitigate risks and leverage opportunities aligned with its values and regulatory requirements.	- Implementation of a robust supplier code of conduct that outlines expectations related to labour practices, human rights, environmental management, and business ethics. - Regular supplier audits and assessments to monitor compliance and identify areas for improvement. - Capacity-building initiatives to support suppliers in adopting sustainable practices. - Integration of sustainability criteria in supplier selection and performance evaluation processes.	Negative and Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Innovation	Risk	In a highly dynamic and technology-driven industry, there is a continuous need to innovate to stay competitive. The risk arises when existing or new solutions fail to keep pace with evolving market trends, customer expectations, regulatory requirements, or technological advancements. In such cases, companies may experience delays in product development, reduced competitiveness, or missed market opportunities. The Company recognizes that without sustained innovation, it may not be able to meet emerging demands, particularly in the areas of electric mobility, automation, sustainability, and smart manufacturing.	To address this risk, the Company has implemented the following measures: - Identification and nurturing of new focus areas through cross-functional collaboration and benchmarking global best practices. - Continuous upskilling of internal teams to foster a culture of innovation and adaptability.	Negative
10	Disaster Recovery	Risk	Natural disasters such as earthquakes, cyclones, floods, and epidemics pose significant threats to business continuity, employee safety, and operational efficiency. These events can cause unforeseen disruptions in production, supply chain, logistics, and resource availability, leading to financial and reputational losses. Given the Company's geographically spread manufacturing operations, disaster recovery and preparedness are critical to minimize impact and ensure quick restoration of normal operations.	- The Company has established a comprehensive Business Continuity Plan that outlines protocols for disaster preparedness, emergency response, and recovery. - Adequate insurance coverage is maintained to safeguard against material and financial losses arising from such events. - Periodic drills and training are conducted to ensure employee readiness and operational resilience. - Critical infrastructure and IT systems are backed by redundancy measures and secure data recovery processes.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Human Rights	Risk & Opportunity	Upholding human rights is a fundamental aspect of ethical and responsible business conduct. Risks such as discrimination, forced labor, unsafe working conditions, or violation of individual rights can lead to regulatory penalties, reputational damage, and stakeholder distrust. On the other hand, respecting and promoting human rights presents an opportunity to strengthen employee relations, supply chain accountability, and stakeholder confidence. The Company recognizes its responsibility to respect and protect the rights of all individuals impacted by its operations, including employees, contract workers, suppliers, and community members.	- Adoption and implementation of a Human Rights Policy aligned with international frameworks such as the UN Guiding Principles on Business and Human Rights. - Prohibition of child labor, forced labor, and discrimination across all operations and value chains. - Inclusion of human rights criteria in vendor onboarding and audits. - Grievance redressal mechanisms available to employees to report concerns confidentially and without fear of retaliation. - Training and awareness programs to embed human rights awareness across all levels of the organization.	Negative and Positive
12	Training & Education	Opportunity	A skilled and well-trained workforce is a strategic asset to the Company. Employees who are equipped with the right knowledge, tools, and competencies are more efficient, productive, and less prone to workplace injuries. Investment in training and development enhances employee satisfaction, retention, and performance. The Company provides a need-based and innovative range of training programs aimed at building both technical and behavioural capabilities across all levels. These initiatives are designed not only to meet current operational needs but also to support long-term career growth and adaptability in a rapidly evolving industry. Additionally, the Company focuses on recruiting and nurturing talent, and ensures continuous professional development and personal well-being throughout the employee lifecycle.	Not Applicable	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
13	Data Privacy	Risk	In today's digital environment, data privacy and protection of confidential information are critical to maintaining stakeholder trust and business integrity. The Company is exposed to risks such as leakage of sensitive data, intellectual property theft, unauthorized access, infringement, or misuse of proprietary information. These risks can lead to legal liabilities, regulatory non-compliance, reputational damage, and financial loss. Intellectual property disputes, particularly in a highly competitive and innovation-driven sector, further underline the importance of robust data governance mechanisms.	- Implementation of comprehensive data security policies and protocols across operations. - Regular information audits to monitor data access, storage, and transmission processes - Non-Disclosure Agreements (NDAs) are signed with external parties before exchanging any sensitive or proprietary information. - Appropriate indemnity clauses are embedded in contracts.	Negative
14	Regulatory Compliance	Risk	Operating in a highly regulated sector, the Company is subject to a wide range of environmental, legal, financial, labor, product safety, and industry-specific regulations at the local, national, and international levels. Non-compliance whether intentional or inadvertent can result in significant legal penalties, operational disruptions, reputational damage, and loss of stakeholder confidence. As regulations continue to evolve, particularly in areas such as emissions, safety standards, Environmental, Social, and Governance (ESG) disclosures, and trade policies, staying ahead of compliance requirements is both a critical risk factor and a key component of responsible governance.	- The Company has established appropriate systems and processes to ensure adherence to applicable laws, regulations, and standards across its operations. - Regular internal audits and reviews are conducted to ensure compliance across all functions and locations. - Engagement with legal experts and consultants to interpret complex regulatory frameworks and assess impact.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	The policies as per the Companies Act, 2013 and SEBI Regulations are approved by the Board and the rest of the policies are approved by the CSR Committee as designated by the Board.								
c. Web Link of the Policies, if available	The Policies of the Company are placed on the Company's website, which can be accessed at: https://sandhargroup.com/investors/corporate-governance . Additionally, the Company's intranet hosts a number of internal policies that are available to internal stakeholders only.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. The STL Supplier Code of Conduct, which applies to its upstream value chain partners, outlines ethical and business requirements including human rights, environmental sustainability, occupational health and safety, and fair working conditions. These principles are expected to be adhered to by all relevant value chain partners.								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IATF:16949: 2016 ISO 14001:2015 ISO 45001:2018 ISO 9001:2015 ISO 27001:2022								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has set a goal to become Carbon Neutral by 2050.								

6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	STL is committed to undertake all the environmentally viable initiatives to reduce cost, increase productivity and enhance quality of the products manufactured by it. Together with taking other initiatives, the Company's endeavor is to achieve Carbon Neutrality by 2050 as a long-term environmental goal. As against the previous year's commitments, during the reporting year Financial Year 2025–26, significant progress has been made toward this commitment through the following measures: Increased use of renewable energy: The Company recorded renewable energy consumption of 12,713.37 GJ, marking a 15 % increase compared to the previous year (10,808.40 GJ), thereby demonstrating an accelerating transition toward green energy sources. Total energy efficiency: There has been a notable improvement in energy intensity per rupee of turnover, which reduced from 0.000009 in Financial Year 2024–25 to 0.000007 in Financial Year 2025–26. This reflects enhanced energy efficiency across operations. Water management: The Company has adopted sustainable water practices, including implementation of ZLD compliant systems in two key units, along with widespread reuse of treated water for non-potable purposes such as gardening. These steps have helped reduce freshwater dependency and liquid discharge volumes. Waste Management: STL ensured safe disposal of hazardous and other operational waste through authorized vendors. Recycled input materials such as aluminum alloy (12%) have been integrated into manufacturing processes. These achievements are in alignment with the Company's broader ESG vision. While the Company is already on its path to meet its previously undertaken initiatives or targets, the Company is further committed for continued efforts to further enhance transparency through stronger data management systems, monitoring ESG commitments and performance assessments. These efforts will support better tracking of progress against long-term sustainability goals and help refine intermediate milestones over time.

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	We are pleased to present our Business Responsibility and Sustainability Report for the financial year 2025–26. At STL, we view sustainability not just as a compliance requirement but as a strategic priority embedded in our values and operations. Our commitment to ESG principles continues to shape the way we create long-term value for all stakeholders. During the reporting year, we made meaningful progress across key areas: We achieved a 15% increase in renewable energy consumption, advancing our transition toward cleaner energy sources. Our ZLD systems, now operational at two major units, have significantly enhanced our water conservation efforts. We strengthened waste management practices, including the use of recycled input materials like aluminium alloy and ensured safe disposal through authorized channels. We ensured 100% insurance coverage for our employees and workers and conducted regular training programs on safety, ethics, and human rights. We deepened stakeholder engagement through robust grievance mechanisms, community initiatives, and capacity-building efforts within our value chain. While these are encouraging steps, we acknowledge that several ESG-related challenges persist. These include the need for better integration of ESG data systems, improved monitoring of performance indicators across the supply chain, and further clarity on interim milestones for our long-term goal of carbon neutrality by 2050. Looking forward, we remain focused on continuously improving our sustainability performance, strengthening accountability, and aligning with evolving national and global ESG standards. We understand that responsible business conduct is a dynamic and ongoing journey one we are committed to pursuing with integrity, purpose, and collaboration.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Sandhar Leadership Team (SLT) is responsible for implementation of Business Responsibility policy (ies). Shri Jayant Davar (DIN 00100801), Executive Chairman (Executive Director) and Chief Executive Officer is responsible for oversight of the Business Responsibility policy (ies).

9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.

Yes, the Sandhar Leadership (SLT) is responsible for decision making on sustainability related issues, which comprises of the following members:

Name	Designation
Shri Niraj Hans	Chief Information Officer
Shri Gurvinder Jeet Singh	Whole-time Director and Head Corporate Strategy
Shri Ajay Kumar Raghav	Chief Operating Officer – Casting Machining & Tooling Business
Rashmi Mohan Srivastava	Deputy Chief Operating Officer
Smt. Shirin Sachdeva	Chief of Staff
Shri Ankush Passi	Chief Operating Officer–Sheet Metal & Allied Business
Shri Vikas Puri	Chief Operating Officer–Automotive Business

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director /Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	P 1 P 2 P 3 P 4 P 5 P 6 P 7 P 8 P 9	P 1 P 2 P 3 P 4 P 5 P 6 P 7 P 8 P 9
Performance against above policies and follow up action	Review is being taken by the SLT	Annual basis.
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Nil	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.		P 1 P 2 P 3 P 4 P 5 P 6 P 7 P 8 P 9 No. The Company currently conducts internal assessments of the working of its policies. However, it is evaluating the possibility of engaging an external agency for independent assessments in the future.

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicator

1. Percentage coverage by training and awareness programs on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	3	Familiarisation Programme for the Board of Directors of the Company are being organised on regular basis on various topics about the business segments, operations of the Company, regulatory requirements and other matters.	77.77%
Key Managerial Personnel	3	Training on various topics about the business segments, operations of the Company, regulatory requirements and other matters.	100%
Employees other than BoDs and KMPs	38	Session on Employee Code of Conduct, POSH, Anti Bribery, Whistle Blower	96%
Workers	41	Session on Employee Code of Conduct, POSH, Anti Bribery, Whistle Blower	93%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	-	-	-	-	No
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the Case		Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-		-
Punishment	-	-	-		-

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has an Anti-Bribery Policy, which is accessible on the Company's Intranet. STL is committed to upholding the highest standards of ethical conduct and integrity in all its business activities. Every employee, as well as any individual acting on behalf of STL, is expected to conduct business in an honest, transparent, and professional manner.

STL maintains a strict zero-tolerance stance towards bribery and corruption. The Company does not permit any form of bribery by or of its employees, or by any individual or organization acting on its behalf. The Board of Directors and senior management are fully committed to the implementation and enforcement of effective systems and controls designed to prevent, detect, and address any instances of bribery or unethical conduct.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2025-26 (Current Financial Year)	FY 2024-2025 (Previous Financial Year)
Director's	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable, as there were no cases of corruption and conflicts of interest which were reported during the year.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payable	51	49

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format.

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0.41%	2.04%
	b. Number of trading houses where purchases are made from	2	7
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	100%	100%
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	3.5%	0.08%
	b. Number of dealers / distributors to whom sales are made	342	13
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	66.05%	97.93%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	10.81%	2.87%
	b. Sales (Sales to related parties / Total Sales)	3.67%	3.06%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	47.33%	54.28%
	d. Investments (Investments in related parties / Total Investments made)	26.99%	18.31%

Leadership Indicator

1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes

1	Awareness Session on 9 principles of NGRBC, and 5 Ps of Sustainable Development awareness session given to Value Chain Partners for HR Dept.	77% of value chain partners, comprising manpower services, security services, housekeeping and canteen providers, were covered under the awareness programmes during the financial year. Note: The percentage has been calculated based on the number of value chain partners for these categories.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has processes in place to avoid/manage conflict of interests involving members of the Board. The Company has a detailed 'Code of Conduct for its Directors and Senior Management', which includes instructions and a reporting process for instances that can lead to a potential conflict of interest. The Policy is available on the website: https://sandhargroup.com/uploads/Investor/policy-on-code-of-conduct-for-bod-senior-mgt_new.pdf

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	0.26%	0.34%	During the reporting period, the Company undertook several capital investments aimed at improving both environmental performance and social safety outcomes. These initiatives reflect our continued commitment to sustainable operations and responsible resource management. Key improvements include: • STP and ETP Upgradation: Upgrading these systems has enhanced the efficiency of wastewater treatment, ensuring compliance with environmental discharge norms and reducing water pollution risks. • Reverse Osmosis Plant (Capacity: 2000 LPH): Installation of this RO plant has improved water purification capacity, supporting safe and sustainable water use within the facility and reducing reliance on external water sources. • Retrofit Emission Control Devices St for Diesel Generators: The installation of Retrofit Emission Control Devices on diesel generators has significantly reduced particulate emissions, supporting cleaner air and alignment with regulatory air quality standards. • Harris-Reg 653Z014 (Lockable) Gas Saver – 32 LPM: This device enhances gas usage efficiency and safety during welding operations, reducing wastage and minimizing potential risks associated with gas handling. • Modular ABC-10kgs Automatic Fire Extinguisher: These automatic fire suppression units have been installed to improve workplace fire safety, ensuring quicker response to fire hazards and reducing risk to personnel and assets. These measures have contributed positively to our environmental footprint through better resource efficiency and emission control, while also enhancing the health and safety of our workforce and the communities in which we operate.

Note: For the purpose of this disclosure, total capital expenditure (capex) investments made by the entity include both tangible and intangible assets.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, the Company has procedures in place for sustainable sourcing, wherein, the Company assesses the sustainability parameters of its vendors at the time of their onboarding.

- b. If yes, what percentage of inputs were sourced sustainably?

100% of inputs were sourced sustainably as assessed at the time of onboarding of suppliers.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

As a manufacturer of automotive components supplied directly to OEMs, the Company has limited scope for product reclamation at end-of-life. However, the Company ensures safe handling, recycling, and disposal of plastics (including packaging), e-waste, hazardous waste, and other operational waste through authorized recyclers and agencies in compliance with applicable environmental regulations. Reusable packaging materials such as crates are also used to promote resource efficiency and waste reduction.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, EPR is not applicable to the Company's activities. However, we ensure that all waste generated from our operations is managed through Government-approved vendors in compliance with applicable waste management regulations.

Leadership Indicator

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format:

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.

The Company has not yet conducted the Life Cycle Perspective / Assessments for any of its products. However, the Company is planning to carry out such assessments in the coming years.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk/concern	Action Taken

Not Applicable as currently, the Company is not conducting any Life Cycle Assessment for any of its products.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material*	Recycled or re-used input material to total material	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Allum Alloy	12%	40%

*Excludes packaging material

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable, as the Company supplies its products directly to the OEMs, therefore, there is limited scope for reclaiming it at the end of its life cycle.					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category

Not Applicable, as the Company supplies its products directly to the OEMs, therefore, there is limited scope for reclaiming it at the end of its life cycle.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B)/ (A)	Number (C)	% (C)/ (A)	Number (D)	% (D)/ (A)	Number (E)	% (E)/ (A)	Number (F)	% (F)/ (A)
Permanent Employees											
Male	789	789	100%	789	100%	Not Applicable	Not Applicable	-	-	-	-
Female	56	56	100%	56	100%	56	100%	-	-	-	-
Total	845	845	100%	845	100%	56	100%*	-	-	-	-
Other than Permanent Employees											
Male	26	26	100%	26	100%	Not Applicable	Not Applicable	-	-	-	-
Female	13	13	100%	13	100%	13	100%	-	-	-	-
Total	39	39	100%	39	100%	13	100%*	-	-	-	-

* Employees covered under maternity benefits is disclosed as % of only female Employees and not total Employees.

For Health insurance 100% coverage. Employees are covered under either Group Medical Claim Policy or Personal Health Policy or ESIC.

- b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B)/ (A)	Number (C)	% (C)/ (A)	Number (D)	% (D)/ (A)	Number (E)	% (E)/ (A)	Number (F)	% (F)/ (A)
Permanent workers											
Male	385	385	100%	385	100%	Not Applicable	Not Applicable	-	-	-	-
Female	23	23	100%	23	100%	23	100%	-	-	-	-
Total	408	408	100%	408	100%	23	100%*	-	-	-	-
Other than Permanent workers											
Male	15	15	100%	15	100%	Not Applicable	Not Applicable	-	-	-	-
Female	-	-	0%	-	0%	-	0%	-	-	-	-
Total	15	15	100%	15	100%	-	0%	-	-	-	-

*Permanent Workers covered under maternity benefits is disclosed as % of only female workers and not total permanent workers.

For Health Insurance: 100% coverage. Workers are covered under either Group Medical Claim Policy or ESIC or Personal Health Insurance Policy.

- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company*	0.0220%	0.0163%

* Expenditure incurred on Health Checkups, Personal Accident Insurance and maternity benefits have been considered for the purpose of the aforesaid disclosure.

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2025–26 Current Financial Year			FY 2024–25 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity*	100%	100%	Yes	100%	100%	Yes
ESI**	100%	100%	Yes	100%	100%	Yes
Others-National Pension Scheme (NPS)***	3.91%	Not Applicable	Yes	3.58%	Not Applicable	Yes

*Employees who have successfully completed 5 years of tenure are entitled for Gratuity benefits.

** Applicable to employees as per the threshold limit prescribed under the Employees State Insurance Act, 1948.

***Pertains to contribution made by employers for employees who have opted for the same.

The previous year's figures have been revised or regrouped wherever necessary

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The premises / offices of the entity are largely accessible to differently abled employees and workers, barring some of the locations, where it is practically not possible. However, the Company is planning to improvise the current system in place.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, the Company has an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016, which is available on the Company's Intranet.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male*	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Female	100%	100%	0%	0%
Total	0%	0%	0%	0%

* For male employees and workers, the return-to-work and retention rates are not applicable, as the Company does not have a Paternity Leave Policy.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, STL has a formal Grievance Redressal Committee and an established Grievance Redressal Policy to address concerns raised by employees and workers, including permanent, temporary, and contractual staff.
Other than Permanent Workers	
Permanent Employees	Employees, and worker groups may raise their grievances to the Committee through a structured and confidential process, in line with the provisions of the Policy.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2025-2026 (Current Financial Year)			FY 2024-2025 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	845	-	0%	1144	-	0%
Male	789	-	0%	1,082	-	0%
Female	56	-	0%	62	-	0%
Total Permanent Workers	408	206	50%	501	112	42%
Male	385	203	53%	475	209	44%
Female	23	3	13%	26	3	12%

8. Details of training given to employees and workers:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	815	735	90%	578	71%	1,120	1,052	94%	797	71%
Female	69	55	80%	44	64%	68	57	84%	51	75%
Total Employees	884	790	89%	622	70%	1,188	1,109	93%	848	71%
Workers										
Male	400	390	98%	341	85%	534	497	93%	451	84%
Female	23	20	87%	21	91%	26	24	92%	23	88%
Total Workers	423	410	97%	362	86%	560	521	93%	474	85%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. (B)	% (B)/(A)	Total (C)	No. (D)	%(D)/ (C)
Employees						
Male	815	595	73%	1,120	1,091	97%
Female	69	39	57%	68	64	94%
Total	884	634	72%	1,188	1,155	97%
Workers						
Male	400	368	92%	534	510	96%
Female	23	20	87%	26	24	92%
Total	423	388	92%	560	534	95%

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, an Occupational Health and Safety Management System has been implemented across 15 out of 16 manufacturing plants of the Company, in accordance with the ISO 45001 standard. The implementation at the remaining unit (SKC Unit) is currently underway and is expected to be completed shortly. The system ensures proactive identification, assessment, and mitigation of occupational health and safety risks across the covered facilities.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

STL follows a well-defined Hazard Identification and Risk Assessment (HIRA) process in alignment with EHS standards and ISO 45001:2018. This process is used to routinely and systematically identify occupational health and safety hazards, as well as assess associated risks for both employees and workers.

HIRA involves the evaluation of both routine and non-routine activities through manual monitoring, as well as internal and external audits. It characterizes risks based on their likelihood, frequency, and severity, and assesses potential adverse outcomes, such as injuries or operational losses.

The insights from HIRA serve as a factual basis for implementing targeted risk mitigation measures and shaping the Company's overall workplace safety strategy, ensuring continuous improvement in health and safety performance.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company have defined processes in place at unit level for workers to report work-related hazards and to remove themselves from such risks, in accordance with the nature of operations.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all employees and workers of the entity have access to non-occupational medical and healthcare services.

Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	-	-
Total recordable work-related injuries	Employees	-	-
	Workers	-	-
No. of fatalities	Employees	-	-
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*Including in the contract workforce

11. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Sandhar Technologies Limited (STL) is committed to providing a safe and healthy working environment for all its employees and workers. The Company has implemented several proactive measures to promote workplace safety and well-being, including:

- Regular safety training programs for employees and workers
- Periodic fire mock drills
- First-aid training sessions
- Health and safety awareness sessions of 10-minutes conducted on a regular basis during tea breaks
- Reporting and analysis of safety near-miss incidents
- Implementation of Poka-Yoke (error-proofing solutions to prevent future incidents)
- Conducting Root Cause Analysis (RCA) for incidents
- Continuous improvement initiatives through Quality Circles (QC) and Kaizen
- Annual observance of Safety Week to strengthen safety culture

12. Number of Complaints on the following made by employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

13. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety practices	37% of plants were assessed by statutory authorities and third parties.
Working Conditions	37% of plants were assessed by statutory authorities and third parties.

14. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable, as there were no significant risks/concerns which have arisen from assessments of health and safety practices and working conditions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company extends life insurance and compensatory package in the event of an accidental death of employees and workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company takes due care to ensure that the statutory dues applicable are deducted and deposited by the value chain partners. The Company's Supplier Code of Conduct outlines the specifics. To support business responsibility principles and ideals of transparency and accountability, all supply chain partners are required to adhere to it in every way. Some of the measures undertaken by the Company to ensure that statutory dues have been deducted and deposited by these value chain partners includes:

- Periodic Review of Compliance Documents: Routine examination of relevant statutory forms and returns to ensure adherence to applicable tax and regulatory requirements.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees	-	-	-	-
Workers	-	-	-	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Company provides transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment on merits.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety practices	BOM suppliers accounting for 100% of the total procurement value were assessed through audits for their health and safety practices and working conditions.
Working conditions	Additionally, 100% of the value chain partners providing manpower services, security services, housekeeping and canteen services were assessed on health and safety practices and working conditions.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable, as there were no significant risks / concerns which have arisen from assessments of health and safety practices and working conditions of value chain partners.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Key Stakeholders are identified as all the individuals, organizations and institutions who are connected with the Company and have material influence on the Company or how they are materially influenced by the Company's corporate decisions and the results of those decisions.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors and Shareholders	No	- Emails - Analyst meets and conference calls - Annual General Meeting - Official communication channels such as Newspaper publications, website etc.; - Investor meeting	Quarterly	To inform about Company's current performance and future plans.
Board of Directors and KMPs	No	- Board Meetings - One-to-one meetings	Quarterly	Compliance of law Major decisions Day-to-day functioning
Employees and Workers	No	- Emails - Phone Calls - Conferences - Workshops - Training Sessions - Notice Boards - One-to-one interaction - Grievance Redressal Mechanism	Frequently	Day to day activities/ conduct of business.
Suppliers/ Vendors	No	- Email - Meetings - Supplier Portal	As and when required	- Price and Terms Negotiation: Discussion on pricing and payment terms - Delivery Coordination: Alignment on delivery schedules and timelines. - Quality Assurance: Ensuring compliance with product quality and specifications. - Contract Management: Monitoring and enforcement of contractual obligations

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually / Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	- Email; - SMS; - Website; - Meeting; - Phone Calls; - Feedback reports; - Surveys etc.	As and when required	Business discussion related to Quality, Cost, Delivery and Development Activities (QCCD)
Government and Regulatory Bodies	No	- Official communication channels - Regulatory Audits/ Inspections - Environmental Compliances - Statutory Corporate Filings - Good Governance	As and when required	Regulatory and legal requirements
Communities	Yes	Community Meetings and in person visit by project representatives	Half yearly	Promote activities to raise awareness on green, safe and sustainable living, education, empowering communities for economic progress and inclusive prosperity.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The consultation process between stakeholders and the Board on economic, environmental, and social topics begins with the identification and mapping of relevant stakeholders and ESG-related matters to appropriate business divisions.

Consultation is delegated to the Senior Leadership Team, which includes business heads and the Executive Chairman (Executive Director) and Chief Executive Office. The SLT engages regularly with key stakeholders such as investors, customers, suppliers, and employees and escalates significant inputs and concerns to the Board.

Additionally, the Company has constituted dedicated committees such as the Risk Management Committee, Stakeholder Relationship Committee, Grievance Redressal Committee and CSR Committee. These committees are responsible for reviewing and monitoring developments related to economic, environmental, and social topics, and they regularly update the Board and seek its guidance on strategic actions and responses.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the Company has maintained consistent and proactive contact with its key stakeholders, ensuring the identification and management of environmental and social needs of the community. Engaging with stakeholders aids in identifying community needs and promotes accountability, compliance, organizational learning, quality management, community support, and sustainability within both the community and the organization. Based on the identified needs, the Company implements policies and initiatives to reach out to various stakeholders.

Please find below instances of stakeholder feedback being incorporated into policies and activities:

A. Details of Instances of Stakeholder Feedback Incorporated into Policies and Activities:

- Access to Primary Healthcare Services

As per community requirements and recommendations by the village panchayat, a Community Healthcare Centre has been established at Begumpur Khatola, where a doctor provides OPD services and medicines to migrant workers and community members. Further, gynaecological services have been introduced based on the identified needs.

- Ensuring Nutrition for the Elderly

During the implementation of the 'Adopt a Gran' project, a need was identified to support the nutritional requirements of the elderly. As a result, monthly grocery distributions were initiated, benefiting 32 elderly community members. Additionally, regular health check-ups were conducted to ensure their overall well-being.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company is committed to supporting vulnerable and marginalized stakeholder groups through its various Corporate Social Responsibility (CSR) initiatives. The Company continuously endeavours to identify and address the concerns of such groups and undertakes need-based interventions aimed at enhancing their socio-economic well-being.

For more details on the Company's engagement and initiatives, please refer to Annexure C 'Annual Report on CSR Activities' for Financial Year 2025-26.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-2026 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	845	745	88%	1,144	965	84%
Other than permanent	39	37	95%	44	41	93%
Total Employees	884	782	88%	1,188	1,006	85%
Workers						
Permanent	408	395	97%	501	490	98%
Other than permanent	15	13	87%	59	56	95%
Total Workers	423	408	96%	560	546	98%

- Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	845	0	0%	845	100%	1,144	-	0%	1,144	100%
Male	789	0	0%	789	100%	1,082	-	0%	1,082	100%
Female	56	0	0%	56	100%	62	-	0%	62	100%
Other than permanent	39	0	0%	39	100%	44	-	0%	44	100%
Male	26	0	0%	26	100%	38	-	0%	38	100%
Female	13	0	0%	13	100%	6	-	0%	6	100%
Workers										
Permanent	408	0	0%	408	100%	501	-	0%	501	100%
Male	385	0	0%	385	100%	475	-	0%	475	100%
Female	23	0	0%	23	100%	26	-	0%	26	100%
Other than permanent	15	0	0%	15	100%	59	-	0%	59	100%
Male	15	0	0%	15	100%	59	-	0%	59	100%
Female	0	0	0%	0	0%	-	-	0%	-	0%

- Details of remuneration/salary/wages, in the following format:

- Median remuneration / Wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in Rs.)	Number	Median remuneration/ salary/ wages of respective category (in Rs.)
Board of Directors (BoD)*	6	6,37,500	3	8,10,000
Key Managerial Personnel**	3	1,93,99,812	-	-
Employees other than BoD and KMP	812	10,14,566	69	8,42,602
Workers	400	4,10,003	23	2,69,559

*Includes Non-Executive Directors only (including Independent Directors) who are paid only sitting fee and commission. Hence the median is calculated considering the same. Non-Executive Directors who were paid only sitting fees and resigned

during the year have not been considered for the purpose of this disclosure.

** Executive Chairman (Executive Director) & Chief Executive Officer and Whole-time Director remuneration considered in calculation of median remuneration of KMP including commission and not in Board of Directors. (As per section 197(12) of the Companies Act, 2013).

- b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages*	5.84%	4.59%

*The aforesaid calculations have been provided on the basis of Cost to the Company which includes perquisites as well.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/ No)

Yes, the Company has a team of senior leaders responsible for addressing human rights impacts or issues caused or contributed to by the business. This team meets periodically to review and discuss such matters.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

To uphold honest and ethical business and employment practices, the Company considers respect for human rights as a core value. It is committed to providing a safe and inclusive work environment, regardless of an individual's ethnicity, gender, race, caste, religion, or other identity.

To support this commitment, the Company has established the following internal mechanisms to address grievances related to human rights issues:

- Code of Conduct for Employees
- POSH Policy
- Grievance Redressal Policy.

6. Number of Complaints on the following made by employees and workers:

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees/workers	0%	0%
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a comprehensive Grievance Redressal Policy and a Policy on Prevention of Sexual Harassment of Women at Workplace, both of which include specific provisions to protect complainants from any adverse consequences in cases of discrimination and harassment. These policies outline procedures to ensure that all concerns are handled with strict confidentiality and impartiality.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. The business agreements and contracts do include company's expectations to promote sustainability, fair competition

and respect for human rights.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	No such assessments were conducted during the Financial Year.
Forced/ Involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others- please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Not Applicable, as no grievances/complaints were received with respect to human rights during the reporting period.

2. Details of the scope and coverage of any Human rights due diligence conducted.

While the Company does not conduct direct human rights due diligence as a separate exercise, relevant aspects are indirectly addressed through the Human Rights Policy of Sandhar Technology Limited (STL) During the year, the internal audit process covered several areas related to human rights across STL plants in alignment with the policy.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The premises / offices of the entity are largely accessible to differently abled visitors, barring some of the locations, where it is practically not possible. However, the Company is planning to improvise the current system in place.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	All upstream value chain partners are required to acknowledge and comply with the Company's Supplier Code of Conduct, which explicitly prohibits sexual harassment, workplace discrimination, child labour, forced or involuntary labour, and ensures fair wage practices. 100% of the partners are assessed for compliance with these principles during the on boarding process. Periodic reviews and audits are also undertaken, as necessary, to monitor ongoing adherence.
Discrimination at workplace	
Child labour	
Forced/ Involuntary labour	
Wages	
Others- please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Based on the assessments referenced in Question 4 above, no significant risks or concerns were identified. As a result, no corrective actions are currently required or underway.

The organization remains committed to continuous monitoring of all relevant processes to ensure ongoing compliance and the early detection of any emerging risks.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From Renewable sources		
Total electricity consumption (A) (In Giga Joules)	12713.37	10,808.40
Total fuel consumption (B) (In Giga Joules)	-	-
Energy consumption through other sources (C) (In Giga Joules)	-	-
Total energy consumed from renewable sources (A+B+C)	12713.37	10,808.40
From Non-Renewable sources		
Total electricity consumption (D) (In Giga Joules)	113644.40	2,39,014.80
Total fuel consumption (E) (In Giga Joules)	47664.37	24,305.30
Energy consumption through other sources (F) (In Giga Joules)	-	-
Total energy consumed from non- renewable sources (D+E+F) (In Giga Joules)	161308.77	2,63,320.10
Total energy consumed (A+B+C+D+E+F) (In Giga Joules)	174022.14	2,74,128.50
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations)	0.000007	0.000009
Energy intensity per rupee of turnover adjusted for Purchasing power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP*)	0.000160	0.000194
Energy intensity in terms of physical output – Total energy consumption in Giga Joules/ production of finished goods in Metric Tonnes	1.17	1.73
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

* The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rates considered is 22.4 as per the 2025 update.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable, as the Company does not have any sites / facilities identified as DCs under the PAT Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	79524.48	1,24,769.81
(iii) Third party water	56192.46	1,24,682.86
(iv) Seawater/Desalinated water		-
(v) Others		-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	135716.94	2,49,452.67
Total volume of water consumption (in kilolitres)	67797.2	1,79,460.71
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000027	0.000006
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000062	0.000127
Water intensity in terms of physical output – Total water consumption in Kilolitres/ production of finished goods in Metric Tonnes	0.46	1.14
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Water discharge by destination and level of treatment (in kiloliters)		
(i) To surface Water	67919.74	69,991.96
No treatment	-	-
With treatment (please specify level of treatment)	As per State Pollution Control Board (SPCB)/Central Pollution Control Board (CPCB) Guidelines, wastewater generated is treated in STP.	As per SPCB / CPCB Guidelines, wastewater generated is treated in STP.
(ii) To Ground Water	-	-
No treatment	-	-
With treatment (please specify level of treatment)	-	-
(iii) To Seawater	-	-
No treatment	-	-
With treatment (please specify level of treatment)	-	-
(iv) Sent to third parties	-	-
No treatment	-	-
With treatment (please specify level of treatment)	-	-
(v) Others	-	-
No treatment	-	-
With treatment (please specify level of treatment)	-	-
Total water discharge (in kiloliters)	67919.74	69,991.96

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

While the Company does not currently hold formal ZLD certification, it recognizes the importance of responsible water management across its operations. The Company is committed to enhancing water-use efficiency and ensuring equitable access to water for all stakeholders within and around its operational areas.

The Company has implemented ZLD-compliant systems in four of its major units, which include the use of Rotary Evaporators and Solar Evaporators to minimize liquid discharge. In other units, ETPs and STPs have been installed to treat wastewater. The treated water is reused for gardening and other non-potable applications, thereby reducing freshwater dependency and promoting sustainable water practices.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
NOx	MT	0.02909	0.04321
Sox	MT	0.01329	0.02843
Particulate matter (PM)	MT	0.00013	0.00024
Persistent organic pollutants (POP)	MT	Not Applicable	Not Applicable
Volatile organic compounds (VOC)	MT	Not Applicable	Not Applicable
Hazardous air pollutants (HAP)	MT	Not Applicable	Not Applicable
Others-please specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2550.44	11,297.61
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	22413.20	45,430.58
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	0.0000010	0.000002
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		0.000023	0.00004
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emissions / production of finished goods in Metric Tonnes)		0.17	0.36
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the Company has implemented multiple initiatives aimed at reducing greenhouse gas emissions. These initiatives are part of the Company's broader commitment to sustainability and environmental responsibility. Key projects include:

- **Solar Power Integration**
Installation of solar energy systems across various operational units to harness renewable energy and reduce dependency on fossil fuel-based electricity.
- **Installation of Retrofit Emission Control Devices**
Deployment of Retrofit Emission Control Devices in diesel generator sets to reduce air emissions and improve the environmental performance of backup power systems.
- **Adoption of Variable Frequency Drives (VFD)**
Implementation of VFDs in air compressors, particularly in utility areas like wastewater treatment systems, to enhance energy efficiency and lower electricity consumption.
- **Installation of IE-3 Energy-Efficient Motors**
Replacement of conventional motors with IE-3 class energy-efficient motors to optimize energy use and contribute to indirect GHG reduction.
- **Installation of LED Lighting**
Transition to LED lighting across all units to reduce energy consumption associated with lighting infrastructure.

These initiatives collectively support the organization's efforts to mitigate climate change impacts by actively reducing GHG emissions through energy efficiency and cleaner energy sources.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	184.00	270.99
E-waste (B)	0.329	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	10
Battery waste (E)	-	0.05
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G) (ETP sludge, hydraulic oil, paint sludge)	269.70	367.48
Other Non-hazardous waste generated (H). Please specify, if any. (Waste paper, drum, board, wood, furniture etc.)	385.58	552.5
Total (A+B + C + D + E + F + G + H)	839.60	1,201.02
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000035	0.00000004
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000000077	0.00000009
Waste intensity in terms of physical output - Total waste generated in Metric Tonnes/ production of finished goods in Metric Tonnes	0.0056	0.0076
Waste intensity (optional) - the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	0	10
(iii) Other disposal operations	839.60	1,190.02
Total	839.60	1,200.02

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has adopted a structured waste management policy that emphasizes segregation at source and promotes a hierarchy of practices aligned with circular economy principles namely, Recover, Reduce, Reuse, and Recycle. The key waste management practices implemented across the Company's establishments include:

- Waste prevention
- Reusing waste where practicable
- Recycling of materials
- Responsible and compliant disposal

To support these practices, the Company continuously seeks to recover resources, minimize the use of natural inputs, and adopt low-impact, cost-effective solutions that drive both environmental and operational efficiencies.

With regard to hazardous waste, the Company ensures full compliance with applicable regulations issued by the SPCB and CPCB. All hazardous materials are handled, stored, transported, and disposed of through licensed agencies, with proper documentation maintained to track their movement and disposal.

For non-hazardous waste, the Company has implemented innovative, low-investment solutions aimed at minimizing environmental impact. For example, recycled cardboard boxes are now used as fillers in packaging to reduce dependence on wooden pallets. Additionally, initiatives such as the use of reusable pallets and ongoing recycling programs for paper and plastic are part of the Company's broader strategy to reduce waste generation and promote resource conservation.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any

Not Applicable, as the Company does not have any operations/offices in/around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant web link

No environmental impact assessment of projects was undertaken by the Company during the current Financial Year. Hence, this requirement is not applicable.

Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

13. Yes, the Company is compliant with all the applicable environmental laws/ regulations/ guidelines in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any

Not Applicable, since there is no non-compliance with the applicable environmental laws/ regulations / guidelines in India.

Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Gurugram, Bawal, Jaipur, Pathredi (Tijara), Bengaluru

(ii) Nature of operations: Manufacturing of auto components.

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	54613.32	83,990.96
(iii) Third party water	16135.14	40,584.86
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	70746.5	1,24,575.82
Total volume of water consumption (in kilolitres)	39097.32	86,781.28
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000016	0.000003
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	31,651.14	37,794.54
- No treatment	-	-
- With treatment – please specify level of treatment	As per SPCB/CPCB Guidelines, waste water generated is treated in STP.	As per SPCB/CPCB Guidelines, waste water generated is treated in STP.
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	31,651.14	37,794.54

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	The Company is currently not reporting Scope 3 emissions. A roadmap for the assessment and disclosure of Scope 3 emissions is being developed and is expected to be implemented in the near future.	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable, as the Company does not have any operations/offices in/around ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Solar Power Integration	Some part of the electricity comes from solar systems installed across various units, contributing to renewable energy use.	Reduction in carbon footprint by 2567.37 MT of CO ₂ e through solar energy utilization.
2.	Installation of Retrofit Emission Control Devices	The Company has Installed Retrofit Emission Control Devices in all the DG sets & also company is now purchasing DG sets which are following CPCB IV+ compliance standard, will help the company in reducing its air emissions and in improving the overall environmental impact.	Reduction in air pollution by 70%.
3.	Adoption of Variable Frequency Drives (VFD)	Adoption of VFD for air compressors to enhance energy efficiency and reduce power consumption in ETP/STP.	Saved 39540 KWH of energy consumption annually with a corresponding reduction of 32MT of CO ₂ e.
4.	Installation of ETP and Ultra filtration in STP	Installation of Effluent Treatment Plants (ETPs) and upgradation of Sewage Treatment Plants (STPs) to enhance water recycling and reuse, conserve freshwater resources, and minimize wastewater discharge.	Reduced freshwater usage.
5.	Installation of LED Lighting	The Company has installed LED lighting systems across all units to enhance energy efficiency, reduce electricity consumption, lower greenhouse gas emissions, and improve overall workplace illumination.	Saving in energy consumption.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, STL has a Business Continuity Policy, available on the Company's Intranet. The Policy aims to ensure that all business activities are maintained at normal or near-normal performance levels following any disruptive incident. It focuses on minimizing impacts on human life, environment, economic losses, and stakeholders.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No significant adverse environmental impacts have been identified within the Company's upstream value chain, based on periodic assessments of sourcing suppliers. As part of STL's commitment to environmental sustainability, all suppliers are required to acknowledge and comply with the Supplier Code of Conduct, which includes adherence to applicable environmental regulations. Furthermore, suppliers are encouraged to embed and promote these principles within their own supply chains. While no major impacts have been observed, STL continues to monitor supplier practices and is prepared to implement mitigation or adaptation measures as necessary.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

BOM suppliers accounting for 50% of the total procurement value were assessed through audits for their environmental impact.

8. How many Green Credits have been generated or procured:

- a. By the listed entity

No Green Credits have been generated or procured by the listed entity during the reporting period.

- b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners

According to SEBI's Circular issued on 28 March 2025, Green Credits has been identified as a new non-mandatory leadership indicator. STL is committed to incorporate this in Value Chain Partners disclosures from Financial Year 2026-27 onwards, in line with SEBI's guidelines.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

- a. Number of affiliations with trade and industry chambers/ associations: 5

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Automotive Component Manufacturers Association (ACMA)	National
3	Gurgaon Industrial Association (GIA)	State
4	Quality Circle Forum of India (QCFI)	National
5	National Safety Council (NSC)	National

1. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable, since the Company has not received any adverse order from any regulatory authorities on any issues relating to anti-competitive conduct.		

Leadership Indicators

- Details of public policy positions advocated by the entity:

S.No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available

The Company does not engage in influencing regulatory policy. However, the Company practices proactive advocacy not for securing certain benefits for industry, but for advocating certain best practices for the benefit of society at large. We believe in adopting best practices and using the common platforms like ACMA, CII and other business forums for the purpose.

We continuously engage with all our stakeholders including customers and investors. Our endeavour is always to seek their opinion and share our views as a means of two-way communication, including accepting the best of the industry practices to make our Company better place to work.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link

Not Applicable, as there were no projects that required SIA as per the law in the current Financial Year.

- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)

Not Applicable, as there were no projects requiring R&R.

Describe the mechanisms to receive and redress grievances of the community.

The Company has designated representatives who engage with the local communities at regular and need-based intervals. Feedback and suggestions received during these interactions are duly acknowledged and addressed in a timely and appropriate manner.

- Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025–26 Current Financial Year	FY 2024–25 Previous Financial Year
Directly sourced from MSMEs/ small producers	43%	51%
Directly from within India	96%	98%

- Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2025–26 Current Financial Year	FY 2024–25 Previous Financial Year
Rural	0.00%	0.00%
Semi-Urban	22.30%	15.88%
Urban	31.42%	50.12%
Metropolitan	46.28%	34.00%

Note: The aforesaid calculations have been provided on the basis of Cost to the Company which includes perquisites as well.

Leadership Indicators

5. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable, as there were no projects that required SIA based on applicable laws in the current Financial Year.	

6. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
The Company has not undertaken any CSR projects in designated aspirational districts as identified by government bodies during the current Financial Year.			

7. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, as of now, the Company does not have a preferential procurement policy, where it gives preference to purchase from suppliers comprising marginalized/vulnerable groups.

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable.

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable.

8. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

9. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

10. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Remedial Education	900	100%
2	Adopt a Gran	32	100%
3	Sandhar Ki Beti	24	100%
4	Prayaas for Animal Welfare	195	100%
5	Sandhar Healthcare Centre	12274	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company obtains customer assessment and feedback through specified platforms as per the Company's Policy on a regular basis to identify the areas of concern reported. In order to improve customer satisfaction, remedial measures are therefore devised and put into action. To access the overall business objectives, top management compiles, monitors and reviews the success of the actions at predetermined intervals.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Since, the Company operates in the B2B segment, supplying its products directly to OEMs, therefore the Company's products do not reach the end consumers directly, henceforth, these requirements are not directly applicable to the Company.
Safe and responsible usage	
Recycling and/or safe disposal	

- Number of consumer complaints in respect of the following:

	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	The Company has not received any consumer complaints with respect to data privacy, advertising, cyber-security, delivery of essential services, restrictive trade practices, unfair trade practices.	-	-
Advertising	-	-	-		-	-
Cyber-security	-	-	-		-	-
Delivery of essential services	-	-	-		-	-
Restrictive Trade Practices	-	-	-		-	-
Unfair Trade Practices	-	-	-		-	-
Other (Technical Complaints)	907	-	-	1,361	-	-

*The previous year's figures have been revised or regrouped wherever necessary.

- Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	-	Not Applicable
Forced recalls	-	

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has a Policy on Cyber Security and risks related to data privacy, which can be accessed at Company's Intranet.

- Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable, as neither any complaints with respect to advertising, delivery of essential services, cyber security and data privacy of customers, re-occurrence of instances of product recalls were received during the reporting period nor were any penalties paid to, or actions were taken by regulatory authorities on account of safety of products/services.

- Provide the following information relating to data breaches:

Number of instances of data breaches	No instances of data breaches were identified during the current Financial Year.
Percentage of data breaches involving personally identifiable information of customers	Not Applicable, as no instances of data breaches were identified during the current Financial Year.
Impact, if any, of the data breaches	Not Applicable, as no instances of data breaches were identified during the current Financial Year.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
2. Information on products and services of the Company can be accessed at the Company's website: <https://sandhargroup.com/products>.
3. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
4. As the Company primarily supplies its products directly to OEMs, who in turn assemble and market the final products to end-user customers, its direct role in informing or educating end-users about the safe and responsible usage of its products remains limited.
5. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
6. STL does not directly provide essential services. However, the Company remains committed to minimizing any potential disruptions that could affect its customers' operations. Regular and proactive communication channels are maintained with customers to ensure timely updates and necessary support, thereby helping to mitigate risks related to any potential disruptions.
7. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
8. Not Applicable, as STL supplies its products to OEMs, where their products are used as components or raw materials in the OEMs' finished goods.

The Company has not conducted any formal survey regarding consumer satisfaction relating to its major products, services, or significant locations of operation. However, STL maintains regular engagement with its customers through various feedback mechanisms and incorporates the inputs received to continuously improve its products and services.

Independent Auditor’s Report to the Members of Sandhar Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Sandhar Technologies Limited (the “Company”) which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in

the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

See Note 17 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company’s revenue is primarily derived from the sale of goods, comprising automotive components. Revenue from sale of goods is recognised at a point in time when performance obligation is satisfied and is based on the transfer of control to the customer as per terms of the contract with them which may vary for each customer. The Company and its external stakeholders focus on revenue as a key performance metric. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognised before the control has been transferred.	In view of the significance of the matter we applied the following audit procedures in this area, to obtain sufficient and appropriate audit evidence: a. We assessed the appropriateness of the Company’s accounting policies for revenue recognition by comparing with applicable accounting standard. b. We evaluated the design, implementation and operating effectiveness of Company’s internal controls including general IT controls and key IT application controls over recognition of revenue. c. Using statistical sampling basis, we tested the revenue transactions recorded during the year by verifying the underlying documents to assess whether revenue is recognised appropriately when control is transferred. d. We tested on a sample basis specific revenue transactions recorded before and after the financial year-end date to assess whether revenue is recognised in the correct financial period in which control is transferred. e. We scrutinized journal entries related to revenue recognised during the year and at year-end based upon specified risk-based criteria, to identify unusual or irregular items. f. We evaluated the appropriateness and adequacy of disclosures given in the standalone financial statements in accordance with applicable accounting standards.

Impairment assessment of investments in Subsidiaries and Joint Ventures

See Note 6A to standalone financial statements

The key audit matter

As at 31 March 2026, the Company has non-current investments in subsidiaries and joint ventures (collectively "the investments") aggregating to INR 36,546.44 lacs.

The investments are assessed for impairment periodically in accordance with the requirements of Ind AS 36 "Impairment of Assets". The impairment assessment involves significant judgements and estimates in assessing the recoverable value.

The recoverable value is considered to be Company's assessment of the value in use.

In view of the significance of these investments and involvement of judgements and estimates, We consider impairment assessment of these investments as a key audit matter.

How the matter was addressed in our audit

In view of the significance of the matter we applied the following audit procedures in this area, to obtain sufficient and appropriate audit evidence:

- a. We evaluated the design, implementation and operating effectiveness of key internal controls over impairment of investments.
 - b. We have assessed indicators of impairment in these investments based on consideration of external and internal factors affecting the value and performance of investments.
 - c. We obtained management's assessment of the recoverable amount for investments where impairment risk is identified and performed the following:
 - Assessed the method of determining value in use and key assumptions used therein through historical information, budgets/projections, and other relevant information.
 - Tested the key assumptions within the build-up and methodologies used by the Company.
 - Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions.
 - Involved our internal specialists to assist us in performing above mentioned procedures relating to testing of value in use calculation for specific investments.
 - d. We assessed the adequacy of disclosures made in the standalone financial statements, as required by relevant accounting standard.
-

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report(s) thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes

in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 01 April 2026, 08 April 2026 and 14 April 2026, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 31B to the standalone financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 46 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 46 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- f. 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.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Deepesh Sharma

Partner

Place: New Delhi

Date: 21 May 2026

Membership No.: 505725

ICAI UDIN:26505725ZZLFVM3049

As stated in Note 9 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Sandhar Technologies Limited for the year ended 31 March 2026

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

- (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.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in two years. In accordance with this programme, all property, plant

and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land: Plot no 44 - Sector-3, IMT Manesar, Gurgaon	317.77	Adeep Roloforms Limited	No	28.12.2005	Refer note 3C to the standalone financial statements.
Building: Plot no 44 Sector-3, IMT Manesar, Gurgaon	411.08	Adeep Roloforms Limited	No	28.12.2005	Refer note 3C to the standalone financial statements.

- (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 Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial

institutions are in agreement with the books of account of the Company.

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to employees, made investments, provided guarantees and granted loans to companies. The Company has not made any investments in or granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans and guarantees to entities as below as below:

Particulars	Guarantees (In Rs. lakhs)	Loans (In Rs. lakhs)
Aggregate amount during the year		
a) Subsidiaries and Joint Ventures*	22,510.09	1,150.00
b) Others (employees)	-	35.57
Balance outstanding as at balance sheet date		
a) Subsidiaries and Joint Ventures*	62,147.76	1,000.00
b) Others (employees)	-	38.34

*As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and guarantees provided during the year, and the terms and conditions of the grant of loans and guarantees provided 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 the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (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 given. Further, the Company has not given any advances in the nature of loans to any party 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 is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing 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 records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- (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) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(l) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
- 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, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Amount (Rs. in lakhs)*	Amount paid under dispute
Income Tax Act, 1961	Income Tax	AY 2015-16, AY 2016-17, AY 2018-2019 and AY 2020-21	Commissioner of Income tax (A)- LTU	5.38	-
Income Tax Act, 1961	Income Tax	AY 2017-18	Commissioner of Income tax (A)- LTU	12.92	-
Income Tax Act, 1961	Income Tax	AY 2023-24	Commissioner of Income Tax (Appeals)	35.47	-
Income Tax Act, 1961	Income Tax	AY 2022-23	Central Processing Centre, Income Tax	0.73	-
Goods and Service Tax, 2017	Goods and Services Tax	FY 2017-18	Commissioner Appeals (CGST), Bangalore	0.97	0.10
Goods and Service Tax, 2017	Goods and Services Tax	FY 2019-20	Additional/Joint Commissioner of State Taxes (Appeal), Tamil Nadu	57.48	3.02
Goods and Service Tax, 2017	Goods and Services Tax	FY 2019-20	Additional Commissioner of State Taxes (Appeal), Tamil Nadu	908.75	47.96

Name of the statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Amount (Rs. in lakhs)*	Amount paid under dispute
Goods and Service Tax, 2017	Goods and Services Tax	FY 2017-18 to 2019-20	Additional/Joint Commissioner of State Taxes (Appeal), Tamil Nadu	71.5	3.56
Goods and Service Tax, 2017	Goods and Services Tax	FY 2017-18	Commissioner of Central Tax (Appeals), Haryana	100.18	5.01
Goods and Service Tax, 2017	Goods and Services Tax	FY 2017-18	Commissioner of Central Tax (Appeals), Haryana	7.69	0.38
Goods and Service Tax, 2017	Goods and Services Tax	FY 2021-22	Deputy Commissioner of State Taxes (Appeal), Karnataka	55.42	3.18

*Amount as per demand orders including interest and penalties, wherever indicated in the demand orders.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing 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, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) 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 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 or joint venture. The Company does not have any associate as defined under the Act.
- (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 or joint ventures. The Company does not have any associate 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). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (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) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (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. Accordingly, clause 3(xviii) of the Order is not applicable.
- (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, 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) (a) 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 other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, unspent amount has been transferred to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act,

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Deepesh Sharma

Partner

Place: New Delhi

Date: 21 May 2026

Membership No.: 505725

ICAI UDIN: 26505725ZZLFVM3049

Annexure B to the Independent Auditor's Report on the standalone financial statements of Sandhar Technologies Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Sandhar Technologies Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Deepesh Sharma

Partner

Place: New Delhi

Date: 21 May 2026

Membership No.: 505725

ICAI UDIN: 26505725ZZLFVM3049

Standalone Balance Sheet as at 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particular	Note	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	46,989.75	61,889.87
Capital work-in-progress	3A	1,041.17	3,948.73
Investment property	3D	4,174.68	-
Right-of-use assets	4	5,238.96	4,827.21
Goodwill	5	552.35	552.35
Other intangible assets	5	1,412.88	2,014.75
Intangible assets under development	3B	1,416.99	358.87
Financial assets			
- Investments	6A	37,012.63	27,858.01
- Loans	6B	1,000.00	-
- Other financial assets	6F	1,968.64	1,685.37
Income tax assets (net)	8B	360.96	361.67
Deferred tax assets (net)	16	129.00	-
Other non-current assets	8A	483.23	426.65
Total non-current assets		101,781.24	103,923.48
Current assets			
Inventories	7	17,912.11	21,785.21
Financial assets			
- Trade receivables	6C	52,705.72	46,798.83
- Cash and cash equivalents	6D	1,489.30	3,061.53
- Other bank balances	6E	2.43	2.72
- Loans	6B	38.34	2,809.45
- Other financial assets	6F	13,248.06	542.84
Other current assets	8	3,094.71	3,529.53
		88,490.67	78,530.11
Assets held for sale	3E	939.66	3,369.88
Total current assets		89,430.33	81,899.99
Total assets		191,211.57	185,823.47
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	6,019.07	6,019.07
Other equity	10	125,129.40	108,636.24
Total equity		131,148.47	114,655.31
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	11	2,125.00	5,343.75
- Lease liabilities	13	3,103.46	1,960.79
- Other financial liabilities	13	1,107.44	1,719.85
Deferred tax liabilities (net)	16	-	48.00
Total non-current liabilities		6,335.90	9,072.39
Current liabilities			
Financial liabilities			
- Borrowings	11	12,218.71	20,129.84
- Lease liabilities	13	592.25	774.82

Standalone **Balance Sheet** as at 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particular	Note	As at 31 March 2026	As at 31 March 2025
- Trade payables	12		
● total outstanding dues of micro enterprises and small enterprises; and		10,813.48	9,731.71
● total outstanding dues of creditors other than micro enterprises and small enterprises		24,458.16	23,023.39
- Other financial liabilities	13	2,004.54	3,001.93
Other current liabilities	14	1,500.38	3,789.72
Provisions	15	724.65	1,532.08
Current tax liabilities	15	1,415.03	112.28
Total current liabilities		53,727.20	62,095.77
Total equity and liabilities		191,211.57	185,823.47

Material accounting policies

2

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number 101248W/W-100022

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

Deepesh Sharma
Partner
Membership No. 505725

Jayant Davar
Executive Chairman (Executive Director)
& Chief Executive Officer
DIN: 00100801

Yashpal Jain
Chief Financial Officer
& Company Secretary
M.No. A13981

Archana Kapoor
Director
DIN: 01204170

Sandeep Dinodia
Director
DIN: 00005395

Aabha Bakaya
Director
DIN: 05131734

Place: New Delhi
Date : 21 May 2026

Place: New Delhi
Date : 21 May 2026

Standalone Statement of Profit and Loss for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
REVENUE			
Revenue from operations	17	304,443.58	291,303.56
Other income	18	7,622.37	2,324.43
Total income (I)		312,065.95	293,627.99
EXPENSES			
Cost of materials consumed	19	207,002.76	196,280.14
Changes in inventories of finished goods and work-in-progress	20	2,685.28	(1,645.08)
Employee benefits expense	21	33,593.97	33,777.13
Finance costs	24	2,137.11	2,048.86
Depreciation and amortization expense	22	9,068.94	9,686.19
Other expenses	23	34,282.77	35,170.80
Total expenses (II)		288,770.83	275,318.04
Profit before exceptional item and tax (III = I - II)		23,295.12	18,309.95
Exceptional item	25	(178.01)	304.33
Profit before tax (IV)		23,117.11	18,614.28
Tax expense	28		
Current tax		5,614.23	4,877.86
Deferred tax		(408.55)	(226.29)
Total tax expense (V)		5,205.68	4,651.57
Profit for the year (VI = IV - V)		17,911.43	13,962.71
Other comprehensive income (VII)			
Items that will not be reclassified to profit or loss			
Re-measurement gain/ (loss) on defined benefit liabilities	26	919.95	(153.78)
Income tax relating to re-measurement gain/ (loss) on defined benefit liabilities		(231.55)	38.71
Other comprehensive income/(loss) for the year (net of tax)		688.40	(115.07)
Total comprehensive income for the year (VIII = VI + VII)		18,599.83	13,847.64
Earnings per equity share:			
(1) Basic-Par value of Rs. 10 per share	27	29.76	23.20
(2) Diluted-Par value of Rs. 10 per share		29.76	23.20

Material accounting policies

2

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number 101248W/W-100022

Deepesh Sharma
Partner
Membership No. 505725

Jayant Davar
Executive Chairman (Executive Director)
& Chief Executive Officer
DIN:00100801

Archana Capoor
Director
DIN: 01204170

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

Yashpal Jain
Chief Financial Officer
& Company Secretary
M.No. A13981

Sandeep Dinodia
Director
DIN: 00005395

Aabha Bakaya
Director
DIN: 05131734

Place: New Delhi
Date : 21 May 2026

Place: New Delhi
Date : 21 May 2026

Standalone Statement of **Changes in Equity** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

A. Equity share capital

Particulars	Note	Equity Shares	
		No. of shares	Amount
Balance as at 1 April 2024	9	60,190,708	6,019.07
Changes during the year		-	-
Balance as at 31 March 2025		60,190,708	6,019.07
Changes during the year		-	-
Balance as at 31 March 2026		60,190,708	6,019.07

B. Other equity

Particulars	Reserves and Surplus (1)			Items of other comprehensive income (2)	Total
	Retained earnings	Securities premium	Capital reserves	Remeasurement of defined benefit liabilities	
Balance as at 1 April 2024	66,308.66	27,859.67	2,653.66	(77.19)	96,744.80
Total Comprehensive income for the year ended 31 March 2025					
Profit for the year	13,962.71	-	-	-	13,962.71
Other comprehensive income (net of tax)	-	-	-	(115.07)	(115.07)
Transactions with shareholders, recorded directly in the equity					
Final dividend on equity shares	(1,956.20)	-	-	-	(1,956.20)
Balance as at 31 March 2025	78,315.17	27,859.67	2,653.66	(192.26)	108,636.24
Total Comprehensive income for the year ended 31 March 2026					
Profit for the year	17,911.43	-	-	-	17,911.43
Other comprehensive loss (net of tax)	-	-	-	688.40	688.40
Transactions with shareholders, recorded directly in the equity					
Final dividend on equity shares	(2,106.67)	-	-	-	(2,106.67)
Balance as at 31 March 2026	94,119.93	27,859.67	2,653.66	496.14	125,129.40

Notes:

1. Refer Note 10 for nature and purpose of other equity.

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number 101248W/W-100022

Deepesh Sharma
Partner
Membership No. 505725

Jayant Davar
Executive Chairman (Executive Director)
& Chief Executive Officer
DIN: 00100801

Archana Capoor
Director
DIN: 01204170

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

Yashpal Jain
Chief Financial Officer
& Company Secretary
M.No. A13981

Sandeep Dinodia
Director
DIN: 00005395

Aabha Bakaya
Director
DIN: 05131734

Place: New Delhi
Date : 21 May 2026

Place: New Delhi
Date : 21 May 2026

Standalone Statement of Cash Flows for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A Cash flows from operating activities		
1 Profit before tax	23,117.11	18,614.28
2 Adjustments for :		
Depreciation and amortization expense	9,068.94	9,686.19
Provision for doubtful debts and advances	63.87	16.23
Unrealised foreign exchange loss/ (gain)	31.05	(2.94)
Loss on sub-lease	50.97	-
Loss on termination of lease	89.11	-
Reversal of impairment on financial assets	-	(304.33)
Finance costs	2,137.11	2,048.86
Gain on disposal of assets classified as held for sale	(3,400.69)	-
Gain on account of business transfer	(1,911.99)	-
Profit on sale of property, plant and equipment	(111.42)	(628.00)
Rental income on investment property and property sub-leases	(665.27)	-
Interest income on security deposits measured at amortised cost	(55.63)	(91.52)
Gain on investments carried at fair value through profit or loss	(0.19)	(31.62)
Interest income	(176.61)	(643.54)
3 Operating profit before working capital changes (1+2)	28,236.36	28,663.61
4 Movements in working capital:		
Increase in trade receivables	(22,952.00)	(6,571.85)
Increase in inventories	(4,343.26)	(3,947.10)
(Increase)/ Decrease in long-term loans and advances	(1,409.88)	2,625.00
Increase in financial assets	(13,318.43)	(2,502.06)
Decrease/ (Increase) in other current assets	1,294.67	(1,225.38)
Increase/ (Decrease) in trade payables	12,451.62	(658.27)
Decrease in current provisions	(293.95)	(900.18)
(Decrease)/ Increase in other financial liabilities	(1,791.39)	3,124.23
(Decrease)/ Increase in other current liabilities	(1,033.30)	1,875.30
Total movement in working capital	(31,395.92)	(8,180.31)
5 Cash (used in)/ generated from operations (3+4)	(3,159.56)	20,483.30
6 Income tax paid (net)	4,310.78	4,687.02
7 Net cash (used in)/ generated from operating activities (5-6)	(7,470.34)	15,796.28
B Cash flows from investing activities		
Acquisition of property, plant and equipment, capital work in progress and other intangible assets	(10,089.69)	(14,010.50)
Proceeds from assets held for sale	6,100.00	-
Proceeds from sale of property, plant and equipment	1,087.69	922.79
Transaction on account of business transfer	29,268.00	-
Investment in equity shares of wholly owned subsidiaries	(7,214.64)	(3,600.00)
Purchase of non-current investment in other corporates	(271.91)	-
Proceeds from divestment in joint venture	1,777.68	-
Rental income	665.27	-
Changes in bank deposits	(117.19)	168.92
Interest received	160.71	754.96
Net cash generated from/ (used in) investing activities	21,365.92	(15,763.83)
C Cash flows from financing activities		
Repayment of long-term borrowings	(3,750.00)	(2,812.50)
(Repayment)/ proceeds from short-term borrowings (net)	(7,379.87)	10,588.24

Standalone Statement of **Cash Flows** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Payment of lease liabilities	(479.51)	(849.70)
Interest paid on lease liabilities	(307.84)	(247.62)
Dividend paid	(2,106.67)	(1,956.20)
Finance costs paid	(1,443.92)	(1,723.28)
Net cash (used in)/ generated from financing activities (C)	(15,467.81)	2,998.94
D Net (decrease)/ increase in cash and cash equivalents (A+B+C)	(1,572.23)	3,031.39
E - 1 Cash and cash equivalents as at the beginning of the year	3,061.53	30.14
E - 2 Cash and cash equivalents as at the end of the year	1,489.30	3,061.53
Cash and cash equivalents include		
Balances with banks:		
– In current accounts	1,478.38	3,049.23
– Cash on hand	10.92	12.30
Cash and cash equivalents at the end of the year	1,489.30	3,061.53
Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:		
Particulars	Non – current borrowings*	Current borrowings
Opening balance as at 1 April 2025	9,158.79	16,379.83
Cash flows during the year	(3,797.39)	(7,379.87)
Closing balance as at 31 March 2026	5,361.40	8,999.96

*Includes current maturities of non-current borrowings and interest accrued thereon, refer Note 11 & 13.

For lease liabilities, refer Note 34.

Notes:

- 1) The Standalone Statement of Cash Flows has been prepared in accordance with "Indirect Method" as set out on Indian Accounting Standard -7 "Statement of Cash Flows".
- 2) Refer Note 2 for material accounting policies.
- 3) The Company paid in cash Rs. 298.28 Lacs for the year ended 31 March 2026 and Rs. 243.35 Lacs for the year ended 31 March 2025 towards Corporate Social Responsibility (CSR) expenditure.

The accompanying notes are an integral part of these Standalone Financial Statements.

As per our report of even date attached

For BSR & Co. LLP

Chartered Accountants

ICAI Firm Registration number 101248W/W-100022

Deepesh Sharma

Partner

Membership No. 505725

Jayant Davar

Executive Chairman (Executive Director)

& Chief Executive Officer

DIN: 00100801

Archana Capoor

Director

DIN: 01204170

For and on behalf of the Board of Directors of

Sandhar Technologies Limited

Yashpal Jain

Chief Financial Officer

& Company Secretary

M.No. A13981

Sandeep Dinodia

Director

DIN: 00005395

Aabha Bakaya

Director

DIN: 05131734

Place: New Delhi

Date : 21 May 2026

Place: New Delhi

Date : 21 May 2026

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

1. Corporate information

Sandhar Technologies Limited ("STL" or "the Company") is a public limited company domiciled in India. The Company was incorporated on 19 October 1987 in New Delhi, India and having its registered office at B-6/20 L.S.C. Safdarjung Enclave, New Delhi - 110029, India. It is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The Company is primarily engaged in the manufacturing and assembling of components for the automotive industry.

2. Basis of preparation

(i) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time notified under Section 133 of the Companies Act, 2013 ("Act").

The standalone financial statements were approved for issue by the Board of Directors of the Company on 21 May 2026.

(ii) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs, unless otherwise indicated.

(iii) Basis of measurement

These Standalone Financial Statements have been prepared on a historical cost basis, except for the following items which have been measured at fair value or revalued amount:

Items	Measurement basis
Certain financial assets and financial liabilities	Fair value
Net defined benefit plan (asset)/ liability	Fair value of plan assets less present value of defined benefit obligation

(iv) Use of judgements and estimates

In preparing these standalone financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following note:

- Note 34 - Judgement required to assess whether an arrangement contains a lease or to ascertain the lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 17 - revenue recognition
- Note 30 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 2.1 (a) - measurement of useful lives and residual values of property, plant and equipment and useful lives of intangible assets;
- Note 2 (v) - fair value measurement of financial instruments;
- Note 2.1 (i) - impairment of financial and non-financial assets;
- Note 31 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 5 and 6A - impairment assessment - key assumptions underlying recoverable amount
- Note 28 - recognition and estimation of tax expenses including deferred tax

(v) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

measurement date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 36 – Financial instruments.

(vi) **Current – non-current classification**

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

2.1 **Material accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these standalone financial statements.

a. **Property, plant and equipment**

(i) **Recognition and Measurement**

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost of an item of property, plant and equipment includes its purchase price, import duties and non-refundable purchase taxes, duties or levies, after deducting trade discounts and rebates, any other directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Capital work-in-progress is stated at cost, net of impairment loss, if any. Refer to note 2 (iv) regarding significant accounting judgements, estimates and assumptions.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognised.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is eliminated from the standalone financial statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognised in the Standalone Statement of Profit and Loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated.

Any gain or loss arising on de-recognition of property, plant and equipment are measured as the difference between the net disposal

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

proceeds and the carrying amount of the asset and are recognised in the Standalone Statement of Profit and Loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line method to allocate their cost, net of their estimated residual values, over the estimated useful lives and is recognised in the Standalone Statement of Profit and Loss. The identified components are depreciated over their useful life, the remaining asset is depreciated over the life of the principal asset. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Leasehold land is amortised on a straight line basis over the period of the lease which ranges between 89–99 years.

The Company has used the following useful life to provide depreciation which coincides with useful life indicated in Schedule II of the Act on its property, plant and equipment, except for temporary erection, Computers (Servers and networks) and Non – commercial vehicles.

Asset category	Useful lives estimated by the management (years)
Factory Buildings	30 years
Other Buildings	60 years
Carpeted RCC Roads	10 years
Tube wells	5 years
Plant and Machinery	7.5 – 15 years
Electrical Installations	10 years
Office Equipment	5 years
Racks and Bins	10 years
Furniture & Fixtures	10 years
Commercial Vehicles	8 years
Tools, Moulds and Dies	6 years

The management has estimated, supported by independent assessment by technical experts and professionals, the useful lives of the following classes of assets:

- The useful life of temporary erection is estimated at one year, which is lower than those indicated in Schedule II of the Act.
- Computers (Servers and networks) are depreciated over the estimated useful lives of three years, which is lower than those indicated in Schedule II of the Act.
- Non commercial vehicles are depreciated over the estimated useful lives of six years, which is lower than those indicated in Schedule II of the Act.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions/ (disposals) is provided on a pro-rata basis i.e. from/ (upto) the date on the which asset is ready for use (disposed of).

b. Intangible assets

(i) Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Standalone Statement of Profit and Loss in the period in which the expenditure is incurred.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Standalone Statement of Profit and Loss.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

(ii) **Subsequent expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Standalone Statement of Profit and Loss as incurred.

(iii) **Amortization**

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognised in the Standalone Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Technical know-how

Amounts paid towards technical know-how fees for specifically identified projects/products being development expenditure incurred towards product design is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortised over the period of expected future sales from the related product, i.e. the estimated period of 60 to 72 months on straight line basis based on past trends, commencing from the month of commencement of commercial production.

Software

Software purchased by the Company is amortised on a straight line basis i.e. non-standard (customized) software in four years and standard (non-customized) software in five years.

Goodwill

Goodwill is not amortised but is tested for impairment annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Standalone Statement of Profit and Loss when the asset is derecognised.

Amortization method, useful lives and residual lives are reviewed at the end of each financial year and adjusted, if appropriate.

c. Investment Property

(i) **Recognition and measurement**

Investment property includes land and buildings held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost, including related transaction costs.

Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Investment property is derecognised either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

(iii) **Depreciation**

The Company depreciates investment property over a period of 30 years on a straight-line basis, which is the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II to the Act.

(iv) **Reclassification from / to investment property**

Transfers to (or from) investment property are made only when there is a change in use. Transfers between investment property and owner-occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

d. Non-Current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held-for-sale classification are regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held-for-sale classification are regarded as met only when the asset is available for immediate sale in its present condition, subject to terms that are usual and customary for sales of such assets, its sale is highly probable, and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible assets are not depreciated, or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

e. Capital work-in-progress

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

f. Capital advances

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are classified as capital advances under "other non-current assets".

g. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases.

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses, and adjusted for any re-measurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made on or before the commencement date, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. Right-of-use assets are amortised on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer note 2.1 (i) for Impairment of non-financial assets.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

(ii) **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities and Right-of-use assets have been presented as a separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.

(iii) **Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognised the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

Company as a lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease

transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Company applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

h. Borrowing costs

Borrowing costs include interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs), amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

i. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

largely independent of the cash inflows of other assets or CGUs.

An asset's recoverable amount is the higher of an individual asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country(ies) in which the entity operates, or for the market in which the asset is used.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses, if any, are recognised in the Standalone Statement of Profit and Loss. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and

loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

In regard to assets for which impairment loss has been recognised in a prior period, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Standalone Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

j. Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as other income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

k. Inventories

Inventories, which include raw materials, components, stores, work in progress, finished goods and spares are valued at the lower of cost and net realizable value.

However, raw materials, components and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost or in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and components: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw material, components, stores and spares is determined on first in, first out basis.
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on first in, first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realizable value is made on an item-by-item basis.

Provision for obsolescence and slow-moving inventory is made based on management's best estimates of net realisable value of such inventories. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

l. Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition or an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Standalone Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or the Statement of Profit and Loss are also recognised in OCI or the Statement of Profit and Loss, respectively).

m. Revenue from contract with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

Sale of products

Revenue from sale of products is recognised when control of the products being sold is transferred to customers and there are no longer any unfulfilled obligations. The performance obligations in contract with customers are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on delivery terms. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of discount) allocated to that performance obligation. Revenue excludes taxes or duties collected on behalf of the government.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

The Company recognised revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation was transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The Company accounts for consideration payable to the customer as a reduction of the transaction price

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

and, therefore, revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Company.

The Company enters into arrangements with customers whereby certain materials are supplied by the customers for use in the manufacture of finished goods.

In accordance with Ind AS 115, Revenue from Contracts with Customers, the Company assesses whether control of such materials is transferred to the Company. Where it is determined that control of the customer-supplied materials does not pass to the Company, such materials are not recognised as inventory.

Amounts paid or payable to customers in respect of such materials are accounted for as consideration payable to a customer and recognised as a reduction of the transaction price in accordance with Ind AS 115. Accordingly, such amounts are presented as a deduction from revenue. Further, since the Company does not obtain control over these materials, the related costs are not recognised within purchases or consumption of materials.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there are billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specifications and requirements. The Company reviews modifications to contract in conjunction with the original contract, on the basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event the transaction price is revised for an existing obligation, a cumulative adjustment is accounted for.

Rendering of services

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Job work and development charges are recognised upon full completion of the job work and development services and when all the significant risks and rewards of ownership of the

goods have been passed to the buyer, on delivery of the goods and no significant uncertainty exists regarding the collection of the consideration.

n. Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in the Standalone Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items 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 correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the Balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

In the situations where the Company is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax asset is recognised in respect of timing differences which are reversed during the

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognised in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

Deferred tax assets are recognised on carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

o. Operating segments

Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is primarily engaged in the manufacturing and assembling of components for the automotive industry. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risks and returns; hence, the CODM reviews them as one balance sheet component.

p. Earnings per share (EPS)

Basic earnings / (loss) per share are calculated by dividing the profit or loss for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding at the end of the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

q. Provisions (Other than employee benefits)

General provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the expense relating to a provision is presented in the Standalone Statement of Profit and Loss net of any reimbursement. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provisions

Provision for warranty related costs is recognised when the product is sold and is based on historical experience. The provision is based on technical evaluation/ historical warranty data and after weighting all possible outcomes by their associated probabilities. The estimate of such warranty related costs is revised annually. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably.

r. Employee benefits

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions to the Regional

Provident Fund Commissioner towards provident fund and Employees' State Insurance scheme ('ESI'). Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Standalone Statement of Profit and Loss in the periods during which the related services are rendered by employees. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(iii) Defined benefit plans

The Company operates a defined benefit gratuity plan, which requires contributions to be made to Kotak Mahindra Old Mutual Life Insurance Limited, ICICI Prudential Life Insurance and LIC of India. There are no other obligations other than the contribution payable to the respective entities.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method, which recognises each year of service as giving rise to an additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

based on the market yields on government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Standalone Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

(iv) Other long term employee benefits

Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

As per the compensated absence encashment policy, the Company does not have an unconditional right to defer the compensated absence of employees, accordingly the entire compensated absence obligation as determined by an independent actuary has been classified as current liability as at the year end.

s. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Recognition and initial measurement

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- Amortised cost;
- Fair Value through Other Comprehensive Income ('FVOCI') - debt instrument;
- FVOCI - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. Company has recognised financial assets viz. security deposit, trade receivables, employee advances at amortised cost.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Standalone Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Standalone Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Standalone Statement of Profit and Loss.

Investments in joint ventures

Investments in joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in joint ventures, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment 'Principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

- contingent events that would change the amounts or timings of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, as a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investment at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investment at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

The Company uses derivative instruments such as foreign exchange forward contracts and currency swaps to hedge its foreign currency and interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit or loss.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Impairment of financial assets

The Company recognises loss allowances for expected credit losses on:

- Financial assets measured at amortised cost; and
- Financial assets measured at FVOCI – debt instruments.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt instruments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

For recognition of impairment loss on financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to the Standalone Statement of Profit and Loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when

the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for the recovery of amount due.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for the measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits and advances
- b. Trade receivables that result from transactions that are within the scope of Ind AS 115
- c. Financial guarantee contracts which are not measured at FVTPL.

The Company follows the 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Standalone Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Standalone Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/origination.

t. Expenditure

Expenses are accounted for on the accrual basis.

u. Exceptional items

Exceptional items refer to items of income or expense within the Standalone Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

v. Research and development

Expenditure on research activities is recognised in the Standalone Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

w. Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

x. Recent pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements. In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact from these amendments on its classification criteria for current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 - The amendment in Ind AS 7 requires entities to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its standalone financial statements.
3. Ind AS 12, International Tax Reform - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its standalone financial statements.

y. Standard issued but not yet effective

The Ministry of Corporate Affairs has notified an amendment to Ind AS 1 - Presentation of Financial Statements, effective for accounting periods beginning on or after 1 April 2026.

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date.

However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate payment.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Accounting Estimates and Errors.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

3. Property, plant and equipment

Particulars	Freehold Land	Buildings	Plant and Equipment	Office equipment	Vehicles	Furniture and Fixtures	Total
Gross carrying value as at 1 April 2024	12,009.11	21,254.00	66,533.81	2,048.32	509.85	1,087.95	103,443.04
Additions	20.56	3,135.16	9,199.26	452.78	351.84	108.47	13,268.07
Disposals	-	-	1,406.05	31.17	109.18	0.77	1,547.17
Reclassification to assets held for sale*	2,383.63	544.86	-	-	-	-	2,928.49
Balance as at 31 March 2025	9,646.04	23,844.30	74,327.02	2,469.93	752.51	1,195.65	112,235.45
Additions	10.50	1,526.40	7,847.49	364.20	248.16	176.10	10,172.85
Disposals	783.94	2,116.27	36,164.87	1,147.90	473.30	428.75	41,115.03
Reclassification to assets held for sale*	939.66	-	-	-	-	-	939.66
Reclassification to investment property	1,490.37	5,016.47	-	-	-	-	6,506.84
Balance as at 31 March 2026	6,442.57	18,237.96	46,009.64	1,686.23	527.37	943.00	73,846.77
Accumulated depreciation							
Balance as at 1 April 2024	-	6,319.99	34,956.32	1,521.14	264.48	672.17	43,734.10
Depreciation for the year	-	951.69	6,699.32	245.19	108.75	88.09	8,093.04
Accumulated depreciation on disposal	-	-	1,111.40	31.04	109.18	0.76	1,252.38
Reclassification to assets held for sale*	-	229.18	-	-	-	-	229.18
Balance as at 31 March 2025	-	7,042.50	40,544.24	1,735.29	264.05	759.50	50,345.58
Depreciation for the year	-	885.80	5,547.41	254.13	129.34	83.19	6,899.87
Accumulated depreciation on disposal	-	609.52	25,820.35	1,060.42	318.89	330.38	28,139.56
Reclassification to assets held for sale*	-	-	-	-	-	-	-
Reclassification to investment property	-	2,248.87	-	-	-	-	2,248.87
Balance as at 31 March 2026	-	5,069.91	20,271.30	929.00	74.50	512.31	26,857.02
Net carrying value							
As at 31 March 2026	6,442.57	13,168.05	25,738.34	757.23	452.87	430.69	46,989.75
As at 31 March 2025	9,646.04	16,801.80	33,782.78	734.64	488.46	436.16	61,889.87

*Refer note 3E

For details on property, plant and equipment mortgaged/ charged against borrowings, refer note 11

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

3A. Capital Work in Progress

Particulars	Amount
As at 1 April 2024	4,344.38
Additions	2,118.52
Transfer to Property, plant and equipment	(2,514.17)
As at 31 March 2025	3,948.73
Additions	1,026.92
Transfer to Property, plant and equipment	(3,256.12)
Deletion/adjustment during the year	(678.36)
As at 31 March 2026	1,041.17
Breakup of capital work in progress as at 31 March 2025 is as follows :	
Furniture and fixtures	18.04
Plant and Machinery	3,399.44
Office Equipment	33.92
Building	497.33
	3,948.73
Breakup of capital work in progress as at 31 March 2026 is as follows :	
Plant and Machinery	830.23
Office Equipment	96.30
Building	114.64
	1,041.17

The following table presents the ageing schedule for capital work in progress:

S.No	Particulars	Amount in CWIP for a period of				Total
	Ageing schedule as on 31 March 2026	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	1,036.66	4.51	-	-	1,041.17
2	Project temporarily suspended	-	-	-	-	

S.No	Particulars	Amount in CWIP for a period of				Total
	Ageing schedule as on 31 March 2025	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	3,837.52	109.30	1.91	-	3,948.73
2	Project temporarily suspended	-	-	-	-	

3B. Intangible assets under development

Particulars	Amount
As at 1 April 2024	1,182.99
Additions	16.87
Transfer to intangible assets	(840.99)
As at 31 March 2025	358.87
Additions	1,380.85
Transfer to intangible assets	(16.27)
Deletion/adjustment during the year	(306.46)
As at 31 March 2026	1,416.99

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

The following table presents the ageing schedule for Intangible assets under development:

S.No	Particulars Ageing schedule as on 31 March 2026	Amount in Intangible assets under development for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Projects in progress	1,413.39	3.60	-	-	1,416.99
2	Project temporarily suspended	-	-	-	-	-

S.No	Particulars Ageing schedule as on 31 March 2025	Amount in Intangible assets under development for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Projects in progress	342.00	16.87	-	-	358.87
2	Project temporarily suspended	-	-	-	-	-

There are no capital work-in-progress and intangible assets under development where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on 31 March 2026 and 31 March 2025.

3C. Title deeds of immovable properties not held in the name of the Company

S. No.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value 31 March 2026	Gross carrying value 31 March 2025	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of their relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in name of the Company
1	Property, plant and equipment - Freehold Land	Plot No. 44 Sector-3, IMT Manesar, Gurgaon	317.77	317.77	Adeep Rolo-forms Limited	No	28.12.2005	The Company has filed an application in the Haryana State Industrial and Infrastructure Development Corporation to change the name which is pending as on balance sheet date.
2	Property, plant and equipment - Building	Plot No. 44 Sector-3, IMT Manesar, Gurgaon	411.08	411.08	Adeep Rolo-forms Limited	No	28.12.2005	The Company has filed an application in the Haryana State Industrial and Infrastructure Development Corporation to change the name which is pending as on balance sheet date.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

3D. Investment property

Particulars	Land	Building	Total
As at 1 April 2025			-
Reclassification from Property, plant and equipment	1,490.37	2,763.05	4,253.42
Disposals	-	-	-
As at 31 March 2026	1,490.37	2,763.05	4,253.42
Accumulated depreciation			
As at 1 April 2025	-	-	-
Charge for the year	-	78.74	78.74
Elimination on disposals	-	-	-
As at 31 March 2026	-	78.74	78.74
Carrying amount			
As at 31 March 2026	1,490.37	2,684.31	4,174.68

Notes:

- Investment property with carrying amount of Rs. 4,174.68 lacs (31 March 2025: Rs. Nil) are subject to first charge to secure the Company's loans (Refer note 11).
- The fair value of investment properties as assessed by an independent valuer registered under the Companies (Registered Valuers and Valuation) Rules, 2017 using the market value approach is tabulated as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Land	44,736.56	-
Building	5,405.21	-

The fair value measurement for all of the investment property has been categorised as a level 3 fair value based on inputs to the valuation technique used.

iii) Information regarding income and expenditure of investment property	For the year ended 31 March 2026	For the year ended 31 March 2025
Rental and maintenance income derived from investment property	665.27	-
Profit arising from investment properties before depreciation and indirect expenses	665.27	-
Less: Depreciation	78.74	-
Profit arising from investment properties	586.53	-

- Estimation of fair value

Fair valuation of Investment Property is based on market approach. While applying market approach, consideration has been given to local enquiries and circle rates issued by relevant authorities

- Description of valuation techniques used and key inputs for valuation of Investment properties:

Land and Building	Valuation technique used
Plot No. 14, Sector-5, Phase-II, Growth Centre, Bawal (Haryana)	Market value
Plot No. 7A, KIADB Industrial Area, Attibele, Bangalore	
Plot No. 24 & 25, Sector-3, IMT Manesar, Gurugram	
Plot No. 12C & 13A, KIADB Industrial Area, Attibele, Bangalore	
SCB Property, Behrampur Road, Village Khandsa, Gurugram	

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

3E. Details of assets for sale

The following table presents the details of Assets held for sale:

Particulars	As at 31 March 2026	As at 31 March 2025
Assets of Haridwar land (refer Note 1 below)	939.66	-
Investment in joint venture (refer Note 2 below)	-	670.57
Assets of Peenya plant (refer Note 3 below)	-	2,699.31
Total	939.66	3,369.88

1. The Company has decided to dispose a parcel of land in Haridwar, and accordingly, the said land has been classified as a non-current asset held for sale in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations as at the reporting date.
2. During the year ended 31 March 2025, the Company entered into a Share Purchase Agreement, for the disinvestment of its entire 50% equity stake in its Joint Venture, Jinyoung Sandhar Mechatronics Private Limited. The sale was completed on 15 April 2025 at a consideration of Rs. 668.44 lacs and the carrying value of the investment was Rs. 670.57 lacs resulting in a loss of Rs. 2.13 lacs which has been recognised in the Standalone Statement of Profit and Loss.
3. During the year, the Company completed the sale of assets of Peenya plant, which had been classified as a non-current asset held for sale as at 31 March 2025. These assets had a carrying amount of Rs. 2,699.31 lacs at the time of classification. The assets were sold during the year for total proceeds of Rs. 6,100 lacs, resulting in a gain on disposal amounting to Rs. 3,400.69 lacs, which has been recognized under "Other income" in the statement of profit or loss.

4. Right-of-use assets*

Particulars	Plant and Machinery	Leasehold Land	Total
Gross carrying value			
Balance as at 1 April 2024	-	7,313.13	7,313.13
Additions	-	465.12	465.12
Disposals	-	339.13	339.13
Balance as at 31 March 2025	-	7,439.12	7,439.12
Additions	1,943.69	203.39	2,147.08
Disposals	836.67	962.05	1,798.72
Balance as at 31 March 2026	1,107.02	6,680.46	7,787.48
Accumulated amortization			
Balance as at 1 April 2024	-	1,814.48	1,814.48
Amortization charge for the year	-	946.31	946.31
Accumulated amortization on disposal	-	148.88	148.88
Balance as at 31 March 2025	-	2,611.91	2,611.91
Amortization charge for the year	103.25	835.50	938.75
Accumulated amortization on disposal	40.09	962.05	1,002.14
Balance as at 31 March 2026	63.16	2,485.36	2,548.52
Net carrying value			
As at 31 March 2026	1,043.86	4,195.10	5,238.96
As at 31 March 2025	-	4,827.21	4,827.21

* Refer Note 34

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

5. Intangible assets

Particulars	Computer software	Technical know-how	Total	Goodwill*
Gross carrying value	804.54	3,176.62	3,981.16	552.35
Balance as at 1 April 2024				
Additions	182.10	812.07	994.17	-
Disposals	0.22	-	0.22	-
Balance as at 31 March 2025	986.42	3,988.69	4,975.11	552.35
Additions	159.21	411.02	570.23	-
Disposals	188.21	-	188.21	-
Balance as at 31 March 2026	957.42	4,399.71	5,357.13	552.35
Accumulated amortization				
Balance as at 1 April 2024	587.04	1,712.69	2,299.73	-
Amortization for the year	102.20	558.64	660.84	-
Accumulated amortization on disposal	0.21	-	0.21	-
Balance as at 31 March 2025	689.03	2,271.33	2,960.36	-
Amortization for the year	99.17	1,054.74	1,153.91	-
Accumulated amortization on disposal	170.02	-	170.02	-
Balance as at 31 March 2026	618.18	3,326.07	3,944.25	-
Net carrying value				
As at 31 March 2026	339.24	1,073.64	1,412.88	552.35
As at 31 March 2025	297.39	1,717.36	2,014.75	552.35

* Impairment testing of goodwill

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Unit (CGU) which represents the lowest level at which the goodwill is monitored for internal management reporting purposes.

The recoverable amount of the cash generating unit was based on its value in use. The value in use of this unit was determined to be higher than the carrying amount and an analysis of the calculation's sensitivity towards changes in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carrying amount.

Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation was based on the following key assumptions:

- The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.
- The terminal growth rate ranges of 4% representing management view on the future long-term growth rate.
- A discount rate of 16% was applied in determining the recoverable amount of the CGU. The discount rate was estimated based on past experience and companies average weighted average cost of capital.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external sources.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

6. Financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
Investments		
A. Non-current investments		
Investments at cost		
Investments in equity instruments of subsidiaries		
Unquoted equity instruments		
12,406,154 (31 March 2025: 1,03,84,615) equity shares of Rs. 10/- each fully paid-up in Sandhar Ascast Private Limited	5,045.24	3,731.24
41,63,000 (31 March 2025: 32,48,000) equity shares of EUR. 1/- each fully paid-up in Sandhar Technologies Barcelona SL	3,028.64	2,029.00
1,27,50,000 (31 March 2025: 1,27,50,000) equity shares of Rs.10/- each fully paid-up in Sandhar Auto Castings Private Limited	1,275.00	1,275.00
145,510,000 (31 March 2025: 9,50,00,000) equity shares of Rs.10/- each fully paid-up in Sandhar Engineering Private Limited	15,764.00	9,500.00
3,09,96,000 (31 March 2025: 3,09,96,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Automotive Systems Private Limited	1,666.16	1,666.16
3,49,55,000 (31 March 2025: 2,08,35,000) equity shares of Rs.10/- each fully paid-up in Sandhar Auto Electric Solutions Private Limited	3,495.50	2,083.50
Investments in joint ventures		
Investment in equity shares (Unquoted)		
1,72,20,600 (31 March 2025: 1,72,20,600) equity shares of Rs. 10/- each fully paid-up in Sandhar Han Sung Technologies Private Limited	1,722.06	1,722.06
2,66,20,000 (31 March 2025: 2,66,20,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Amkin Industries Private Limited	2,662.00	2,662.00
97,84,500 (31 March 2025: 97,84,500) equity shares of Rs. 10/- each fully paid-up in Sandhar Whetron Electronics Private Limited	978.45	978.45
Nil (31 March 2025: 1,00,84,555) equity shares of Rs. 10/- each fully paid-up in Kwangsung Sandhar Technologies Private Limited	-	1,008.46
27,50,000 (31 March 2025: 27,50,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Han Shin Auto Technologies Private Limited	275.00	275.00
4,00,000 (31 March 2025: 4,00,000) equity shares of Rs. 100/- each fully paid-up in Winnercom Sandhar Technologies Private Limited	400.00	400.00
Nil (31 March 2025: 9,86,550) equity shares of Rs.10/- each fully paid-up in Kwangsung Sandhar Automotive Systems Private Limited	-	98.66
Investments in joint ventures		
Investments in Preference shares (Unquoted)		
23,43,837 (31 March 2025: 23,43,837) preference shares of Rs. 10/- each fully paid-up in Sandhar Han Sung Technologies Private Limited	234.38	234.38
Investments at fair value through profit and loss		
Non Trade investment (Unquoted)		
20,000 (31 March 2025: 20,000) shares of Rs. 10/- each fully paid-up in VNM Polymers Private Limited	194.29	194.10
10,10,069 shares of Rs. 10/- each fully paid-up in Clean Renewable Energy KK 1A Private Limited	271.91	-
Total investments	37,012.63	27,858.01
Aggregate value of unquoted investments	37,012.63	27,858.01

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
B. Loans		
Non – current		
Loans recoverable from related parties	1,000.00	-
Total loans	1,000.00	-
Current		
Loans recoverable from related parties	-	2,775.00
Loans to employees	38.34	34.45
Total loans	38.34	2,809.45
Break up of total loans		
(a) Secured, considered good;	-	-
(b) Unsecured, considered good; and	1,038.34	2,809.45
(c) Doubtful	-	-
	1,038.34	2,809.45

The Company has no loans or advances which are either repayable on demand or are without specified terms or a period of repayment.

Particulars	As at 31 March 2026	As at 31 March 2025
C. Trade receivables		
Current		
Trade receivables (unsecured and considered good, unless otherwise stated)**	51,401.64	46,428.11
Unbilled revenue	1,304.08	370.72
Total trade receivables	52,705.72	46,798.83
Break-up of trade receivables		
Unsecured, considered good	52,705.72	46,798.83
Trade receivables – credit impaired	118.75	316.04
	52,824.47	47,114.87
Less: Loss allowance	(118.75)	(316.04)
	52,705.72	46,798.83

Trade receivables ageing schedule as on 31 March 2026

Particulars	Outstanding for the following periods from due date of payments					Total
	Less than 6 months*	6 months – 1 year	1–2 years	2–3 years	More than 3 years	
i) Undisputed trade receivables- considered good	50,867.60	1,371.71	382.49	83.92	-	52,705.72
ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade receivables- credit impaired	54.88	23.54	40.33	-	-	118.75
iv) Disputed trade receivables- considered good	-	-	-	-	-	-
v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-
vii) Less: Loss allowance	(54.88)	(23.54)	(40.33)	-	-	(118.75)
Total	50,867.60	1,371.71	382.49	83.92	-	52,705.72

*Includes unbilled revenue of Rs 1,304.08 lacs and not due of Rs 37,127.82 lacs

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Trade receivables ageing schedule as on 31 March 2025

Particulars	Outstanding for the following periods from due date of payments					Total
	Less than 6 months*	6 months – 1 year	1–2 years	2–3 years	More than 3 years	
i) Undisputed trade receivables- considered good	46,007.08	517.84	256.48	17.43	-	46,798.83
ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade receivables- credit impaired	-	-	-	16.23	299.81	316.04
iv) Disputed trade receivables- considered good	-	-	-	-	-	-
v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-
vii) Less: Loss allowance	-	-	-	(16.23)	(299.81)	(316.04)
Total	46,007.08	517.84	256.48	17.43	-	46,798.83

*Includes unbilled revenue of Rs 370.72 lacs and not due of Rs 38,770.29 lacs

** For explanations on the Company's credit risk management processes, refer to Note -37

For dues receivables from related parties refer to Note -32

Particulars	As at 31 March 2026	As at 31 March 2025
D. Cash and cash equivalents		
Balances with banks:		
– In current accounts	1,478.38	3,049.23
Cash on hand	10.92	12.30
Total cash and cash equivalents	1,489.30	3,061.53
Particulars	As at 31 March 2026	As at 31 March 2025
E. Other bank balances		
Current		
In current account for equity dividend	2.43	2.72
Total other bank balances	2.43	2.72

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
F. Other financial assets		
Non – current		
Security deposits	1,412.17	1,553.21
Interest accrued but not due on fixed deposits	25.09	17.91
Bank deposit with original maturity of more than 12 months*	112.40	114.25
Net investment in sub-lease (refer note 34)	418.98	-
Total	1,968.64	1,685.37
*Deposits amounting to Rs. 108.5 lakhs (31 March 2025: 114.25) are held as margin money deposits with government authorities.		
Current		
Security deposits	314.82	419.73
Interest accrued but not due on fixed deposits	9.58	1.76
Bank deposit with original maturity for more than 12 months*	131.41	27.08
Other receivables (refer note 45)	12,149.32	94.27
Government grant recoverable	368.96	-
Net investment in sub-lease (refer note 34)	273.97	-
Total	13,248.06	542.84
Total financial assets (A+B+C+D+E+F)	107,465.12	82,758.75
Break up of financial assets carried at amortised cost		
Security deposits	1,726.99	1,972.94
Total financial assets carried at amortised cost	1,726.99	1,972.94

*These deposits are held as margin money deposits with government authorities.

7. Inventories

(Valued at lower of cost and net realizable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials {includes goods in transit of Rs. 860.48 lacs (31 March 2025: Rs. 766.45 lacs)}	13,906.42	14,999.37
Work in progress	457.90	969.43
Finished goods {includes goods in transit of Rs. 733.41 lacs (31 March 2025: Rs. 924.94 lacs)}	1,960.86	4,134.61
Stores and spares	1,611.93	1,706.80
	17,937.11	21,810.21
Provision for inventory obsolescence	(25.00)	(25.00)
Total inventories at the lower of cost and net realisable value	17,912.11	21,785.21

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

8. Other assets

Particulars	As at 31 March 2026	As at 31 March 2025
Non – current		
A. Capital advances		
(Unsecured and considered good, unless otherwise stated)		
Unsecured, considered good	483.23	426.65
Total capital advances	483.23	426.65
B. Income–tax asset		
Advance income–tax (net of provision for taxation) (refer Note 15)	360.96	361.67
	360.96	361.67
Total (A+B)	844.19	788.32
Current		
C. Other advances		
Unsecured, considered good.	591.22	1,876.11
	591.22	1,876.11
D. Prepaid expenses		
Prepaid expenses	1,084.36	980.49
	1,084.36	980.49
E. Balance with statutory / government authorities		
(Unsecured and considered good, unless otherwise stated)		
Unsecured, considered good	975.79	672.93
	975.79	672.93
Deposits with government authorities includes amounts paid under protest amounting to Rs. 80.70 Lacs (31 March 2025: 70.25 Lacs)		
F. Plan Asset		
Plan asset over defined benefit obligation	443.34	-
	443.34	-
Total (C+D+E+F)	3,094.71	3,529.53

9. Share capital

Particulars	As at 31 March 2026	As at 31 March 2025
A. Authorised share capital		
7,80,00,000 equity shares of Rs.10 each (31 March 2025: 6,80,00,000 equity shares of Rs.10 each)	7,800.00	6,800.00
2,00,000 preference shares of Rs.100 each (31 March 2025: 2,00,000 preference shares of Rs.100 each)	200.00	200.00
	8,000.00	7,000.00
B. Issued, subscribed and fully paid equity share capital		
Particulars	As at 31 March 2026	As at 31 March 2025
6,01,90,708 equity shares of Rs. 10 each fully paid up (31 March 2025: 6,01,90,708 equity shares of Rs. 10 each)	6,019.07	6,019.07
	6,019.07	6,019.07

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

C. Reconciliation of the equity share outstanding at beginning and at end of the year

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Rs. in Lacs	Number	Rs. in Lacs
Equity shares outstanding at the beginning of the year	60,190,708	6,019.07	60,190,708	6,019.07
Issued during the year	-	-	-	-
Outstanding at the end of the year	60,190,708	6,019.07	60,190,708	6,019.07

Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having par value of Rs.10 per share (31 March 2025: Rs.10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

The Board of Directors at its Meeting held on 22 May 2025, has recommended a final dividend @ 35% i.e. Rs. 3.50 per equity share, which has been approved by shareholders in Annual General Meeting held on 19 September 2025. The same has been paid.

The Board of Directors at its Meeting held on 21 May 2026, has recommended a final dividend @ 40% i.e. Rs. 4.00 per equity share. The dates of the book closure for the entitlement of such final dividend and Annual General Meeting shall be decided and informed in due course of time.

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

D. Details of shareholders holding more than 5% shares in the company

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	%	Number	%
Jayant Davar*	30,433,998	50.56%	33,056,928	54.92%

* 90,909 Equity Shares are held by Shri Jayant Davar in his Capacity as proprietor of Sandhar Enterprises

Details of shares held by promoters as at 31 March 2026

Particulars	No. of shares (1 April 2025)	Change during the year	No. of shares (31 March 2026)	% change during the year	% of shareholding
Jayant Davar	33,056,928	(2,622,930)	30,433,998	(7.93%)	50.56%
Monica Davar	2,622,930	(2,622,930)	-	(100.00%)	0.00%
Neel Jay Davar	1,555,995	-	1,555,995	0.00%	2.59%
Poonam Juneja	62,265	-	62,265	0.00%	0.10%
Sanjeevni Impex Private Limited	1,684,738	-	1,684,738	0.00%	2.80%
Ysg Estates Private Limited	1,662,032	-	1,662,032	0.00%	2.76%
Sandhar Infosystems Limited LLP	793,569	-	793,569	0.00%	1.32%
Jubin Finance And Investment Limited	573,508	-	573,508	0.00%	0.95%
Sandhar Estates Private Limited	350,280	-	350,280	0.00%	0.58%
Cream and Cookies Family Trust (Jayant Davar being Trustee and First Holder)	-	2,622,930	2,622,930	100.00%	4.36%
Hazelnut Family Trust (Jayant Davar being Trustee and First Holder)	-	2,622,930	2,622,930	100.00%	4.36%

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Details of shares held by promoters as at 31 March 2025

Particulars	No. of shares (1 April 2024)	Change during the year	No. of shares (31 March 2025)	% change during the year	% of shareholding
Jayant Davar	32,270,978	785,950	33,056,928	2.44%	54.92%
Monica Davar	2,622,930	-	2,622,930	0.00%	4.36%
Neel Jay Davar	1,555,995	-	1,555,995	0.00%	2.59%
Santosh Davar	785,950	(785,950)	-	(100.00%)	0.00%
Poonam Juneja	62,265	-	62,265	0.00%	0.10%
Sanjeevni Impex Private Limited	1,684,738	-	1,684,738	0.00%	2.80%
Ysg Estates Private Limited	1,662,032	-	1,662,032	0.00%	2.76%
Sandhar Infosystems Limited LLP	793,569	-	793,569	0.00%	1.32%
Jubin Finance And Investment Limited	573,508	-	573,508	0.00%	0.95%
Sandhar Estates Private Limited	350,280	-	350,280	0.00%	0.58%

10. Other equity

Particulars	As at 31 March 2026	As at 31 March 2025
Capital reserve		
At the beginning of the year	2,653.66	2,653.66
Add: Profit for the year	-	
Balance at the end of the year	2,653.66	2,653.66
Securities Premium		
At the beginning and end of the year	27,859.67	27,859.67
Retained earnings		
Balance at the beginning of the year	78,122.91	66,231.47
Add: Profit for the year	17,911.43	13,962.71
Other comprehensive (loss)/ income - Re-measurement of defined benefit liabilities	688.40	(115.07)
Less: Final dividend on equity shares	(2,106.67)	(1,956.20)
Balance at the end of the year	94,616.07	78,122.91
Total of other equity	125,129.40	108,636.24

Nature and purpose of other equity

1. Capital Reserve:

This represents Capital reserve created during the year ended 31 March 2013, consequent to the approval by the Hon'ble High Court of Delhi of the scheme of amalgamation of MAG Engineering Private Limited with the Company and will be utilised as per the requirements of the Companies Act, 2013.

2. Securities premium:

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

3. Remeasurements of defined benefit obligation:

Remeasurements of defined benefit obligation comprises actuarial gains/ (losses).

4. Retained earnings:

This represents the cumulative profits of the Company.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

11. Borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
A. Non – current		
Term loans		
Indian rupee borrowings from banks (secured) (refer note A below)	1,750.00	4,031.25
Indian rupee borrowings from others (secured) (refer note B below)	375.00	1,312.50
Total non-current borrowings	2,125.00	5,343.75
Secured	2,125.00	5,343.75
Unsecured	-	-
B. Current		
a) Current maturities		
Indian rupee borrowings from banks (secured) (refer note A below)	2,281.25	2,750.00
Indian rupee borrowings from others (secured) (refer note B below)	937.50	1,000.00
Total current maturities of non-current borrowings	3,218.75	3,750.00
b) Cash credit from banks (secured) (refer note C)	8,999.96	14,866.95
c) Credit card payable (unsecured) (refer note D)	-	1,512.89
Total	12,218.71	20,129.84
Aggregate secured loans	12,218.71	18,616.95
Aggregate unsecured loans	-	1,512.89
Particulars	As at 31 March 2026	As at 31 March 2025
Terms of borrowings:		
(A) (i) Term loan from CITI Bank Indian rupee Loan of Rs. 750,000,000 carries interest rate of 7.30% – 8.50% p.a. The loan is repayable in 16 quarterly instalments of Rs. 46,875,000 from January, 2023	1,406.25	3,281.25
(ii) Term loan from CITI Bank Indian rupee Loan of Rs. 350,000,000 carries interest rate of 7.30% – 8.50% p.a. The loan is repayable in 16 quarterly instalments of Rs. 21,875,000 from June, 2025	2,625.00	3,500.00
(B) Term loan from Bajaj Finserv Ltd. Indian rupee Loan of Rs. 400,000,000 carries interest rate of 8.00%–8.40% p.a. The loan is repayable in 16 quarterly instalments of Rs. 125,00,000 from April, 2023	1,312.50	2,312.50
(C) Cash credits from banks are secured by way of first pari passu charge on the inventory and book debts of the Company.	8,999.96	14,866.95
(D) Credit card payable	-	1,512.89

Above term loans are secured by:

- First pari passu charge on the entire present and future movable property, plant and equipment of the borrower excluding those assets which are specifically funded by other lenders/ financial institutions
- First pari passu charge on immovable properties, of the borrower as detailed below:
 - 4, HSIDC Industrial Area, Delhi Gurgaon Road, Gurgaon
 - 3, HSIDC Industrial Area, Delhi Gurgaon Road, Gurgaon
 - Plant at Village Dhumaspur, P.O Badshahpur, Gurgaon
 - Plot no. 24, Sector 3, IMT Manesar, Haryana
 - Plot no. 44, Sector 3, IMT Manesar, Haryana
 - Plot no. 8, Bommasandra- Jigani Link Road Industrial Area, Hubli
 - Plot # 12c, Sy No. 47 & 50, KIADB, Bangalore
 - Plot # 13a, Sy No. 47 & 50, KIADB, Bangalore
 - Sandhar Himachal, Bharatgarh Road, Tehsil Nalagarh, District Solan, Himachal Pradesh
 - Plot No. 7A, KIADB Industrial Area, Attibele Hobli, Anekal Taluk, Bangalore

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Disclosures as per Schedule III to the Companies Act, 2013:

1. The Company has utilised the borrowings for the purpose it was taken.
2. The quarterly statements of current assets filed with the banks/ financial institutions are in agreement with the books of accounts.

12. Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro enterprises and small enterprises (refer Note 40)	10,813.48	9,731.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	24,100.08	20,788.62
Acceptances*	358.08	2,234.77
Total trade payables	35,271.64	32,755.10

Terms and conditions of the above financial liabilities:

For explanations on the Company's credit risk management processes, refer to Note 37.

For dues payables to related parties refer to Note -32.

Trade payables ageing schedule as on 31 March 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	10,813.48	-	-	-	10,813.48
(ii) Others	24,455.54	0.44	0.31	1.87	24,458.16
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

Trade payables ageing schedule as on 31 March 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	9,708.97	0.03	5.27	17.44	9,731.71
(ii) Others	23,009.73	9.62	1.46	2.58	23,023.39
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

*The Company participates in a supply chain financing arrangement (SCF) which is disclosed under trade payables, enabling suppliers to take early payment by selling their receivables from the Company. The Company has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability and the payment terms are modified on entering into the arrangement. The Company therefore discloses such amounts within trade payables because the nature and function of the financial liability remains the same.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Additional information related to supply chain financing is provided below:

Carrying Amount of Financial Liabilities Subject to Supplier Finance Arrangement

Particulars	As at 31 March 2026	As at 31 March 2025
Presented within trade and other payables	1,819.84	1,771.91
- of which suppliers have received payment from finance provider	358.08	2,234.77
Range of payment due dates		
Trade payables subject to supplier finance arrangement (days after invoice date)	45-60 Days	45-60 Days
Comparable trade payables (days after invoice date)	45-90 Days	45-90 Days

Payments to the bank are included under 'Operating Cash Flow' because they continue to be part of the normal operating cycle and their principal nature remains operating, i.e. payments for the purchase of goods.

There were no foreign exchange differences or other non-cash transfers relating to the carrying amount of liabilities subject to supplier finance arrangements.

13. Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Lease liabilities - (refer Note 34)	3,103.46	1,960.79
Other financial liabilities	1,107.44	1,719.85
Total	4,210.90	3,680.64
Current		
Payables for capital goods*	1,095.12	1,289.68
Interest accrued and due on borrowings	17.65	65.04
Unclaimed equity dividend	2.43	2.72
Security deposit payable	7.82	12.72
Provision for Interest - MSME - (refer Note 40)	138.25	215.49
Other financial liabilities	743.27	1,416.28
Total	2,004.54	3,001.93
Lease liabilities - (refer Note 34)	592.25	774.82
	592.25	774.82

*For dues payables to related parties refer to Note -32.

14. Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Statutory dues	875.98	2,346.43
Advance from customers	424.37	1,443.29
Advance from others	200.03	-
Total	1,500.38	3,789.72

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

15. Provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
Provision for employee benefits		
Provision for gratuity (refer Note 30)	-	513.27
Provision for compensated absences	612.81	913.90
Other provisions		
Provision for income tax (net of tax paid) (refer Note 8B)	1,415.03	112.28
Provision for warranties*	111.84	104.91
Total	2,139.68	1,644.36
*Provision for warranties		
At the beginning of the year	104.91	100.80
Accrued during the year	133.83	139.58
Utilized during the year	(126.90)	(135.47)
At the end of the year	111.84	104.91

*Provision is recognized for expected warranty claims on products sold during the last two to five years, based on past experience of level of repairs and returns. It is expected that the most of this cost will be incurred in the next financial year. Assumption used to calculate the provision for warranties were based on current sales level and current information available about returns based on the two to five year warranty period for all products sold.

16. Deferred tax liabilities (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Tax effect of items resulting in deductible temporary differences		
-Post-employment benefits	42.00	359.00
-Provision for doubtful debt and advances	30.00	80.00
-Employee benefits	103.00	125.00
-Others	376.00	96.00
-Impact of IND-AS 116	173.35	35.34
Total deferred tax assets	724.35	695.34
Tax effect of items resulting in taxable temporary differences		
-Property, plant and equipment: Impact of difference between tax and depreciation/amortization charged for the financial reporting	595.35	743.34
Total deferred tax liabilities	595.35	743.34
Net deferred tax asset/(liabilities)	129.00	(48.00)

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Movement in deferred tax assets/(liabilities):	Property, Plant and Equipment and Intangible Assets	Provision for doubtful debt and advances	Provision for employee benefits	Impact of IND AS 116	Others	Total
As at April 01, 2024 (Charged)/credited:	(925.02)	75.00	401.00	11.02	125.00	(313.00)
- to profit or loss	181.68	5.00	44.29	24.32	(29.00)	226.29
- to other comprehensive income	-	-	38.71	-	-	38.71
As at March 31, 2025 (Charged)/credited:	(743.34)	80.00	484.00	35.34	96.00	(48.00)
- to profit or loss	147.99	(50.00)	(107.45)	138.01	280.00	408.55
- to other comprehensive income	-	-	(231.55)	-	-	(231.55)
As at March 31, 2026	(595.35)	30.00	145.00	173.35	376.00	129.00

17. Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products	299,967.69	285,537.01
Sale of services	972.78	1,944.98
Other operating revenue		
Scrap sale	3,503.11	3,802.52
Technical charges	-	19.05
Revenue from operations	304,443.58	291,303.56

Following are the disclosures with respect to revenue from operations in accordance with Ind AS 115

The Company's revenue disaggregated by geographical markets is as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
India	299,033.32	287,997.64
Other than India	5,410.26	3,305.92
Total	304,443.58	291,303.56

The Company entered into contracts with customers under which certain materials were supplied by customers for use in the manufacture of finished goods. Based on an assessment of transfer of control in accordance with Ind AS 115, the Company determined that control of such customer supplied materials does not transfer to the Company. Accordingly, amounts paid or payable to customers in respect of these materials have been accounted for as consideration payable to a customer and reduced from the transaction price, thereby reducing revenue recognized during the year, with a corresponding adjustment to purchases/consumption to reflect that such materials do not constitute costs of the Company.

The following table provides information on transaction with customers adjusted from transaction price:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Gross revenue	342,962.37	316,647.22
Less: Consideration payable to customers	38,518.79	25,343.66
Revenue (as reported)	304,443.58	291,303.56

Notes to the Standalone Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

The following table provides information about trade receivables, contract costs and contract liabilities from contracts with customers:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Trade receivables	52,705.72	46,798.83
Contract assets		
- Unbilled revenue	1,304.08	370.72
Contract liabilities		
- Advances from customers	424.37	1,443.29

Significant changes in contract costs and contract liabilities during the year are as follows:

Contract asset (unbilled revenue)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balances	370.72	938.26
Addition during the year	1,768.61	698.77
Revenue recognized/ amount	(835.25)	(1,266.31)
Closing balance	1,304.08	370.72
Non-current	-	-
Current	1,304.08	370.72

Advances from customers

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balances	1,443.29	570.93
Addition during the year	395.97	1,248.59
Revenue recognized	(1,414.89)	(376.23)
Closing balance	424.37	1,443.29

The Company's contracts with customers includes promises to transfer products and rendering of services to the customer. The Company assesses the products/services promised in identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits of significant risks and who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risk and rewards to the customer, acceptance of delivery by the customer etc. Based on the above assessment performance obligation is satisfied at point in time. The Company has a payment terms ranging from 30 days to 60 days for its customer.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is an unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The contract liabilities primarily relate to the advance consideration received from customers for procurement of goods, for which revenue is recognised point in time. This will be recognised as revenue when the control of the goods will be transferred, which is expected to occur during the next year.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

18. Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit on sale of property, plant and equipment	111.42	628.00
Gain on disposal of assets classified as held for sale	3,400.69	-
Gain on account of business transfer	1,911.99	-
Government grant	420.34	-
Foreign exchange fluctuation gain (net)	-	8.04
Interest from bank	17.71	4.24
Interest from others	143.00	639.30
Interest income on security deposits measured at amortised cost	55.63	91.52
Gain on investments carried at fair value through profit or loss	0.19	31.62
Rental income on investment property and property subleases	665.27	-
Other miscellaneous income	880.23	921.71
Interest on sub lease	15.90	-
	7,622.37	2,324.43

19. Cost of raw material and components consumed

Raw material and components consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventory at the beginning of the year	14,999.37	13,020.25
Add: Purchases during the year	205,909.81	198,259.26
	220,909.18	211,279.51
Less: Inventory at the end of the year	13,906.42	14,999.37
Cost of raw material and components consumed	207,002.76	196,280.14

20. Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Closing inventories		
Finished goods	1,960.86	4,134.61
Work in progress	457.90	969.43
Opening inventories		
Finished goods	4,134.61	2,571.38
Work in progress	969.43	887.58
Net changes	2,685.28	(1,645.08)

21. Employee benefits expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	31,146.52	31,072.00
Contribution to provident and other funds	856.68	960.99
Staff welfare expenses	1,383.63	1,458.61
Gratuity expense (refer Note 30)	207.14	285.53
	33,593.97	33,777.13

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

22. Depreciation and amortization expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation of property, plant and equipment	6,899.87	8,093.04
Depreciation of investment property	78.74	-
Amortisation of right of use assets	938.75	946.31
Amortisation of intangible assets	1,153.91	660.84
	9,071.27	9,700.19
Less: Depreciation on plant and machinery capitalized during the year	2.33	14.00
	9,068.94	9,686.19

23. Other expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Consumption of stores and spares	5,782.09	5,857.47
Packing material	3,645.49	3,265.38
Job work charges	2,900.98	3,983.34
Rent	1,274.74	686.76
Rates and taxes	194.63	206.74
Insurance	283.01	196.89
Freight and forwarding charges	2,806.13	2,813.32
Power and fuel	8,387.63	8,884.73
Repairs and maintenance		
- Buildings	395.98	279.18
- Plant and machinery	1,718.21	1,956.23
- Others	1,503.62	1,600.10
Legal and professional charges*	941.00	1,140.54
Travelling and conveyance	457.97	522.80
CSR expenditure**	298.28	243.35
Provision for doubtful debts and advances	63.87	16.23
Provision for warranties (net of reversal)	133.83	139.58
Royalty	228.33	121.31
Commission to directors	633.29	767.43
Security service charges	597.33	682.11
Testing and development expenses	114.70	133.94
Festival and celebration expenses	54.34	68.88
Directors sitting fee	36.65	32.55
Loss on lease termination	89.11	-
Foreign exchange fluctuation loss (net)	97.73	-
Miscellaneous expenses	1,643.83	1,571.94
Total other expenses	34,282.77	35,170.80

* Includes payment to auditors

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
As auditor:		
- Audit fees	62.50	53.00
- Limited reviews	12.00	12.00
In other capacities		
- Other services (certification fees)	3.13	3.50
- Reimbursement of expenses	0.65	1.25
Total	78.28	69.75

** Disclosure relating to CSR expenditure:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Gross amount required to be spent by the Company as per Section 135 of the Companies Act, 2013	297.99	234.04
(b) Amount approved by the Board of Directors to be spent during the year	297.99	252.50
(c) Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	83.92	243.35
(d) Excess amount spent on CSR as per Section 135(5) of the Companies Act, 2013:		
(i) Opening balance	20.20	10.90
(ii) Amount required to be spent during the year	297.99	234.04
(iii) Amount spent during the year	63.72	243.35
(iv) Closing balance/ unspent amount*	(214.07)	20.20
(e) Nature of CSR activities	Education and Skill Development, Health Care, Environmental protection, Promoting gender equality and empowerment of women, Community Development and Others	Education and Skill Development, Health Care, Environmental protection, Promoting gender equality and empowerment of women, Community Development and Others

*CSR expenditure includes Rs. 298.15 lacs disbursed to Sandhar Foundation, the Company's implementing agency. Out of this, the Company's implementing agency has spent Rs. 83.79 lacs and remaining Rs.214.36 lacs has been transferred by the implementing agency to the Unspent CSR Account in compliance with Section 135 of the Companies Act, 2013. This unspent amount pertains to an ongoing project, which is expected to be completed by 31 March 2027.

24. Finance costs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest to banks/financial institutions		
- Term loan	534.12	789.18
- Cash credit	799.09	878.32
- Others	1.70	1.78
Interest to others	408.28	94.65
Bank charges	86.08	37.31
Interest on lease liabilities (refer Note 34)	307.84	247.62
Total finance costs	2,137.11	2,048.86

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

25. Exceptional items

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Impairment loss reversal on investment in joint venture	-	304.33
Impact of labour code*	(178.01)	-
Total exceptional items	(178.01)	304.33

*The Government of India notified the provisions of the four new Labour Codes ("Labour Codes") on 21 November 2025, thereby consolidating twenty-nine existing labour laws into a comprehensive and unified framework. Among other changes, the Labour Codes provide a unified definition of "wages" to be applied across various employee benefit computations. In accordance with Ind AS 19 – Employee Benefits, the Company has recognised a one-time expense of Rs. 178.01 lacs towards increase in the gratuity and compensated absences liabilities. The Company continues to monitor the finalisation of State Rules from the Government on other aspects of the Labour Code.

26. Components of other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended 31 March 2026:

Particulars	Retained earnings	Total
Re-measurement gain on defined benefit liabilities	919.95	919.95
Tax impact on re-measurement gain on defined benefit liabilities	(231.55)	(231.55)
	688.40	688.40

During the year ended 31 March 2025:

Particulars	Retained earnings	Total
Re-measurement loss on defined benefit liabilities	(153.78)	(153.78)
Tax impact on re-measurement loss on defined benefit liabilities	38.71	38.71
	(115.07)	(115.07)

27. Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit attributable to equity holders of the Company	17,911.43	13,962.71
Weighted average number of equity shares used for computing Earnings Per Share (Basic and Diluted)	60,190,708	60,190,708
Earnings Per Share (Basic and Diluted) (Rs.)	29.76	23.20
Face value per share (Rs.)	10	10

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Reconciliation of weighted average number of equity shares for calculation of basic and diluted earnings per share:

Particulars	Number of equity shares	Weighted average number of shares
Equity shares of face value of Rs. 10 per share:		
Balance as at 1 April 2024	60,190,708	60,190,708
Issued during the year 2024-25	-	-
Balance as at 31 March 2025	60,190,708	60,190,708
Issued during the year 2025-26	-	-
Balance as at 31 March 2026	60,190,708	60,190,708

As at 31 March 2026 and 31 March 2025, the Company does not have any dilutive potential equity shares.

28. Income Tax

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) The major components of income tax expense for the years ended 31 March 2026 and 31 March 2025 are:		
Income tax recognized in Standalone Statement of Profit and Loss		
Current income tax:		
Current tax	5,768.15	4,922.89
Current tax relating to earlier years	(153.92)	(45.03)
Deferred tax:		
Relating to origination and reversal of temporary differences	(408.55)	(226.29)
Income tax expense reported in the standalone statement of profit and loss	5,205.68	4,651.57
Income tax recognized in other comprehensive income		
Deferred tax related to items recognised in OCI during the year:		
Net loss on remeasurements of defined benefit plans	(231.55)	38.71
Income tax charged to other comprehensive income	(231.55)	38.71
(b) Reconciliation of effective tax rate		
Reconciliation between average effective tax rate and applicable tax rate for the year ended 31 March 2026 and 31 March 2025:		
Profit before tax	23,295.12	18,309.95
Statutory tax rate	25.168%	25.168%
Income tax expense at the statutory rate	5,862.91	4,608.25
Tax impact of deductible/ non-deductible expenses		
- Effect of CSR expenses	75.07	61.25
- Effect of interest paid to MSME	12.67	11.02
- Income taxable at special rates	(675.44)	-
- Tax relating to earlier years	(153.92)	(45.03)
- Others	84.39	16.08
Income tax expense reported in statement of profit and loss	5,205.68	4,651.57

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

29. Group information

The Company has investments in following subsidiaries and joint ventures:

Name of the entity	Principal place of business	Relationship	% of ownership interest	% of ownership interest
			As at 31 March 2026	As at 31 March 2025
Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	India	Subsidiary	100.00	100.00
Sandhar Technologies Barcelona SL	Spain	Subsidiary	100.00	100.00
Sandhar Engineering Private Limited	India	Subsidiary	100.00	100.00
Sandhar Automotive Systems Private Limited	India	Subsidiary	100.00	100.00
Sandhar Auto Castings Private Limited	India	Subsidiary	100.00	100.00
Sandhar Auto Electric Solutions Private Limited	India	Subsidiary	100.00	100.00
Sandhar Amkin Industries Private Limited	India	Joint Venture	69.12	69.12
Sandhar Han Sung Technologies Private Limited	India	Joint Venture	50.00	50.00
Sandhar Whetron Electronics Private Limited	India	Joint Venture	50.00	50.00
Sandhar Han Shin Auto Technologies Private Limited	India	Joint Venture	50.00	50.00
Winnercom Sandhar Technologies Private Limited	India	Joint Venture	50.00	50.00
Kwangsung Sandhar Technologies Private Limited*	India	Joint Venture	-	50.00
Jinyoung Sandhar Mechatronics Private Limited*	India	Joint Venture	-	50.00

*During the year, the Company divested its entire investment in these joint venture entities. Accordingly, the carrying value of these investments has been derecognised on account of the Company's exit from such entities.

30. Gratuity and other post-employment benefit plans

A. Defined contribution plan

The Company makes contributions, determined as a specified percentage of employee salaries, towards Provident Fund, National pension scheme and Employee state insurance scheme ('ESI') which are collectively defined as defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Standalone Statement of Profit and Loss as they accrued.

The amount recognized as an expense/ (adjusted):

Particulars	For the year ended	For the year ended
	31 March 2026	31 March 2025
Contribution to provident fund	758.74	850.80
Contribution to national pension scheme	74.20	81.74
Contribution to employee state insurance scheme	18.01	22.82

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

B. Defined benefit plan

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or termination of employment in accordance with the provisions under the Code on Social Security, 2020. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020.

The following table sets out the details of the defined benefit retirement plans and the amount recognized in the financial statements.

I. Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

Particulars	As at 31 March 2026	As at 31 March 2025
Liability for gratuity	1,866.93	2,998.68
Plan asset for gratuity	2,310.27	2,485.41
Net plan assets/ (liability)	443.34	(513.27)

II. Reconciliation of present value of defined benefit obligation:

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	2,998.68	2,646.74
Transfer adjustment	(288.41)	-
Current service cost	171.56	272.67
Interest cost	207.81	191.36
Benefits paid	(258.67)	(303.09)
Past service cost	106.65	-
Actuarial (gain) / loss on obligation recognised in other comprehensive income	(1,070.69)	191.00
Balance at the end of the year	1,866.93	2,998.68

III. Reconciliation of fair value of plan assets:

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	2,485.41	2,468.89
Expected return on plan assets	172.23	178.51
Employers' contribution	-	100.00
Benefits paid	(196.63)	(299.21)
Actuarial (loss)/gain on plan assets recognized in other comprehensive income	(150.74)	37.22
Closing fair value of plan assets	2,310.27	2,485.41

IV. The major categories of plan assets of the fair value of the total plan assets are as follows:

Particulars - Defined Gratuity Plan	As at 31 March 2026	As at 31 March 2025
Investment in funds managed by the LIC / ICICI Prudential Life Insurance and Kotak Mahindra Old Mutual Life Insurance	2,310.27	2,485.41

The Company expects to pay INR Nil lakhs in contributions to its defined benefit plans in 2026-27.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

V. Expense recognized in the Standalone Statement of Profit and Loss under employee benefits expense:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current service cost	171.56	272.67
Past service cost	106.65	-
Interest cost	35.57	12.86
Expense recognised in the Standalone Statement of Profit and Loss	313.78	285.53

Past service cost resulting from plan Code on Social Security, 2020, amounting to Rs. 106.65 lacs has been recognised immediately in the Statement of Profit and Loss and has been classified as a part of "Exceptional Items".

VI. Remeasurement recognized in other comprehensive income (OCI):

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial gain / (loss) on defined benefit obligation	1,070.69	(191.00)
Gain/ (loss) on plan assets excluding interest income	(150.74)	37.22
Amount recognised in the Other Comprehensive Income	919.95	(153.78)

VII. Bifurcation of actuarial gain/ loss on defined benefit obligation:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial gain/(loss) due to financial assumption change	293.62	(78.98)
Actuarial gain/(loss) due to experience adjustment	777.07	(112.02)
Amount recognised in the other comprehensive income	1,070.69	(191.00)

The principal assumptions used in determining gratuity and compensated absences are as follows:

(a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Discount rate	7.70% p.a.	6.93% p.a.
Future salary increase	6.00% p.a.	7.00% p.a.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

(b) Demographic assumptions

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Particulars	As at 31 March 2026	As at 31 March 2025
Mortality table	100% of IALM (2012-14)	100% of IALM (2012-14)
Retirement age	58 years	58 years
Attrition rate		
Up to 30 years	10% p.a.	10% p.a.
From 31 to 44 years	3% p.a.	3% p.a.
Above 44 years	1% p.a.	1% p.a.

The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(76.52)	81.97	(131.39)	141.20
Expected rate of future salary increase (0.5% movement)	74.26	(71.10)	129.24	(122.44)

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Gratuity expense expected to be incurred in the next year is Rs. 182.08 lacs (previous year Rs. 363.38 lacs).

Maturity profile of defined benefit obligations:

Particulars	As at 31 March 2026	As at 31 March 2025
Less than 1 year	149.88	182.02
1-2 year	121.62	230.61
2-5 year	349.51	526.64
More than 5 year	1,245.92	2,059.41

The weighted average duration of the defined benefit obligations as on 31 March 2026 is 13.27 years (31 March 2025: 13.51 years)

Other long-term employee benefits (unfunded):

During the year ended 31 March 2026, the Company has incurred an expense on compensated absences amounting to Rs. 149.05 lacs (previous year Rs. 273.55 lacs). The Company determines the expense for compensated absences basis the actuarial valuation of present value of the obligation, using the Projected Unit Credit Method.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

31. Contingent liabilities and commitments (to the extent not provided for)

A. Capital commitments

Particulars	31 March 2026	31 March 2025
Estimated amount of contracts remaining to be executed on account of capital commitments (net of advances) pertaining to property, plant and equipment and intangible assets	2,236.93	4,049.83

B. Contingent liabilities

Particulars	31 March 2026	31 March 2025
a. Claims against the Company not acknowledged as debts*		
Service tax and Custom matters	56.42	56.42
Goods and services tax	1,564.86	776.32
Income tax matters	53.79	83.33
Matters related to land	121.27	79.85
Matters related to labour, employees/ ex-employees	38.87	54.77
Other matters related to accident claim, environmental compensation, and supplier's matters etc.	651.74	761.63
b. Guarantees given by the Company	62,422.09	41,098.09

* It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums/ authorities. The above amounts represent principal exposures and exclude interest and penalties aggregating to Rs 644.81 Lacs.

Based on the status of cases and as advised by Company's tax/legal advisors, wherever applicable, the management believes that the Company has strong chance of success and hence no provision against matters disclosed in "Claims against the Company not acknowledged as debts" are considered necessary.

Guarantee given by the Company to related parties

To facilitate grant of financing facilities to the Company's joint ventures and subsidiaries, the Company has given corporate guarantees to banks. As at year end, the outstanding corporate guarantee/stand by-letter of credits/ bank guarantees so given amounts to Rs. 62,146.76 (31 March 2025: Rs. 40,335.17).

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

32. Related party disclosures

(a) List of related parties and nature of relationship where control exists:

- (i) Ultimate controlling party is promoter group (refer Note 9)
- (ii) Subsidiaries (refer Note 29)

(b) List of related parties and nature of relationship with whom transactions have taken place during the current year/previous year:

1. Subsidiary companies including step-down subsidiaries:	a. Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)
	b. Sandhar Technologies Barcelona S.L.
	c. Sandhar Engineering Private Limited
	d. Sandhar Automotive Systems Private Limited
	e. Sandhar Auto Castings Private Limited
	f. Sandhar Auto Electric Solutions Private Limited
2. Joint ventures:	a. Sandhar Han Sung Technologies Private Limited
	b. Sandhar Amkin Industries Private Limited
	c. Sandhar Whetron Electronics Private Limited
	d. Sandhar Han Shin Auto Technologies Limited
	e. Winnercom Sandhar Technologies Private Limited
	f. Jinyoung Sandhar Mechatronics Private Limited (exited on 15 April 2025)
	g. Kwangsung Sandhar Technologies Private Limited (exited on 24 June 2025)
	h. Kwangsung Sandhar Automotive Systems Private Limited (exited on 24 June 2025)
3. Enterprises over which Key managerial personnel/relatives of key managerial personnel are able to exercise control/ significant influence with whom transactions have undertaken during the current year/previous year:	a. Sandhar Estate Private Limited
	b. Jubin Finance and Investment Limited
	c. Haridwar Estates Private Limited
	d. Swaran Enterprises (Mrs. Santosh Davar is a Partner)
	e. Shorah Realty LLP
	f. Rico Auto Industries Private Limited
	g. Khaitan & Co LLP
	h. Sandhar Foundation
	i. Sandhar Info System LLP

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

4. Key managerial personnel:

- a. Mr. Jayant Davar, Executive Chairman
(Executive Director) and Chief Executive Officer
- b. Mr. Yashpal Jain*
(Chief Financial Officer & Company Secretary)
- c. Ms. Shirin Sachdeva* (Chief of Staff)
- d. Mr. Gurvinder Jeet Singh
(Whole Time Director) (w.e.f. 1 June 2025)
- e. Mr. Niraj Hans*
(Chief Information Officer) (w.e.f. 1 June 2025)
- f. Mr. Vikas Puri* (Chief Operating Officer) (w.e.f. 1 June 2025)
- g. Mr. Gulshan Ahuja* (Compliance Officer)
- h. Mr. Arvind Kapur (Non-Executive & Independent
Director) (resign w.e.f. 3 July 2024)
- i. Mr. Bharat Anand (Non-Executive & Independent
Director)
- j. Ms. Archana Capoor (Non-Executive & Independent
Director)
- k. Mr. Arjun Sharma (Non-Executive & Independent
Director)
- l. Mr. Sandeep Dinodia (Non-Executive & Independent
Director)
- m. Mr. Vimal Mahendru (Non-Executive & Independent
Director)
- n. Mr. Vikarmpati Singhania (Non-Executive &
Independent Director)
- o. Mr. D.N Davar (Non-Executive & Non - Independent
Director) (resign w.e.f. 23 May 2024)
- p. Ms. Monica Davar (Non-Executive & Non - Independent
Director)
- q. Mr. Neel Jay Davar (Non-Executive & Non - Independent
Director)
- r. Ms. Aabha Bakaya (Non-Executive & Independent
Director)
- s. Mr. Ajay Kumar Raghav (Chief Operating Officer-
Casting Machining and Tooling Division) (resign w.e.f. 01
March 25)
- t. Mr. Venkataraman Srinivasan (Chief Operating Officer-
Cabin and Fabrication Division) (resign w.e.f. 31 October
25)

* As per Companies Act, 2013

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

5. Relatives of Key Managerial Personnel and relatives of Individual owning an interest in the voting power of reporting enterprise that gives them control/ significant influence over the Company with whom transactions have undertaken during the current year/ previous year:	a. Mr. D. N. Davar (resign w.e.f. 23 May 2024)
	b. Mrs. Monica Davar
	c. Mr. Neel Jay Davar
	d. Mrs. Santosh Davar
	e. Mrs. Poonam Juneja

6. Transactions with related parties during the current / previous year:

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase of goods	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	6,074.33	5,341.82
	Sandhar Auto Castings Private limited	Subsidiary	417.59	299.87
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	1,085.38	863.82
	Sandhar Automotive Systems Private Limited	Subsidiary	-	-
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	36.14	36.24
	Sandhar Engineering Private Limited	Subsidiary	983.80	89.71
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	17,755.43	-
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	35.64	-
Sale of goods	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	173.44	87.01
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	25.56	0.19
	Sandhar Engineering Private Limited	Subsidiary	2,765.14	2,399.29
	Sandhar Automotive Systems Private Limited	Subsidiary	7,107.71	6,096.22
	Sandhar Auto Castings Private Limited	Subsidiary	-	19.78
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	1,048.97	-
	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	2.76	2.52
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	45.58	-
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	-	211.60

Notes to the Standalone Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of property, plant and equipment	Sandhar Engineering Private Limited	Subsidiary	-	1.00
	Sandhar Automotive Systems Private Limited	Subsidiary	-	0.14
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	-	113.30
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	24.99	-
Purchase of property, plant and equipment	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	684.79	425.97
	Sandhar Engineering Private Limited	Subsidiary	-	4.34
	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	-	4.73

Notes to the Standalone Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Reimbursement of expenses from	Sandhar Technologies Barcelona SL	Subsidiary	-	160.57
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	101.32	16.87
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	46.97	114.75
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	-	14.87
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	28.11	28.54
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	76.62	25.42
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	27.95	24.35
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	-	13.12
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	11.35	7.67
	Sandhar Engineering Private Limited	Subsidiary	376.88	406.66
	Sandhar Automotive Systems Private Limited	Subsidiary	61.09	24.16
	Sandhar Auto Castings Private Limited	Subsidiary	119.53	134.59
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	33.25	80.27
	Haridwar Estate Pvt. Ltd.	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	9.37	21.06
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	-	72.00
Reimbursement of expenses To	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	3.37	10.57
Lease rentals paid to	Sandhar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	62.97	32.70
	Jubin Finance & Investment Limited	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	279.05	268.36
	Shorah Realty LLP	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	0.71	0.71

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Lease rentals received from	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	28.57	28.76
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	19.00	45.61
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	26.33	20.78
	Sandhar Automotive Systems Private Limited	Subsidiary	74.67	60.63
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	48.30	48.04
	Sandhar Auto Castings Private Limited	Subsidiary	1.28	1.06
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	-	0.97
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	-	1.67
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	-	0.49
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	327.40	0.64
	Sandhar Info Systems LLP	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	1.29	0.94
	Sandhar Engineering Private Limited	Subsidiary	757.73	1.10
CSR Expenditure	Sandhar Foundation	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	298.16	243.35
Director commission & sitting fee	Archana Capoor	Key Managerial Personnel & their relatives	5.10	7.60
	Arjun Sharma		3.55	6.90
	Arvind Kapur		-	1.20
	D.N.Davar		-	0.35
	Khaitan & Co LLP		-	5.50
	Monica Davar		3.05	6.20
	Mr. Neel Jay Davar		2.50	5.00
	Sandeep Dinodia		5.45	7.60
	Vimal Mahendru		5.65	6.75
	Aabha Bakaya		5.65	6.35
	Bharat Anand		2.50	-
	Vikrampati Singhania		3.20	5.35
Services received from	Sandhar Auto Castings Private Limited	Subsidiary	381.88	-
Services given	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	90.95	86.66

Notes to the Standalone Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest received	Sandhar Engineering Private Limited	Subsidiary	37.93	306.18
	Sandhar Technologies Barcelona SL	Subsidiary	-	214.01
	Sandhar Auto Castings Private Limited	Subsidiary	-	2.62
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	3.91	7.03
Managerial remuneration	Jayant Davar	Key Managerial Personnel & their relatives	764.77	884.69
	Yashpal Jain	Key Managerial Personnel & their relatives	194.00	179.54
	Shirin Sachdeva	Key Managerial Personnel & their relatives	63.00	40.00
	Gurvinder Jeet Singh	Key Managerial Personnel & their relatives	129.15	95.59
	Niraj Hans	Key Managerial Personnel & their relatives	149.13	132.35
	Vikas Puri	Key Managerial Personnel & their relatives	145.56	58.33
	Ajay Kumar Raghav	Key Managerial Personnel & their relatives	-	81.17
	Gulshan Ahuja	Key Managerial Personnel & their relatives	19.50	12.00
	Venkataraman Srinivasan	Key Managerial Personnel & their relatives	69.03	90.81
Employee benefits	Short term employee benefits	Key Managerial Personnel	54.26	48.83
	Post-employment benefits	Key Managerial Personnel	42.52	38.27
Commission charge on corporate guarantee	Sandhar Technologies Barcelona SL	Subsidiary	-	176.70
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	2.38	5.20
	Sandhar Auto Castings Private Limited	Subsidiary	28.30	45.63
	Sandhar Engineering Private Limited	Subsidiary	70.20	77.83
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	1.07	4.60
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	136.20	-
Dividend paid	Jayant Davar	Key Managerial Personnel & their relatives	1248.30	1,074.35
	Others	Enterprises over which KMP or relatives of Key Managerial Personnel are able to exercise control/ significant influence	177.24	164.58
	Others	Key Managerial Personnel & their relatives	56.64	137.83

Notes to the Standalone Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Investment made in subsidiaries	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	1,314.00	2,850.00
	Sandhar Engineering Private Limited	Subsidiary	6,264.00	1,000.00
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	1,412.00	1,250.00
	Sandhar Auto Castings Private Limited	Subsidiary	-	-
	Sandhar Technologies Barcelona SL	Subsidiary	999.64	-
Loans & advances given	Sandhar Engineering Private Limited	Subsidiary	1,000.00	375
	Sandhar Technologies Barcelona SL	Subsidiary	-	1,812.80
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	150.00	650.00
	Sandhar Auto Castings Private Limited	Subsidiary	-	225.00
Nature of transaction	Name of related party	Relationship	As at 31 March 2026	As at 31 March 2025
Corporate guarantee/ standby letter of credit given to	Sandhar Technologies Barcelona S L	Subsidiary	32,040.82	21,177.71
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	-	277.50
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	284.74	266.90
	Sandhar Engineering Private Limited	Subsidiary	10,039.78	7,990.94
	Sandhar Auto Castings Private Limited	Subsidiary	3,201.13	3,622.13
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	15,893.30	7,000.00
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	687.00	-

Notes to the Standalone Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Investment in JV's and subsidiaries	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	1,956.44	1,956.44
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	5,045.24	3,731.24
	Sandhar Technologies Barcelona SL	Subsidiary	3,028.64	2,029.00
	Sandhar Automotive Systems Private Limited	Subsidiary	1,666.16	1,666.16
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	2,662.00	2,662.00
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	978.45	978.45
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	400.00	400.00
	Sandhar Auto Castings Private Limited	Subsidiary	1,275.00	1,275.00
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	275.00	275.00
	Kwangsung Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	-	1,008.46
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	-	98.66
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	3,495.50	2,083.50
	Sandhar Engineering Private Limited	Subsidiary	15,764.00	9,500.00

Notes to the Standalone Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Outstanding receivables	Haridwar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	130.77	136.33
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	-	0.16
	Sandhar Technologies Barcelona SL	Subsidiary	799.90	953.31
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	-	6.07
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	38.94	17.04
	Sandhar Engineering Private Limited	Subsidiary	549.38	521.53
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	19.55	24.21
	Sandhar Auto Castings Private Limited	Subsidiary	-	0.01
	Sandhar Automotive Systems Private Limited	Subsidiary	1,252.44	808.34
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	-	1.01
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	0.68	0.47
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	9.23	4.08
	Sandhar Info System LLP	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	0.25	1.10
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	-	45.82
Loans & advances receivable	Sandhar Engineering Private Limited	Subsidiary	1,000.00	2,625.00
	Sandhar Auto Electric Solutions Private Limited	Subsidiary	-	150.00
Security deposit receivable	Sandhar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	36.00	36.00
	Jubin Finance & Investment Limited	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	98.88	98.88

Notes to the Standalone Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Outstanding payable	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	753.40	605.78
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	95.28	22.66
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	47.59	-
	Sandhar Auto Castings Private Limited	Subsidiary	13.16	-
	Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	Subsidiary	2,564.71	132.57
Security deposit payable	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	5.97	5.97
Managerial remuneration payable	Jayant Davar	Key Managerial Personnel & their relatives	601.23	741.18
	Yashpal Jain	Key Managerial Personnel & their relatives	16.18	-
	Gurvinder Jeet Singh	Key Managerial Personnel & their relatives	28.32	7.97
	Shirin Sachdeva	Key Managerial Personnel & their relatives	5.25	-
	Gulshan Ahuja	Key Managerial Personnel & their relatives	1.63	-
	Vikas Puri	Key Managerial Personnel & their relatives	12.13	11.67
	Niraj Hans	Key Managerial Personnel & their relatives	12.43	10.28
	Venkataraman Srinivasan	Key Managerial Personnel & their relatives	-	9.27

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

33. Disclosure required under Section 186(4) of the Companies Act, 2013

(a) Loans given to provide financial assistance to related parties for working capital requirements *

Nature of the transaction (loans given/investment made/ guarantee given)	Repayment terms for loans given	As at 31 March 2026	As at 31 March 2025
Sandhar Auto Castings Private Limited @ 9.00% per annum			
Opening balance		-	-
Loans given during the year	Repayable after one year	-	225.00
Loans repaid during the year		-	225.00
Closing balance			-
Sandhar Technologies Barcelona SL @ 10.00% per annum			
Opening balance		-	1,663.12
Loans given during the year	Repayable after one year	-	1,812.80
Loans repaid during the year		-	3,475.92
Closing balance		-	-
Sandhar Auto Electric Solutions Private Limited @ 9.00% per annum			
Opening balance		150.00	-
Loans given during the year	Repayable after one year	150.00	650.00
Loans repaid during the year		150.00	-
Loan converted into equity		150.00	500.00
Closing balance		-	150.00
Sandhar Engineering Private Limited @ 9.00% per annum			
Opening balance		2,625.00	3,625.00
Loans given during the year	Repayable after two years	1,000.00	375.00
Loans repaid during the year		-	375.00
Loan converted into equity		2,625.00	1,000.00
Closing balance		1,000.00	2,625.00

*All loans are unsecured

b. Particulars of Corporate guarantee/ standby letter of credit given on behalf of:

Name of the entity	Guarantee given	Guarantee discharged	Outstanding balance	Purpose
Sandhar Technologies Barcelona SL (including step down subsidiaries)	32,040.81	-	32,040.81	To secure term loan & working capital loan
Sandhar Amkin Industries Private Limited	284.74	-	284.74	To secure term loan & working capital loan
Sandhar Engineering Private Limited	10,039.78	-	10,039.78	To secure term loan & working capital loan
Sandhar Auto Castings Private Limited	3,201.13	-	3,201.13	To secure term loan & working capital loan
Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited)	15,893.30	-	15,893.30	To secure term loan & working capital loan
Sandhar Auto Electric Solutions Private Limited	687.00	-	687.00	To secure term loan & working capital loan

c. Particulars of investments made: Refer note 6A for investments made by the Company.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

34. Leases

A. Leases as a lessee

- i. The Company has lease contracts for land and building used in its operations. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company also has certain leases of guest house and other equipment with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

ii. Impact on the standalone statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on lease liabilities (refer note 24)	307.84	247.62
Amortization of Right-of-use assets (refer note 4)	938.75	946.31
Impact on the statement of profit and loss for the year	1,246.59	1,193.93

iii. Amount recognised in the standalone statement of cash flows

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Repayment of lease liabilities including interest expenses	787.35	1,097.32
Impact on the statement of cash flows for the year	787.35	1,097.32

iv. Refer note 37 for contractual maturities of lease liabilities.

B. Leases as a lessor

i. Operating lease

The Company leases out its investment property. The Company has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Refer note 3D for information about the operating leases of investment property.

ii. Finance Lease

During the year ended 31 March 2026, the Company has sub-leased plant and machinery that has been presented as a right-of-use asset – plant and machinery.

During the year ended 31 March 2026, the Company recognised a loss of Rs. 50.97 lakhs (31 March 2025: Nil) on derecognition of the right-of-use asset pertaining to the Plant and machinery as presented in the statement of profit and loss.

During the year ended 31 March 2026, the Company recognised interest income on lease receivables of Rs. 15.90 lacs (31 March 2025: Nil).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Less than 1 year	305.91	-
1 – 2 years	300.47	-
2 – 3 years	102.98	-
3 – 4 years	43.64	-
4 – 5 years	21.95	-
More than five years	-	-
Total undiscounted lease receivable	774.95	-
Unearned finance income	82.00	-
Net investment in the sub-lease	692.95	-

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

35. Sale and leaseback

The Company entered into sale and leaseback arrangements in respect of certain property, plant and equipment. Based on an evaluation of the contractual terms, including the existence of a substantive right to repurchase, the transaction did not meet the requirements to be accounted for as a sale in accordance with Ind AS 115. Accordingly, the underlying assets continue to be recognized as property, plant and equipment and the consideration received has been recognized as a financial liability measured at amortised cost.

As at the reporting date, the carrying amounts arising from such arrangements are presented as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Property, plant and equipment	2,535.98	872.28
Capital work in progress	-	2,400.74
Financial liability recognized	1,850.71	3,136.13

No gain or loss has been recognized on the transfer of assets in relation to the above arrangement.

36. Financial instruments– Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value As at 31 March 2026	Fair value As at 31 March 2025	Fair value As at 31 March 2026	Fair value As at 31 March 2025
Financial assets				
A. Fair value through profit and loss:				
Non trade investment (Unquoted)	466.20	194.10	466.20	194.10
B. Amortised cost:				
Security deposits	1,726.99	1,972.94	1,726.99	1,972.94
Loans recoverable from related parties	1,000.00	2,775.00	1,000.00	2,775.00
Loans to employees	38.34	34.45	38.34	34.45
Net investment in sub lease	692.95	-	692.95	-
Total	3,924.48	4,976.49	3,924.48	4,976.49
Financial liabilities				
A. Amortised cost:				
Borrowings	14,343.71	25,473.59	14,343.71	25,473.59
Lease liabilities	3,695.71	2,735.61	3,695.71	2,735.61
Other financial liabilities	1,850.71	3,136.13	1,850.71	3,136.13
Total	19,890.13	31,345.33	19,890.13	31,345.33

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, management has not disclosed fair values for financial instruments such as trade receivables, trade payables, cash and cash equivalents, other current assets, interest accrued on fixed deposits, other current liabilities etc.

The following methods and assumptions were used to estimate the fair values:

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors and individual creditworthiness of the customer, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments, is calculated by arriving at intrinsic value of the investee. The fair value of loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Discount rates used in determining fair value:

The interest rates used to discount estimated future cash flows, where applicable, are based on the discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Company internally reviews valuation, including independent price validation for certain instruments.

37. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial statements that are

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

All financial instruments for which fair value is recognised or disclosed are categorised with in the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurements of fair values. This includes a valuation team and has overall responsibility for overseeing all significant fair value measurements and reports directly to the Chief Financial Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2026:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value through profit and loss:				
Non trade investment (Unquoted)	466.20	-	-	466.20
Assets measured at amortised cost for which fair values are disclosed (refer note 36)				
Security deposits	1,726.99	-	-	1,726.99
Loans recoverable from related parties	1,000.00	-	-	1,000.00
Loans to employees	38.34	-	-	38.34
Net investment in sub lease	692.95	-	-	692.95
Liabilities measured at amortised cost for which fair values are disclosed (refer note 36)				
Borrowings	14,343.71	-	-	14,343.71
Lease liabilities	3,695.71	-	-	3,695.71
Other financial liabilities	1,850.71	-	-	1,850.71

During the year ended 31 March 2026, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

B. Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2025:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value through profit and loss:				
Non trade investment (Unquoted)	194.10	-	-	194.10
Assets measured at amortised cost for which fair values are disclosed (refer note 36)				
Security deposits	1,972.94	-	-	1,972.94
Loans recoverable from related parties	2,775.00	-	-	2,775.00
Loans to employees	34.45	-	-	34.45
Liabilities measured at amortised cost for which fair values are disclosed (refer note 36)				
Borrowings	25,473.59	-	-	25,473.59
Lease liabilities	2,735.61	-	-	2,735.61
Other financial liabilities	3,136.13	-	-	3,136.13

During the year ended 31 March 2025, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements

Reconciliation of Level 3 fair value measurements of financial assets is as follows :

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	194.10	162.48
Addition during the year	271.91	-
Net change in fair value (unrealised)	0.19	31.62
Balance at the end of the year	466.20	194.10

38. Financial risk management objectives and policies

The Company is primarily engaged in the manufacturing and assembling of automotive components such as lock-set, mirrors and various sheet metal components including cabins for two wheelers, four wheelers and off road vehicle industry. The Company's principal financial liabilities, comprises loans and borrowings, trade and other payables and finance lease obligation. The main purpose of these financial liabilities is to support the Company's operations. The Company's principal financial assets include investments in equity, employee advances, trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations.

The Company has exposure to the following risks arising from financial instruments

- Market risk (see (b));
- Credit risk (see (c); and
- Liquidity risk (see (d).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

a) Risk management framework

The Company's activities make it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

The Company's senior management oversee the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The board of directors of the Company provides assurance to the shareholders that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

The Company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management of risk
Credit Risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, Credit ratings	Diversification of bank deposits, credit limits and letter of credit.
Liquidity Risk	Borrowings and liabilities	Cash flow forecasting, Sensitivity analysis	Availability of borrowing facilities.
Market risk - foreign currency risk	Future commercial transactions, recognised financial liabilities not denominates in Indian Rupee (INR)	Cash flow forecasting, Sensitivity analysis	Considering the low volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited hence the Company does not use any derivative instruments to manage its exposure.
Market risk - interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises following types of risk: interest rate risk, currency risk, price risk, and commodity risk. Financial instruments affected by market risk include loans and borrowings, investment, deposits and advances.

The sensitivity analyses in the following sections relate to the position as at 31 March 2026 and 31 March 2025. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2026.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analyses:

-The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2026 and 31 March 2025.

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Exposure to interest rate risk

The interest rate profile of the Company's interest bearing financial instruments as reported to management is as follows:

Particulars	31 March 2026	31 March 2025
Financial liabilities		
Fixed rate instruments		
- Term loan	5,343.75	9,093.75
Variable rate instruments		
- Cash credit from bank	8,999.96	14,866.95
- Credit card from banks	-	1,512.89
Financial assets		
Fixed rate instruments		
- Fixed deposits	243.81	141.33
- Loans	1,038.34	2,809.45

Interest rate sensitivity

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Increase / decrease in basic points	Profit or loss	Profit or loss (net of tax)
31 March 2026			
Secured term loan	100	53.44	39.99
Cash credit from bank	100	90.00	67.35
Other borrowings	100	-	-
Secured term loan	(100)	(53.44)	(39.99)
Cash credit from bank	(100)	(90.00)	(67.35)
Other borrowings	(100)	-	-
31 March 2025			
Secured term loan	100	90.94	68.05
Cash credit from bank	100	148.67	111.25
Other borrowings	100	15.13	11.32
Secured term loan	(100)	(90.94)	(68.05)
Cash credit from bank	(100)	(148.67)	(111.25)
Other borrowings	(100)	(15.13)	(11.32)

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Details of unhedged foreign currency exposures:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amount In Foreign Currency	Amount in Rs	Amount In Foreign Currency	Amount in Rs
Trade Payables (USD)	17.08	1,611.58	17.61	1,505.35
Trade Payables (JPY)	985.88	582.36	951.21	541.98
Trade Payables (EUR)	0.16	17.76	0.37	34.00
Trade Payables (CNY)	0.0009	0.01	-	-
Trade Receivables (USD)	10.70	1,009.95	6.80	580.68
Trade Receivables (EUR)	0.24	26.47	0.37	34.16

The following significant exchange rates were applied at the year end:

Particulars	Year end rates As at 31 March 2026	Year end rates As at 31 March 2025
INR/ JPY	0.59	0.57
INR/ USD	94.35	85.46
INR/ EUR	108.09	92.43
INR/ CNY	13.65	-

Sensitivity Analysis

Any changes in the exchange rate of foreign currency against INR is not expected to have significant impact on the Company's profit due to the short credit period. Accordingly, a 1% appreciation/depreciation of the INR as indicated below, against the foreign currencies would have increased/reduced profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variable remains constant.

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure JPY	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/JPY Increases by 1%	Import Trade payables	0.59	0.0059	985.88	(5.82)	(4.36)
	INR/JPY Decreases by 1%		0.59	(0.0059)	985.88	5.82	4.36
As at 31 March 2025	INR/JPY Increases by 1%		0.57	0.0057	951.21	(5.42)	(4.06)
	INR/JPY Decreases by 1%		0.57	(0.0057)	951.21	5.42	4.06

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure USD	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/USD Increases by 1%	Import Trade payables	94.35	0.9435	17.08	(16.12)	(12.06)
	INR/USD Decreases by 1%		94.35	(0.9435)	17.08	16.12	12.06
As at 31 March 2025	INR/USD Increases by 1%		85.46	0.8546	17.61	(15.05)	(11.26)
	INR/USD Decreases by 1%		85.46	(0.8546)	17.61	15.05	11.26

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure CNY	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/CNY Increases by 1%	Import Trade payables	13.65	0.1365	0.0009	(0.0001)	(0.0001)
	INR/CNY Decreases by 1%		13.65	(0.1365)	0.0009	0.0001	0.0001
As at 31 March 2025	INR/CNY Increases by 1%		-	-	-	-	-
	INR/CNY Decreases by 1%		-	-	-	-	-

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure EURO	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/EURO Increases by 1 %	Import Trade payables	108.09	1.0809	0.16	(0.18)	(0.13)
	INR/EURO Decreases by 1 %		108.09	(1.0809)	0.16	0.18	0.13
As at 31 March 2025	INR/EURO Increases by 1 %		92.43	0.9243	0.37	(0.34)	(0.25)
	INR/EURO Decreases by 1 %		92.43	(0.9243)	0.37	0.34	0.25

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure USD	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/USD Increases by 1 %	Trade Receivables	94.35	0.9435	10.70	10.10	7.56
	INR/USD Decreases by 1 %		94.35	(0.9435)	10.70	(10.10)	(7.56)
As at 31 March 2025	INR/USD Increases by 1 %		85.46	0.8546	6.80	5.81	4.35
	INR/USD Decreases by 1 %		85.46	(0.8546)	6.80	(5.81)	(4.35)

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure EUR	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/EUR Increases by 1 %	Trade Receivables	108.09	1.081	0.24	0.26	0.20
	INR/ EUR Decreases by 1 %		108.09	(1.081)	0.24	(0.26)	(0.20)
As at 31 March 2025	INR/ EUR Increases by 1 %		92.43	0.9243	0.37	0.34	0.26
	INR/ EUR Decreases by 1 %		92.43	(0.9243)	0.37	(0.34)	(0.26)

Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including foreign exchange transactions and other financial instruments.

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a Company of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Trade receivables of Rs. 52,705.72 lacs as at 31 March 2026 (31 March 2025: Rs 46,798.83 lacs) forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk. This assessment is not based on any mathematical model but an assessment considering the nature of segment, impact immediately seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable.

The Company's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of 31 March 2026 and 31 March 2025 however there was no default on account of those customers in the past. The Company has payment terms in range of 30 days to 120 days with its customers.

Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits to customer. Limits and scoring attributed to customers are reviewed on periodic basis.

The Company performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis lifetime expected losses and where receivables are due for more than six months.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(a) Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

Particulars	As at 31 March 2026	As at 31 March 2025
Loans	38.34	2,809.45
Other financial assets	15,216.70	2,228.21
Total	15,255.04	5,037.66

(b) The ageing analysis of trade receivables for which loss allowance is measured using Life Time Expected Credit Losses as of the reporting date is as follows:

Particulars	As at 31 March 2026	0 – 6 Month	6 – 12 Month	More than 12 months
Gross carrying amount	52,824.47	50,922.48	1,395.25	506.74
Expected credit loss (Loss allowance)	(118.75)	(54.88)	(23.54)	(40.33)
Carrying amount of trade receivables	52,705.72	50,867.60	1,371.71	466.41

Particulars	As at 31 March 2025	0 – 6 Month	6 – 12 Month	More than 12 months
Gross carrying amount	47,114.87	46,007.08	517.84	589.95
Expected credit loss (Loss allowance)	(316.04)	-	-	(316.04)
Carrying amount of trade receivables	46,798.83	46,007.08	517.84	273.91

(c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Receivables, included under trade receivables	52,705.72	46,798.83
Contract liabilities included under advance from customers	424.37	1,443.29

The contract liabilities primarily relate to the advance consideration received from customers for manufacturing of products

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Corporate finance department in accordance with the Company's policy. Investments of surplus funds are made only in schemes of alternate investment fund/or other appropriate avenues including term and recurring deposits with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company places its cash and cash equivalents and term deposits with banks with high investment grade ratings, limits the amount of credit exposure with any one bank and conducts ongoing evaluation of the credit worthiness of the banks with which it does business. Given the high credit ratings of these banks, the Company does not expect these banks to fail in meeting their obligations. The maximum exposure to credit risk for the components of the balance sheet at 31 March 2026 and 31 March 2025 is represented by the carrying amount of each financial asset.

The Company's policies is to provide financial guarantees only for subsidiaries and joint ventures. At 31 March 2026 and 2025, the Company has issued guarantee to certain bank in respect of credit facilities granted to subsidiaries and joint ventures.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

d) Liquidity risk

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, buyers credit and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Contractual cash flows			
	Carrying value as at 31 March 2026	0 – 1 year	1 – 5 year	More than 5 year
Trade payables	35,271.64	35,271.64	-	-
Borrowings	14,343.71	12,218.71	2,125.00	-
Lease liabilities	3,695.71	592.25	3,103.46	-
Other financial liabilities	3,111.98	2,004.54	1,107.44	-
Total	56,423.04	50,087.14	6,335.90	-

Particulars	Contractual cash flows			
	Carrying value as at 31 March 2025	0 – 1 year	1 – 5 years	More than 5 years
Trade payables	32,755.10	32,755.10	-	-
Borrowings	25,473.59	20,129.84	5,343.75	-
Lease liabilities	2,735.61	960.96	2,189.03	-
Other financial liabilities	4,721.78	3,001.93	1,719.85	-
Total	65,686.08	56,847.83	9,252.63	-

39. Capital management

The primary objective of the Company's capital management is to safeguard the Company's ability to continue as a going concern, maintain a strong credit rating and a healthy capital ratio to support the business and to enhance shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies to maintain or adjust the capital structure, issue new shares or raise and repay debts. The Company's capital management objectives, policies or processes were unchanged during the year.

The Company monitors capital using 'Debt Equity' ratio. The ratio is as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Net debt (A)*	12,851.98	22,409.34
Equity (B)	1,31,178.47	1,14,655.31
Debt equity ratio (A/B)	0.10	0.20

* Net debt includes Non-current borrowing, current borrowing, current maturities of non-current borrowing net off cash and cash equivalent and other bank balance.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

40. Segment Reporting

The Company is engaged in the business of manufacturing and assembling of automotive components. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments' operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component. Further, the economic environment in which the company operates is significantly similar and not subject to materially different risk and rewards.

The operating segment of the Company is identified to be "Automotive components" as the CODM reviews business performance at an overall Company level as one segment.

Accordingly, as the Company operates in a single business and geographical segment, the reporting requirements for primary and secondary disclosures under Indian Accounting Standard - 108 "Operating Segments" have not been provided in the standalone financial statements.

Major Customer

There are three customers who contribute to 10 per cent or more of the Company's revenue from operations.

41. Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

Particulars	As at 31 March 2026	As at 31 March 2025
(a) The principal amount remaining unpaid to any supplier as at the end of the year	10,813.36	10,357.87
(b) The interest due on principal amount remaining unpaid to any supplier as at the end of the year	2.11	9.37
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 alongwith the amounts of the payments made to the supplier beyond the appointed day during each accounting year		
- Interest paid	120.00	42.72
- Payment to suppliers	3,461.61	5,784.23
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	40.66	62.43
(e) Amount of Interest accrued and remaining unpaid at the end of the year	42.78	71.81
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	138.25	215.49

42. Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation of the international transactions entered into with the associated enterprises from 1 April 2025 and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the Standalone Financial Statements, particularly on the amount of tax expense and that of provision for taxation.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

43. Analytical Ratios

Ratio	Numerator	Denominator	31 March 2026	31 March 2025	% Variance	Reason for variance (if variance exceeds 25%)
Current ratio	Total current assets	Total current liabilities	1.66	1.32	25.76%	Current liabilities reduced
Debt-equity ratio	Total debt	Shareholder's equity	0.11	0.22	(50.00%)	Borrowings decreased in FY 2025-26
Debt service coverage ratio	Net profit after tax + depreciation & amortizations + finance cost + loss on sale of PPE	Finance cost, payment of lease liabilities, interest paid on lease liabilities & repayments of term loan during the year	9.42	4.56	106.58%	Financial performance improved in FY 2025-26
Return on equity ratio	Net profit after tax*100	Average Shareholder's equity	14.60%	12.84%	13.71%	-
Inventory turnover ratio	Cost of goods sold	Average inventory	10.56	9.82	7.54%	-
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.12	6.69	(8.52%)	-
Trade payables turnover ratio	Total purchases	Average trade payables	6.05	5.99	1.00%	-
Net capital turnover ratio	Revenue from operations	Working capital (Current Assets- Current liabilities)	8.53	14.71	(42.01%)	Due to increase in working capital.
Net profit ratio	Net profit after tax*100	Revenue from operations	5.89%	4.79%	22.96%	-
Return on capital employed	Earnings before interest and tax	Capital employed (tangible net worth+ total debt + deferred tax liability)	17.59%	15.02%	17.11%	-
Return on investment	Income generated from invested funds	Average investment	2.26%	2.17%	4.06%	-

44. Pursuant to a Business Transfer Agreement ("BTA") dated 1 July 2025 entered into with Sandhar Engineering Private Limited

Pursuant to a Business Transfer Agreement ("BTA") dated 1 July 2025 entered into with Sandhar Engineering Private Limited, the Company transferred three manufacturing units engaged in the business of manufacturing automobile components on a going concern basis by way of slump sale.

The transfer was effected for an aggregate consideration of Rs 6,525 lacs. The carrying value of the net assets pertaining to the transferred undertakings as at the date of transfer amounted to Rs 5,802 lacs.

The Company has derecognised the assets and liabilities relating to the said undertakings at their respective carrying values from its books of account. The resultant excess of consideration over the carrying value of net assets amounting to Rs 723 lacs has been recognised as a gain in the Statement of Profit and Loss.

45. Pursuant to multiple Business Transfer Agreements ("BTA") entered into during the financial year with Sandhar Ascast Private Limited (formerly known as Sandhar Tooling Private Limited), the Company transferred four manufacturing units engaged in the business of manufacturing automobile components on a going concern basis by way of slump sale.

The transfer was effected for an aggregate consideration of Rs. 22,743 lacs. The carrying value of the net assets pertaining to the transferred undertakings as at the date of transfer amounted to Rs. 21,554 lacs.

The Company has derecognised the assets and liabilities relating to the said undertakings at their respective carrying values from its books of account. The resultant excess of consideration over the carrying value of net assets amounting to Rs. 1,189 lacs has been recognised as a gain in the Statement of Profit and Loss.

Notes to the **Standalone Financial Statements** for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

46. Additional Information:

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- (ix) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (x) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (xi) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (xii) The Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have Core Investment Company (CIC).

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number 101248W/W-100022

Deepesh Sharma
Partner
Membership No. 505725

Jayant Davar
Executive Chairman (Executive Director)
& Chief Executive Officer
DIN: 00100801

Archana Capoor
Director
DIN: 01204170

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

Yashpal Jain
Chief Financial Officer
& Company Secretary
M.No. A13981

Sandeep Dinodia
Director
DIN: 00005395

Aabha Bakaya
Director
DIN: 05131734

Place: New Delhi
Date : 21 May 2026

Place: New Delhi
Date : 21 May 2026

Independent Auditor's Report

To the Members of Sandhar Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Sandhar Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its joint ventures as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, and its joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition	
See Note 19 to consolidated financial statements	
The key audit matter	How the matter was addressed in our audit
The Group's revenue is derived primarily from sale of goods which comprises automotive components. Revenue from sale of goods is recognized at a point in time when performance obligation is satisfied and is based on the transfer of control to the customer as per terms of the contract with them which may vary for each customer. The Group and its external stakeholders focus on revenue as a key performance metric. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.	In view of the significance of the matter we applied the following audit procedures in this area, to obtain sufficient and appropriate audit evidence: - We assessed the appropriateness of the Group's accounting policies for revenue recognition by comparing with applicable accounting standard. - We evaluated the design, implementation and operating effectiveness of internal controls including general IT controls and key IT application controls over recognition of revenue. - Using statistical sampling basis, we tested the revenue transactions recorded during the year by verifying the underlying documents to assess whether revenue is recognised appropriately when control is transferred. - We tested on a sample basis specific revenue transactions recorded before and after the financial year-end date to assess whether revenue is recognised in the correct financial period in which control is transferred. - We scrutinized journal entries related to revenue recognised during the year and at year-end based upon specified risk-based criteria, to identify unusual or irregular items. - We assessed the appropriateness adequacy of the disclosures given in the consolidated financial statements in accordance with applicable accounting standards.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's reports thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the companies or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and

performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- a. We did not audit the financial statements of eight subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 171,154.24 lacs as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. 194,308.81 lacs and net cash inflows (before consolidation adjustments) amounting to Rs. 841.35 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax of Rs. 638.08 lacs for the year ended 31 March 2026, in respect of three joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.
- b. Four subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditor under generally accepted auditing standards applicable in their respective countries. The Holding Company's

management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, and joint ventures as were audited by other auditors, as noted in the "Other Matters" paragraphs, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2026, 08 April 2026 and 14 April 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, none of the directors of the Group

companies, and its joint venture companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and joint venture companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, and joint ventures, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group, and its joint ventures. Refer Note 32 to the consolidated financial statements.
 - b. The Group, and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2026. There are no amounts which were required to be transferred to the Investor Education and Protection Fund during the year ended 31 March 2026 by subsidiary companies and joint ventures incorporated in India.
 - d. (i) The management of the Holding Company and its subsidiary companies, and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and joint venture companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 44(e) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies and joint venture companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"),

with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies and joint venture companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management of the Holding Company and its subsidiary companies, and joint venture companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and joint venture companies respectively that, to the best of their knowledge and belief, as disclosed in the Note 44(f) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies and joint venture companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies and joint venture companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies, and joint venture companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
 - e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- As stated in Note 10 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- f. Based on our examination which included test checks, and the reports of the statutory auditors of subsidiary companies and joint ventures

incorporated in India which were not audited by us, except for the instances mentioned below, the Holding Company, such subsidiary companies and joint venture companies, have used accounting softwares for maintaining their books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- (a) In case of one subsidiary company and one joint venture company, incorporated in India, in the absence of reporting on compliance with the audit trail requirements in the independent auditor's report with regard to service organisation used by the said companies, we are unable to comment whether audit trail feature of accounting software operated by third-party service provider was enabled and operated throughout the year for all relevant transactions recorded in the accounting software used for maintaining general ledger at the database level.

Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company, subsidiary companies and joint venture companies incorporated in India as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, and joint venture companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Deepesh Sharma
Partner

Place: New Delhi
Date: 21 May 2026

Membership No.: 505725
ICAI UDIN: 26505725LXHBJY6648

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Sandhar Technologies Limited for the year ended 31 March 2026

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

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Sandhar Technologies Limited	L74999D1987PLC029553	Holding Company	Clause (i)(c) of Annexure A to Independent Auditor's report
2	Sandhar Auto Electric Solutions Private Limited	U34300HR2022PTC100410	Subsidiary Company	Clause (xvii) of Annexure A to Independent Auditor's Report
3	Sandhar Engineering Private Limited	U35999HR2021PTC098487	Subsidiary Company	Clause (vii)(a) of Annexure A to Independent Auditor's Report
4	Sandhar Ascast Private Limited	U28939HR2002PTC125417	Subsidiary Company	Clause (i)(c) of Annexure A to Independent Auditor's report

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Deepesh Sharma

Partner

Membership No.: 505725

ICAI UDIN:26505725LXHBJY6648

Place: New Delhi

Date: 21 May 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Sandhar Technologies Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Sandhar Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and its joint venture companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies and joint venture companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, and joint venture companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to four subsidiary companies and two joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of above matters.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Deepesh Sharma

Partner

Place: New Delhi

Membership No.: 505725

Date: 21 May 2026

ICAI UDIN:26505725LXHBJY6648

Consolidated Balance Sheet as at 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	3A	128,585.99	116,746.87
Capital work-in-progress	3B	10,040.79	6,504.18
Goodwill	5	7,713.95	553.30
Other intangible assets	5	6,950.20	4,949.57
Intangible assets under development	3B	1,471.99	403.87
Right-of-use assets	4	21,951.77	12,060.21
Equity accounted investees	6	5,900.76	5,532.00
Financial assets			
- Investments	7A	700.58	428.48
- Other financial assets	7F	4,823.70	2,389.78
Deferred tax assets (net)	18	1,657.04	1,155.50
Income-tax assets (net)	9C	1,090.80	1,039.42
Other non-current assets	9A,B	2,368.23	11,824.47
Total non-current assets		193,255.80	163,587.65
Current assets			
Inventories	8	55,983.99	40,948.54
Financial assets			
- Investments	7A	95.85	95.36
- Trade receivables	7C	82,305.87	55,730.22
- Cash and cash equivalents	7D	5,108.61	8,109.18
- Other bank balances	7E	7.44	21.98
- Loans	7B	45.84	34.45
- Other financial assets	7F	2,709.39	1,013.64
Other current assets	9D,E,F	7,115.19	6,759.75
		153,372.18	112,713.12
Assets held for sale	3D	939.66	2,699.31
Total current assets		154,311.84	115,412.43
Total assets		347,567.64	279,000.08
Equity and liabilities			
Equity			
Equity share capital	10	6,019.07	6,019.07
Other equity	11	127,293.61	107,911.05
Total equity		133,312.68	113,930.12
Non-current liabilities			
Financial liabilities			
- Borrowings	12	26,502.42	27,220.75
- Lease liabilities	14	17,301.96	8,216.87
- Other financial liabilities	14	1,701.72	2,745.79
Provisions	16	919.86	227.11
Government grant	17	4,341.31	4,427.10
Deferred tax liabilities (net)	18	-	48.00
Total non current liabilities		50,767.27	42,885.62
Current liabilities			
Financial liabilities			
- Borrowings	12	68,312.17	54,902.11

Consolidated Balance Sheet as at 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
- Lease liabilities	14	2,644.39	2,035.61
- Trade payables	13		
• total outstanding dues of micro enterprises and small enterprises ; and		18,930.34	11,795.55
• total outstanding dues of creditors other than micro enterprises and small enterprises		59,275.45	41,304.59
- Other financial liabilities	14	6,034.22	4,375.14
Other current liabilities	15	5,446.03	5,809.24
Provisions	16	1,217.64	1,713.23
Current tax liabilities	16	1,627.45	248.87
Total current liabilities		163,487.69	122,184.34
Total equity and liabilities		347,567.64	279,000.08

Material accounting policies

2

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date attached

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

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number 101248W/W-100022

Deepesh Sharma
Partner
Membership No. 505725

Jayant Davar
Executive Chairman (Executive Director)
& Chief Executive Officer
DIN:00100801

Yashpal Jain
Chief Financial Officer
& Company Secretary
M.No. A13981

Archana Kapoor
Director
DIN: 01204170

Sandeep Dinodia
Director
DIN: 00005395

Aabha Bakaya
Director
DIN: 05131734

Place: New Delhi
Date : 21 May 2026

Place: New Delhi
Date : 21 May 2026

Consolidated Statement of Profit and Loss for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
REVENUE			
Revenue from operations	19	485,208.61	388,450.22
Other income	20	7,535.70	1,653.41
Total income (I)		492,744.31	390,103.63
EXPENSES			
Cost of materials consumed	21	310,059.07	240,737.66
Changes in inventories of finished goods and work-in-progress	22	(4,122.76)	(2,301.44)
Employee benefits expense	23	61,446.91	52,933.51
Finance costs	26	6,876.81	5,660.89
Depreciation and amortisation expense	24	19,336.01	17,060.12
Other expenses	25	74,063.48	58,755.10
Total expenses (II)		467,659.52	372,845.84
Profit before share in profit of joint ventures, exceptional items and tax (III = I - II)		25,084.79	17,257.79
Exceptional items	27	(278.39)	231.70
Profit before share in profit of joint ventures, and tax (IV)		24,806.40	17,489.49
Share in profit of joint ventures, net of tax (V)		768.30	969.87
Profit before tax (VI = IV - V)		25,574.70	18,459.36
Tax expense	30		
Current tax		6,192.83	5,098.57
Deferred tax		(484.06)	(803.45)
Total tax expense (VII)		5,708.77	4,295.12
Profit for the year (VIII = VI - VII)		19,865.93	14,164.24
Other comprehensive income	28		
Items that will not be reclassified to profit or loss			
Re-measurement (loss)/ gain on defined benefit liabilities		595.21	(176.10)
Income tax relating to re-measurement (loss)/ gain on defined benefit liabilities		(169.18)	43.94
Items that will be reclassified to profit or loss			
Exchange differences in translating the financial statements of foreign operations		1,197.27	195.05
Other comprehensive income for the year, net of tax (IX)		1,623.30	62.89
Total comprehensive income for the year (X = VIII + IX) (Comprising profit and other comprehensive (loss)/income for the year)		21,489.23	14,227.13
Profit attributable to			
- Owners of the Company		19,865.93	14,164.24
- Non-controlling interest		-	-
		19,865.93	14,164.24
Other comprehensive income attributable to			
- Owners of the Company		1,623.30	62.89
- Non-controlling interest		-	-
		1,623.30	62.89
Total comprehensive income attributable to			
- Owners of the Company		21,489.23	14,227.13
- Non-controlling interest		-	-
		21,489.23	14,227.13

Consolidated Statement of Profit and Loss for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Earnings per equity share	29		
(1) Basic-Par value of Rs. 10 per share		33.00	23.53
(2) Diluted-Par value of Rs. 10 per share		33.00	23.53
Material accounting policies	2		

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number 101248W/W-100022

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

Deepesh Sharma
Partner
Membership No. 505725

Jayant Davar
Executive Chairman (Executive Director)
& Chief Executive Officer
DIN:00100801

Yashpal Jain
Chief Financial Officer
& Company Secretary
M.No. A13981

Archana Capoor
Director
DIN: 01204170

Sandeep Dinodia
Director
DIN: 00005395

Aabha Bakaya
Director
DIN: 05131734

Place: New Delhi
Date : 21 May 2026

Place: New Delhi
Date : 21 May 2026

Consolidated Statement of **Changes in Equity** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

A. Equity share capital

Particulars	Note	Equity Shares	
		No. of shares	Amount
Balance as at 1 April 2024	10	60,190,708	6,019.07
Changes during the year		-	-
Balance as at 31 March 2025		60,190,708	6,019.07
Changes during the year		-	-
Balance as at 31 March 2026		60,190,708	6,019.07

B. Other equity

Particulars	Attributable to owners of the Company					Total attributable to owners of the Company	Attributable to non-controlling interest	Total
	Reserves and surplus (1)			Items of other comprehensive income (2)				
	Retained earnings	Securities premium	Capital reserves	Foreign currency translation reserve	Remeasurements of defined benefit liabilities			
Balance as at 1 April 2024	62,972.36	27,859.67	3,915.46	1,038.43	(145.80)	95,640.12	-	95,640.12
Total Comprehensive income for the year ended 31 March 2025								
Profit for the year	14,164.24	-	-	-	-	14,164.24	-	14,164.24
Other comprehensive income (net of tax)	-	-	-	195.05	(132.16)	62.89	-	62.89
Transactions with shareholders, recorded directly in the equity								
Final dividend on equity shares	(1,956.20)	-	-	-	-	(1,956.20)	-	(1,956.20)
Balance as at 31 March 2025	75,180.40	27,859.67	3,915.46	1,233.48	(277.96)	107,911.05	-	107,911.05
Total Comprehensive income for the year ended 31 March 2026								
Profit for the period	19,865.93	-	-	-	-	19,865.93	-	19,865.93
Other comprehensive income (net of tax)	-	-	-	1,197.27	426.03	1,623.30	-	1,623.30
Transactions with shareholders, recorded directly in the equity								
Final dividend on equity shares	(2,106.67)	-	-	-	-	(2,106.67)	-	(2,106.67)
Balance as at 31 March 2026	92,939.66	27,859.67	3,915.46	2,430.75	148.07	127,293.61	-	127,293.61

Notes:

1. Refer note 11 for nature and purpose of other equity.

Consolidated Statement of **Changes in Equity** for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number 101248W/W-100022

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

Deepesh Sharma
Partner
Membership No. 505725

Jayant Davar
Executive Chairman (Executive Director)
& Chief Executive Officer
DIN: 00100801

Yashpal Jain
Chief Financial Officer
& Company Secretary
M.No. A13981

Archana Kapoor
Director
DIN: 01204170

Sandeep Dinodia
Director
DIN: 00005395

Aabha Bakaya
Director
DIN: 05131734

Place: New Delhi
Date : 21 May 2026

Place: New Delhi
Date : 21 May 2026

Consolidated Statement of Cash Flows for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A Cash flows from operating activities		
1 Profit before tax	25,574.70	18,459.36
2 Adjustments for		
Depreciation and amortisation expense	19,336.01	17,060.12
Provision for doubtful debts and advances	92.50	16.23
Unrealised foreign exchange gain	(4.50)	(2.94)
Loss on termination of lease	89.11	-
Reversal of impairment on financial assets	-	(231.70)
Finance costs	6,876.81	5,660.89
Share in profit of joint ventures accounted for using equity method	(768.30)	(969.87)
Profit on sale of stake in joint venture	(1,376.02)	-
Gain on disposal of assets classified as held for sale	(3,400.69)	-
Profit on sale of property, plant and equipment	(32.44)	(264.95)
Bad debts and advances written off	0.18	43.50
Interest income on security deposits measured at amortised cost	(83.30)	(111.22)
Gain on investments carried at fair value through profit or loss	(0.68)	(26.99)
Interest income	(194.95)	(259.15)
3 Operating profit before working capital changes (1+2)	46,108.43	39,373.28
4 Movements in working capital		
Increase in trade receivables	(26,668.34)	(10,036.73)
Increase in inventories	(15,035.45)	(7,258.73)
Increase in non current financial assets	(2,349.70)	(539.83)
Decrease/ (Increase) in current financial assets	78.83	(55.18)
(Increase)/ Decrease in other current assets	(348.94)	104.41
Increase in trade payables	25,110.15	4,074.85
Increase/ (Decrease) in current provisions	894.44	(522.92)
(Decrease)/ Increase in other financial liabilities	(1,232.85)	3,378.79
(Decrease)/ Increase in other current liabilities	(363.22)	1,256.20
Total movement in working capital	(19,915.08)	(9,599.14)
5 Cash flows generated from operations (3+4)	26,193.35	29,774.14
6 Less : Income tax paid (net)	5,202.35	5,077.19
7 Net cash generated from operating activities (5-6)	20,991.00	24,696.95
B Cash flows from investing activities		
Acquisition of property, plant and equipment, capital work in progress, other intangible assets and business	(29,885.35)	(31,617.77)
Proceeds from assets held for sale	6,100.00	-
Proceeds from sale of property, plant and equipment	1,778.15	1,060.83
Purchase of non-current investment in other corporates	(271.91)	-
Proceeds from divestment in joint venture	338.82	-
Purchase of investments	(0.49)	918.06
Changes in bank deposits	(406.72)	231.02
Interest received	251.94	391.30
Net cash used in investing activities	(22,095.56)	(29,016.56)
C Cash flows from financing activities		
Repayment of long-term borrowings	(11,578.93)	(11,051.04)
Proceeds from long-term borrowings	10,918.16	10,957.53

Consolidated Statement of Cash Flows for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Proceeds from short-term borrowings (net)	13,352.20	19,747.86
Payment of lease liabilities	(954.52)	(2,040.47)
Interest paid on lease liabilities	(630.19)	(592.71)
Dividend paid	(2,106.67)	(1,956.20)
Finance costs paid	(6,200.84)	(4,990.25)
Net cash flows generated from financing activities	2,799.21	10,074.72
D Net increase in cash and cash equivalents (A+B+C)	1,694.65	5,755.11
Impact on cash flow on account of foreign currency translation	(4,695.22)	(960.35)
E - 1 Cash and cash equivalents as at the beginning of year	8,109.18	3,314.42
E - 2 Cash and cash equivalents as at end of the year	5,108.61	8,109.18
Cash and cash equivalents include		
Balances with banks:		
– In current accounts	5,095.30	5,382.67
Cash on hand	13.31	14.75
Deposits with original maturity for less than three months	-	2,711.76
Cash and cash equivalents at the end of the year	5,108.61	8,109.18

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities

Particulars	Non – current borrowings*	Current borrowings
Opening balance as at 1 April 2025	39,218.78	42,996.32
Cash flows during the year	(731.33)	13,352.20
Non-cash changes due to:		
– Foreign currency translation	-	0.30
Closing balance as at 31 March 2026	38,487.45	56,348.82

*Includes current maturities of non-current borrowings and interest accrued thereon, refer Note 12 & 14.

Notes:

- The Consolidated Statement of Cash Flows has been prepared in accordance with "Indirect Method" as set out on Indian Accounting Standard -7 on "Statement of Cash Flows".
- Refer note 2 for material accounting policies.

The accompanying notes are an integral part of these Consolidated Financial Statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number 101248W/W-100022

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

Deepesh Sharma
Partner
Membership No. 505725

Jayant Davar
Executive Chairman (Executive Director)
& Chief Executive Officer
DIN:00100801

Yashpal Jain
Chief Financial Officer
& Company Secretary
M.No. A13981

Archana Kapoor
Director
DIN: 01204170

Sandeep Dinodia
Director
DIN: 00005395

Aabha Bakaya
Director
DIN: 05131734

Place: New Delhi
Date : 21 May 2026

Place: New Delhi
Date : 21 May 2026

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

1. Corporate Information

Sandhar Technologies Limited ('Parent Company') is a public limited company domiciled in India. The Company was incorporated on 19 October 1987 in New Delhi, India and having its registered office at B-6/20 L.S.C. Safdarjung Enclave, New Delhi - 110029, India. It is listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). Sandhar Group (the Parent Company and its subsidiary companies together referred to as "the Group") and its joint ventures are principally engaged in the manufacturing and assembling of automotive components for the automotive industry in India, designing and manufacturing of moulds, dies and dies parts, machine tools, jigs and fixtures and fabrication and assembly and construction, agri - farm and railway products.

The consolidated financial statements for the year ended 31 March 2026 comprise financial statements of the Group and its joint ventures.

2. Material Accounting Policies, Principles of consolidation and Basis of preparation

2.1 Principles of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Financial Statements of subsidiaries are included in the Consolidated Financial Statements from the date on which control commences until the date on which control ceases.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

The subsidiary companies which are included in the consolidation and the Parent Company's holding therein is as under:

S. No.	Name of the Subsidiary Company	Nature of relation	Ownership in % either directly or through subsidiaries		Country of Incorporation and Principal place of Business
			As at 31 March 2026	As at 31 March 2025	
1	Sandhar Ascast Private Limited (Formerly known as Sandhar Tooling Private Limited)	Subsidiary	100	100	India
2	Sandhar Technologies Barcelona S.L.	Subsidiary	100	100	Spain
A	Sandhar Technologies Poland sp. Zoo	Step Down Subsidiary	100	100	Poland
B	Sandhar Technologies de Mexico S de RL de CV	Step Down Subsidiary	100	100	Mexico
C	Sandhar Technologies Ro SRL	Step Down Subsidiary	100	100	Romania
3.	Sandhar Engineering Private Limited	Subsidiary	100	100	India
4.	Sandhar Auto Castings Private Limited	Subsidiary	100	100	India
5.	Sandhar Auto Electric Solution Private Limited	Subsidiary	100	100	India
6.	Sandhar Automotive Systems Private Limited	Subsidiary	100	100	India

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in these consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company.

(ii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of

acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

(iv) Equity accounted investees

The Group's interests in equity accounted investees comprise interests in its joint ventures (JV).

The joint venture companies which are included in the Consolidation and the Parent Company's holding therein is as under:

S.	Name of the Joint Venture Company	JV Partner	% Share in JV		Country of Incorporation and Principal place of Business
			As at 31 March 2026	As at 31 March 2025	
1.	Sandhar Han Sung Technologies Private Limited	Han Sung Imp Co. Limited	50	50	India
2.	Jinyoung Sandhar Mechatronics Private Limited	Jinyoung Electro-Mechanics Co. Ltd.	-	50	India
3.	Sandhar Amkin Industries Private Limited	Amkin Group Private Limited	69.12	50	India
4.	Sandhar Whetron Electronics Private Limited	Whetron Electronics Co. Ltd.	50	50	India
5.	Kwangsung Sandhar Technologies Private Limited	Kwangsung Corporation Limited	-	50	India
6.	Winnercom Sandhar Technologies Private Limited	Winnercom Co. Ltd.	50	50	India
7.	Sandhar Han Shin Auto Technologies Private Limited	Han Shin Corporation	50	50	India

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the Consolidated Financial Statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the Consolidated Financial Statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment ('PPE'), are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on Consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary
- Derecognizes the carrying amount of any non-controlling interests

- Derecognizes the cumulative translation differences recorded in equity
- Recognizes the fair value of the consideration received
- Recognizes the fair value of any investment retained
- Recognizes any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

2.2 Basis of preparation of Consolidated Financial Statements

(i) Statement of compliance

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("Act").

The consolidated financial statements were approved for issue by the Board of Directors of the Company on 21 May 2026.

(ii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lacs upto two decimal points, unless otherwise indicated.

(iii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the items which have been measured at fair value or revalued amount:

Items	Measurement basis
Certain financial assets and financial liability	Fair value
Net defined benefit plan (asset)/ liability	Fair value of plan assets less present value of defined benefit obligation.

(IV) Use of estimates and judgements

In preparing these Consolidated Financial Statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Consolidated Financial Statements is included in the following note:

- Note 35 - Judgement required to whether an arrangement contains a lease or to ascertain lease classification

Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Notes 19 - revenue recognition
- Note 31 - measurements of defined benefit obligations: key actuarial assumptions;
- Note 2.3 (d) - measurement of useful life and residual values of property, plant and equipment and useful life of intangible assets;
- Note 2.2 (v) - fair value measurement of financial instruments;
- Note 2.3 (k) - impairment of financial and non-financial assets; and
- Note 32 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 5 & 6 - impairment assessment - key assumption underlying recoverable amount
- Note 30 - recognition and estimation of tax expenses including deferred tax.

(v) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 36 - Financial instrument.

(vi) Current - non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

2.3 Summary of material accounting policies

a. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- (a) Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- (b) Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- (c) Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets held for Sale and Discontinued Operations are measured in accordance with that standard.
- (d) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is

measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

b. Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognized directly in the equity joint venture, the Group recognizes its share of any changes, when applicable, in the Consolidated Statement of Changes in Equity. Unrealized gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in joint venture.

If an entity's share of losses of a joint venture equals or exceeds its interest in joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in joint venture), the entity discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of joint venture. If the joint venture subsequently reports profits, the entity resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the Consolidated Statement of Profit and Loss.

The Financial Statements of the joint venture are prepared for the same reporting period as the Group.

When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognizes the loss as 'Share of profit of a joint venture' in the Consolidated Statement of Profit and Loss.

Upon loss of joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

c. Foreign currency transactions

The Group's Consolidated Financial Statements are presented in INR, which is also the Parent Company's functional currency. For each entity the Group determines the functional currency and items included in the Financial Statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition or an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the Separate Financial Statements of the reporting entity or the individual Financial Statements of the foreign operation, as appropriate. In the Financial Statements that include the foreign operation and the reporting entity such exchange differences are recognized initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or the statement of profit and loss are also recognized in OCI or the Statement of Profit and Loss, respectively).

Group companies

On Consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for Consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

Any goodwill arising in the acquisition/ business combination of a foreign operation on or after 1 April 2016 and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

Foreign operations

The assets and liabilities of foreign operations (subsidiaries) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group and its joint ventures, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

d. Property, plant and equipment ('PPE')

(i) Recognition and Measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, import duties and non-refundable purchase taxes, duties or levies, after deducting trade discounts and rebates, any other directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 2.2 (iv) regarding significant accounting judgements, estimates and assumptions. Capital work in progress is stated at cost, net of impairment loss, if any.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

A property, plant and equipment is eliminated from the Consolidated Financial Statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the Consolidated Statement of Profit and Loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment are no longer amortized or depreciated.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation on property, plant and equipment is calculated on pro rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over the estimated useful lives and is recognized in the Consolidated Statement of Profit and Loss. The identified components are depreciated over their useful life, the remaining asset is depreciated over the life of the principal asset. Freehold land is not depreciated.

Leasehold land is amortized on a straight line basis over the period of the lease which ranges between 89-99 years.

The Group has used the following useful life to provide depreciation which coincides with the useful life indicated in Schedule II of the Act, on its PPE, except for temporary erection, Computers (Servers and networks) and Non - commercial vehicles.

Asset category	Useful lives estimated by the management (years)
Factory Buildings	30 years
Other Buildings	60 years
Carpeted RCC Roads	10 years
Tube wells	5 years
Plant and Machinery	7.5 - 20 years
Electrical Installations	10 - 25 years
Office Equipment	5 years
Racks and Bins	10 years
Furniture & Fixtures	10 - 20 years
Commercial Vehicles	8 years
Tools, Moulds and Dies	5 - 6 years

The management has estimated, supported by independent assessment by technical experts, professionals, the useful lives of the following classes of assets:

- The useful lives of temporary erection is estimated one year, which is lower than those indicated in Schedule II of the Act.
- Computers (Servers and networks) are depreciated over the estimated useful lives of three years, which is lower than those indicated in Schedule II of the Act.
- Non commercial vehicles are depreciated over the estimated useful lives of six years, which is lower than those indicated in Schedule II of the Act.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

In case of Sandhar Technologies Barcelona S.L., the costs of acquisition of equipment, systems or installations for the elimination, reduction or control of the possible environment impacts of the business are capitalized.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

e. Goodwill and other intangible assets

(i) Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an item of intangible asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Consolidated Statement of Profit and Loss in the period in which the expenditure is incurred.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the Consolidated Statement of Profit and Loss as incurred.

(iii) Amortization

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made prospective basis.

- Technical knowhow

Amounts paid towards technical know-how fees for specifically identified projects/products being development expenditure incurred towards product design is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product, i.e. the estimated period of 60 to 72 months on straight line basis based on past trends, commencing from the month of commencement of commercial production.

- Software

Software purchased by the Group are amortized on a straight line basis i.e. non-standard (customized) software in four years and standard (non-customized) software in five years.

- Goodwill

Goodwill is not amortized but is tested for impairment annually.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

Amortization method, useful lives and residual lives are reviewed at the end of each financial year and adjusted, if appropriate.

f. Non-Current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale/distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

g. Capital work-in-progress and intangible assets under development

Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

h. Capital advances

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date is classified as capital advances under "other non-current assets".

i. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for leases with a term of less than twelve months (short-term leases) and low value assets in accordance with Ind AS 116, "Leases".

The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer note-2.3 (k) for Impairment of non-financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities and Right-of-use assets have been presented as a separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.

(iii) Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognised the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

j. Borrowing costs

Borrowing costs includes interest, and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs), amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

k. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

An asset's recoverable amount is the higher of an individual asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs

to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses, if any, are recognized in the Consolidated Statement of Profit and Loss. Impairment losses of continuing operations, including impairment on inventories, are recognized in the Consolidated Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

In regard to assets for which impairment loss has been recognized in prior period, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Goodwill is tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

l. Government grant

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as other operating revenue on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

m. Inventories

Inventories which includes raw materials, components, stores, work in progress, finished goods and spares are valued at the lower of cost and net realizable value. However, raw materials, components and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost or in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and components: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Companies in the Group, adopt First-in-first-out (FIFO) method for valuing raw materials, components, stores and spares (RM & Stores).
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost of work-in-progress (WIP) and finished goods (FG) is based on FIFO method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realizable value is made on an item-by-item basis.

n. Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

Sale of products

Revenue from sale of products is recognised when control of the products being sold is transferred to customers and there are no longer any unfulfilled obligations. The performance obligations in contract with customers are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on delivery terms. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of discount) allocated to that performance obligation. Revenue excludes taxes or duties collected on behalf of the government.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised.

The Group recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. The Group accounts for consideration payable to customer as a reduction of the transaction price and, therefore, revenue unless the payment to the customer is in exchange for a distinct goods or services that the customer transfers to the Group.

The Group enters into arrangements with customers whereby certain materials are supplied by the customers for use in the manufacture of finished goods.

In accordance with Ind AS 115, Revenue from Contracts with Customers, the Group assesses whether control of such materials is transferred to the Group. Where it is determined that control of the customer-supplied materials does not pass to the Group, such materials are not recognised as inventory.

Amounts paid or payable to customers in respect of such materials are accounted for as consideration payable to a customer and recognised as a reduction

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

of the transaction price in accordance with Ind AS 115. Accordingly, such amounts are presented as a deduction from revenue. Further, since the Group does not obtain control over these materials, the related costs are not recognised within purchases or consumption of materials.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Rendering of services

Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Job work and development charges are recognized upon full completion of the job work and development services and when all the significant risks and rewards of ownership of the goods have been passed to the buyer, on delivery of the goods and no significant uncertainty exists regarding the collection of the consideration.

o. Income tax

Income tax expense comprises current tax and deferred tax. It is recognized in Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the Balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

In the situations where the Group is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax asset is recognized in respect of timing differences which are reversed during the tax holiday period, to the extent the Group's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Group restricts recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

Deferred tax assets are recognized on carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred income tax are not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

p. Operating segments

Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. The Group is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

The Group and its joint ventures are governed by the same set of risks and returns but subject to the geographical industry trends and hence the Group and its joint ventures business activities fall within a single primary business segment. The principal geographical segments are classified as India, Europe and others since there are different risks and returns of the geographies.

q. Earnings per share (EPS)

Basic earnings / (loss) per share are calculated by dividing the profit or loss for the year attributable to the shareholders of the Group by the weighted average number of equity shares outstanding at the end of the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

r. Provisions (other than for employee benefits)

General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed the expense relating to a provision is presented in the Consolidated Statement of Profit and Loss net of any reimbursement. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Warranties

Provision for warranty related costs are recognized when the product is sold or service provided and is based on historical experience. The provision is based on technical evaluation/ historical warranty data and after weighting of all possible outcomes by their associated probabilities. The estimate of such warranty related costs is revised annually. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

s. Employee benefits

India

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions to the Regional Provident Fund Commissioner towards provident fund, superannuation fund scheme and employee state insurance scheme ('ESI'). Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(iii) Defined benefit plans

The Group operates a defined benefit gratuity plan, which requires contributions to be made to Kotak Mahindra Old Mutual Life Insurance Limited, ICICI Prudential Life Insurance and LIC of India. There are no other obligations other than the contribution payable to the respective entities.

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the Consolidated Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

(iv) Other long term employee benefits

Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

As per the compensated absence encashment policy, the Group does not have an unconditional right to defer the compensated absence of employees, accordingly the entire compensated absence obligation as determined by an independent actuary has been classified as current liability as at year end.

Europe

In case of Sandhar Technologies Barcelona S.L. according to the sector social agreement (Convenio Siderometalurgico de la provincia de Barcelona) the entity pays 2 additional payrolls in June and December. The 2 additional payments, as well as the holiday payroll are provisioned every month on accrual basis.

t. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to

the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- Amortized cost;
- Fair Value through Other Comprehensive Income ('FVOCI') – debt instrument;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the Consolidated Statement of Profit and Loss. This category generally applies to trade and other receivables. The Group has recognized financial assets viz. security deposit, trade receivables, employee advances at amortized cost.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Consolidated Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by-instrument

basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Investments representing equity interest in joint ventures are carried at cost less provision for impairment, if any.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial asset: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment 'Principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- contingents events that would change the amounts or timings of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non - recourse features)

Aprepayment feature is consistent with the sole payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, as feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost These assets are subsequently measured at amortized cost using the effective interest method. Interest income, foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Debt investment at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investment at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

iii. Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

v. Derivative financial instruments and hedge accounting

The Group uses derivative instruments such as foreign exchange forward contracts and currency swaps to hedge its foreign currency and interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognized in profit and loss.

Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at FVOCI – debt instruments.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt instruments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly,

lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- The financial asset is 90 days or more past due.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to Consolidated Statement of Profit and Loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for the recovery of amount due.

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for the measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

- a. Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits, and advances.
- b. Trade receivables that result from transactions that are within the scope of Ind AS 115
- c. Financial guarantee contracts which are not measured as at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Consolidated Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Consolidated Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

u. Expenditure

Expenses are accounted for on the accrual basis.

v. Exceptional items

Exceptional items refer to items of income or expense within the Consolidated Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

w. Research and development

Expenditure on research activities is recognized in the Consolidated Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses, if any.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

x. Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

y. Recent pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 - The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact from these amendments on its classification criteria for current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 - The amendment in Ind AS 7 requires entities to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its standalone financial statements.

3. Ind AS 12, International Tax Reform - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its standalone financial statements.

z. Standard issued but not yet effective

The Ministry of Corporate Affairs has notified an amendment to Ind AS 1 - Presentation of Financial Statements, effective for accounting periods beginning on or after 1 April 2026.

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

3A. Property, plant and equipment

Particulars	Freehold Land	Leasehold Land	Buildings	Plant and Equipment	Office equipments	Vehicles	Furnitures and Fixtures	Total
Gross carrying value as at 1 April 2024	12,440.23	689.31	32,553.94	123,792.02	3,113.70	516.00	1,446.84	174,552.04
Additions	27.66	-	3,280.30	13,425.08	591.81	397.33	155.65	17,877.83
Disposals	-	-	-	2,246.77	37.60	109.18	0.77	2,394.32
Exchange difference on translation of foreign operations	9.21	-	201.95	1,214.11	15.58	-	1.02	1,441.87
Reclassification to assets held for sale*	2,383.63	-	544.86	-	-	-	-	2,928.49
Gross carrying value as at 31 March 2025	10,093.47	689.31	35,491.33	136,184.44	3,683.49	804.15	1,602.74	188,548.93
Additions	149.00	-	3,259.91	18,042.35	500.86	314.10	204.30	22,470.52
Disposals	-	-	137.71	3,059.86	415.18	218.86	41.80	3,873.41
Exchange difference on translation of foreign operations	48.26	-	1,058.10	6,630.88	76.48	-	6.23	7,819.95
Reclassification to assets held for sale*	939.66	-	-	-	-	-	-	939.66
Gross carrying value as at 31 March 2026	9,351.07	689.31	39,671.63	157,797.81	3,845.65	899.39	1,771.47	214,026.33
Accumulated depreciation								
Balance as at 1 April 2024	-	-	6,728.07	50,307.89	1,942.96	267.92	717.15	59,963.99
Depreciation for the year	-	-	1,284.01	11,390.01	421.85	113.81	125.36	13,335.04
Depreciation on disposal	-	-	-	1,560.78	32.88	109.19	0.77	1,703.62
Exchange difference on translation of foreign operations	-	-	9.35	418.23	8.25	-	-	435.83
Reclassification to assets held for sale*	-	-	229.18	-	-	-	-	229.18
Balance as at 31 March 2025	-	-	7,792.25	60,555.35	2,340.18	272.54	841.74	71,802.06
Depreciation for the year	-	-	1,276.16	12,005.47	458.23	158.65	127.87	14,026.38
Depreciation on disposal	-	-	123.33	2,411.75	416.47	101.29	32.70	3,085.54
Exchange difference on translation of foreign operations	-	-	67.08	2,584.83	45.53	-	-	2,697.44
Reclassification to assets held for sale*	-	-	-	-	-	-	-	-
Balance as at 31 March 2026	-	-	9,012.16	72,733.90	2,427.47	329.90	936.91	85,440.34
Net carrying value								
As at 31 March 2026	9,351.07	689.31	30,659.47	85,063.91	1,418.18	569.49	834.56	128,585.99
As at 31 March 2025	10,093.47	689.31	27,699.08	75,629.09	1,343.31	531.61	761.00	116,746.87

*Refer note 3D

For details on property, plant and equipment mortgaged/ charged against borrowings, refer note 12

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

3B. Capital Work in Progress

Particulars	Amount
As at 1 April 2024	6,204.19
Additions	2,814.16
Transfer to Property, plant and equipment	(2,514.17)
As at 31 March 2025	6,504.18
Additions	7,471.01
Transfer to Property, plant and equipment	(3,256.12)
Deletion/adjustment during year	(678.28)
As at 31 March 2026	10,040.79
Breakup of capital work in progress as at 31 March 2025 is as follows :	
Furniture and fixtures	18.04
Plant and Machinery	5,637.14
Office Equipment	33.92
Building	815.08
	6,504.18
Breakup of capital work in progress as at 31 March 2026 is as follows :	
Plant and Machinery	9,050.49
Office Equipment	96.30
Building	651.38
Others	242.62
	10,040.79

The following table presents the ageing schedule for Capital-work-in progress:

S. No	Particulars	Amount in CWIP for a period of				Total
	Ageing schedule as on 31 March 2026	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	8,613.54	425.65	1,001.60	-	10,040.79
2	Project temporarily suspended	-	-	-	-	-

There are no capital work in progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on 31 March 2026.

S. No	Particulars	Amount in CWIP for a period of				Total
	Ageing schedule as on 31 March 2025	Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Projects in progress	5,504.39	143.09	856.70	-	6,504.18
2	Project temporarily suspended	-	-	-	-	-

As at 31 March 2025

For Capital work in progress, whose completion is overdue to its original plan.

S.No	Particulars	Amount in CWIP for a period of					Remarks
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
1	Project 1	1,167.31			-	1,167.31	Project is expected to completed by 30 June 2025.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

3B. Intangible assets under development

Particulars	Amount
As at 1 April 2024	1,368.99
Additions	16.87
Transfer to intangible assets	(981.99)
As at 31 March 2025	403.87
Additions	1,380.85
Transfer to intangible assets	(16.27)
Deletion/adjustment during year	(296.46)
As at 31 March 2026	1,471.99

The following table presents the ageing schedule for Intangible assets under development:

S.No	Particulars	Amount in Intangible assets under development for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Projects in progress	1,423.39	48.60	-	-	1,471.99
2	Project temporarily suspended	-	-	-	-	-

S.No	Particulars	Amount in Intangible assets under development for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Projects in progress	342.00	61.87	-	-	403.87
2	Project temporarily suspended	-	-	-	-	-

There are no intangible assets under development where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on 31 March 2026 and 31 March 2025.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

3C. Title deeds of immovable properties not held in the name of the Company

S.	Relevant line item in the balance sheet	Description of item of property	Gross carrying value 31 March 2026	Gross carrying value 31 March 2025	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of their relative of promoter/ director or employee of promoter/ director	Property held since	Reason for not being held in name of the Group
1	Property, plant and equipment - Freehold Land	Plot No. - 44 Sector-3, IMT Manesar, Gurgaon	317.77	317.77	Adeep Roloforms Limited	No	28.12.2005	The company has filed an application in the Haryana State Industrial and Infrastructure Development Corporation for change the name which is pending as on balance sheet date.
2	Property, plant and equipment - Building	Plot No. 44 Sector-3, IMT Manesar, Gurgaon	411.08	411.08	Adeep Roloforms Limited	No	28.12.2005	The company has filed an application in the Haryana State Industrial and Infrastructure Development Corporation for change the name which is pending as on balance sheet date.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

3D. Details of assets for sale

The following table presents the details of Assets held for sale:

Particulars	As at 31 March 2026	As at 31 March 2025
Assets of Haridwar Land (refer note 1 below)	939.66	-
Investment in joint venture (refer note 2 below)	-	-
Assets of Peenya plant (refer note 3 below)	-	2,699.31
Total	939.66	2,699.31

1. The Company has decided to dispose a parcel of land in Haridwar, and accordingly, the said land has been classified as a non-current asset held for sale in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations as at the reporting date.
2. During the year ended 31 March 2025, the Company entered into share purchase agreement on 27 March 2025 for the sale of its entire 50% stake (dis-investment) in the Joint Venture namely, Jinyoung Sandhar Mechatronics Private Limited. The Company completed the sale transaction and received an amount of Rs 668.44 lacs on 15 April 2025 and accordingly, the carrying value of Company's investment of Rs Nil has been recognised under Assets held for sale.
3. During the year, the Company completed the sale of assets of Peenya plant, which had been classified as a non-current asset held for sale as at 31 March 2025. These assets had a carrying amount of Rs. 2,699.31 lacs at the time of classification. The assets were sold during the year for total proceeds of Rs. 6,100 lacs, resulting in a gain on disposal amounting to Rs. 3,400.69 lacs, which has been recognized under "Other income" in the statement of profit or loss.

4. Right-of-use asset*

Particulars	Plant & Machinery	Leasehold land	Total
Gross carrying value as at 1 April 2024	-	19,706.37	19,706.37
Additions	-	704.48	704.48
Disposals	-	339.13	339.13
Exchange difference on translation of foreign operations	-	231.85	231.85
Gross carrying value as at 31 March 2025	-	20,303.57	20,303.57
Additions	3,654.38	8,933.74	12,588.12
Disposals	836.67	1,172.19	2,008.86
Exchange difference on translation of foreign operations	-	1,243.36	1,243.36
Gross carrying value as at 31 March 2026	2,817.71	29,308.48	32,126.19
Accumulated amortization			
Balance as at 1 April 2024	-	6,126.77	6,126.77
Amortization charge for the year	-	2,168.76	2,168.76
Accumulated amortization on disposal	-	148.88	148.88
Exchange difference on translation of foreign operations	-	96.71	96.71
Balance as at 31 March 2025	-	8,243.36	8,243.36
Amortization charge for the year	141.84	2,282.46	2,424.30
Accumulated amortization on disposal	40.08	1,043.79	1,083.87
Exchange difference on translation of foreign operations	-	590.63	590.63
Balance as at 31 March 2026	101.76	10,072.66	10,174.42
Net carrying value			
As at 31 March 2026	2,715.95	19,235.82	21,951.77
As at 31 March 2025	-	12,060.21	12,060.21

* Refer note 35

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

5. Intangible assets

Particulars	Computer software	Technical know-how	Total	Goodwill
Gross carrying value as at 1 April 2024	1,143.85	7,439.55	8,583.40	553.30
Additions	313.93	1,271.57	1,585.50	-
Disposals	0.22	-	0.22	-
Exchange difference on translation of foreign operations	8.34	19.67	28.01	-
Gross carrying value as at 31 March 2025	1,465.90	8,730.79	10,196.69	553.30
Additions*	235.53	4,558.01	4,793.54	7,160.65
Disposals	188.21	-	188.21	-
Exchange difference on translation of foreign operations	51.31	174.21	225.52	-
Gross carrying value as at 31 March 2026	1,564.53	13,463.01	15,027.54	7,713.95
Accumulated amortisation				
Balance as at 1 April 2024	781.44	2,879.51	3,660.95	-
Amortisation for the year	158.40	1,411.92	1,570.32	-
Accumulated amortisation on disposal	0.21	-	0.21	-
Exchange difference on translation of foreign operations	7.09	8.97	16.06	-
Balance as at 31 March 2025	946.72	4,300.40	5,247.12	-
Amortisation for the year	187.74	2,699.92	2,887.66	-
Amortisation on disposal	170.02	-	170.02	-
Exchange difference on translation of foreign operations	44.97	67.61	112.58	-
Balance as at 31 March 2026	1,009.41	7,067.93	8,077.34	-
Net carrying value				
As at 31 March 2026	555.12	6,395.08	6,950.20	7,713.95
As at 31 March 2025	519.18	4,430.39	4,949.57	553.30

* Refer Note 40 for goodwill arising on business combination.

Impairment testing of goodwill

For the purpose of impairment testing, goodwill acquired in a business combination from the acquisition date is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. The Group has identified its operating divisions as its CGUs for this purpose. The carrying amount of goodwill is allocated to these CGUs based on the expected synergies and benefits from the business combination.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

	As at 31 March 2026	As at 31 March 2025
Operator Cabins	553.30	553.30
Aluminium Die Casting	7,160.65	-
	7,713.95	553.30

The recoverable amount of the above cash generating units was based on its value in use. The estimated value in use of the CGU is based on the future cash flows generated from the continuing use of CGU basis certain assumptions which include revenue growth, earnings before interest and taxes, taxes, capital outflow and working capital requirements. The calculation was based on the following key assumptions:

- The anticipated annual revenue growth and margin included in the cash flow projections are based on past experience, actual operating results and the 5-year business plan in all periods presented.
- The terminal growth rate of upto 4% is considered for all periods presented, representing management view on the future long-term growth rate.
- Discount rate considered is 12-16% is considered for all periods presented, in determining the recoverable amount of the CGU. The discount rate was estimated based on past experience and group's average weighted average cost of capital. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

As at 31 March 2026, the estimated recoverable amount of CGU exceeded its carrying amount and accordingly, no impairment loss was recognised. An analysis of the sensitivity of the computation to a change in key assumptions based on reasonable probability did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

6. Equity accounted investees

Particulars	As at 31 March 2026	As at 31 March 2025
Investment in equity shares (unquoted)		
Non Current		
In joint ventures		
1,72,20,600 (31 March 2025: 1,72,20,600) equity shares of Rs. 10/- each fully paid-up in Sandhar Han Sung Technologies Private Limited	1,415.17	1,270.85
Nil (31 March 2025: 68,64,988) equity shares of Rs. 10/- each fully paid-up in Jinyoung Sandhar Mechatronics Private Limited	-	-
2,66,20,000 (31 March 2025: 2,66,20,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Amkin Industries Private Limited	1,848.57	1,707.35
97,84,500 (31 March 2025: 97,84,500) equity shares of Rs. 10/- each fully paid-up in Sandhar Whetron Electronics Private Limited	1,033.50	994.92
Nil (31 March 2025: 1,00,84,555) equity shares of Rs. 10/- each fully paid-up in Kwangsung Sandhar Technologies Private Limited	-	300.88
27,50,000 (31 March 2025: 27,50,000) equity shares of Rs. 10/- each fully paid-up in Sandhar Han Shin Auto Technologies Private Limited	848.05	484.65
4,00,000 (31 March 2025: 4,00,000) equity shares of Rs. 100/- each fully paid-up in Winnercom Sandhar Technologies Private Limited	755.47	674.69
Nil (31 March 2025: 9,86,550) equity shares of Rs. 10/- each fully paid-up in Kwangsung Sandhar Automotive Systems Private Limited	-	98.66
Total equity accounted investees	5,900.76	5,532.00

7. Financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
Investments		
A. Non - current		
Investments in joint ventures		
(i) Investments in preference shares (Unquoted)		
23,43,837 (31 March 2025: 23,43,837) preference shares of Rs. 10/- each fully paid-up in Sandhar Han Sung Technologies Private Limited	234.38	234.38
Investments at fair value through profit and loss		
(ii) Non Trade investment (Unquoted)		
20,000 (31 March 2025: 20,000) shares of Rs. 10/- each fully paid-up in VNM Polymers Private Limited	194.29	194.10
10,10,069 shares of Rs. 10/- each fully paid-up in Clean Renewable Energy KK 1A Private Limited	271.91	-
Total	700.58	428.48
Current		
(i) Investment in unquoted mutual funds measured at fair value through profit and loss		
ICICI Prudential Large and Mid Cap Fund - Growth 5,071.05 units (31 March 2025: 5,071.05 units)	46.59	46.93
ICICI Prudential Equity and Debt Fund - Growth 13,134.42 units (March 31, 2025 : 13,134.42 units)	49.26	48.43
Total	95.85	95.36

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
B. Loans		
Current		
Loans to employees	45.84	34.45
Total	45.84	34.45
Break up of total loans		
(a) Unsecured and considered good	45.84	34.45
	45.84	34.45
Particulars	As at 31 March 2026	As at 31 March 2025
C. Trade receivables		
(unsecured and considered good, unless otherwise stated)		
Current		
Trade receivables (unsecured and considered good, unless otherwise stated)*	80,526.79	54,720.00
Unbilled revenue	1,779.08	1,010.22
Total	82,305.87	55,730.22
Break-up of trade receivables		
Unsecured, considered good	82,305.87	55,730.22
Trade receivables - credit impaired	365.35	316.04
	82,671.22	56,046.26
Less: Loss allowance	(365.35)	(316.04)
	82,305.87	55,730.22

Trade receivables ageing schedule as on 31 March 2026

Particulars	Outstanding for the following periods from due date of payment					Total
	Less than 6 months*	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
i) Undisputed trade receivables- considered good	79,235.03	1,763.40	1,164.83	137.36	5.25	82,305.87
ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade Receivables- credit impaired	54.88	23.54	40.33	30.32	216.28	365.35
iv) Disputed trade Receivables- considered good	-	-	-	-	-	-
v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade Receivables- credit impaired	-	-	-	-	-	-
vii) Less: Loss allowance	(54.88)	(23.54)	(40.33)	(30.32)	(216.28)	(365.35)

*Includes unbilled revenue of Rs 1,779.08 lacs and not due of Rs 37,127.82 lacs

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Trade receivables ageing schedule as on 31 March 2025

Particulars	Outstanding for the following periods from due date of payment					Total
	Less than 6 months*	6 months – 1 year	1–2 year	2–3 years	More than 3 years	
i) Undisputed trade receivables- considered good	54,746.41	691.23	270.70	20.53	1.35	55,730.22
ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed trade Receivables- credit impaired	-	-	-	16.23	299.81	316.04
iv) Disputed trade Receivables- considered good	-	-	-	-	-	-
v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed trade Receivables- credit impaired	-	-	-	-	-	-
vii) Less: Loss allowance	-	-	-	(16.23)	(299.81)	(316.04)

*Includes unbilled revenue of Rs 1,010.22 lacs and not due of Rs 42,291.77 lacs

* For explanations on the Group's credit risk management processes, refer to Note -38

For dues receivables from related parties refer to Note -33

Particulars	As at 31 March 2026	As at 31 March 2025
D. Cash and cash equivalents		
Balances with banks		
– In current accounts	5,095.30	5,382.67
Cash on hand	13.31	14.75
Deposits with original maturity for less than three months	-	2,711.76
Total	5,108.61	8,109.18

Particulars	As at 31 March 2026	As at 31 March 2025
E. Other bank balances		
In current account for equity dividend	2.43	2.72
Deposits with original maturity for more than 3 months but less than 12 months*	5.01	19.26
Total	7.44	21.98

*These deposits are held as margin money deposits with government authorities.

Particulars	As at 31 March 2026	As at 31 March 2025
F. Other financial assets		
Non current		
Security deposits	3,192.44	2,245.91
Interest accrued but not due on fixed deposits	31.24	18.22
Bank deposit with original maturity of more than 12 months*	546.91	125.65
Government grant recoverable	1,053.11	-
Total	4,823.70	2,389.78

*Deposits amounting to Rs. 108.5 lakhs (31 March 2025: 114.25) are held as margin money deposits with government authorities.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Current		
Security deposits	473.07	419.73
Bank deposit with original maturity of more than 12 months*	581.41	27.08
Interest accrued but not due on fixed deposits	35.17	8.86
Other advances recoverable	950.40	557.97
Government grant recoverable	669.34	-
Total	2,709.39	1,013.64
*These deposits are held as margin money deposits with government authorities.		
Total financial assets (A+B+C+D+E+F)	95,797.28	67,823.09
Break up of financial assets carried at amortised cost		
Security deposits	3,665.51	2,665.64
Total financial assets carried at amortised cost	3,665.51	2,665.64

8. Inventories

(Valued at lower of cost and net realizable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials {includes goods in transit of Rs. 893.53 Lacs (31 March 2025: Rs. 766.45 Lacs)}	24,458.63	18,230.56
Work in progress	8,754.24	4,789.72
Finished goods {includes goods in transit of Rs. 1,669.37 Lacs (31 March 2025: Rs. 930.17 Lacs)}	8,958.65	7,741.38
Stores and spares	13,904.04	10,269.93
	56,075.56	41,031.59
Provision for inventory obsolescence	(91.57)	(83.05)
Total inventories at the lower of cost and net realisable value	55,983.99	40,948.54

9. Other assets

Particulars	As at 31 March 2026	As at 31 March 2025
Non - current		
A. Capital advances		
(Unsecured and considered good, unless otherwise stated)		
Unsecured and considered good (refer note 40)	1,937.22	11,730.50
Total capital advances	1,937.22	11,730.50
B. Prepaid expenses		
Prepaid expenses	431.01	93.97
	431.01	93.97
C. Income-tax asset		
Advance income-tax (net of provision for taxation) (refer note 17)	1,090.80	1,039.42
Total income-tax asset	1,090.80	1,039.42
Total (A+B+C)	3,459.03	12,863.89
Current		
D. Other advances		
Unsecured, considered good.	1,499.52	2,495.10
Total other advances	1,499.52	2,495.10
E. Prepaid expenses		
Prepaid expenses	1,522.12	1,355.21
	1,522.12	1,355.21

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
F. Balance with statutory / government authorities		
(Unsecured and considered good, unless otherwise stated)		
Unsecured, considered good*	3,650.21	2,909.44
Doubtful	34.99	14.61
	3,685.20	2,924.05
Less: Provision for other doubtful advances	(34.99)	(14.61)
Total balance with statutory / government authorities	3,650.21	2,909.44
*Deposits with government authorities includes amounts paid under protest amounting to Rs. 80.70 Lacs (31 March 2025: 70.25 Lacs)		
G. Plan assets		
Plan asset over defined benefit obligation	443.34	-
Total Balance in Plan Assets	443.34	-
Total (D+E+F+G)	7,115.19	6,759.75

10. Share capital

Particulars	As at 31 March 2026	As at 31 March 2025
A. Authorised share capital		
7,80,00,000 equity shares of Rs.10 each (31 March 2025: 6,80,00,000 equity shares of Rs.10 each)	7,800.00	6,800.00
2,00,000 preference shares of Rs.100 each (31 March 2025: 2,00,000 preference shares of Rs.100 each)	200.00	200.00
	8,000.00	7,000.00
B. Issued, subscribed and fully paid equity capital		
6,01,90,708 equity shares of Rs. 10 each fully paid up (31 March 2025: 6,01,90,708 equity shares of Rs. 10 each)	6,019.07	6,019.07
	6,019.07	6,019.07

C. Reconciliation of the equity share outstanding at beginning and at end of the year

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	Rs. in Lacs	Number	Rs. in Lacs
Equity shares outstanding at the beginning of the year	60,190,708	6,019.07	60,190,708	6,019.07
Issued during the year	-	-	-	-
Outstanding at the end of the year	60,190,708	6,019.07	60,190,708	6,019.07

Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having par value of Rs.10 per share (31 March 2025: Rs.10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

The Board of Directors at its Meeting held on 22 May 2025, has recommended a final dividend @ 35% i.e. Rs. 3.50 per equity share, which has been approved by shareholders in Annual General Meeting held on 19 September 2025. The same has been paid.

The Board of Directors at its Meeting held on 21 May 2026, has recommended a final dividend @ 40% i.e. Rs. 4.00 per equity share. The dates of the book closure for the entitlement of such final dividend and Annual General Meeting shall be decided and informed in due course of time.

In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders."

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

D. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number	%	Number	%
Jayant Davar*	30,433,998	50.56%	33,056,928	54.92%

* 90,909 Equity Shares are held by Mr. Jayant Davar in his Capacity as proprietor of Sandhar Enterprises

Details of shares held by promoters as at 31 March 2026

Particulars	No. of shares (1 April 2025)	Change during the year	No. of shares (31 March 2026)	% change during the year	% of shareholding
Jayant Davar	33,056,928	(2,622,930)	30,433,998	(7.93%)	50.56%
Monica Davar	2,622,930	(2,622,930)	-	(100.00%)	0.00%
Neel Jay Davar	1,555,995	-	1,555,995	0.00%	2.59%
Poonam Juneja	62,265	-	62,265	0.00%	0.10%
Sanjeevni Impex Private Limited	1,684,738	-	1,684,738	0.00%	2.80%
Ysg Estates Private Limited	1,662,032	-	1,662,032	0.00%	2.76%
Sandhar Infosystems Limited	793,569	-	793,569	0.00%	1.32%
Jubin Finance And Investment Limited	573,508	-	573,508	0.00%	0.95%
Sandhar Estates Private Limited	350,280	-	350,280	0.00%	0.58%
Cream and Cookies Family Trust (Jayant Davar being Trustee and First Holder)	-	2,622,930	2,622,930	100.00%	4.36%
Hazelnut Family Trust (Jayant Davar being Trustee and First Holder)	-	2,622,930	2,622,930	100.00%	4.36%

Details of shares held by promoters as at 31 March 2025

Particulars	No. of shares (1 April 2024)	Change during the year	No. of shares (31 March 2025)	% change during the year	% of shareholding
Jayant Davar	32,270,978	785,950	33,056,928	2.44%	54.92%
Monica Davar	2,622,930	-	2,622,930	0.00%	4.36%
Neel Jay Davar	1,555,995	-	1,555,995	0.00%	2.59%
Santosh Davar	785,950	(785,950)	-	(100.00%)	0.00%
Poonam Juneja	62,265	-	62,265	0.00%	0.10%
Sanjeevni Impex Private Limited	1,684,738	-	1,684,738	0.00%	2.80%
Ysg Estates Private Limited	1,662,032	-	1,662,032	0.00%	2.76%
Sandhar Infosystems Limited	793,569	-	793,569	0.00%	1.32%
Jubin Finance And Investment Limited	573,508	-	573,508	0.00%	0.95%
Sandhar Estates Private Limited	350,280	-	350,280	0.00%	0.58%

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

11. Other equity

Particulars	As at 31 March 2026	As at 31 March 2025
Capital reserve		
At the beginning and end of the year	3,915.46	3,915.46
	3,915.46	3,915.46
Securities premium		
At the beginning and end of the year	27,859.67	27,859.67
	27,859.67	27,859.67
Retained earnings		
Balance at the beginning of the year	75,180.40	62,972.36
Add: Profit for the year	19,865.93	14,164.24
Less: Final dividend on equity shares	(2,106.67)	(1,956.20)
Balance at the end of the year	92,939.66	75,180.40
Other comprehensive income		
a. Exchange differences on translation of foreign operations		
Balance at the beginning of the year	1,233.48	1,038.43
Exchange differences on translation	1,197.27	195.05
Balance at the end of the year	2,430.75	1,233.48
b. Remeasurements of defined benefit liability		
Balance at the beginning of the year	(277.96)	(145.80)
Re-measurement (loss)/ gain on defined benefit liabilities	595.21	(176.10)
Income tax relating to re-measurement (loss)/ gain on defined benefit liabilities	(169.18)	43.94
Balance at the end of the year	148.07	(277.96)
Total other equity	127,293.61	107,911.05

Nature and purpose of other equity

1. Capital Reserve

This represents Capital reserve created during the year ended 31 March 2013, consequent to the approval by the Hon'ble High Court of Delhi of the scheme of amalgamation of MAG Engineering Private Limited with the Company and will be utilised as per the requirements of the Companies Act, 2013.

2. Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

3. Re-measurements of defined benefit obligation

Re-measurements of defined benefit obligation comprises actuarial gains and losses.

4. Retained Earnings

This represents the cumulative profits for the Group.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

12. Borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
A. Non-current		
Term Loans		
Indian rupee loan from banks (secured) (refer note A,B)	16,970.52	14,597.37
Indian rupee loan from others (secured) (refer note C,D)	375.00	3,695.34
EUR loan from Bankinter (unsecured) (refer note L)	307.64	469.49
EUR Loan multiple bankers ICO COVID19 (unsecured) (refer note H)	-	24.01
EUR Credit multiple bankers ICO COVID19 (unsecured) (refer note H)	890.89	956.17
USD Loan from Banamex (secured) (refer note I)	110.07	233.83
EUR loan in B. Transilvania (STR) (unsecured) (refer note M)	6,077.72	4,965.45
EUR Loan from ICF (unsecured) (refer note F)	1,169.41	1,232.59
EUR Loan from ICICI Bank (secured) (refer note J)	-	79.46
EUR loan from BBVA (secured) (refer note K)	216.92	322.03
Lease financing loans from financial institutions (secured) (refer note G)	384.25	645.01
Total	26,502.42	27,220.75
Secured	18,056.75	19,573.04
Unsecured	8,445.67	7,647.71
B. Current		
a) Current maturities of long term borrowings		
Indian rupee loan from banks (secured) (refer note A,B)	7,322.37	7,174.83
Indian rupee loan from others (secured) (refer note C)	2,737.50	2,239.30
EUR Loan from Santander (unsecured) (refer note E)	-	-
EUR loan from Bankia (unsecured) (refer note L)	238.15	191.52
EUR Loan multiple bankers ICO COVID19 (unsecured) (refer note H)	28.03	316.83
USD Loan from Banamex (secured) (refer note I)	146.76	133.62
EUR Loan from ICF (unsecured) (refer note F)	269.82	574.41
EUR loan from BBVA (secured) (refer note K)	159.12	133.71
EUR loan in B. Transilvania (STR) (unsecured) (refer note M)	688.36	471.60
EUR Loan from ICICI Bank (secured) (refer note J)	-	370.82
Lease financing loans from financial institutions (secured) (refer note G)	373.24	299.15
Total Current maturities of long term borrowings	11,963.35	11,905.79
b) Cash credit from banks (secured) (refer note N)		
Cash credit/WCDL/Buyer's line of credit from banks (secured by CL, CGT or SBLC from parent Company or by invoices financed)	56,348.82	41,483.43
c) Credit card payables (unsecured) (refer note O)	-	1,512.89
Total	68,312.17	54,902.11
Aggregate secured loans	67,087.81	51,834.86
Aggregate unsecured loans	1,224.36	3,067.25

Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Terms of borrowings		
(A) Term loan from CITI Bank Indian rupee Loan of Rs. 750,000,000 and Rs. 350,000,000 carries interest rate of 7.30% – 8.50% p.a. The loan is repayable in 16 quarterly instalments of Rs. 46,875,000 from January, 2023 and Rs. 21,875,000 from June, 2025.	4,031.27	13,756.43
(B) Term loan from Kotak Mahindra Bank Indian rupee Loan of Rs. 714,128,990 carries interest rate of 7.04% – 7.79% p.a. The loan is repayable in 16 quarterly instalments of Rs. 23,953,982 from June, 2023 and term loan from Federal Bank Indian rupee Loan of Rs. 380,490,758 carries interest rate of 8.00% – 9.00% p.a. The loan is repayable in quarterly instalments Rs. 50,000,000 from April, 2023 and term loan from Axis Bank Indian rupee Loan of Rs.200,000,000 carries interest rate of 7.50%-7.60% p.a. The loan is repayable in 16 quarterly instalments Rs. 1,2500,000 from March,2026 and term loan from CTBC Bank Indian rupee Loan of Rs.1,000,000,000 carries interest rate of 6.90%-8.20% p.a. The loan is repayable in 16 quarterly instalments Rs. 6,2500,000 from March,2025 and term loan from Federal Bank Indian rupee Loan of Rs.200,000,000 carries interest rate of 7.50% p.a. The loan is repayable in 16 quarterly instalments Rs. 1,2500,000 from April,2025 and term loan from Axis Bank Indian rupee Loan of Rs.1,000,000,000 carries interest rate of 7.50% p.a. The loan is repayable in 16 quarterly instalments Rs. 6,2500,000 from March,2026 and term loan from Axis Bank Indian rupee Loan of Rs.240,231,170 carries interest rate of 7.50% p.a. The loan is repayable in 16 quarterly instalments Rs. 23,125,000 from March,2026.	20,261.63	8,015.77
(C) Term loan from Bajaj Finserv Ltd Indian rupee Loan of Rs. 400,000,000 carries interest rate of 8.00%-8.40% p.a. The loan is repayable in 16 quarterly instalments of Rs. 125,00,000 from April, 2023.	1,312.50	1,404.46
(D) Term loan from Bajaj Finserv Ltd Indian rupee Loan of Rs. 483,218,765 carries interest rate of 8.20% p.a. The loan is repayable in 16 quarterly instalments of Rs. 30,201,173 from January, 2024 and term loan from Bajaj Finserv Ltd Indian rupee Loan of Rs. 100,000,000 carries interest rate of 8.00%-8.50% p.a. The loan is repayable in 10 quarterly instalments of Rs. 10,000,000 from July, 2025.	1,800.00	4,530.18
(E) EUR loan from Santander carries interest @ 1.95% p.a. repayable in 24 monthly instalments of EUR 6,250 (plus interest) from May 2020 to April 2022. New loan from Santander carrying interest @ 2.25% repayable in 24 monthly instalments of EUR 21,325.10 (interest included) from Dec. 2022 to Nov. 2024.	-	-
(F) EUR loan from ICF 3 EUR loan from ICF; first for 2,500 Keur, carrying interest 6.58% p.a. (12 mnth Euribor+2.5%) repayable in 48 monthly instalments of Eur 76,622 from November 2022 to August 2025, second of 920 Keur, payable in 71 instalments of Eur 12,777.77 (plus interest, 5.174%) and 1 last instalment of Eur. 12,778.33 (plus interest) from Jan. 2024 to Dec. 2029, with Moratory period from Dec. 2021 to Dec. 2023 third for 1000 KEUR with Moratory period from March to August 2023 repayable in 114 installments of 11,810.16 EUR, including interest of 5.23% (12 mnth Euribor+2.7%)	1,439.23	1,807.00
(G) Lease financing loans from financial institutions (Some of which with Comfort letter from Parent company), carries interest @ 1.75% to 5.97%, monthly instalment ranging from Eur 168 to EUR 16,911 (Secured).	757.49	944.16
(H) EUR loan multiple bankers ICO COVID19 carry interest @ 1.5% to 3.55% (average 2%), repayable from 3 to 5 years in monthly instalment ranging from Eur 3,222 to EUR 38,000.	918.92	1,297.01
(I) Loan from Banamex in STM (SBLC guarantee from Parent Company) carries interest of USD SOFR+1.4% payable in 16 quarterly installments of USD 125,000 from July 2021 to January 2025 and USD 0.625 Mln Loan from Banamex in STM (Corporate guarantee from STL) carries interest of USD SOFR +1.4% payable in 16 quarterly installments of USD 39,063 from February 2024 to November 2028.	256.82	367.45
(J) EUR loan from ICICI Bank (Corporate guarantee from Parent company), carries interest of 3.25% repayable from in 17 quarterly installments of EUR 100,240 (plus interest) from March 2022 to March 2026 and a last installment of EUR 85,920 (plus interest) in June 2026.	-	450.28
(K) EUR loan from BBVA (Corporate guarantee from Parent company), carries interest of 1.90% repayable in 84 months installments o EUR 12,723.38 (including interest) from August 2021 to July 2028.	376.04	455.74

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
(L) EUR loan from Bankinter (Unsecured) carries interest @ 5.27% repayable in 60 monthly instalments of Eur 13,717.86 (including interest) from Apr. 2023 to Mar, 2028. It has 1 year moratory period from Apr. 2022 to Mar, 2023. And 350 KEUR loan from Bankinter (Unsecured) carries interest @ 4.57% repayable in 60 monthly instalments of Eur 6,830.13 (including interest) from Dec. 2023 to Nov, 2028. It has 1 year moratory period from Nov. 2022 to Dec, 2023.	545.79	661.01
(M) EUR loan in B. Transilvania (STR) (Unsecured) carries interest @ 3.86% for both loans; one for building of EUR 2,549,616.00 repayable in 10 years and another is for Machinery of EUR 4,792,327.74 but can be drawn until EUR 6,500,000 and repayable in 11 years.	6,766.08	5,437.05
(N) Cash credits from banks are secured by way of first pari passu charge on the inventory and books debts of the Company.	56,348.82	41,483.43
(O) Credit card payable	-	1,512.89

Above term loans are secured by:

1. First pari passu charge on the entire present and future movable property, plant and equipment of the borrower excluding those assets which are specifically funded by other lenders/financial institutions
2. First pari passu charge on immovable properties, of the borrower as detailed below:
 - i. 4, HSIDC Industrial Area, Delhi Gurgaon Road, Gurgaon
 - ii. 3, HSIDC Industrial Area, Delhi Gurgaon Road, Gurgaon
 - iii. Plant at Village Dhumaspur, P.O Badshahpur, Gurgaon
 - iv. Plot no. 24, Sector 3, IMT Manesar, Haryana
 - v. Plot no. 44, Sector 3, IMT Manesar, Haryana
 - vi. Plot no. 8, Bommasandra- Jigani Link Road Industrial Area, Hubli
 - vii. Plot # 12c, Sy No. 47 & 50, KIADB, Bangalore
 - viii. Plot # 13a, Sy No. 47 & 50, KIADB, Bangalore
 - ix. Sandhar Himachal, Bharatgarh Road, Tehsil Nalagarh, District Solan, Himachal Pradesh
 - x. Plot No. 7A, KIADB Industrial Area, Attibele Hobli, Anekal Taluk, Bangalore
 - xi. First Pari Passu charge on the property situated at Plot No. 92, Sector-3 IMT Manesar, Gurugram -122052

Disclosures as per revised schedule III to the Companies Act, 2013

1. The Group has utilised the borrowings for the purpose it was taken.
2. The quarterly statements of current assets filed with the banks/ financial institutions are in agreement with the books of accounts.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

13. Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade payables of micro enterprises and small enterprises	18,930.34	11,795.55
Trade payables other than micro enterprises and small enterprises	58,917.37	39,069.82
Acceptances*	358.08	2,234.77
Total trade payables	78,205.79	53,100.14

Terms and conditions of the above financial liabilities

For explanations on the Company's credit risk management processes, refer to Note 38.

For dues payables to related parties refer to Note -33

*Acceptances are arrangements where operational suppliers of goods and services are initially paid by banks/ financial institutions while the Group continues to recognise the liability till settlement with the banks/financial institutions, which are normally effected within a period of 90 days.

Trade Payables ageing schedule as on 31 March 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) MSME	18,930.34	-	-	-	18,930.34
(ii) Others	59,126.83	63.96	81.27	3.39	59,275.45
(iii) Disputed dues — MSME	-	-	-	-	-

Trade Payables ageing schedule as on 31 March 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) MSME	11,772.59	0.03	5.49	17.44	11,795.55
(ii) Others	40,477.11	790.68	30.35	6.45	41,304.59
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-

*The Company participates in a supply chain financing arrangement (SCF) which is disclosed under trade payables, enabling suppliers to take early payment by selling their receivables from the Company. The Company has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor the original liability and the payment terms are modified on entering into the arrangement. The Company therefore discloses such amounts within trade payables because the nature and function of the financial liability remains the same.

Additional information related to supply chain financing is provided below:

Carrying Amount of Financial Liabilities Subject to Supplier Finance Arrangement

Particulars	As at 31 March 2026	As at 31 March 2025
Presented within trade and other payables	1,819.84	1,771.91
- of which suppliers have received payment from finance provider	358.08	2,234.77
Range of payment due dates		
Trade payables subject to supplier finance arrangement (days after invoice date)	45–60 Days	45–60 Days
Comparable trade payables (days after invoice date)	45–90 Days	45–90 Days

Payments to the bank are included under 'Operating Cash Flow' because they continue to be part of the normal operating cycle and their principal nature remains operating, i.e. payments for the purchase of goods.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

There were no foreign exchange differences or other non-cash transfers relating to the carrying amount of liabilities subject to supplier finance arrangements.

14. Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Lease liabilities (refer note 35)	17,301.96	8,216.87
Other financial liabilities	1,401.56	1,719.85
Payables for capital goods	300.16	1,025.94
Total	19,003.68	10,962.66
Current		
Payables for capital goods *	4,649.12	2,525.29
Interest accrued but not due	4.03	27.06
Interest accrued and due on borrowings	17.65	65.18
Unpaid equity dividend	2.43	2.72
Security deposit payable	72.57	92.22
Provision for interest -MSME	362.74	246.39
Other financial liabilities	925.68	1,416.28
Total	6,034.22	4,375.14
Lease liabilities (refer note 35)	2,644.39	2,035.61
	2,644.39	2,035.61

*For dues payables to related parties refer to Note -33

15. Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Advance from customers	2,359.09	2,019.39
Statutory dues	2,167.81	3,251.62
Other payables	919.12	538.23
Total	5,446.02	5,809.24

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

16. Provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
Non-current		
Provision for gratuity (refer note 31)	919.86	227.11
Provision for compensated absences	-	-
	919.86	227.11
Current		
Provision for gratuity (refer note 31)	108.23	537.11
Provision for compensated absences	995.97	1,071.21
	1,104.20	1,608.32
Other provisions		
Current		
Provision for income tax (net) (refer note 9B)	1,627.45	248.87
Provision for warranties*	113.44	104.91
Total	1,740.89	353.78
*Provision for warranties		
At the beginning of the year	104.91	104.91
Accrued during the year	135.80	140.38
Utilised during the year	(127.27)	(140.38)
At the end of the year	113.44	104.91

Provision is recognized for expected warranty claims on products sold during the last two to five years, based on past experience of level of repairs and returns. It is expected that the most of this cost will be incurred in the next financial year. Assumption used to calculate the provision for warranties were based on current sales level and current information available about returns based on the two to five year warranty period for all products sold.

17. Government grant

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current		
Balance at the beginning of the year	4,427.09	4,186.22
Received during the year	300.38	457.90
Recognised in the statement of profit and loss	(386.16)	(217.02)
Balance at the year end	4,341.31	4,427.10

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

18. Deferred tax liabilities (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Items leading to creation of deferred tax assets		
-Post-employment benefits	379.51	459.50
-Provision for doubtful debt and advances	91.96	80.00
-Employee benefits	103.00	206.20
-Unabsorbed depreciation and business losses	602.50	919.51
-Others	315.08	96.00
-Impact of IND-AS 116	281.21	52.60
Total deferred tax assets	1,773.26	1,813.81
Items leading to creation of deferred tax liabilities		
-Property, plant and equipment: Impact of difference between tax and depreciation/ amortisation charged for the financial reporting	(294.94)	295.15
-Impact of IND-AS 116	411.16	411.16
Total deferred tax liabilities	116.22	706.31
Net deferred tax assets	1,657.04	1,107.50
Reflected in the balance sheet as follows:		
Deferred tax assets	1,657.04	1,155.50
Deferred tax liabilities	-	(48.00)
Net deferred tax assets	1,657.04	1,107.50

Movement in deferred tax (liabilities)/assets:	Property, Plant and Equipment and Intangible Assets	Unabsorbed depreciation and business losses	Provision for doubtful debt and advances	Provision for employee benefits	Impact of IND AS 116	Others	Total
As at April 01, 2024	(1,228.04)	933.58	75.00	553.81	(134.47)	66.09	265.97
(Charged)/credited:							
- to profit or loss	932.89	(14.07)	5.00	67.95	(224.09)	35.77	803.45
- to other comprehensive income	-	-	-	43.94	-	-	43.94
- Exchange translation/ other adjustments	-	-	-	-	-	(5.86)	(5.86)
As at March 31, 2025	(295.15)	919.51	80.00	665.70	(358.56)	96.00	1,107.50
(Charged)/credited:							
- to profit or loss	590.09	(317.01)	11.96	(14.01)	228.61	(15.58)	484.06
- to other comprehensive income	-	-	-	(169.18)	-	-	(169.18)
- Exchange translation/ other adjustments	-	-	-	-	-	234.66	234.66
As at March 31, 2026	294.94	602.50	91.96	482.51	(129.95)	315.08	1,657.04

The Group offsets tax assets and tax liabilities if and only if it has a legal enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relates to income tax levied by the same tax authorities.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

19. Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Sale of products	468,807.34	372,746.41
Sale of services	10,639.23	11,086.43
Other operating revenue		
Scrap sale	5,762.04	4,598.33
Technical charges	-	19.05
Revenue from operations	485,208.61	388,450.22

Following are the disclosures with respect to revenue from operations in accordance with Ind AS 115

The Company's revenue disaggregated by geographical markets is as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
India	432,949.95	339,889.06
Other than India	52,258.66	48,561.17
Total	485,208.61	388,450.22

The Company entered into contracts with customers under which certain materials were supplied by customers for use in the manufacture of finished goods. Based on an assessment of transfer of control in accordance with Ind AS 115, the Company determined that control of such customer supplied materials does not transfer to the Company. Accordingly, amounts paid or payable to customers in respect of these materials have been accounted for as consideration payable to a customer and reduced from the transaction price, thereby reducing revenue recognized during the year, with a corresponding adjustment to purchases/consumption to reflect that such materials do not constitute costs of the Company.

The following table provides information on transaction with customers adjusted from transaction price:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Gross revenue	523,727.40	413,793.88
Less: Consideration payable to customers	38,518.79	25,343.66
Revenue (as reported)	485,208.61	388,450.22

The following table provides information about trade receivables, contract costs and contract liabilities from contracts with customers:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Trade receivables	82,305.87	55,730.22
Contract assets		
- Unbilled revenue	1,754.08	1,010.22
Contract liabilities		
- Advances from customers	2,359.09	2,019.39

Significant changes in contract costs and contract liabilities during the year are as follows:

Contract asset (unbilled revenue)		
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balances	1,010.22	938.26
Addition during the year	1,768.61	698.77
Revenue recognized	(1024.75)	(626.81)
Closing balance	1,754.08	1,010.22

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Advances from customers

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balances	2,019.39	1,127.18
Addition during the year	395.97	1,248.59
Revenue recognized	(56.27)	(356.38)
Closing balance	2,359.09	2,019.39

The Company's contracts with customers includes promises to transfer products and rendering of services to the customer. The Company assesses the products/services promised in identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits of significant risks and who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risk and rewards to the customer, acceptance of delivery by the customer etc. Based on the above assessment performance obligation is satisfied at point in time. The Company has a payment terms ranging from 30 days to 60 days for its customer.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is an unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The contract liabilities primarily relate to the advance consideration received from customers for procurement of goods, for which revenue is recognised point in time. This will be recognised as revenue when the control of the goods will be transferred, which is expected to occur during the next year.

20. Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit on sale of short term investment	0.02	86.83
Profit on sale of stake in joint venture	1,376.02	-
Profit on sale of property, plant and equipment	32.44	264.95
Gain on disposal of assets classified as held for sale	3,400.69	-
Government grant	1,861.41	218.25
Interest from bank	78.19	124.23
Interest from others	116.76	134.91
Interest income on security deposits measured at amortised cost	83.30	111.22
Gain on investments carried at fair value through profit or loss	0.68	26.99
Liabilities no longer required written back	8.96	-
Other miscellaneous income	577.23	686.03
	7,535.70	1,653.41

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

21. Cost of raw material and components consumed

Raw material and components consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventory at the beginning of the year	18,230.56	15,488.18
Add: Purchases during the year	316,170.63	243,456.98
	334,401.19	258,945.16
Less: Inventory at the end of the year	24,458.63	18,230.56
Cost of raw material and components consumed	309,942.56	240,714.60
Adjustment on account of exchange difference	116.51	23.06
Cost of raw material and components consumed	310,059.07	240,737.66

22. Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Closing inventories		
Finished goods	8,958.65	7,741.38
Work in progress	8,754.24	4,789.72
Adjustment on account of exchange difference	(405.36)	(159.09)
Total (A)	17,307.53	12,372.01
Opening inventories		
Finished goods	7,741.38	6,365.49
Work in progress	4,789.72	3,695.97
Adjustment on account of exchange difference	653.67	9.11
Total (B)	13,184.77	10,070.57
Changes in inventories of finished goods and work-in-progress	(4,122.76)	(2,301.44)

23. Employee benefit expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	55,027.51	47,216.79
Contribution to provident and other funds	3,138.55	2,934.32
Staff welfare expenses	2,955.82	2,434.70
Gratuity expense (refer note 31)	325.03	347.70
	61,446.91	52,933.51

24. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation on property, plant and equipment	14,026.38	13,335.04
Amortisation on right-of-use assets	2,424.30	2,168.76
Amortisation on intangible assets	2,887.66	1,570.32
	19,338.34	17,074.12
Less: Depreciation on plant and machinery capitalised during the year	2.33	14.00
	19,336.01	17,060.12

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

25. Other expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Consumption of stores and spares	12,485.61	10,410.70
Packing material	4,503.55	3,732.51
Job work charges	6,964.94	7,393.92
Rent	1,779.92	910.44
Rates and taxes	481.62	402.34
Insurance	775.28	556.00
Freight and forwarding charges	5,773.93	4,638.75
Power and fuel	21,078.22	15,902.97
Repairs and maintenance		
- Buildings	570.76	394.10
- Plant and machinery	4,187.10	3,460.56
- Others	2,680.58	2,341.49
Legal and professional charges	2,024.18	1,900.72
Travelling and conveyance	870.19	838.44
CSR expenditure	314.48	243.35
Service contractor charges	3,448.99	246.03
Business and sales promotion	20.51	26.24
Printing and stationery	11.98	2.33
Provision for doubtful debts and advances	92.50	16.23
Bad debts and advances written off	0.18	43.50
Provision for warranties (net of reversal)	135.80	140.38
Royalty	257.20	122.03
Commission to directors	633.29	767.43
Directors sitting fee	36.65	32.55
Security service charges	951.87	877.72
Testing and development expenses	120.18	136.22
Festival and celebration expenses	47.32	68.88
Loss on lease termination	89.11	-
Foreign exchange fluctuation loss (net)	670.85	269.42
Miscellaneous expenses	3,056.69	2,879.85
Total other expenses	74,063.48	58,755.10

26. Finance costs

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest to banks/ financial institutions		
- Term loan	2,747.85	2,342.58
- Cash credit	838.30	886.86
- Others	1,713.18	1,451.66
Interest to others	551.16	122.12
Finance charges	53.68	17.29
Bank charges	342.45	247.67
Interest on lease liabilities (refer note 35)	630.19	592.71
Total finance costs	6,876.81	5,660.89

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

27. Exceptional Items

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Impairment loss reversal on investment in joint venture	-	231.70
Impact of labour code*	(278.39)	-
Total Exceptional Items	(278.39)	231.70

*The Government of India notified the provisions of the four new Labour Codes ("Labour Codes") on 21 November 2025, thereby consolidating twenty-nine existing labour laws into a comprehensive and unified framework. Among other changes, the Labour Codes provide a unified definition of "wages" to be applied across various employee benefit computations. In accordance with Ind AS 19 – Employee Benefits, the Company has recognised a one-time expense of Rs. 278.39 lacs towards increase in the gratuity and compensated absences liabilities. The Company continues to monitor the finalisation of State Rules from the Government on other aspects of the Labour Code.

28. Components of other comprehensive income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended 31 March 2026

Particulars	Retained earnings	Total
Re-measurement loss on defined benefit liabilities	595.21	595.21
Tax impact on re-measurement loss on defined benefit liabilities	(169.18)	(169.18)
Exchange differences in translating the financial statements of foreign operations	1,197.27	1,197.27
	1,623.30	1,623.30

During the year ended 31 March 2025

Particulars	Retained earnings	Total
Re-measurement gain on defined benefit liabilities	(176.10)	(176.10)
Tax impact on re-measurement gain on defined benefit liabilities	43.94	43.94
Exchange differences in translating the financial statements of foreign operations	195.05	195.05
	62.89	62.89

29. Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit attributable to equity holders of the Company	19,865.93	14,164.24
Weighted average number of equity shares used for computing Earning per Share (Basic and Diluted)	60,190,708	60,190,708
Earning Per Share (Basic and Diluted) (Rs)	33.00	23.53
Face value per share (Rs)	10	10

Reconciliation of weighted average number of equity shares for calculation of Basic and Diluted earnings per share

Particulars	Number of equity shares	Weighted average number of shares
Equity shares of face value of Rs. 10 per share:		
Balance as at 1 April 2024	60,190,708	60,190,708
Issued during the year 2024–25	-	-
Balance as at 31 March 2025	60,190,708	60,190,708
Issued during the year 2025–26	-	-
Balance as at 31 March 2026	60,190,708	60,190,708

As at 31 March 2026 and 31 March 2025, the Group does not have any dilutive potential equity shares.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

30. Income tax

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) The major components of income tax expense for the year ended 31 March 2026 and 31 March 2025 are:		
Income tax recognised in Consolidated Statement of Profit and Loss		
Current income tax		
Current tax	6,346.75	5,148.76
Current tax relating to earlier years	(153.92)	(50.19)
Deferred tax		
Relating to origination and reversal of temporary differences	(484.06)	(803.45)
Income tax expense reported in the Consolidated Statement of Profit and Loss	5,708.77	4,295.12
Income tax recognised in other comprehensive income		
Deferred tax related to items recognised in OCI during the year:		
On remeasurements of defined benefit plans	(169.18)	43.94
Income tax charged to other comprehensive income	(169.18)	43.94
(b) Reconciliation of effective tax rate		
Reconciliation between average effective tax rate and applicable tax rate for the year ended 31 March 2026 and 31 March 2025:		
Profit before tax	25,574.70	18,459.36
Less: Share in profit of joint ventures	768.30	969.87
Profit for the year for computation of income tax	24,806.40	17,489.49
Statutory tax rate	25.168%	25.168%
Income tax expense at the statutory rate	6,243.28	4,401.76
Tax impact of deductible/ non-deductible expenses		
- Effect of CSR expenses	75.07	61.25
- Effect of interest paid to MSME	12.67	11.02
- Effect of difference in tax rate of subsidiaries	201.12	(58.64)
- Income taxable at special rates	(675.44)	-
- Income tax of earlier years	(153.92)	(50.19)
- Others	5.99	(70.08)
Income tax expense reported in statement of profit and loss	5,708.77	4,295.12

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

31. Gratuity and other post-employment benefit plans

A. Defined benefit plan

In accordance with Indian law, the Company operates a scheme of gratuity which is a defined benefit plan. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or termination of employment in accordance with the provisions under the Code on Social Security, 2020 except for Sandhar Technologies Barcelona. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020.

The following table sets out the details of the defined benefit retirement plans and the amount recognized in the financial statements.

I. Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Liability for gratuity	2,895.02	3,249.63
Plan asset for gratuity	2,310.27	2,485.41
Net plan liability (Current)	584.75	764.22

II. Reconciliation of present value of defined benefit obligation

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	3,249.64	2,825.66
Current service cost	297.08	321.91
Interest cost	225.19	204.30
Benefits paid	(292.78)	(315.55)
Past service cost including curtailment (gains)/losses	161.84	-
Actuarial (gain) / loss on obligation recognised in other comprehensive income	(745.95)	213.32
Balance at the end of the year	2,895.02	3,249.64

III. Reconciliation of fair value of plan assets

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	2,485.41	2,468.89
Actual return on plan asset	172.23	178.51
Contribution paid into the plan	-	100.00
Benefits paid	(196.63)	(299.21)
Actuarial gain / (loss) on plan asset recognised in other comprehensive income	(150.74)	37.22
Closing fair value of plan asset	2,310.27	2,485.41

IV. Expense recognised in the Statement of Profit and Loss under employee benefits expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current service cost	297.08	321.91
Past service cost	161.84	-
Interest cost	52.95	25.79
Expense recognised in the Statement of Profit and Loss	511.87	347.70

Past service cost resulting from plan Code on Social Security, 2020, amounting to Rs. 161.84 lacs has been recognised immediately in the Statement of Profit and Loss and has been classified as a part of "Exceptional Items".

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

V. Remeasurement recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial gain / (loss) on defined benefit obligation	745.95	(213.32)
Return on plan assets excluding interest income	(150.74)	37.22
Amount recognised in the Other Comprehensive Income	595.21	(176.10)

VI. Bifurcation of actuarial gain/(loss) on defined benefit obligation

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Actuarial gain/(loss) due to financial assumption change	330.48	(71.49)
Actuarial gain/(loss) due to experience adjustment	579.79	(97.19)
Amount recognised in the Other Comprehensive Income	910.27	(168.68)

The principal assumptions used in determining gratuity and compensated absences are as follows:

(a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the Group.

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate	6.93% p.a.	6.93% p.a.
Future salary increase	5.00% p.a. – 7.00% p.a.	5.00% p.a. – 7.00% p.a.
Expected rate of return on assets	7.00% p.a.	7.00% p.a.

(b) Demographic assumptions

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Particulars	As at 31 March 2026	As at 31 March 2025
Mortality table	IALM (2012–14)	IALM (2012–14)
Retirement age	58 years	58 years
Attrition rate		
Up to 30 years	10% p.a.	10% p.a.
From 31 to 44 years	3% p.a.	3% p.a.
Above 44 years	1% p.a.	1% p.a.

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

Particulars	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(118.99)	127.02	(144.46)	154.76
Expected rate of future salary increase (0.5% movement)	118.48	(112.81)	142.86	(134.42)

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

Gratuity expense expected to be incurred in the next year is Rs. 416.19 lacs (previous year Rs. 444.74 lacs).

Maturity profile of defined benefit obligations:

Particulars	As at 31 March 2026	As at 31 March 2025
Less than 1 year	258.04	205.87
1-2 years	177.41	234.47
2-5 years	535.02	563.09
More than 5 years	1,924.54	2,246.21

Other long-term employee benefits

During the year ended 31 March 2026, the Group has incurred an expense on compensated absences amounting to Rs. 247.84 lacs (previous year Rs. 333.40 lacs). The Group determines the expense for compensated absences basis the actuarial valuation of present value of the obligation, using the Projected Unit Credit Method.

32. Contingent liabilities and commitments (to the extent not provided for)

A. Capital commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	7,610.84	9,654.58

B. Contingent liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
a. Claims against the Group not acknowledged as debts*		
Service tax matters	56.42	56.42
Goods and services tax	1,564.86	776.32
Income tax matters	316.97	346.51
Matters related to land	121.27	79.85
Matters related to labour, employees/ ex-employees	38.87	54.77
Other matters related to accident claim, environmental compensation, and supplier's matters etc.	651.74	761.63
b. Guarantees given by the Group	560.07	1,307.31

* It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums/ authorities. The above amounts represent principal exposures and exclude interest and penalties aggregating to Rs 644.81 Lacs.

Based on the status of cases and as advised by Group's tax/legal advisors, wherever applicable, the management believes that the Group has strong chance of success and hence no provision against matters disclosed in "Claims against the Group not acknowledged as debts" are considered necessary.

Guarantee given by the Group to related parties

To facilitate grant of financing facilities to the Group's joint ventures and subsidiaries, the Company has given corporate guarantees to banks. As at year end, the outstanding corporate guarantee/stand by-letter of credits/ bank guarantees so given amounts to Rs. 284.74 (31 March 2025: Rs. 544.39).

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

33. Related party disclosures

(a) List of related parties and nature of relationship where control exists:

(i) Ultimate controlling party is promoter group (refer Note 10)

(b) List of related parties and nature of relationship with whom transactions have taken place during the current year/ previous year:

1. Joint Ventures	a. Sandhar Han Sung Technologies Private Limited b. Sandhar Amkin Industries Private Limited c. Sandhar Whetron Electronics Private Limited d. Sandhar Han shin Auto Technologies Limited e. Winnercom Sandhar Technologies Private Limited f. Jinyoung Sandhar Mechatronics Private Limited (exited on 15 April 2025) g. Kwangsung Sandhar Technologies Private Limited (exited on 24 June 2025) h. Kwangsung Sandhar Automotive Systems Private Limited (exited on 24 June 2025)
2. Enterprises over which Key managerial personnel/ relatives of key managerial personnel are able to exercise control/ significant influence with whom transactions have undertaken during the current year/ previous year:	a. Sandhar Estate Private Limited b. Jubin Finance and Investment Limited c. Haridwar Estates Private Limited d. Swaran Enterprises (Mrs. Santosh Davar is a Partner) e. Shorah Realty LLP f. Rico Auto Industries Private Limited g. Khaitan & Co LLP h. Sandhar Foundation i. Sandhar Info System LLP

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

3. Key Managerial Personnel

- a. Mr. Jayant Davar (Executive Chairman (Executive Director) and Chief Executive Officer)
- b. Mr. Yashpal Jain (Chief Financial Officer & Company Secretary)
- c. Ms. Shirin Sachdeva (Chief of Staff)
- d. Mr. Gurvinder Jeet Singh (Whole Time Director) (w.e.f. 1 June 2025)
- e. Mr. Niraj Hans (Chief Information Officer) (w.e.f. 1 June 2025)
- f. Mr. Vikas Puri (Chief Operating Officer) (w.e.f. 1 June 2025)
- g. Mr. Gulshan Ahuja (Compliance Officer)
- h. Mr. Arvind Kapur (Non-Executive Independent Director) (resign w.e.f. 3 July 2024)
- i. Mr. Bharat Anand (Non-Executive Independent Director)
- j. Ms. Archana Capoor (Non-Executive Independent Director)
- k. Mr. Arjun Sharma (Non-Executive Independent Director)
- l. Mr. Sandeep Dinodia (Non-Executive Independent Director)
- m. Mr. Vimal Mahendru (Non-Executive Independent Director)
- n. Mr. Vikarmpati Singhania (Non-Executive Independent Director)
- o. Mr. D.N Davar (Non-Executive and Non - Independent Director) (resign w.e.f. 23 May 2024)
- p. Ms. Monica Davar (Non-Executive and Non - Independent Director)
- q. Mr. Neel Jay Davar (Non-Executive and Non - Independent Director)
- r. Ms. Aabha Bakaya (Non-Executive and Independent Director)
- s. Mr. Ajay Kumar Raghav (Chief Operating Officer- Casting Machining and Tooling Division) (resign w.e.f. 01 March 25)
- t. Mr. Venkataraman Srinivasan (Chief Operating officer- Cabin and Fabrication Division) (resign w.e.f. 31 October 25)

* As per Companies Act, 2013

4. Relatives of Key Managerial Personnel and relatives of Individual owning an interest in the voting power of reporting enterprise that gives them control/ significant influence over the Group with whom transactions have undertaken during the current year/ previous year:

- a. Mr. D. N. Davar (resign w.e.f. 23 May 2024)
- b. Mrs. Monica Davar
- c. Mr. Neel Jay Davar
- d. Mrs. Santosh Davar
- e. Mrs. Poonam Juneja

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

5. Transactions with related parties during the current / previous year:

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase of goods	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	6,074.33	5,341.82
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	1,085.38	863.82
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	36.14	36.24
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	48.77	37.93
Sale of goods	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	173.44	87.01
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	26.02	2.62
	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	2.76	2.52
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	-	211.60
Purchase of property, plant and equipment	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	-	4.73
Reimbursement of expenses from	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	61.95	114.75
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	-	14.87
	Sandhar Amkin Industries Pvt Limited	Joint Venture of Reporting Enterprises	28.11	28.54
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	76.62	25.42
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	27.95	24.35
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	-	13.12
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	11.35	7.67
	Haridwar Estate Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	9.37	21.06
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	-	72.00
Lease rentals paid to	Sandhar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	62.97	32.70
	Jubin Finance & Investment Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	279.05	268.36
	Shorah Realty LLP	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	0.71	0.71

Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Lease rentals received from	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	28.57	28.76
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	30.40	45.61
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	-	0.97
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	-	1.67
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	-	0.49
	Sandhar Info Systems LLP	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	1.29	0.94
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	48.30	48.04
CSR expenditure	Sandhar Foundation	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	298.16	243.35
Director commission and sitting fee	Archana Capoor	Key Managerial Personnel and their relatives	5.10	7.60
	Arjun Sharma		3.55	6.90
	Arvind Kapur		-	1.20
	D.N.Davar		-	0.35
	Khaitan & Co LLP		-	5.50
	Monica Davar		3.05	6.20
	Mr. Neel Jay Davar		2.50	5.00
	Sandeep Dinodia		5.45	7.60
	Vimal Mahendru		5.65	6.75
	Vikrampati Singhania		3.20	5.35
	Bharat Anand		2.50	-
	Aabha Bakaya		5.65	6.35
Services given	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	90.95	86.66
Managerial remuneration	Jayant Davar	Key Managerial Personnel & their relatives	764.77	884.69
	Yashpal Jain	Key Managerial Personnel & their relatives	194.00	179.54
	Shirin Sachdeva	Key Managerial Personnel & their relatives	63.00	40.00
	Gurvinder Jeet Singh	Key Managerial Personnel & their relatives	129.15	95.59
	Niraj Hans	Key Managerial Personnel & their relatives	149.13	132.35
	Vikas Puri	Key Managerial Personnel & their relatives	145.56	58.33
	Ajay Kumar Raghav	Key Managerial Personnel & their relatives	-	81.17
	Gulshan Ahuja	Key Managerial Personnel & their relatives	19.50	12.00
	Venkataraman Srinivasan	Key Managerial Personnel & their relatives	69.03	90.81
Employee benefits	Short term employee benefits	Key Managerial Personnel	54.26	48.83
	Post-employment benefits	Key Managerial Personnel	42.52	38.27

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Commission charge on corporate guarantee	Sandhar Han Sung Technologies Pvt. Ltd.	Joint Venture of Reporting Enterprises	2.38	5.20
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	1.07	4.60
Dividend paid	Jayant Davar	Key Managerial Personnel & their relatives	1,248.30	1,074.35
	Others	Enterprises under Common control with the Reporting Enterprises	177.24	164.58
	Others	Key Managerial Personnel & their relatives	56.64	137.83
Nature of transaction	Name of related party	Relationship	As at 31 March 2026	As at 31 March 2025
Corporate guarantee/ standby letter of credit given to	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	-	277.50
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	284.74	266.90
Investment in JV's	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	1956.44	1,956.44
	Sandhar Amkin Industries Private Ltd	Joint Venture of Reporting Enterprises	2,662.00	2,662.00
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	978.45	978.45
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	400.00	400.00
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	275.00	275.00
	Kwangsung Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	-	1,008.46
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	-	98.66
Outstanding Receivable	Haridwar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	130.77	136.33
	Jinyoung Sandhar Mechatronics Private Limited	Joint Venture of Reporting Enterprises	-	0.16
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	-	6.07
	Sandhar Whetron Electronics Private Limited	Joint Venture of Reporting Enterprises	38.94	17.04
	Kwangsung Sandhar Automotive Systems Private Limited	Joint Venture of Reporting Enterprises	-	1.01
	Sandhar Han Shin Auto Technologies Private Limited	Joint Venture of Reporting Enterprises	0.68	0.47
	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	9.23	4.08
	Sandhar Info System LLP	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	0.25	1.10
	Rico Auto Industries Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	-	45.82

Notes to the Consolidated Financial Statements for the year ended 31 March 2026
(Rupees in lacs, except share data, per share data and unless otherwise stated)

Nature of transaction	Name of related party	Relationship	For the year ended 31 March 2026	For the year ended 31 March 2025
Security deposit receivable	Sandhar Estates Private Limited	Enterprises over which Key Managerial Personnel are able to exercise control/ significant influence	36.00	36.00
	Jubin Finance & Investment Limited	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	98.88	98.88
Outstanding payable	Swaran Enterprises	Enterprises over which relatives of Key Managerial Personnel are able to exercise control/ significant influence	753.40	605.78
	Sandhar Han Sung Technologies Private Limited	Joint Venture of Reporting Enterprises	95.28	22.66
	Sandhar Amkin Industries Private Limited	Joint Venture of Reporting Enterprises	47.59	-
Security deposit payable	Winnercom Sandhar Technologies Private Limited	Joint Venture of Reporting Enterprises	5.97	5.97
Managerial remuneration payable	Jayant Davar	Key Managerial Personnel & their relatives	601.23	741.18
	Yashpal Jain	Key Managerial Personnel & their relatives	16.18	-
	Gurvinder Jeet Singh	Key Managerial Personnel & their relatives	28.32	7.97
	Shirin Sachdeva	Key Managerial Personnel & their relatives	5.25	-
	Gulshan Ahuja	Key Managerial Personnel & their relatives	1.63	-
	Vikas Puri	Key Managerial Personnel & their relatives	12.13	11.67
	Niraj Hans	Key Managerial Personnel & their relatives	12.43	10.28
	Venkataraman Srinivasan	Key Managerial Personnel & their relatives	-	9.27

34. Disclosure required under Section 186(4) of the Companies Act, 2013

(i) Particulars of Corporate guarantee/ standby letter of credit given on behalf of:

Name of the entity	Guarantee given	Guarantee discharged	Outstanding balance	Purpose
Sandhar Amkin Industries Private Limited	284.74	-	284.74	To secure term loan and working capital loan

(ii) Particulars of investments made

Refer note 6 and 7A for investments made by the Group.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

35. Leases

- i. The Group has lease contracts for land & building used in its operations. Generally, the Group is restricted from assigning and subleasing the leased assets. The Group also has certain leases of guest house and other equipment with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

ii. Impact of adoption of Ind AS 116 on the Consolidated Statement of Profit and Loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on lease liabilities (refer note 26)	630.19	592.71
Amortisation on right-of-use assets (refer note 24)	2,424.30	2,168.76
Impact on the statement of profit and loss for the year	3,054.49	2,761.47

iii. Amount recognised in the statement of cash flows

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Repayment of lease liabilities including interest expenses	1,584.71	2,633.18
Impact on the statement of cash flows for the year	1,584.71	2,633.18

iv. Refer note 38 for contractual maturities of lease liabilities.

36. Financial Instruments– Fair values

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Financial assets				
A. Fair value through profit and loss:				
Non trade investment (Unquoted)	466.20	194.10	466.20	194.10
Investment in unquoted mutual funds	95.85	95.36	95.85	95.36
B. Amortised cost				
Security deposits	3,665.51	2,665.64	3,665.51	2,665.64
Loans to employees	45.84	34.45	45.84	34.45
Total	4,273.40	2,989.55	4,273.40	2,989.55
Financial liabilities				
A. Amortised cost				
Borrowings	94,814.59	82,122.86	94,814.59	82,122.86
Lease liabilities	19,946.35	10,252.48	19,946.35	10,252.48
Other financial liabilities	2,327.24	3,136.13	2,327.24	3,136.13
Total	117,088.18	95,511.47	1,17,088.18	95,511.47

The management assessed that the fair values of short term financial assets and liabilities significantly approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, management has not disclosed fair values for financial instruments such as trade receivables, trade payables, cash and cash equivalents, other current assets, interest accrued on fixed deposits, other current liabilities etc.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

The following methods and assumptions were used to estimate the fair values

Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Group based on parameters such as interest Rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

The fair value of unquoted instruments, is calculated by arriving at intrinsic value of the investee. The fair value of loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Discount rates used in determining fair value

The interest rates used to discount estimated future cash flows, where applicable, are based on the discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. In addition, the Group internally reviews valuation, including independent price validation for certain instruments.

37. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial statements that are;

- (a) recognised and measured at fair value and
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into three levels prescribed under the accounting standard.

All financial instruments for which fair value is recognised or disclosed are categorized with in the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group has an established control framework with respect to the measurements of fair values. This includes a valuation team and has overall responsibility for overseeing all significant fair value measurements and reports directly to the Group's Chief Financial Officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

A. Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2026

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at FVTPL				
Non trade investment (Unquoted)	466.20	-	-	466.20
Investment in unquoted mutual funds	95.85	-	-	95.85
Assets measured at amortised cost for which fair values are disclosed (refer note 36)				
Security deposits	3,665.51	-	-	3,665.51
Loans to employees	45.84	-	-	45.84
Liabilities measured at amortised cost for which fair values are disclosed (refer note 36)				
Borrowings	94,814.59	-	-	94,814.59
Lease liabilities	19,946.35	-	-	19,946.35
Other financial liabilities	2,327.24	-	-	2,327.24

During the year ended 31 March 2026, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

B. Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2025

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
		(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value through profit and loss:				
Non trade investment (Unquoted)	194.10	-	-	194.10
Investment in unquoted mutual funds	95.36	-	-	95.36
Assets measured at amortised cost for which fair values are disclosed (refer note 36)				
Security deposits	2,665.64	-	-	2,665.64
Loans to employees	34.45	-	-	34.45
Liabilities measured at amortised cost for which fair values are disclosed (refer note 36)				
Borrowings	82,122.86	-	-	82,122.86
Lease liabilities	10,252.48	-	-	10,252.48
Other financial liabilities	3,136.13	-	-	3,136.13

Notes to the Consolidated Financial Statements for the year ended 31 March 2026 (Rupees in lacs, except share data, per share data and unless otherwise stated)

During the year ended 31 March 2025, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

Reconciliation of Level 3 fair value measurements of financial assets is as follows :

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	194.10	162.48
Addition during the year	271.91	-
Net change in fair value (unrealised)	0.19	31.62
Balance at the end of the year	466.20	194.10

38. Financial risk management objectives and policies

The Group is primarily engaged in the manufacturing and assembling of automotive components such as lock-set, mirrors and various sheet metal components including cabins for two wheelers, four wheelers and off road vehicle industry. The Group's principal financial liabilities, comprises loans and borrowings, trade and other payables and finance lease obligation. The main purpose of these financial liabilities is to support the Group's operations. The Group's principal financial assets include investments in equity, employee advances, trade and other receivables, security deposits, cash and short-term deposits that derive directly from its operations.

The Group has exposure to the following risks arising from financial instruments

- Market risk (see (b));
- Credit risk (see (c)); and
- Liquidity risk (see (d)).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

a) Risk management framework

The Group's activities make it susceptible to various risks. The Group has taken adequate measures to address such concerns by developing adequate systems and practices. The Group's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Group's financial performance.

The Group's senior management oversee the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Group. The board of directors of the Company provides assurance to the shareholders that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee of the holding Company.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, credit ratings	Diversification of bank deposits, credit limits and letter of credit.
Liquidity risk	Borrowings and liabilities	Cash flow forecasting, Sensitivity analysis	Availability of borrowing facilities.
Market risk - foreign currency risk	Future commercial transactions, recognised financial liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting, sensitivity analysis	Considering the low volume of foreign currency transactions, the Group's exposure to foreign currency risk is limited hence the Group does not use any derivative instruments to manage its exposure.
Market risk - interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	

b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises following types of risk: interest rate risk, currency risk, price risk, and commodity risk. Financial instruments affected by market risk include loans and borrowings, investment, deposits and advances.

The sensitivity analyses in the following sections relate to the position as at 31 March 2026 and 31 March 2025. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2026.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2026 and 31 March 2025.

c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with fixed interest rates.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Exposure to interest rate risk

The interest rate profile of the Group's interest bearing financial instruments as reported to management is as follows:

Particulars	31 March 2026	31 March 2025
Financial liabilities		
Fixed rate instruments		
- Term loans	38,465.77	39,126.54
Variable rate instruments		
- Cash credit from bank	56,348.82	41,483.43
- Credit card from bank	-	1,512.89
Financial assets		
Fixed rate instruments		
- Fixed deposits	1,133.33	171.99
- Loans	45.84	34.45
- Security deposits	3,665.51	2,665.64

Interest rate sensitivity

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Increase / decrease in basic points	Profit or loss	Profit or loss (net of tax)
31 March 2026			
Secured term loan from banks	100	287.96	215.49
Cash credit from bank	100	563.49	421.67
Other borrowings	100	96.70	72.36
Secured term loan	(100)	(287.96)	(215.49)
Cash credit from bank	(100)	(563.49)	(421.67)
Other borrowings	(100)	(96.70)	(72.36)
31 March 2025			
Secured term loan from banks	100	299.25	223.93
Cash credit from bank	100	414.83	310.43
Other borrowings	100	107.15	80.18
Secured term loan	(100)	(299.25)	(223.93)
Cash credit from bank	(100)	(414.83)	(310.43)
Other borrowings	(100)	(107.15)	(80.18)

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Details of unhedged foreign currency exposures

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amount in foreign currency	Amount in Rs	Amount in foreign currency	Amount in Rs
Trade payables (USD)	18.51	1,746.35	18.57	1,587.78
Trade payables (JPY)	1,197.88	707.59	951.21	541.98
Trade payables (EUR)	76.66	8,278.93	67.35	6,228.72
Trade payables (CNY)	0.0009	0.01	-	-
Trade receivables (USD)	16.56	1,560.22	15.88	1,356.29
Trade receivables (MXN)	135.37	704.66	186.71	781.14
Trade receivables (EUR)	6.76	730.40	8.48	783.86

The following significant exchange rates were applied at the year end:

Particulars	Year end rates	
	As at 31 March 2026	As at 31 March 2025
INR/ JPY	0.59	0.57
INR/ USD	94.35	85.50
INR/ CNY	11.11	-
INR/ EUR	108.00	92.48
INR/ MXN	5.21	4.18

Sensitivity analysis

Any changes in the exchange rate of foreign currency against INR is not expected to have significant impact on the Group's profit due to the short credit period. Accordingly, a 1% appreciation/depreciation of the INR as indicated below, against the foreign currencies would have increased/reduced profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variable remains constant.

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure JPY	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/JPY Increases by 1 %	Import trade payables	0.59	0.0059	1,197.88	(7.08)	(5.30)
	INR/JPY Decreases by 1 %		0.59	(0.0059)	1,197.88	7.08	5.30
As at 31 March 2025	INR/JPY Increases by 1 %		0.57	0.0057	951.21	(5.42)	(4.06)
	INR/JPY Decreases by 1 %		0.57	(0.0057)	951.21	5.42	4.06

Particulars	Change in currency rate	Nature of Exposure	Year end rates	Changes in rates	Net exposure USD	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/USD Increases by 1 %	Import trade payables	94.35	0.9435	18.51	(17.46)	(13.07)
	INR/USD Decreases by 1 %		94.35	(0.9435)	18.51	17.46	13.07
As at 31 March 2025	INR/USD Increases by 1 %		85.50	0.8550	18.57	(15.88)	(11.88)
	INR/USD Decreases by 1 %		85.50	(0.8550)	18.57	15.88	11.88

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure CNY	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/CNY Increases by 1 %	Import trade payables	11.11	0.1111	0.0009	(0.0001)	(0.0001)
	INR/CNY Decreases by 1 %		11.11	(0.1111)	0.0009	0.0001	0.0001
As at 31 March 2025	INR/CNY Increases by 1 %		-	-	-	-	-
	INR/CNY Decreases by 1 %		-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure EUR	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/EUR Increases by 1 %	Import trade payables	107.99	1.0800	76.66	(82.79)	(61.95)
	INR/EUR Decreases by 1 %		107.99	(1.0800)	76.66	82.79	61.95
As at 31 March 2025	INR/EUR Increases by 1 %		92.48	0.9248	67.35	(62.29)	(46.61)
	INR/EUR Decreases by 1 %		92.48	(0.9248)	67.35	62.29	46.61

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure USD	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/USD Increases by 1 %	Export trade receivables	94.35	0.9435	16.56	15.62	11.69
	INR/USD Decreases by 1 %		94.35	(0.9435)	16.56	(15.62)	(11.69)
As at 31 March 2025	INR/USD Increases by 1 %		85.49	0.8549	15.88	13.58	10.16
	INR/USD Decreases by 1 %		85.49	(0.8549)	15.88	(13.58)	(10.16)

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure MXN	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/MXN Increases by 1 %	Export trade receivables	5.21	0.0521	135.37	7.05	5.27
	INR/MXN Decreases by 1 %		5.21	(0.0521)	135.37	(7.05)	(5.27)
As at 31 March 2025	INR/MXN Increases by 1 %		4.18	0.0418	186.71	7.81	5.85
	INR/MXN Decreases by 1 %		4.18	(0.0418)	186.71	(7.81)	(5.85)

Particulars	Change in currency rate	Nature of exposure	Year end rates	Changes in rates	Net exposure EUR	Effect on profit before tax (INR)	Effect on profit after tax (INR)
As at 31 March 2026	INR/EUR Increases by 1 %	Export trade receivables	108.00	1.0800	6.76	7.30	5.46
	INR/EUR Decreases by 1 %		108.00	(1.0800)	6.76	(7.30)	(5.46)
As at 31 March 2025	INR/EUR Increases by 1 %		92.81	0.9281	8.48	7.87	5.89
	INR/EUR Decreases by 1 %		92.81	(0.9281)	8.48	(7.87)	(5.89)

Equity price risk

The Group's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables), including foreign exchange transactions and other financial instruments.

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each date of statements of financial position whether a financial asset or a Group of financial assets is impaired. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Trade receivables of Rs. 82,305.87 lacs as at 31 March 2026 (31 March 2025: Rs 55,730.22 lacs) forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. In addition to the historical pattern of credit loss, we have considered the likelihood of increased credit risk. This assessment is not based on any mathematical model but an assessment considering the nature of segment, impact immediately seen in the demand outlook of these segments and the financial strength of the customers in respect of whom amounts are receivable.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Group's exposure to customers is diversified and some customer contributes more than 10% of outstanding accounts receivable as of 31 March 2026 and 31 March 2025, however there was no default on account of those customers in the past. The Group has payment terms in range of 30 days to 120 days with its customers.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits to customer. Limits and scoring attributed to customers are reviewed on periodic basis.

The Group performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis lifetime expected losses and where receivables are due for more than six months.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(a) Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)

Particulars	As at 31 March 2026	As at 31 March 2025
Loans	45.84	34.45
Other financial assets	2,709.39	1,013.64
Total	2,755.23	1,048.09

(b) The ageing analysis of trade receivables for which loss allowance is measured using Life time Expected Credit Losses as of the reporting date is as follows:

Particulars	As at 31 March 2026	0 – 6 month	6 – 12 months	More than 12 months
Gross carrying amount	82,671.22	79,289.91	1,786.94	1,594.37
Expected credit loss (Loss allowance)	(365.35)	(54.88)	(23.54)	(286.93)
Carrying amount of trade receivables	82,305.87	79,235.03	1,763.40	1,307.44

Particulars	As at 31 March 2025	0 – 6 month	6 – 12 months	More than 12 months
Gross carrying amount	56,046.26	54,933.38	522.94	589.94
Expected credit loss (Loss allowance)	(316.04)	-	-	(316.04)
Carrying amount of trade receivables	55,730.22	54,933.38	522.94	273.90

(c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Receivables, included under trade receivables	82,305.87	55,730.22
Contract liabilities included under advance from customers	2,359.09	2,019.39

The contract liabilities primarily relate to the advance consideration received from customers for manufacturing of products

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Corporate finance department in accordance with the Group's policy. Investments of surplus funds are made only in schemes of alternate investment fund/ or other appropriate avenues including term and recurring deposits with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group places its cash and cash equivalents and term deposits with banks with high investment grade ratings, limits the amount of credit exposure with any one bank and conducts ongoing evaluation of the credit worthiness of the banks with which it does business. Given the high credit ratings of these banks, the Group does not expect these banks to fail in meeting their obligations. The maximum exposure to credit risk for the components of the balance sheet at 31 March 2026 and 31 March 2025 is represented by the carrying amount of each financial asset.

d) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, buyers credit and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	Contractual cash flows			
	Carrying value as at 31 March 2026	0- 1 year	1- 5 years	More than 5 years
Trade payables	78,205.79	78,205.79	-	-
Borrowings	94,814.59	68,312.17	26,502.42	-
Lease liabilities	19,946.35	2,644.39	17,301.96	-
Other financial liabilities	7,735.94	6,034.23	1,701.71	-
Total	200,702.67	155,196.58	45,506.09	-

Particulars	Contractual cash flows			
	Carrying value as at 31 March 2025	0- 1 year	1- 5 years	More than 5 years
Trade payables	53,100.14	53,100.14	-	-
Borrowings	82,122.86	54,902.11	27,220.75	-
Lease liabilities	10,252.48	2,221.75	8,445.11	-
Other financial liabilities	7,120.93	4,375.14	2,745.79	-
Total	152,596.41	1,14,599.14	38,411.65	-

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

39. Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern, maintain a strong credit rating and a healthy capital ratio to support the business and to enhance shareholder value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and business strategies to maintain or adjust the capital structure, issue new shares or raise and repay debts. The Group's capital management objectives, policies or processes were unchanged during the year.

The Group monitors capital using Debt Equity ratio. The ratio is as follows:

Particulars	31 March 2026	31 March 2025
Net Debt (A)*	89,698.54	73,896.34
Equity (B)	1,33,312.68	1,13,930.12
Debt equity ratio (A/B)	0.67	0.65

* Net debt includes Non-current borrowing, Current borrowing, Current maturities of non-current borrowing net off current investment and cash, cash equivalent and other bank balance.

40. Business Combination

Acquisition of Aluminium Die Casting Business

Pursuant to a Business Transfer Agreement ("BTA") dated March 26, 2025, entered into between Sandhar Ascast Private Limited ("subsidiary Company") and Sundaram Clayton Limited ("SCL"), the subsidiary Company acquired High Pressure and Low Pressure Aluminium Die Casting Businesses of SCL located at its Hosur plant.

The acquisition was completed on a going concern basis through a slump sale, with an effective acquisition date of April 1, 2025.

The transaction has been accounted for as a business combination in accordance with Ind AS 103 using the acquisition method.

The acquisition enables the Group to expand aluminium die casting capabilities while achieving synergies and economies of scale, strengthening market presence and customer relationships, and leveraging technical know how and skilled workforce.

Particulars	Amount (Rs in lacs)
Property, Plant and Equipment	6,230.59
Intangible Assets – Technical Know-how	3,616.15
Inventories	1,551.42
Other Current Assets	49.00
Trade Payables	(2,307.81)
Net assets acquired (A)	9,139.35
Total consideration paid (B)	16,300.00
Goodwill recognised (C) = (B) – (A)	7,160.65

The Group recognised goodwill amounting to Rs. 7,160.65 lacs on account of difference between the fair value over identifiable net assets assumed on acquisition.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

41. Segment reporting

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group is in the business of manufacture and sale of automotive components, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable business segment. The accounting policies of the reportable segments are the same as the accounting policies disclosed in Note 2. The revenues, total expenses and net profit as per the Consolidated Statement of Profit and Loss represents the revenue, total expenses and the net profit of the sole reportable segment.

Geographical information

The Group's revenue from operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from external customers		
India	4,38,383.76	3,43,194.97
Overseas	46,824.85	45,255.25
Total	4,85,208.61	3,88,450.22

Non-current assets

Particulars	As at 31 March 2026	As at 31 March 2025
India	1,42,534.76	1,19,857.95
Overseas	50,721.04	43,729.60
Total	1,93,255.80	1,63,587.55

Major customer

Revenue from transactions of the Group with some of its OEM customers exceed 10 per cent or more of the Group's total revenue.

42. Interest in joint ventures

The Group has a 50% interest in Sandhar Han Sung Technologies Private Limited., Jinyoung Sandhar Mechatronics Private Limited, Sandhar Whetron Electronics Private Limited, Kwangsung Sandhar Technologies Private Limited, Winnercom Sandhar Technologies Private Limited, Sandhar Han Shin Auto Technologies Private Limited and 69.12% interest in Sandhar Amkin Industries Private Limited, joint venture entities are involved in manufacturing of the group's main automotive products in India.

The Group's interest in Sandhar Han Sung Technologies Private Limited., Sandhar Amkin Industries Private Limited, Jinyoung Sandhar Mechatronics Private Limited, Sandhar Whetron Electronics Private Limited, Kwangsung Sandhar Technologies Private Limited, Winnercom Sandhar Technologies Private Limited and Sandhar Han Shin Auto Technologies Private Limited is accounted for using the equity method in the consolidated financial statements.

Summarised financial information of the joint venture, based on its Ind AS financial statements, and reconciliation with the carrying amount of investment in consolidated financial statements are set out below:

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Sandhar Han Sung Technologies Private Limited

Summarised balance sheet as at 31 March 2026 and 31 March 2025

Particulars	31 March 2026	31 March 2025
Current assets	2,454.44	2,027.48
Non-current assets	3,261.67	3,180.06
Current liabilities	2,224.82	2,101.19
Non-current liabilities	192.98	96.68
Equity	3,298.31	3,009.67
Proportion of the group's ownership	1,649.15	1,504.83

Summarised Statement of profit and loss

Particulars	31 March 2026	31 March 2025
Revenue from operations	7,398.73	6,696.97
Other incomes	183.06	179.82
Cost of raw material and components consumed	4,395.00	4,037.86
Employee benefits expense	987.69	953.06
Finance costs	39.66	56.75
Depreciation and amortization expense	473.34	374.92
Other expenses	1,298.78	1,034.26
Profit before tax	387.32	419.94
Income tax expense	(108.07)	(115.94)
Profit for the year (continuing operations)	279.25	304.00
Other comprehensive (loss)/income for the year, net of tax	9.40	(4.96)
Total comprehensive income for the year (continuing operations)	288.65	299.04
Group's share of profit for the year	144.32	149.52

Sandhar Amkin Industries Private Limited

Summarised balance sheet as at 31 March 2026 and 31 March 2025

Particulars	31 March 2026	31 March 2025
Current assets	1,848.69	1,693.15
Non-current assets	1,583.07	1,637.71
Current liabilities	1,418.87	1,417.18
Non-current liabilities	20.75	125.85
Equity	1,992.14	1,787.83
Proportion of the group's ownership	1,376.97	1,235.75

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Summarised Statement of profit and loss

Particulars	31 March 2026	31 March 2025
Revenue from operations	6,196.88	6,819.96
Other incomes	21.24	5.82
Cost of raw material and components consumed	4,040.14	4,230.03
Employee benefits expense	455.88	447.99
Finance costs	34.34	76.15
Depreciation and amortization expense	273.55	264.81
Other expenses	1,185.43	1,216.09
Profit/ (Loss) before Exceptional items and tax	228.78	590.71
Exceptional Items	0.54	-
Profit/ (Loss) after Exceptional items and tax	228.24	590.71
Income tax expense	25.09	189.56
Profit for the year (continuing operations)	203.15	401.15
Other comprehensive (loss) for the year, net of tax	1.16	3.37
Total comprehensive income for the year (continuing operations)	204.31	404.52
Group's share of profit for the year	141.22	279.60

Sandhar Whetron Electronics Private Limited

Summarised balance sheet as at 31 March 2026 and 31 March 2025

Particulars	31 March 2026	31 March 2025
Current assets	1,527.93	1,446.59
Non-current assets	1,519.16	1,171.52
Current liabilities	856.39	461.32
Non-current liabilities	135.85	179.11
Equity	2,054.85	1,977.68
Proportion of the group's ownership	1,027.42	988.84

Summarised Statement of profit and loss

Particulars	31 March 2026	31 March 2025
Revenue from operations	2,149.59	2,015.65
Other incomes	37.93	23.68
Cost of raw material and components consumed	1,339.12	1,114.54
Employee benefits expense	318.39	315.76
Finance costs	13.89	16.40
Depreciation and amortization expense	164.63	165.52
Other expenses	245.12	198.33
Profit before tax	106.37	228.78
Income tax expense	29.60	37.29
Profit for the year (continuing operations)	76.77	191.49
Other comprehensive loss for the year, net of tax	0.40	(0.02)
Total comprehensive income for the year (continuing operations)	77.17	191.47
Group's share of profit for the year	38.58	95.73

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Kwangsung Sandhar Technologies Private Limited

Summarised balance sheet as at 31 March 2026 and 31 March 2025

Particulars	31 March 2026	31 March 2025
Current assets	-	4,397.58
Non-current assets	-	2,353.88
Current liabilities	-	5,931.12
Non-current liabilities	-	21.29
Equity	-	799.05
Proportion of the group's ownership	-	399.52

Summarised Statement of profit and loss

Particulars	31 March 2026	31 March 2025
Revenue from operations	-	5,282.48
Other incomes	-	217.43
Cost of raw material and components consumed	-	4,153.65
Employee benefits expense	-	386.28
Finance costs	-	14.07
Depreciation and amortization expense	-	390.86
Other expenses	-	352.04
Profit/(loss) before tax	-	203.01
Income tax expense	-	31.89
Profit/(loss) for the year (continuing operations)	-	171.12
Other comprehensive (loss) for the year, net of tax	-	(2.18)
Total comprehensive income/(loss) for the year (continuing operations)	-	168.94
Group's share of profit/(loss) for the year	-	84.47

Winnercom Sandhar Technologies Private Limited

Summarised balance sheet as at 31 March 2026 and 31 March 2025

Particulars	31 March 2026	31 March 2025
Current assets	2,261.41	1,709.15
Non-current assets	346.06	369.85
Current liabilities	1,081.89	703.32
Non-current liabilities	14.68	26.33
Equity	1,510.90	1,349.35
Proportion of the group's ownership	755.45	674.67

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

Summarised Statement of profit and loss

Particulars	31 March 2026	31 March 2025
Revenue from operations	6,235.43	6,081.93
Other incomes	21.17	6.13
Cost of raw material and components consumed	5,511.13	5,142.64
Employee benefits expense	233.11	234.93
Finance costs	1.43	-
Depreciation and amortization expense	53.99	60.54
Other expenses	263.92	230.21
Profit before tax	193.03	419.74
Income tax expense	33.92	125.68
Profit for the year (continuing operations)	159.11	294.06
Other comprehensive income/(loss) for the year, net of tax	2.44	0.25
Total Comprehensive income for the year (continuing operations)	161.55	294.31
Group's share of profit for the year	80.77	147.15

Sandhar Han Shin Auto Technologies Private Limited

Summarised balance sheet as at 31 March 2026 and 31 March 2025

Particulars	31 March 2026	31 March 2025
Current assets	1,774.05	1,062.56
Non-current assets	425.56	371.37
Current liabilities	487.29	437.88
Non-current liabilities	16.25	26.74
Equity	1,696.07	969.30
Proportion of the group's ownership	848.03	484.65

Summarised Statement of profit and loss

Particulars	31 March 2026	31 March 2025
Revenue from operations	3,463.98	2,976.85
Other incomes	33.91	11.37
Cost of raw material and components consumed	2,110.49	1,930.86
Employee benefits expense	113.83	100.33
Finance costs	0.68	5.52
Depreciation and amortization expense	50.96	52.32
Other expenses	417.17	303.60
Profit before exceptional item and tax	804.76	595.58
Exceptional item	0.54	-
Profit before tax	804.22	595.58
Income tax expense	88.15	168.76
Profit for the year (continuing operations)	716.07	426.82
Other comprehensive income for the year, net of tax	10.71	(0.04)
Total comprehensive income for the year (continuing operations)	726.78	426.77
Group's share of profit for the year	363.39	213.39

All the Joint Ventures companies cannot distribute its profits until obtains the consent from the two venture partners.

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

43. Disclosure of additional information as required by the Schedule III to the Companies Act, 2013

Name of the entity	2025-26							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (in Rs.)	As % of consolidated profit/ (loss)	Amount (in Rs.)	As % of consolidated profit / (loss)	Amount (in Rs.)	As % of consolidated profit/ (loss)	Amount (in Rs.)
Parent								
Sandhar Technologies Limited	98.38%	1,31,148.47	90.16%	17,911.43	42.41%	688.40	86.55%	18,599.83
Indian Subsidiaries of Sandhar Technologies Ltd.								
Sandhar Ascast Private Limited (Formerly known as Sandhar Tooling Private Limited)	4.60%	6,126.96	23.61%	4,691.07	(4.64%)	(75.37)	21.48%	4,615.70
Sandhar Engineering Private Limited	10.56%	14,077.76	14.35%	2,851.03	(12.38%)	(200.95)	12.33%	2,650.08
Sandhar Automotive Systems Private Limited	2.60%	3,460.71	4.77%	946.73	0.26%	4.21	4.43%	950.94
Sandhar Auto Castings Private Limited	1.85%	2,467.10	1.76%	348.68	0.56%	9.07	1.66%	357.75
Sandhar Auto Electric Solutions Private Limited	1.43%	1,912.73	(3.33%)	(662.48)	0.04%	0.66	(3.08%)	(661.82)
Foreign subsidiaries of Sandhar Technologies Ltd.								
Sandhar Technologies Barcelona, SL	3.47%	4,630.36	(11.13%)	(2,211.60)	73.76%	1,197.27	(4.72%)	(1,014.33)
Adjustments arising out of consolidation	(23.47%)	(31,279.73)	(23.99%)	(4,764.96)	(0.77%)	(12.27)	(22.23%)	(4,777.22)
Total		- 1,32,544.36		- 19,109.90		- 1,611.02		- 20,720.93
Joint ventures								
Sandhar Amkin Industries Private Limited	1.03%	1,376.97	0.71%	140.42	0.05%	0.80	0.66%	141.22
Sandhar Han Sung Technologies Private Limited	1.24%	1,649.16	0.70%	139.62	0.29%	4.70	0.67%	144.32
Sandhar Whetron Electronics Private Limited	0.77%	1,027.43	0.19%	38.39	0.01%	0.20	0.18%	38.59
Winnercom Sandhar Technologies Private Limited	0.57%	755.45	0.40%	79.56	0.08%	1.22	0.38%	80.78
Sandhar Han Shin Auto Technologies Private Limited	0.64%	848.04	1.80%	358.04	0.33%	5.36	1.69%	363.39
Less: Cost of investment in joint ventures	(3.67%)	(4,888.73)	-	-	-	-	-	-
Consolidated Net Assets/ Profit after tax	100.00%	1,33,312.68	100.00%	19,865.93	100.00%	1,623.30	100.00%	21,489.23

Notes to the Consolidated Financial Statements for the year ended 31 March 2026

(Rupees in lacs, except share data, per share data and unless otherwise stated)

44. Additional Information

- a. The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- b. The Group do not have any transactions with companies struck off.
- c. The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f. The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g. The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h. None of the entity in the Group have been declared as a wilful defaulter by any bank of financial institution or other lender.
- i. The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- j. The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- k. The Group has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.
- l. The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have Core Investment Company (CIC).

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration number 101248W/W-100022

Deepesh Sharma
Partner
Membership No. 505725

Jayant Davar
Executive Chairman (Executive Director)
& Chief Executive Officer
DIN: 00100801

Archana Capoor
Director
DIN: 01204170

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

Yashpal Jain
Chief Financial Officer
& Company Secretary
M.No. A13981

Sandeep Dinodia
Director
DIN: 00005395

Aabha Bakaya
Director
DIN: 05131734

Place: New Delhi
Date : 21 May 2026

Place: New Delhi
Date : 21 May 2026

SANDHAR
Growth. Motivation. Better Life

Sandhar Technologies Limited

B-6/20 L.S.C. Safdarjung Enclave, New Delhi-110029

CIN: L74999DL1987PLC029553

www.sandhar.co.in