MV ELECTROSYSTEMS LIMITED
CIN: U31401HR2009PLC140536
Regd. & Corp. Office : Plot No. 7, Site - 2, 14/3
Mathura Road, Faridabad-121003 (Haryana) INDIA
Tel.: 0129-2990297
E-mail : info@mvelectrosystems.com
Website : www.mvelectrosystems.com

September 03, 2026

To **National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai – 400 051	To **BSE Limited** Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001
NSE SYMBOL: MVELECTRO	**SCRIP CODE: 544851**

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

Respected Sir/ Madam,

Pursuant to the Provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed herewith a copy of the Annual Report of the Company for the Financial year 2025-26.

The said report is also being made available on the website of the Company www.mvelectrosystems.com, websites of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

We request you to kindly take the same on record.

Thanking You,
FOR MV ELECTROSYSTEMS LIMITED

Sourabh Bansal
Digitally signed by Sourabh Bansal
Date: 2026.09.03 18:54:21 +05'30'

Sourabh Bansal
Company Secretary and Compliance Officer
Enclosed: As Above

MV ELECTROSYSTEMS LTD.

POWERING PROGRESS CONNECTING TOMORROW

ANNUAL REPORT 2025-26

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Scan QR Code to know more about the Company

click the link below to visit our website: www.mvelectrosystems.com/

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects and so on and are generally identified by forward-looking words such as 'believe', 'plan', 'anticipate', 'continue', 'estimate', 'expect', 'may', 'will' or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

POWERING PROGRESS CONNECTING TOMORROW

Railways are becoming more technology-intensive and the systems that power them must keep pace. At MV Electrosystems, our journey has been built around this very need: bringing together power electronics, engineering and execution to develop solutions that make modern railways safer, more efficient and increasingly capable.

Since 2009, we have built expertise across three-phase propulsion systems, traction converters, TCMS and switchgear, supported by in-house research and development and a strong focus on indigenous product development. Our engineering teams work across the product lifecycle, from concept and prototyping to testing, validation and manufacturing, giving us the ability to respond to application-specific requirements with greater control and precision.

Our focus extends beyond developing products for today's railway systems. Through modular engineering, energy-efficient technologies and continued investment in indigenous capabilities, we are building solutions relevant to a railway network that is becoming more electrified, connected and demanding. Our certifications and approvals, reinforce the standards that underpin our operations.

The year also marked a significant moment in our journey. Our listing on the BSE and NSE on August 6, 2026, following CLW approval for our indigenously developed three-phase propulsion equipment, and the listing opened a new chapter for MV Electrosystems. With an IPO subscription of 188.32 times and an order book of 9216.40 million (excluding GST) at the time of listing, we enter this chapter with stronger visibility and a clear opportunity to build on the capabilities we have developed over 17 years.

The theme is therefore a reflection of where we stand today and where we are headed, powering the railway systems of the present while building the engineering capabilities that will connect India to the possibilities of tomorrow.

MV ELECTROSYSTEMS LTD.

Who we are

Engineering Smarter Railways

Established in 2009, we are a technology-led railway solutions company specialising in the development and supply of advanced electrical and power electronics systems for railway applications.

Our product portfolio includes IGBT based three phase propulsion systems, traction converters, Traction Control and Management Systems (TCMS), and switchgear for coaches and Electric Multiple Units (EMUs). We are an approved supplier of indigenously developed propulsion systems that meet internationally recognised safety and performance standards.

Our capabilities are supported by in house research and development, with an emphasis on indigenous product development and modular engineering. This enables us to undertake prototyping and develop new power electronics products for railway applications. We operate with globally recognised certifications, including IRIS (ISO/TS 22163:2017), ISO 9001, ISO 14001 and ISO 45001. Our technology and product development capabilities also support initiatives related to Make in India, energy efficiency and decarbonisation.

End-to-End Design and Development

We offer end-to-end design and development capabilities across key railway electrical and electronics systems, supported by our in-house engineering and R&D capabilities.

Traction Converter and Inverter Systems

Design and development of power electronics systems for railway propulsion applications.

Train Control and Management Systems

Development of control and management solutions for efficient train operations.

Auxiliary Converter Systems

Development of auxiliary power conversion systems for railway applications.

Driver Displays

Development of display systems that support information and control functions for drivers.

Mission

- Enable, Empower and Engage our people by continuously enhancing their competencies and imbibing culture of Intrapreneurship.
- Invest significantly in Research, Analytics and Innovation to building Safer, Valuable and Cost-Effective solutions for our customer.
- Establish a process of building Deep Relationships with Customers and make them partners while designing solutions.
- Create a 'Centre of Excellence' and build and manage 'Intellectual Property'.
- Building an efficient organisation by establish processes to build and continuously improving.
- Ensure sustainability by building formidable internal capability while continuing to leverage expertise of partners/collaborators.
- Build compelling and credible internal and external brand proposition .

Vision

Innovating technologies to make railways a safer, more comfortable and cost-effective mode of travel

Values

Agility

We adapt proactively, respond rapidly and display flexibility to 'present and future developments'.

Caring

We are compassionate, respectful and empathetic, and our actions define us.

Delivering Promises

We follow through on our commitments and 'trust' is integral to our being

Ambitious

We 'Think Big' and are willing to strive for the attainment of our goals.

Intrapreneurial

We empower people regardless of role, to harness their own entrepreneurial spirits through decision-making and risk-taking

Customer Centric

Every employee and process is focused on delivering cost effective, best and timely solutions to our customers.

Our journey

Creative head to come

2018

Commenced manufacturing operations for cable protection and interconnected products at Unit 1, Baghola.

2019–20

- Commenced design and development of propulsion systems in accordance with RDSO specifications.
- Received our first purchase order for 11 three phase propulsion equipment units from Diesel Loco Modernisation Works (DLMW), Indian Railways, valued at ₹184.58 million (excluding GST).

2023–24

Supplied and commissioned our first three phase propulsion equipment set to CLW for service trials by West Central Railway.

2025–26

Completed trial run of 50,000 km for the 3-Phase Propulsion Equipment supplied by our Company to CLW, Indian Railways, and received the final inspection certificate (prototype clearance) for the 3-Phase Propulsion Equipment

Our Strengths

Engineering Capability. Execution at Scale.

Our competitive strength comes from the close integration of technology, engineering and execution, enabling us to develop solutions for the evolving needs of the railway sector.

Innovation at Our Core

We explore new technologies and product architectures to create solutions suited to the evolving needs of rail transportation.

Engineering with Precision

Our multidisciplinary engineering capabilities enable us to translate complex requirements into practical, application ready solutions.

Powering Rail Transformation

We develop technologies that support the transition towards smarter, more efficient and increasingly electrified rail systems.

Excellence in Execution

Our approach brings together design, validation, manufacturing and deployment to provide a seamless development and delivery cycle.

Sustainable Today for a Better Tomorrow

We consider energy efficiency, resource use and environmental performance while developing solutions for the railways of tomorrow.

Chairman's Message

Powering a New Era of Connectivity

The year was also significant as it marked our transition into life as a listed company. With this transition comes a greater responsibility towards our shareholders and other stakeholders.

Dear Shareholders,

FY2025-26 marked an important milestone in the journey of MV Electrosystems. During the year, the Company entered the public markets with its listing on the NSE and BSE, opening a new chapter in its evolution. This milestone reflects not only the progress we have made over the years, but also the confidence that investors and stakeholders have placed in our vision, values and long-term direction.

The theme of this year's Annual Report, 'Powering Progress. Connecting Tomorrow.', captures the transformation underway across India's railway ecosystem. Railways are no longer viewed solely as a mode of transportation; they are increasingly recognised as a critical enabler of economic growth, connectivity and national development. As investments in modernisation, electrification and network expansion continue to gather pace, the systems that support railway operations are becoming more advanced, efficient and reliable.

At the same time, there is a growing emphasis on developing and manufacturing critical railway systems within the country. The drive towards localisation is creating a stronger foundation for domestic innovation and engineering, while reducing dependence on external sources for strategically important technologies. For Indian companies, this represents an opportunity to contribute meaningfully to the next phase of the sector's development while building globally competitive solutions.

MV Electrosystems has built its journey around this evolving landscape. Since inception, we have focused on railway electrical and power electronics systems, supported by in-house research and development and a commitment to indigenous product development. Over the years, these efforts have enabled us to deepen our understanding of the sector's requirements and strengthen our position within a rapidly evolving industry.

This year marked a significant milestone as we completed our transition to a listed company. With this transition comes a greater responsibility towards our shareholders and other stakeholders. We remain committed to maintaining high standards of governance, transparency and accountability while pursuing sustainable growth and creating long-term value. While the financial performance for the year reflects a period of investment and development as we strengthened the foundations for future growth, the strategic milestones achieved during the year have further reinforced the Company's long-term positioning. Building a strong institution that can endure, adapt and grow over time will continue to guide our decisions.

Looking ahead, the outlook for the railway sector remains encouraging. The need for modern infrastructure, greater electrification and indigenous engineering solutions is expected to remain strong, supported by sustained investments and a clear long-term vision for the sector. Against this backdrop, we will continue to focus on strengthening our foundations, nurturing innovation and building for the future with discipline and purpose.

I would like to thank our shareholders, customers, employees, business partners and all other stakeholders for their continued trust and support.

Warm regards,

Sanjeev Mehta
Chairman

MD Message

Translating Vision into Momentum

A key highlight of the year was the successful development and establishment of our indigenous Locomotive Propulsion System. This achievement represents the culmination of years of focused effort in research, engineering and product development.

Dear Shareholders,

FY2025-26 was a defining year in the journey of MV Electrosystems. During the year, we achieved several important milestones that strengthened our position as a technology-driven engineering company serving the railway sector. Most notably, we successfully completed our IPO and were listed on the NSE and BSE, marking the beginning of a new chapter in the Company's growth journey. The overwhelming response to the public issue reflected the confidence that investors have placed in our business, our capabilities and our future prospects.

A key highlight of the year was the successful development and establishment of our indigenous Locomotive Propulsion System. This achievement represents the culmination of years of focused effort in research, engineering and product development. It also marks an important step in our evolution from a supplier of railway electrical products to a company with capabilities in advanced propulsion technologies. The successful approval of our propulsion equipment has strengthened our position in the railway sector and reinforces our commitment to indigenous product development.

The confidence reposed in our capabilities is reflected in our robust order book of approximately ₹1,014 crore, which provides strong business visibility for the years ahead. This order pipeline gives us the opportunity to deepen our engagement with existing customers, expand our participation across railway programmes and translate our engineering strengths into sustained business growth.

FY2025-26 was also a year of investment and preparation. During the year, we continued to strengthen our engineering capabilities, product development efforts and execution readiness as we prepared for the commercialisation and scale-up of our propulsion business. While revenue from operations stood at ₹494.28 million and the Company reported a loss during the year, these investments have laid the groundwork for the opportunities emerging before us.

As we look ahead, our focus is on scaling our operations in line with the opportunities before us. We are undertaking a scale-up of our manufacturing operations to strengthen production capacity, enhance supply-chain resilience and support larger propulsion and rail electrical programmes. These efforts are being complemented by continued investments in engineering, testing, quality systems, automation and skilled talent.

At the same time, we remain focused on broadening our product and technology portfolio. Our development efforts extend beyond locomotive propulsion systems and include opportunities in trainsets, distributed power propulsion platforms and other next-generation railway applications. Supported by our dedicated Research & Development Centre, we continue to invest in solutions that address the evolving needs of the railway sector.

The journey ahead is exciting. With a strong order book, proven propulsion technology, an expanding engineering base and a clear product development roadmap, we are entering the next phase of our growth with confidence. Our focus remains on execution, innovation and building a business that delivers sustainable value over the long term.

I would like to express my sincere gratitude to our customers, investors, bankers, business partners, suppliers and all other stakeholders for their continued trust and support. Most importantly, I thank our employees for their dedication, perseverance and entrepreneurial spirit. Their contribution has been instrumental in bringing the Company to this important stage of its journey.

Warm regards,

Pankaj Rastogi
MD

Our IPO

A New Chapter in Our Engineering Journey

August 6, 2026 marked a defining milestone in our 17-year engineering journey, as the Company entered the public markets with its listing on the BSE and NSE.

The milestone came on the back of CLW approval for our indigenously developed three-phase propulsion equipment and strong investor participation in our public issue. More than a listing, this marks a new chapter for the Company that reflects the credibility we have built in railway technology and the confidence our stakeholders place in our capabilities and the opportunities ahead.

Our ₹290 crore IPO was entirely a fresh issue and received an overall subscription of 188.32 times, led by demand from institutional and retail investors. At the time of listing, we had an order book of ₹,9216.40 million (excluding GST) including purchase orders for 450 propulsion systems and a Letter of Acceptance for six MEMU rakes.

The proceeds from the issue are intended to support our operational requirements and investment in research, design and development.

188.32 times

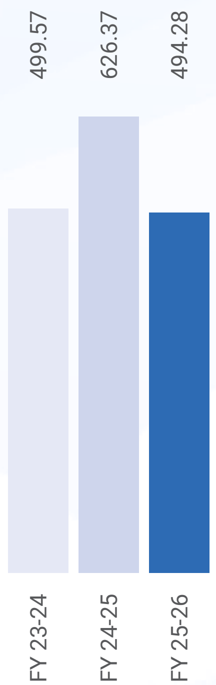
Overall subscription

Financial Highlights

Creating Financial Momentum

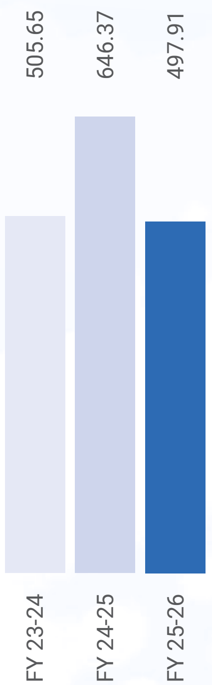
Revenue from operation

(₹ in millions)



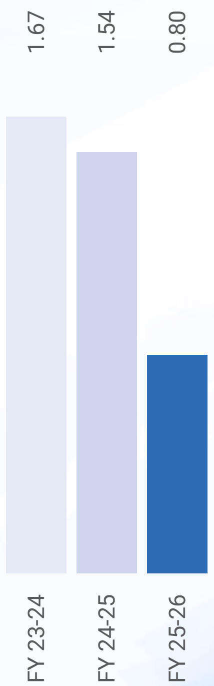
Total income

(₹ in millions)



Debt to equity ratio

(times)



Product Portfolio

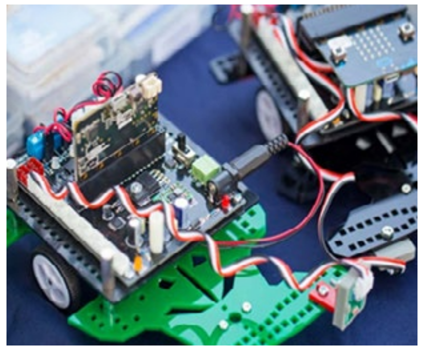
Providing Solutions Across the Rail Ecosystem

Overhead Electrification

We are an established manufacturer of Overhead Electrification products, catering to the requirements of railway infrastructure and electrification projects.

Switchgear and Panels

Switchgear plays a critical role in electrical distribution systems by controlling, protecting and isolating electrical equipment to support safe and reliable operations.



Embedded Systems

Embedded Systems provide the intelligence that enables real time control, automation and monitoring across electrical and electronic applications. We design and develop application-specific embedded solutions to support performance, reliability and safety across railway and other industrial applications.

Rolling Stock Electrics and Propulsion Systems

We are a technology-driven engineering company specialising in the in-house design, development and manufacturing of advanced propulsion systems for electric locomotives, AC EMUs, semi-high-speed and high-speed trainsets and metro rail applications

Cable Protection and Interconnect Products

In demanding industrial and transportation environments, the reliability of electrical systems depends on effective cable protection.

We provide cable protection solutions designed to support the safe routing and integration of electrical systems across various applications

Manufacturing capabilities

An Integrated Platform for Product Development

Our infrastructure is designed to support the complete product lifecycle, bringing design, development, manufacturing, testing and validation within an integrated framework.

This is the in-house capability gives us greater control over critical stages of product development, enables closer coordination between engineering and manufacturing teams and allows us to take products from concept to validated, production-ready solutions with greater consistency and efficiency.

Our facilities are supported by established quality and testing processes, helping us meet applicable technical and regulatory requirements while supporting timely execution across our railway and other application segments.

State-of-the-art manufacturing facility

Our production facility is equipped to support precision manufacturing, assembly and system integration. Key capabilities include:

- Electronic Assembly Section
- Automatic Metal Fabrication Line
- Semi-Automatic Wiring Harness Facility
- Dedicated Control Panel Assembly Zones with ESD Safe Flooring
- Electromechanical Integration Bays for Complete System Testing

Assembly and Integration Expertise

Our assembly and integration capabilities support control wiring, signal cabling and harness fabrication, along with the assembly of Switchboard Cabinets, Junction Boxes and Traction System Panels. We also undertake the integration of high voltage, low voltage and signal level circuits in line with applicable railway and defence specifications.

Facility Highlights

Our facilities operate with ISO 9001:2015 certified quality systems and dedicated functions for design, production, quality assurance, quality control and dispatch. Located in Palwal, Haryana, our facilities benefit from connectivity to customers and transport networks, supporting the efficient movement of materials and finished products.

Research and Development

Advancing Rail Through Indigenous Innovation

Our research and development capabilities are central to how we translate railway requirements into application-specific engineering solutions. From the initial concept and prototyping to testing and product development, our engineering teams work closely across disciplines to develop solutions that meet defined performance, reliability and application requirements.

Our R&D Centre is focused on advancing energy-efficient, safer and modern railway products, with a strong emphasis on indigenous technology and application-led engineering. This approach enables us to deepen our technological capabilities while developing solutions that are relevant to the changing needs of the rail industry.

Core Design Capabilities

Our design capabilities bring together multiple engineering disciplines to support the development, validation and deployment of railway and industrial solutions.

Railway and Electrification Systems

Engineering of control panels, OHE components, sub-assemblies and junction boxes in line with applicable railway requirements.

Power Electronics and Motor Control

Design and development of power converters, traction modules and inverter systems for power management and propulsion applications.

Mechanical and Structural Engineering

3D modelling, design validation and prototyping of brackets, enclosures and other structural components.

Embedded Systems Design

Development of real time firmware, intelligent control systems and customised communication interfaces.

Compliance and Certification

Testing and validation of products in accordance with applicable IS, IEC, RDSO and MIL standards.

Smart Monitoring and Diagnostics

Development of predictive maintenance and remote health monitoring solutions to support system performance and diagnostics.

Quality Assurance

Precision from Development to Delivery

Quality is integrated across our operations, from product design and development to manufacturing, testing and final dispatch. Our quality assurance processes are designed to support product performance, reliability and safety across railway, defence, industrial and energy applications.

Supported by established inspection and testing protocols, we work to meet applicable technical, customer and regulatory requirements at each stage of the product lifecycle.

In-house testing facilities

Our in-house testing facilities support the evaluation of product performance, reliability and compliance across different operating conditions. Key testing capabilities include:

01 High-Voltage and Insulation Testing

02 Temperature and Humidity Cycling

03 EMI and EMC Pre-Compliance Testing

04 Vibration and Shock Simulation

05 Ingress Protection Verification

06 Functional Testing and Control Logic Simulation

Routine and type tests are conducted in line with applicable Indian and international standards and product requirements.

Our quality framework

- ISO 9001: 2015 Certified Processes
- Supplier Quality Control
- Standard Compliance

Our People

The Talent Behind Our Capabilities

Our people are central to the engineering depth and execution capabilities that support our business.

We bring together specialised talent across engineering, manufacturing, research and development, quality and corporate functions, enabling us to develop products, manage complex operations and respond effectively to the evolving requirements of the railway industry. Our workforce comprises of employees, whose expertise and collective experience continue to strengthen our capabilities and support our growth.

Building Technical Capabilities

Our people practices are centred on attracting and developing the technical capabilities required across our business. Through structured induction, on the job learning and functional training, we support the development of relevant technical, quality and safety competencies.

A Safe and Inclusive Workplace

We aim to provide a workplace that supports equal opportunity, professional development and employee well-being. Our policies and practices cover areas including workplace safety, employee conduct, grievance redressal and prevention of harassment, in line with applicable requirements.

As our operations evolve, we intend to align our talent and capability requirements with the needs of the business, particularly across engineering, manufacturing and technology functions.

Board of Directors

Leadership that Steers Progress

Sanjeev Mehta
Chairman & Independent Director

Pankaj Rastogi
Managing Director

Mohit Vohra
Director

Amit Dhawan
Director

Sumit Dhawan
Director

Rahul Dhawan
Whole Time Director

Sanjay Kumar Singh
Director

Kanika Bhutani
Woman Independent Director

Vipin Sharma
Independent Director

DIRECTORS' REPORT

To,
The Members,

INTRODUCTION

The Board of Directors of your Company are pleased to present the 17th Annual Report, detailing the business and operations of the Company along with the audited Financial Statements for the financial year ended 31st March, 2026.

FINANCIAL HIGHLIHGTS

In adherence to the provisions of Companies (Accounts) Rules, 2014, key aspects of Financial Performance of the Company for the year ended 31st March, 2026 are summarized below:

(Amount in Millions)

S.No	PARTICULARS	Financial year 2025 – 2026	Financial year 2024 – 2025
1.	Sales and other Income	497.91	646.37
2.	Expenditure	665.88	622.35
3.	Profit before Tax	(167.97)	24.02
4.	Provision for Taxation	-	19.24
	(1) Current Tax	-	-
	(2) Previous Year Tax	-	-
	(3) MAT credit	(41.69)	(7.63)
	(4) Deferred Tax		
5.	Profit after Tax	(126.29)	14.03
6.	Earning Per Equity Share:	(6.52)	0.76
	(1) Basic	(6.52)	0.76
	(2) Diluted		

FINANCIAL STATEMENTS

The audited financial statements of the Company drawn up, for the financial year ended March 31, 2026, in accordance with the requirements of the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") notified under Section 133 of the Act, read with relevant rules and other accounting principles.

STATE OF COMPANY AFFAIRS, OPERATIONS AND FUTURE OUTLOOK

During the financial year ended 31st March, 2026, your Company, on a standalone basis, reported Revenue from Operations of ₹494.28 Million as compared to ₹626.37 Million in the previous financial year ended 31st March, 2025. This reflects a significant decrease of 21.08% in Turnover of the company from Previous Financial Year.

The Net Loss for the year ended 31st March, 2026 stood at 126.29 Million as compared to Net Profit of ₹14.03 Million, in the previous financial year.

Your Directors are pleased to inform you that after the closure of FY 2025-26, the Company has allotted 68,23,528 Equity Shares of face value of ₹ 5/- each at an Issue Price of ₹425 per Equity Share (including a share premium of ₹420 per Equity Share) aggregating to ₹2,900 million, to the successful applicants in the Initial Public Offer of the Company and the equity shares of the Company listed on NSE and BSE (the "Exchange") on 06th August, 2026.

The Company remains focused on sustainable growth by strengthening its core operations, enhancing operational efficiency and pursuing new business opportunities. With continued emphasis on innovation, customer satisfaction and prudent financial management, the Company is well positioned to capitalize on emerging market opportunities. The Board remains optimistic about the Company's future prospects and is committed to delivering long-term value to all stakeholders.

NATURE OF BUSINESS

MV Electrosystems Limited is involved in the designing, development, assembly and manufacturing of propulsion systems, switchgear Panels, electrical equipment and cable management products for railway rolling stock and rail electrification network. The comprehensive product line is based on Insulated Gate Bipolar Transistor (IGBT) 3-Phase Drive Propulsion Equipment, auxiliary converters, train and vehicle control units, Driver Display Units (DDUs), Rail Electrification Products including Automatic Fault Locator System, switchgear and cable Protection Products. The Company's in-house capabilities pertaining to power electronics, embedded systems, software and engineering drive the advancement of complex railway networks with limited dependence on external technology partners.

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

SHARE CAPITAL

The Authorised Share Capital of the Company was Rs. 15,00,00,000 (Rupees Fifteen Crores Only) divided into 2,98,80,000 (Two Crore Ninety Eight Lakhs Eighty Thousand) Equity Shares of face value of Rs. 5 (Rupees Five Only) each and 60,000 Preference Shares of face value of Rs. 10 each

The Subscribed, Issued and Paid-up Share Capital of your Company as on 31st March, 2026 was Rs. 10,22,96,000 (Rupees Ten Crores Twenty two lakhs ninety six thousand Only) divided into 2,04,59,200 (Two Crore Four Lakhs fifty nine Thousand two Hundred) Equity Shares of face value of Rs. 5 (Rupees Five Only) each.

The Company has allotted 456100 Equity Shares having Face Value of Rs. 10 Each, at an Issue Price of Rs. 547 each on Private Placement Basis on 25/08/2025 and 633500 Equity Shares having Face Value of Rs. 10 Each, at an Issue Price of Rs. 547 each on Private Placement Basis on 01/10/2025

***During the year under review the company has Split off/ Division of its shares from the Face Value of Rs. 10 to Rs. 5 per equity share vide Ordinary Resolution passed in Extra Ordinary General Meeting held on 10.11.2025.**

DIVIDEND

With a view to conserve the resources for future business requirements and expansion plans, your Directors are of the view that the current year's profit to be ploughed back into the operations and hence no dividend was recommended for the year under review.

The Board of Directors of the Company have adopted the Dividend Policy pursuant to the provisions of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) and the Policy is available on the website of the Company at **https://mvelectrosystems.com/policies-codes.php**

TRANSFER TO RESERVES

The Company has transferred the Loss of Rs. 126.95 Million to Free Reserves during the Financial Year under review.

TRANSFER OF UNPAID AND UNCLAIMED DIVIDENDS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to IEPF

BOARD OF DIRECTORS

Your Company's Board is duly constituted and is in compliance with the requirements of the Companies Act, 2013.

As on date of the Report, the Company has 9 (Nine) Directors on its Board with an optimum combination of Executive and Non-Executive Directors.

The composition of the Board is detailed below:

S.NO.	NAME	DESIGNATION	DIN
1.	Mr. Sumit Dhawan*	Director	08260657
2.	Mr. Rahul Dhawan**	Whole Time Director	08448024
3.	Mr. Mohit Vohra*	Director	02534402
4.	Mr. Amit Dhawan	Director	03031778
5.	Mr. Sanjay Kumar Singh	Nominee Director	09077003
6.	Mr. Pankaj Rastogi^	Managing Director	11307172
7.	Ms. Kanika Bhutani#	Independent Director	08789609
8.	Mr. Vipin Sharma#	Independent Director	07265438
9.	Mr. Sanjeev Mehta#	Chairman & Independent Director	10433467

*Re-appointment of Directors- Retire by Rotation

In accordance with Section 152(6) of Act, the period of office of at least two third of total Directors of the Company shall be liable to retire by rotation, out of which at least one third Directors shall retire at every Annual General Meeting. Hence, this year, Mr. Sumit Dhawan (DIN 08260657), Mr. Mohit Vohra (DIN 02534402) retires from the Board by rotation and being eligible, offers themselves for re-appointment. A resolution seeking Shareholders' approval for their re-appointments along with other required details forms part of the Notice of 17th Annual General Meeting.

The disclosures of Directors being recommended for appointment/re-appointment as required under Secretarial Standard-2 are contained in the Notice of 17th Annual General Meeting of the Company.

Further, no Non-Executive Directors of the Company except Mr. Mohit Vohra, Mr. Amit Dhawan and Mr. Sumit Dhawan, had pecuniary relationships or transactions with the Company, other than sitting fees, commission and reimbursement of expenses during the year, if any

^Mr. Pankaj Rastogi was appointed as Additional Director and then Managing Director of the Company with effect from 1st October, 2025.

*** Mr. Rahul Dhawan was appointed as Whole Time Director of the Company for a period of five (5) years with effect from 01st November, 2025 to 30th October, 2030*

#Ms. Kanika Bhutani, Mr. Vipin Sharma and Mr. Sanjeev Mehta were regularised as Independent Directors of the Company at the 16th Annual General Meeting for a first term of five consecutive years commencing from 27th September, 2025. Prior to their regularisation, they were appointed as Additional Independent Directors on the Board of the Company.

Further, Mr. Sanjeev Mehta was appointed as the Chairman of the Board of the Company with effect from 1st October, 2025.

KEY MANAGERIAL PERSONNEL

In terms of Section 203 of the Act, the Key Managerial Personnel ('KMP') of the Company as on 31st March, 2026:

S.NO.	NAME	DESIGNATION
1.	Mr. Pankaj Rastogi	Managing Director
2.	Mr. Rahul Dhawan	Whole Time Director*
2.	Mr. Sourabh Bansal	Company Secretary & Compliance Officer**
3.	Mr. Ajay Kumar	Chief Financial Officer

* Mr. Rahul Dhawan was appointed as Whole Time Director of the Company for a period of five (5) years with effect from 01st November, 2025 to 30th October, 2030.

***Mr. Sourabh Bansal, the Company Secretary, was appointed as Compliance Officer of the Company w.e.f. 27th November 2025.*

Further, none of the Directors / KMP of the Company is disqualified under relevant provisions of the Act.

The Board of Directors of the Company have approved the Policy on "Code of Conduct for the Directors and Senior Management of the Company" and can be accessed at https://mvelectrosystems.com/policies-codes.php

INDEPENDENT DIRECTORS

In compliance of Sections 149 and 152 read with schedule IV and other applicable provisions, if any, of the companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 made there, Ms. Kanika Bhutani, Mr. Vipin Sharma and Mr. Sanjeev Mehta, were regularized as Independent Directors on the Board of the company at the 16th Annual General Meeting.

The Company has, inter alia, received the following declarations from all the Independent Directors confirming that:

- They meet the criteria of independence as prescribed under the provisions of the Act, read with the Rules made thereunder and Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- They have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
- They have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, and expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence.

As per schedule IV, Code of Independent Directors regarding the terms and conditions of appointment of independent directors are made available on the Company's website at the following web link **https://www.mvelectrosystems.com.**

MEETING OF INDEPENDENT DIRECTORS:

During the year under review, pursuant to Schedule IV to the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on **24th March, 2026**. The details of the meeting and attendance of the Independent Directors are given below:

S.No.	Name of Independent Director	Date of Meeting-24th March, 2026
1.	Ms. Kanika Bhutani	Present
2.	Mr. Vipin Sharma	Present
3.	Mr. Sanjeev Mehta	Present

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

In terms of Clause 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the Company is required to familiarize the Independent Directors with the business and operations of the Company, the same is available on the Website of the Company at **https://mvelectrosystems.com/policies-codes.php**. The web Link of the same has also been disclosed in the "Corporate Governance Report Annexure-D", forming part of this Annual Report.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2025-26, the Board met Ten (10) times, the details of which are given in the "Corporate Governance Report **Annexure-D**" and forms part of this Annual Report. The intervening gap between the Meetings was within the period prescribed under the Act.

ANNUAL RETURN

In terms of Section 92(3) & 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company in the prescribed Form MGT-7 is available on the website of the Company under the link ***https://www.mvelectrosystems.com*.**

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company did not have any Subsidiary, Joint venture or Associate Company during the reporting period.

The Board of Directors of the company has approved the Policy for Determining Material Subsidiary on 27th November, 2025, pursuant to Regulation 16 (1) C of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The

Policy is available on the Website of the Company at **https://mvelectrosystems.com/policies-codes.php**. The same has also been disclosed in "Corporate Governance Report **Annexure-D**", forming Part of this Annual Report.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of the provisions of Section 73 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 or any amendment thereto.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits that:

a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of Financial Year and of the profit and loss of the Company for that period;

c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors had prepared the annual accounts ongoing concern basis,

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

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

AUDITORS OF THE COMPANY

a. Statutory Auditor

As per Section 139 of the Companies Act 2013, and the rules made thereunder, that M/s Sanmarks & Associates, Chartered Accountants (FRN: 003343N) were appointed by the shareholders as the Statutory Auditor of the company for a term of five (5) years commencing from the conclusion of 15th Annual General Meeting till the conclusion of 20th Annual General Meeting of the company to be held in the calendar year 2029.

The Auditors' Report for the financial year 2025-26 does not contain any Qualifications. The Observations on matters emphasized by the Statutory Auditors in their reports on the standalone financial statements are self-explanatory and, accordingly, do not call for any further comments or explanations from the Board.

The Statutory Auditors have not reported any incident of fraud to the Board of Directors under Section 143(12) of the Act during the year under review.

The Auditors' Report is enclosed with the financial statements for the financial year 2025-26 forms the part of this Annual Report. Further, the Auditor did not report any fraud during the year

b. Secretarial Auditor

As per section 204 of the Companies act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company is not falling in this ambit during the reported FY 2025-26.

However, the Company being a Listed Entity is required to appoint a Secretarial Auditor of the Company, Pursuant to the provisions of Section 204 of Companies Act, 2013. The Board of Directors, based on the recommendation of the Audit Committee, has approved the appointment of *M/s Taruna Kalra & Associates, Practicing Company Secretaries (Membership No. F-6603) as Secretarial Auditors of the Company for a term of five (5) consecutive financial years commencing from FY 2026–27 to FY 2030-31, under Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI LODR Regulations, 2015 (including latest amendments).*

c. Cost Auditor

As per Section 148 of the Companies Act, 2013, your Company is not required to appoint cost auditor as the company is not falling in this ambit during the reported FY 2025-26.

d. Internal Auditor

As per section 138 of the Companies act, 2013, the company is not required to appoint internal auditor as the company is not falling in this ambit during the reported FY 2025-26.

RELATED PARTY TRANSACTIONS

During the financial year ended 31st March, 2026, all transactions with the Related Party as defined under the Act read with rules framed thereunder were in the 'Ordinary Course of Business' and 'at arm's length' basis.

These transactions are well within the limits approved by the shareholders and do not involve any potential conflict with the interests of the Company at large.

The Details of the Related Party Transactions as required under Accounting Standard – 18 are set out in Note No. 33 to the Financial Statements forms part of this Annual Report. The Form AOC- 2 pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is given as **Annexure-A** which forms the part of the Annual Report.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed at https://mvelectrosystems.com/policies-codes.php. The same has also been disclosed in "Corporate Governance Report **Annexure-D**", forming Part of this Annual Report.

CORPORATE GOVERNANCE REPORT CERTIFICATE

The Company is committed to upholding the highest standards of corporate governance, aligning with the principles set forth by the Securities and Exchange Board of India (SEBI). We believe that effective governance is fundamental to maximizing shareholder value in a legal, ethical, and sustainable manner.

The Company has complied with the requirements of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the SEBI Listing Regulations, and accordingly, the Corporate Governance Report and the requisite certificate from **M/s. Taruna Kalra and Associates, Practicing Company Secretaries, regarding compliance with the conditions of Corporate Governance forms a part of this Report**.

Your Company has also been enlisted in the new SEBI compliant redressal system (SCORES) enabling the investors to register their complaints, if any, for speedy redressal.

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

In compliance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 details pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo of the Company are given herein below

a) **Conservation of Energy**

The Company wherever possible and feasible, continuous efforts are being put for conservation of energy and minimize power cost. However, Capital expenditure on energy conservation equipment is not required, keeping in view the normal energy consumption in the business activity of the Company.

- Advocating switching off lights and ACs when not required, turning off of PCs when not in use, setting higher temperatures on air conditioners etc. to reduce consumption.
- Installed various energy saving electrical devices for saving energy.
- Puts control on usage of other electrical equipment's.

b) **Power & Fuel Consumption**

The company has adopted best policies to save power and fuel consumption.

c) **Research and Development**

The Company has undertaken the research and development activities in order to develop and enhance its product and technology as per the requirements of Indian Railways. The Company has incurred expenditure towards such research and development activities during the year was Rs. 9 Crores

d) **Technology Absorption, Adaptation and Innovation**

The Company has undertaken a Technology Transfer agreement for the production of Automatic Fault Locator System.

e) **Foreign Exchange Earnings and Outgo**

Foreign Exchange outgo	Rs. 134.31 Million
Foreign Exchange Earnings :	NIL

RISK MANAGEMENT FRAMEWORK

The Company has taken necessary steps for risk management including identifying risk which may threaten the existence/ operations of the Company. The Company has a comprehensive Risk Management framework for identifying, assessing, monitoring and mitigating various risks associated with its business and operations. The framework is designed to identify potential risks, evaluate their likelihood and impact, and implement appropriate measures to minimize or mitigate such risks.

The Company periodically reviews its risk exposure and takes appropriate steps to ensure that identified risks are effectively managed. The Board of Directors, along with the management, oversees the risk management framework and ensures that suitable measures are implemented for managing and mitigating material risks.

During the year under review, no risk has been identified which, in the opinion of the Board, may threaten the existence of the Company. The Company continues to monitor emerging risks and takes appropriate preventive and corrective measures to safeguard its business operations, assets and stakeholders' interests.

CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the relevant provisions of the Act, the Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company as of now. Therefore, the Company is not obligated to incur any expenditure under its CSR policy.

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Board has adopted adequate policies and procedure for efficiently conducting the activities of the Company including the adherence to the Company's policies, safeguarding of its asset, prevention and detection of frauds and errors, the accuracy and completeness of accounting records. Financial controls are sufficient and commensurate with the size and frequency of the transactions with reference to the Financial Statements for the Financial Year ended 31stMarch, 2026.

VIGIL MECHANISM/ WHISTLE BLOWER:

The Company is committed to conducting its business affairs with fairness and transparency, adhering to the highest standards of integrity, professionalism and ethical behavior. In Compliance with the provisions of section 177 of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, The Company has put in place a mechanism for employees to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Companies Code of Conduct or Ethics Policy. The said Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the higher levels of supervisors, managers including the Chairperson of the Audit Committee

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the on the website of the Company and can be accessed at **https://mvelectrosystems.com/policies-codes.php**

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis. The Committee has, in its Report, affirmed that no personnel have been denied access to the Audit Committee.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. An Internal Complaints Committee ('ICC') is in place for all works and offices of the Company to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

The Company affirms that during the year under review,

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

STATEMENT ON COMPLIANCE OF MATERNITY BENEFIT ACT, 1961

Pursuant to the provisions of the Companies (Accounts) Rules, 2014 as amended by the Companies (Accounts) Second Amendment Rules, 2025, the Company hereby states that it has complied with all the applicable provisions of the Maternity Benefit Act, 1961, including the amendments made thereto, during the financial year under review.

COMMITTEES

a) AUDIT COMMITTEE

The Company has constituted an Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013.

As on 31 March, 2026, the Committee comprises of three (3) Non-Executive Directors. Majority of the members are Independent of the Board. The Chairman of the Committee is an Independent Director. All the Members are well versed with Accounting and Financial Knowledge.

Mr. Sourabh Bansal, Company Secretary, acts as the Secretary of the Committee.

The constitution of the Committee as on 31 March, 2026 is given below:

Name of the Member	Category	Designation
Mr. Vipin Sharma	Independent Director	Chairman & Member
Mr. Sanjeev Mehta	Independent Director	Member
Mr. Amit Dhawan	Non-Executive Director	Member

During the financial year, all the recommendations made by the Audit Committee were accepted by the Board of Directors.

Meetings of Audit Committee and Attendance during the year:

Number of Meetings of the Audit Committee during the reporting Financial Year and Attendance of Members is given in the "Corporate Governance Report **Annexure-D**" and forms part of this Annual Report.

b) NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013

As on 31 March, 2026, the Committee comprises of three (3) Non-Executive Directors. All members are Independent of the Board. The Chairman of the Committee is an Independent Director.

Mr. Sourabh Bansal, Company Secretary, acts as the Secretary of the Committee.

The constitution of the Committee as on 31 March, 2026 is given below:

Name of the Member	Category	Designation
Ms. Kanika Bhutani	Independent Woman Director	Chairman & Member
Mr. Vipin Sharma	Independent Director	Member
Mr. Sanjeev Mehta	Independent Director	Member

During the financial year, all the recommendations made by the Nomination and Remuneration Committee were accepted by the Board of Directors.

The Nomination and Remuneration Policy of the Company lays down the criteria for determining qualifications, positive attributes and independence of directors, and the policy relating to remuneration of directors, key managerial personnel and Senior Management personnels. The policy is available on the Company's website at ***https://mvelectrosystems.com/policies-codes.***

Meetings of Nomination and Remuneration Committee and Attendance during the year:

Number of Meetings of the Nomination and Remuneration Committee during the reporting Financial Year and Attendance of Members is given in the "Corporate Governance Report **Annexure-D"** and forms part of this Annual Report.

c) **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Company has constituted Stakeholders Relationship Committee in accordance with the provisions of Section 178(5) of the Companies Act, 2013

Mr. Sourabh Bansal, Company Secretary, acts as the Secretary of the Committee.

As on 31 March, 2026, the Committee comprises of three (3) Directors.

The constitution of the Committee as on 31 March, 2026 is given below:

Name of the Member	Category	Designation
Ms. Kanika Bhutani	Independent Woman Director	Chairman & Member
Mr. Sumit Dhawan	Non-Executive Director	Member
Mr. Rahul Dhawan	Executive Director	Member

The Stakeholders' Relationship Committee did not meet during the financial year 2025-26, as the applicable provisions relating to the Committee were not applicable to the Company during the said period.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, Guarantees and Investments under Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, for the financial year 2025-26 are disclosed in the notes to the Financial Statements forms the part of this Annual Report.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:

Your Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. All Board Directors and the designated employees have confirmed compliance with the Code.

Code of Conduct for Prevention of Insider Trading, Code of Practices and Procedures for Fair Disclosure of Price Sensitive Information and Policy for Avoidance of Leakage and Unpublished Price sensitive Information is available on the Company's website at ***https://mvelectrosystems.com/policies-codes.***

A declaration signed by Mr. Pankaj Rastogi, Managing Director of the Company, confirming that all members of the Board of Directors and Senior Management Personnel have affirmed their compliance with the Code of Conduct for Board Members and Senior Management Personnel, is annexed to this Board's Report as Annexure– C."

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required by Regulation 34 read with Para B of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has prepared Management Discussion and Analysis Report ("MDA") is attached as a separate section forming part of the Annual Report. The MDA details on operations and a view on the outlook for the current year and future.

SIGNIFICANT DEVELOPMENTS AND MATERIAL LITIGATIONS / ORDERS / CHANGES

A) **SIGINIFICANT DEVELOPMENTS**

1. **INITIAL PUBLIC OFFER ("THE IPO")**

A significant milestone in the history of the Company was the successful completion of its Initial Public Offering

("IPO") of Equity Shares and the subsequent listing of its Equity Shares on BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") on August 06, 2026.

In connection with the IPO, the Company filed its Draft Red Herring Prospectus ("DRHP") with the Securities and Exchange Board of India ("SEBI"), BSE, NSE and the Registrar of Companies, Haryana on November 27, 2025, followed by the Red Herring Prospectus ("RHP") on July 23, 2026 and the Prospectus on August 03, 2026.

The IPO comprised an entirely fresh issue of 68,23,528 Equity Shares at an issue price of ₹425 per Equity Share. The issue was open for subscription from July 30, 2026 to August 03, 2026, while the Anchor Investor portion was open for subscription on July 29, 2026.

Pursuant to the successful completion of the IPO, the Company allotted 68,23,528 Equity Shares to the successful applicants on August 04, 2026. Thereafter, the Company received listing and trading approvals from BSE and NSE on August 05, 2026. The Equity Shares of the Company were subsequently listed and commenced trading on both the Stock Exchanges on August 06, 2026.

Sundae Capital Advisors Private Limited acted as the Sole Book Running Lead Manager ("BRLM"), Vaish Associates Advocates acted as the Legal Counsel to the IPO, and KFin Technologies Limited acted as the Registrar to the Offer.

The Board of Directors places on record its sincere appreciation to all investors for reposing their confidence and trust in the Company and its business. The Board also expresses its gratitude to SEBI, the Registrar of Companies, and BSE and NSE for their guidance and support throughout the IPO and listing process.

The Directors believe that the listing of the Company's Equity Shares on BSE and NSE marks an important milestone in the Company's growth journey. The listing is expected to enhance the Company's visibility, strengthen its market presence, provide liquidity to its shareholders and facilitate access to capital markets.

The Board is confident that this strategic milestone will support the Company's growth objectives and contribute towards sustainable, long-term value creation for all stakeholders.

2. The Company's Research & Development (R&D) Centre was recognised by the Department of Scientific and Industrial Research (DSIR), Ministry of Science & Technology, Government of India. This recognition reflects the Company's continued commitment to innovation, technological advancement and indigenous research and development.

Further the Company remains focused on strengthening its R&D capabilities to develop innovative products and solutions, enhance operational efficiency and support its long-term growth strategy.

B) MATERIAL LITIGATION

During the year, the Company and its Directors, as a measure of good governance and regulatory compliance, proactively filed an suo-moto application for adjudication before the Registrar of Companies (Adjudicating Officer) under the Companies Act, 2013 in respect of certain compliance-related matters. The application is under consideration by the concerned authority. The management believes that the outcome of the proceedings is not expected to have any material adverse impact on the Company's financial position or operations.

The Board of Directors of the Company has approved the policy on Identification of Material Litigations, Material Creditors and Material Group Companies on 27th November, 2025. The policy is available on the Company's website at https://mvelectrosystems.com/policies-codes.

c) MATERIAL CHANGES AND COMMITMENTS

There have been no significant changes or commitments affecting the financial position of the Company between the end of the financial year to which these financial statements relate and the date of this Report.

The Company has

- Shifted its Registered office from 118/1 (First Floor), Gali No. 2, Govind Puri, New Delhi, India 110019 to 1207/89, 12th Floor, Hemkunt Chambers, Nehru Place, New Delhi- 110019 with effect from 13th August, 2025.
- Further, Shifted its registered office vide order passed by Regional Director Northern Region, dated 12/12/2025, bearing Order No. AB8720169/13(4)/RD(NR)/2024. Registered Office of the Company has been Shifted from 1207/89, 12th Floor, Hemkunt Chambers, Nehru Place, New Delhi- 110019 to Plot No. 7, Site No. 2, 14/3, Mathura Road, Faridabad, Haryana-121003 with effect from 01st January, 2026.
- Shifting its Corporate Office and/of Books of Accounts and other Relevant Books and Papers of the Company address, at Plot 7, Site 2, 14/3, Mathura Road Faridabad 121003 Haryana, with effect from 01st October, 2025.
- Altered its Memorandum of Association of the Company Pursuant to Shifting of Registered office from the "National Capital Territory of Delhi" to the "State of Haryana"
- Altered its Articles of Association of the Company, in Connection to Adoption of New Set of Articles of Association, Pursuant to Public issue of Equity shares.

The above Changes are purely administrative in nature and does not have any material impact on the financial position or operations of the Company.

Further the Policy on Determination of Materiality of Events Information as approved by the Board is available on the Company's website and can be accessed at https://mvelectrosystems.com/policies-codes.php

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES DETAILS PURSUANT TO SECTION 197(12) READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014;

The requisite information pertaining to remuneration and other details, as mandated under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the **Annexure -B** forming part of this Board's Report. The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report.

HUMAN RESOURCE

As a people-centric organization, we strongly believe in nurturing a culture that enables the growth, well-being, welfare and career progression of our employees. We have a company-wide ethos of caring and sharing with our people and continue to invest in their learning and development on a regular basis.

We also remain consistently focused on being connected and engaged with our employees to keep them motivated and inspired, treating them as equal partner in our growth journey.

As of March 31, 2026, MV employed 208 professionals across various domains including but not limited to corporate operations, engineering, R&D, systems design, and manufacturing. The company has worked hard to build a culture of collaboration, innovation, and operational discipline. Training programs in embedded systems, safety protocols, and installation practices were conducted during the year.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS

The Company has adhered to all applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

OTHER DISCLOSURES

a) During the reporting period, the Company did not submit any applications under the Insolvency and Bankruptcy Code, 2016. Hence, no proceeding is pending under the Code.

b) The requirement to state the difference between the valuation amount at the time of one-time settlement and the valuation amount when obtaining loans from banks or financial institutions does not arise, as it does not apply to the company.

c) During the financial year under review, the Company has accepted unsecured loans amounting to ₹ 30.10 MN and has repaid loans aggregating to ₹31.10 MN from its Directors, in compliance with the provisions of Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014 read with Chapter V of the Companies Act, 2013.

d) The Company continued to maintain cordial industrial relations with its employees.

DETAILS OF THE REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENTS:

KFIN TECHNOLOGIES LIMITED

Selenium, Tower B, Plot No. 31 and 32, Gachibowli, Financial District
Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India
Tel. No.: + 91 40 6717 2222 / 18003094001
E-mail: mvelectrosystems.ipo@kfintech.com
Investor Grievance e-mail: einward.ris@kfintech.com
Website: www.kfintech.com
SEBI Regn No.: INR000000221
Contact Person: M. Murali Krishna

ACKNOWLEDGEMENT

The Board of Directors wish to express their sincere appreciation for the co-operation and assistance received from the Bankers, Financial Institutions, Regulatory Authorities, Stakeholders including Customers and other business associates who have extended their valuable support and encouragement during the year under review. The Board of Directors acknowledges the hard work, dedication, commitment and cooperation of the employees of the Company.

For and on behalf of the Board of Directors
MV ELECTROSYSTEMS LIMITED

Sd/-	Sd/-
PANKAJ RASTOGI	**AMIT DHAWAN**
Managing Director	Director
DIN: 11307172	DIN: 03031778

Date 25/08/2026
Place- Faridabad

Annexure-A

FORM NO. AOC -2

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

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

1. **Details of contracts or arrangements or transactions not at Arm's length basis.:** NIL
2. **Details of material contracts or arrangements or transactions at Arm's length basis.**

(Amount in Millions)

No.	Particulars	Details	
a)	Name (s) of the related party & nature of relationship	**MV Mobility Limited** (a Public Company in which a Director or Manager is a Director or and holds along with his Relatives more than two percent of its Paid Up share Capital)	**MV Mobility Limited** (a Public Company in which a Director or Manager is a Director or and holds along with his Relatives more than two percent of its Paid Up share Capital)
b)	Nature of contracts/arrangements/ transaction	**Sale**	**Rent Paid**
c)	Duration of the contracts/ arrangements/ transaction	As and when Required	11 Months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale- 0.03 Millions	Rent Paid- 0.40 Millions
e)	Amount paid as advances, if any	NA	NA
f)	Date of Approval of Board	27/09/2025	05/11/2025

(Amount in Millions)

No.	Particulars	Details	
a)	Name (s) of the related party & nature of relationship	**Iboard India Limited** (a Public Company in which a Director or Manager is a Director or and holds along with his Relatives more than two percent of its Paid Up share Capital)	**Quadrant Future Tek Limited** (a Public Company in which a Director or Manager is a Director or and holds along with his Relatives more than two percent of its Paid Up share Capital)
b)	Nature of contracts/arrangements/ transaction	**Rent Received**	**Sale/Purchase**
c)	Duration of the contracts/ arrangements/ transaction	11 Months	As and when Required
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale- 2.40 Millions	Sale- 18.00 Millions Purchase-25.59 Millions
e)	Amount paid as advances, if any	NA	NA
f)	Date of Approval of Board	27/09/2025	27/09/2025

(Amount in Millions)

No.	Particulars	Details	
a)	Name (s) of the related party & nature of relationship	**Prime Electronics** (a firm in which Director, Manager or his Relative is a Partner)	**Mr. Rahul Dhawan** (KMP-Whole-Time Director)
b)	Nature of contracts/arrangements/ transaction	**Sale/Purchase**	**Remuneration**
c)	Duration of the contracts/ arrangements/ transaction	As and when Required	Ongoing

(Amount in Millions)

No.	Particulars	Details	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale- 6.85 Millions Purchase-0.02 Millions	As per Agreed Terms and Conditions INR 0.84 Millions
e)	Amount paid as advances, if any	NA	NA
f)	Date of Approval of Board	27/09/2025	05/11/2025

(Amount in Millions)

No.	Particulars	Details	
a)	Name (s) of the related party & nature of relationship	**Mr. Pankaj Rastogi** (KMP-Managing Director)	**Mr. Ajay Kumar** (CFO)
b)	Nature of contracts/arrangements/ transaction	**Remuneration**	**Salary**
c)	Duration of the contracts/ arrangements/ transaction	Ongoing	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per Agreed Terms and Conditions INR 5.34 Millions	As per Agreed Terms and Conditions INR 3.60 Millions
e)	Amount paid as advances, if any	NA	NA
f)	Date of Approval of Board	05/11/2025	05/11/2025

(Amount in Millions)

No.	Particulars	Details	
a)	Name (s) of the related party & nature of relationship	**Mr. Sourabh Bansal** (KMP-Company Secretary)	**Ms. Pallavi** (Relative of Director)
b)	Nature of contracts/arrangements/ transaction	**Salary**	**Salary**
c)	Duration of the contracts/ arrangements/ transaction	Ongoing	Ongoing
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	As per Agreed Terms and Conditions INR 1.66 Millions	As per Agreed Terms and Conditions INR 0.90 Millions
e)	Amount paid as advances, if any	NA	NA
f)	Date of Approval of Board	05/11/2025	05/11/2025

For and on behalf of the Board of Directors
MV ELECTROSYSTEMS LIMITED

Sd/-	Sd/-
PANKAJ RASTOGI	**AMIT DHAWAN**
Managing Director	Director
DIN: 11307172	DIN: 03031778

Date 25/08/2026
Place- Faridabad

ANNEXURE-B

PARTICULARS OF EMPLOYEES

(Pursuant to Section 197(12) read with Rules made thereunder)

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules made there under.

THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE, WHO-

A. **Employed throughout the financial year, were in receipt of remuneration which is not less than Rupees One Crore Two Lakhs per annum-** NIL

(Amount in Millions)

No.	Name of Employee, Designation and Age	Remuneration Received per annum (in Rs)	Nature of employment, whether contractual or otherwise	Qualifications, experience of the employee and Date of commencement of employment	Percentage of equity shares held by the employee and details relationship with any director or manager	Name of Last Employer
1	Pankaj Rastogi, Technical Director R&D, 54*	10685784	Permanent	PHD,32 YRS, 05-01-2021	4.47%	Autometers Alliance Ltd

*Note- Mr. Pankaj Rastogi was appointed as the Managing Director of the Company with effect from October 1, 2025. Prior to his appointment as Managing Director, he was employed with the Company on a full-time basis employment.

B. **Employed for part of the financial year, were in receipt of remuneration which is not less than Rupees Eight Lakh Fifty thousand per Month:**

(Amount in Millions)

No.	Name of Employee, Designation and Age	Remuneration Received Per month (in Rs)	Nature of employment, whether contractual or otherwise	Qualifications, experience of the employee and Date of commencement of employment	Percentage of equity shares held by the employee and details relationship with any director or manager	Name of Last Employer
1	Pankaj Rastogi, Managing Director, 54*	890482	Permanent	PHD,32 YRS, 05-01-2021	4.47% (Not related with any Director or Manager)	Autometers Alliance Ltd

*Note- Mr. Pankaj Rastogi was appointed as the Managing Director of the Company with effect from October 1, 2025. Prior to his appointment as Managing Director, he was employed with the Company on a full-time basis employment.

C. **The employee worked for the whole year or part of the year, and His/her remuneration is more than the remuneration of the MD / Whole-time Director / Manager, and That employee, along with spouse and dependent children, holds at least 2% of the company's equity shares.** Nil

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

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2025-26 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during FY 2024-25 ratio of the remuneration of each director to the median remuneration of the employees of the Company for FY 2025-26 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

No.	Name of Directors/KMP and Designation	Remuneration of director/ KMP for FY 2025-26 (In millions)	% increase/ (decrease) in remuneration in FY 2025-26	Ratio of remuneration of Director to the median employee's remuneration
1	Pankaj Rastogi- Managing Director	53,42,892	NA	157:1
2	Rahul Dhawan- Whole time Director	8,40,000	-	25:1

No.	Name of Directors/KMP and Designation	Remuneration of director/ KMP for FY 2025-26 (In millions)	% increase/ (decrease) in remuneration in FY 2025-26	Ratio of remuneration of Director to the median employee's remuneration
3	Ajay Kumar- Chief Financial Officer	35,99,184	20%	106:1
4	Sourabh Bansal- Company Secretary	16,55,184	15%	49:1

*During the year under review, no remuneration, including sitting fees, was paid to the Non-Executive Directors for attending the meetings of the Board or its Committees. Accordingly, the remuneration disclosed under the relevant category is **Nil**

The median remuneration of the employees of the Company during FY 25-26 was INR **0.034** millions.

Percentage decrease in the median remuneration of employees in the last FY was **12.82%** as compared to the previous year.

Numbers of permanent employees as on 31st March, 2026 were **208**

It is hereby affirmed that remuneration to the KMPs and employees of the Company are in line with the **Nomination and Remuneration Policy of the Company**.

For and on behalf of the Board of Directors
MV ELECTROSYSTEMS LIMITED

Sd/-	Sd/-
PANKAJ RASTOGI	**AMIT DHAWAN**
Managing Director	Director
DIN: 11307172	DIN: 03031778

Annexure-C

DECLARATION BY THE MANAGING DIRECTOR

[Under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Board of Directors
MV Electrosystems Limited

I, Pankaj Rastogi, Managing Director of the Company hereby confirm that all the Board members and Senior Management of the Company have affirmed compliance with 'Code of Conduct for Directors and Senior Management', for the financial year ended March 31, 2026.

For **MV Electrosystems Limited**

Sd/-
Pankaj rastogi
Managing Director
DIN- 11307172

Date: 25th August 2026
Place: Faridabad

CORPORATE GOVERNANCE REPORT

MV Electrosystems Limited was an unlisted public company as at March 31, 2026. The Company was listed on the Stock Exchanges on August 6, 2026, subsequent to the closure of the financial year. Accordingly, the applicability of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") has been considered with reference to the Company's status and the relevant date of applicability.

1) OVERVIEW

a) Company's Philosophy on Corporate Governance

Corporate Governance encompasses a set of systems, principles and practices through which the Company's affairs are managed with transparency, accountability, fairness and integrity, while safeguarding the interests of all stakeholders.

The Corporate Governance philosophy of MV Electrosystems Limited is founded on the principles of ethical business conduct, transparency, accountability and responsible corporate citizenship. The Company is committed to complying with all applicable statutory and regulatory requirements and, wherever appropriate, adopting best practices that strengthen its governance framework.

The Company believes that sound Corporate Governance is fundamental to building and sustaining the trust and confidence of its stakeholders. The Company strives to maintain transparency in its operations, ensure timely and adequate disclosures, uphold high standards of business ethics and comply with applicable laws and regulations.

The Board of Directors plays a pivotal role in providing strategic direction and oversight to the Company. The Board critically evaluates the Company's strategic objectives, business plans, management policies and their effectiveness, while ensuring that decisions are taken in the best interests of the Company and its stakeholders.

b) Corporate Governance Fact Sheet as on 31st March, 2026

The composition of the Board of Directors ("Board") is in full compliance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), read with Section 149 of the Companies Act, 2013 ("the Act") and the rules framed thereunder. The Board comprises an optimum combination of Executive and Non-Executive Directors, including Women Directors, with an appropriate balance between Independent and Non-Independent Directors, thereby ensuring diversity of experience, perspective, and expertise in the governance of the Company.

Size of Board (Members)	9
Number of Independent Directors	3
Board Performance Appraisal	Yes
Separate Chairman	Yes
Separate Chief Executive Officer ("CEO")	No
Fully Independent Audit Committee	Yes
Nomination & Remuneration Committee	Yes
Number of Board Meetings Held in FY 2025-26	10
Secretarial Audit for FY 2025-26.	NA
Code of Conduct for Directors & Senior Management	Yes
Full adoption of the mandatory requirements of all Regulations of Listing Regulations	Yes

c) Role of the Company Secretary in overall Governance Process

The Company Secretary plays a pivotal role in ensuring that the procedures of the Board of Directors and its Committees are properly followed and periodically reviewed. The Company Secretary ensures that all requisite information, details, and documents are made available to the Directors and Senior Management to facilitate informed and effective decision-making during meetings.

The primary responsibilities of the Company Secretary include assisting and advising the Board in the conduct of the Company's affairs, ensuring compliance with applicable statutory provisions and Secretarial Standards, providing guidance to the Directors on their roles and responsibilities, and facilitating the convening and smooth conduct of meetings. The Company Secretary also acts as the principal interface between the management and regulatory authorities on governance and compliance matters.

d) Rights of Shareholders

The Corporate Governance framework of the Company is established in strict conformity with the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable statutory and regulatory mandates. It is expressly designed to protect and facilitate the exercise of shareholders' rights and to ensure strict equitable treatment of all shareholders, including minority and foreign shareholders, without exception. The framework is fully cognizant of sector-specific economic and regulatory dynamics, promotes market integrity, safeguards transparency and efficiency, and fosters sustainable growth in alignment with the larger public interest. The Company's governance practices are firmly rooted in the rule of law, unwavering compliance with applicable regulations, thereby ensuring accountability at all levels of management and the Board.

Basic Rights of the Shareholders of the Company include the following:

- Freely convey or transfer Shares subject to applicable law;
- Obtain relevant and material information about the Company on a timely and regular basis, subject to any laws or principles of confidentiality;
- Participate and vote in General Meetings of Shareholders;
- Elect and remove Members of the Board; and many others unstated rights which they have acquired through their association with the Company;
- Right to participate in, and to be sufficiently informed on, decisions concerning fundamental/ material corporate changes;
- Amendments to the statutes and/or articles of incorporation or other governing documents of the Company;
- To make their views known on the remuneration policy for Board Members and key executives and the equity component of compensation schemes for Board Members and employees and many others unstated rights which they have acquired through their association with the Company;

e) Disclosure and Transparency

Pursuant to the Companies Act, 2013 and Listing Regulations, every Director and KMP shall promptly disclose to the Board any direct, indirect, or third-party material interest in any contract, arrangement, transaction, or matter concerning the Company, with such disclosure duly recorded in the statutory registers and minutes, subject only to confidentiality mandated by law.

Disclosure includes but is not limited to the following:

- The Financial and Operating Results of the Company;
- Company objectives; Major Share Ownership and Voting Rights;
- Remuneration policy for Members of the Board and Key Executives;
- Information about Members of the Board and the KMP, including qualifications, shareholding in the Company, other Company Directorships and whether they are regarded as independent by the Board;
- Related Party Transactions;
- The necessary approvals are sought from the appropriate authority and transactions are carried out as per the set rules as approved.

Responsibilities of the Board

The Company is headed by an effective Board whose principal focus is on optimizing Shareholder value. The Board is the focal point of the Corporate Governance system and is ultimately accountable and responsible for the performance and affairs of the Company. The Board of Directors of the Company meet regularly else they act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company and the stakeholders. The Board decisions reflect that they treat all Shareholders fairly. Board training and certification is always encouraged by the Company. The Board fulfills following key functions, including:

- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans;
- Setting performance objectives; monitoring implementation and corporate performance; developing and approving management policies and overseeing major capital expenditures, acquisitions and divestitures;
- Monitoring the effectiveness of the Company's governance practices and making changes as needed;

2) BOARD OF DIRECTORS

As at March 31, 2026, the Company was an unlisted public company. The Board comprised of Directors with diverse qualifications, experience and expertise relevant to the Company’s business.

Subsequent to the close of the financial year, the Company was listed on the Stock Exchanges on August 6, 2026. The Company has thereafter ensured that its Board structure and governance framework are aligned with the applicable requirements of the SEBI Listing Regulations.

a) **Composition of Board of Directors**

As on 31 March, 2026, the Company's Board consists of 9 (Nine) Directors, consisting of 1 (One) Managing Director, 1 (One) Executive Director, 3 (Three) Non-executive Directors, 1 (One) Non-Executive Nominee Director and 3 (Three) Non Executive Independent Directors including 1 (One) Woman Independent Director.

The names & category of Directors, the number of Directorships and Committee positions held by them, the Directorship in other listed companies along with the category of directorship **as on 31st March 2026** are as follows:

S.no	Name of the Director	Category	No. of Directorships and Committee positions in other entities			Directorship in other listed companies along with the category of directorship	
			Other Directorship	As Member	As Chairman	Names of other Listed Entities	Category of Directorship
1	Mr. Pankaj Rastogi	Managing Director	-	-	-	-	-
2	Mr. Mohit Vohra	Promoter, Non-Executive Director	4	-	-	Quadrant FutureTek Limited	Promoter-Managing Director
3	Mr. Amit Dhawan	Promoter, Non-Executive Director	3	-	-	Quadrant FutureTek Limited	Promoter-Executive Director
4	Mr. Sumit Dhawan	Promoter, Non-Executive Director	2	-	-	-	-
5	Mr. Rahul Dhawan	Promoter, Executive Director	-	-	-	-	-
6	Mr. Sanjay Kumar Singh	Non- Executive Nominee Director	3	-	-	-	-
7	Mr. Sanjeev Mehta	Chairman, Non- Executive Independent Director	-	-	-	-	-
8	Mr. Vipin Sharma	Non- Executive Independent Director	3	-	-	-	-
9	Mrs. Kanika Bhutani	Non- Executive Independent Director	3	-	-	Quadrant FutureTek Limited	Non Executive-Independent Director

Notes:-

1. Other Directorships includes both Private and Public companies excluding Section 8 Companies

2. For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of other Indian Public Companies have only been considered.

3. Directorships in other listed Companies (listed) excludes Section 8

4. The Directorships/Committee Memberships are based on the latest disclosures received from the Directors by the Company.

All Independent Directors of the Company are individuals of integrity and repute, possessing the requisite qualifications, professional expertise, and diversified experience as envisaged under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. Their collective proficiency ensures informed decision making in the best interests of the Company and its stakeholders.

B) **Number of Board Meetings:-**

During the Financial Year 2025-26, **10 (Ten) meetings of the Board of Directors** were held and the maximum time gap between two consecutive meetings did not exceed one hundred and twenty (120) days.

S.no	Date(s) on which meeting(s) were held
1	April 21, 2025
2	July 05, 2025
3	August 05, 2025
4	August 25, 2025
5	September 05, 2025
6	September 27, 2025
7	October 01, 2025
8	November 05, 2025
9	November 27, 2025
10	March 24, 2026

c) Attendance of Directors at the meeting of the board of directors and the last Annual General meeting:-

Attendance record of the Directors at the board meetings and at the last annual general meeting is as under:-

Name of Directors	Particulars of Attendance of Board Meetings		Attendance for last AGM held on 29th September, 2025
	Meeting held during the Director's tenure	Board Meetings attended	
Mr. Pankaj Rastogi	●●●	●●●	N/A
Mr. Mohit Vohra	●●●●●●●●●●	●●●●●●●●●●	✓
Mr. Amit Dhawan	●●●●●●●●●●	●●●●●●●●●●	✓
Mr. Sumit Dhawan	●●●●●●●●●●	●●●●●●●●●●	✓
Mr. Rahul Dhawan	●●●●●●●●●●	●●●●●●●●●●	✓
Mr. Sanjay Kumar Singh	●●●●●●●●●●	●●●●●●●●●●	✓
Mr. Sanjeev Mehta	●●●●	●●●●	✗
Mr. Vipin Sharma	●●●●	●●●●	✗
Mrs. Kanika Bhutani	●●●●	●●●●	✗

● Meeting held during the Director's tenure ● Board Meetings attended

d) Independent Directors:-

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the SEBI Listing Regulations. Formal letters of appointment were issued to the Independent Directors after their appointment. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at https://mvelectrosystems.com/policies-codes.php

The Company has received a declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situations which existed or may be reasonably anticipated that could impair their ability to discharge their duties. They are also in compliance with the limit on the number of independent directorships as prescribed under Regulation 17A of the SEBI Listing Regulations.

In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Act and the SEBI Listing Regulations and are independent of the Management.

For the financial year ended March 31, 2026, there were no resignations from Independent Directors on the Board. Furthermore, all Directors have confirmed that they do not serve as members in more than 10 committees or as Chairpersons in more than 5 committees, in accordance with Regulation 26(1) of the SEBI Listing Regulations, across all companies where they hold directorships.

A separate Meeting of the Independent Directors of the Company, without the attendance of Non-Independent Directors and Members of Management, was held on March 24, 2026 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the SEBI Listing Regulations. All the Independent Directors attended the Meeting.

e) Number of Shares and convertible instruments held by Non-Executive Directors:-

The Shareholding of Non-Executive Directors as on March 31, 2026 is as follows:-

S.No	Name of the Director	Category	No. of Equity Shares Held
1	Mr. Mohit Vohra	Non-Executive Director	6036108
2	Mr. Amit Dhawan	Non-Executive Director	1166086
3	Mr. Sumit Dhawan	Non-Executive Director	1413934
4	Mr. Sanjay Kumar Singh	Non- Executive Nominee Director	Nil
5	Mr. Sanjeev Mehta	Chairman, Non- Executive Independent Director	Nil
6	Mr. Vipin Sharma	Non- Executive Independent Director	Nil
7	Mrs. Kanika Bhutani	Non- Executive Independent Director	Nil

There are no convertible instruments issued by the Company.

f) Familiarization Programme for Independent Directors:-

The provisions relating to the familiarization programme for Independent Directors under Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were **not applicable to the Company during the financial year 2025-26**. Accordingly, no separate familiarization programme was conducted during the said financial year.

However, the details of familiarization programme are available on the website of the Company. The web link of the same is https://mvelectrosystems.com/policies-codes.php

g) Disclosure of Relationships between Directors Inter-se:-

S.no	Inter-se Relation between Directors
1	Mr. Mohit Vohra, Mr. Amit Dhawan, and Mr. Sumit Dhawan are cousin brothers.
2	Mr. Amit Dhawan and Mr. Sumit Dhawan are real brothers.
3	Mr. Rahul Dhawan is a cousin brother-in-law of Mr. Mohit Vohra, Mr. Amit Dhawan and Mr. Sumit Dhawan

Apart from the relations mentioned hereinabove, there is no inter-se relation among the Directors of the Company.

The Independent Directors do not have any material pecuniary relationship or transactions with the Company, its Directors and its senior management personnel which may affect their independence, except for the Sitting fees, drawn for attending the meetings of the Board and Committee(s) thereof.

h) Key Board Skills, Expertise and Competence:-

The Board comprises of Directors with diverse educational backgrounds, different sets of skills and expertise, strategic and leadership skills that are required for its oversight role, meet the governance and strategic needs.

In compliance with Regulation 34(3) and Schedule V of the SEBI Listing Regulations, the Board has identified a set of core skills, expertise, and competencies that are necessary for the effective functioning of the Company. The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively.

The Board has identified the below-mentioned core skills/expertise/competencies as required by the Company in the context of its business (es) and sectors(s) for it to function effectively and those available with Board.

Understanding of Business/Industry	Experience and knowledge of the area of operations and associated businesses.
Financial Expertise	Financial Management, Internal control, taxation, Understanding of Financial policies and accounting records
Culture Building and Leadership	Extended Leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes. Demonstrated strengths in developing talent and driving change and long term growth.
Strategy and Planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's policies and priorities.
Governance & Compliance	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance, monitor risk and compliance management frameworks.
Stakeholder Value Creation	Ability to understand processes for shareholder value creation and its contributory elements and critique interventions towards value creation for the other stakeholders.

The table below expresses the specific areas of focus or expertise of individual Board members:-

Name of Director	Understanding of Business/ Industry	Financial Expertise	Culture Building and Leadership	Strategy and Planning	Governance & Compliance	Stakeholder Value Creation
Mr. Pankaj Rastogi	✓	✓	✓	✓	✓	✓
Mr. Mohit Vohra	✓	✓	✓	✓	✓	✓
Mr. Amit Dhawan	✓	✓	✓	✓	-	✓
Mr. Sumit Dhawan	✓	-	✓	✓	✓	✓
Mr. Rahul Dhawan	✓	-	✓	✓	✓	-
Mr. Sanjay Kumar Singh	✓	-	✓	✓	-	✓
Mr. Sanjeev Mehta	✓	-	✓	✓	✓	-
Ms. Kanika Bhutani	✓	✓	✓	-	✓	✓
Mr. Vipin Sharma	✓	✓	-	✓	✓	✓

3. COMMITTEES OF THE BOARD

The Committees constituted by the Board play a very important role in the governance structure of the Company. The terms of reference of these Committees are approved by the Board and are in line with the requirements of Companies Act, 2013 and Listing Regulations. The Minutes of Committee Meetings are tabled at the Board Meetings and the Chairperson of each Committee briefs the Members of the Board on the important deliberations and decisions of the respective Committees. The Minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013.

In compliance with the Companies Act, 2013 and Listing Regulations, the Board has constituted the following Committees:

- Audit Committee
- Stakeholder Relationship Committee
- Nomination and Remuneration Committee

a, Audit Committee

Composition of Committee

Your Company has duly constituted Audit Committee and its composition meets the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations.

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

During Financial Year 2025-26, the Committee met 1 (One) times on 27th November, 2025. The requisite quorum was present at the meeting. All decisions at the Audit Committee meeting were taken unanimously.

The Constitution of Audit Committee as on 31st March, 2026 and the Attendance Details for the meetings held during financial year 2025-26 are as below:-

Name of the Directors	Designation in Committee	Nature of Directorship	No. of Meetings Attended
Mr. Vipin Sharma**	Chairman	Independent Director	1
Mr. Sanjeev Mehta**	Member	Independent Director	1
Mr. Amit Dhawan	Member	Non- Executive Director	1

Member Chairman

** Cessation on Completion of One Term of Five Consecutive Years.

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

Scope and Terms of Reference:

The Audit Committee shall have powers, including the following:

1) To investigate any activity within its terms of reference;

2) To seek information from any employee;
3) To obtain outside legal or other professional advice;
4) To secure attendance of outsiders with relevant expertise, if it considers necessary; and
5) Such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

The role of the Audit Committee shall include the following:

1) Oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

2) Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4) Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

    - 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 Companies Act, 2013;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the financial statements arising out of audit findings;
    - Compliance with listing and other legal requirements relating to financial statements;
    - Disclosure of any related party transactions;
    - Modified opinion(s) in the draft audit report;

5) Reviewing, with the management, the quarterly, half-yearly and annual 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 / Red Herring Prospectus / notice and the report submitted by the monitoring agency monitoring the utilization 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 audit process;

8) Approval or any subsequent modification of transactions of the listed entity with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

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

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) Approving the appointment of the Chief Financial Officer (i.e. the whole-time finance director or

any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate;

20) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

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; and

22) Carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Further, the Audit Committee shall mandatorily review the following:-

1) Management discussion and analysis of financial condition and results of operations;
2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
4) Internal audit reports relating to internal control weaknesses; and
5) The appointment, removal and terms of remuneration of the chief internal auditor
6) Statement of deviations:
   - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   - Annual statement of funds utilized for purposes other than those stated in the offer document / Red Herring Prospectus / notice in terms of Regulation 32(7).

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

b. Stakeholder Relationship Committee

Composition of Committee

Your Company has duly constituted Stakeholder Relationship Committee in accordance with the provisions of Section 178(5) of the Companies Act, 2013.

The Stakeholders' Relationship Committee did not meet during the financial year 2025-26, as the applicable provisions relating to the Committee were not applicable to the Company during the said period.

The Constitution of Audit Committee as on 31st March, 2026 are as below:-

Name of the Directors	Designation in Committee	Nature of Directorship
Mrs. Kanika Bhutani**	Chairman	Independent Director
Mr. Sumit Dhawan	Member	Non- Executive Director
Mr. Rahul Dhawan	Member	Executive Director

Member Chairman

** Cessation on Completion of One Term of Five Consecutive Years.

Name of Non-Executive Director heading the Committee

Mrs. Kanika Bhutani. Chairman of the Committee and Non-Executive Independent Director.

Name and the designation of the Compliance Officer:-

Mr. Sourabh Bansal, Company Secretary and Compliance Officer (ICSI M. No A49529) is the Compliance Officer of the Company.

Status of investor's complaints as on March 31, 2026:-

1. Number of Shareholders Complaints Received during the Financial Year During the year, Zero Complaints were received through the SCORES portal of SEBI.

2. Number of Complaints not solved to the Satisfaction of shareholders-Not Applicable
3. Number of Pending Complaints- Not Applicable

Scope and Terms of Reference: The role of the Stakeholders Relationship Committee shall include the following:

1) Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders

2) resolving the grievances of the security holders of the listed entity 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.;

3) Giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;

4) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

5) review of measures taken for effective exercise of voting rights by shareholders;

6) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

7) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and

8) Carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

c. Nomination and Remuneration Committee

Composition of Committee

Your Company has duly constituted Nomination and Remuneration Committee and its composition meets the requirements of Section 178 of the Act.

During the Financial Year 2025-26, the Committee met 2 (Two) times on 05th November 2025 and 24th March 2026.

The Constitution of Nomination and Remuneration Committee as on 31st March, 2026 and the Attendance Details for the meetings held during financial year 2025-26 are as below:-

Name of the Directors	Designation in Committee	Nature of Directorship	No. of Meetings Attended
Mrs. Kanika Bhutani**		Independent Director	2
Mr. Sanjeev Mehta**		Independent Director	2
Mr. Vipin Sharma**		Non- Executive Director	2

Member Chairman

** Cessation on Completion of One Term of Five Consecutive Years.

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee.

Scope and Terms of Reference: The role of the Nomination and Remuneration Committee shall include the following:

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

2) The Nomination and Remuneration Committee should, for every appointment of an independent director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required for an Independent Director. For the purpose of identifying suitable candidates as an Independent Director, the Committee may:-

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates

3) Formulation of criteria for evaluation of performance of Independent Directors and the Board;

4) Devising a policy on Board diversity;

5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including Independent Director);

6) Analyzing, monitoring and reviewing various human resource and compensation matters;

7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

8) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

9) Recommend to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;

10) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

- The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between Fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

11) Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended,

12) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

13) carrying out any other activities as may be delegated by the Board of Directors of the Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Performance evaluation Criteria of Directors:-

Pursuant to the provisions of Section 134(3) (p) of the Act read with the SEBI Listing Regulations, the Nomination and Remuneration Committee (NRC) has laid down the criteria to carry out the performance evaluation of Chairman, the Board as whole, Individual Directors and the Committees of the Board.

The performance evaluation of the Directors, including Independent Directors, is carried out based on various parameters, including their knowledge, skills, experience, participation and contribution in Board and Committee meetings, understanding of the Company's business and regulatory environment, strategic guidance, quality of decision-making, adherence to ethical standards and corporate governance principles, and overall contribution towards the achievement of the Company's objectives. The evaluation also considers the fulfilment of applicable duties, responsibilities and fiduciary obligations by the Directors.

The Independent Directors of the Company met separately on 24th March, 2026, without the presence of Management to carry out the performance evaluation based on the criteria laid down by the NRC Committee.

The performance evaluation of the Independent Non-Executive Directors was carried out by the entire Board based on the criteria laid down by the NRC Committee.

d. Risk Management Committee

The provisions relating to constitution of the Risk Management Committee under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are **not applicable** to the Company, as the Company does not fall within the category of entities to which the said provisions are applicable. Accordingly, the Company has not constituted a separate Risk Management Committee.

However, the Company has a comprehensive Risk Management framework for identifying, assessing, monitoring and mitigating various risks associated with its business and operations. The framework is designed to identify potential risks, evaluate their likelihood and impact, and implement appropriate measures to minimize or mitigate such risks.

The Company periodically reviews its risk exposure and takes appropriate steps to ensure that identified risks are effectively managed. The Board of Directors, along with the management, oversees the risk management framework and ensures that suitable measures are implemented for managing and mitigating material risks.

During the year under review, no risk has been identified which, in the opinion of the Board, may threaten the existence of the Company. The Company continues to monitor emerging risks and takes appropriate preventive and corrective measures to safeguard its business operations, assets and stakeholders' interests.

4. Remuneration to Directors

a) Details of remuneration paid / payable to the Directors for the year ended 31 March 2026 is as under:

(Amount in Rs.)

Name of the Director	Salary/Allowance & Perquisites	Performance Linked Incentive/ Commission	Any Pension or Bonus	Sitting Fee	Total
Mr. Pankaj Rastogi*	53,42,892	1,00,00,000	-	-	1,53,42,892
Mr. Mohit Vohra	-	-	-	-	-
Mr. Amit Dhawan	-	-	-	-	-
Mr. Sumit Dhawan	-	-	-	-	-
Mr. Rahul Dhawan	8,40,000	-	-	-	8,40,000
Mr. Sanjay Kr. Singh	-	-	-	-	-
Mr. Sanjeev Mehta	-	-	-	1,75,000	1,75,000
Mr. Vipin Sharma	-	-	-	1,75,000	1,75,000
Mrs. Kanika Bhutani	-	-	-	1,75,000	1,75,000

*Mr. Pankaj Rastogi was appointed as the Managing Director of the Company with effect from October 1, 2025. Prior to his appointment as Managing Director, he was employed with the Company on a full-time basis employment.

Stock Option Details-if any and whether issued at Discount as well as the period over which accrued and over which exercisable- Not Applicable

b) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company:

All the Independent Directors receive sitting fees for attending the Board and Committee meetings.

During the year under review, apart from sitting fee to Independent Directors, there were no pecuniary relationships or transactions with non-executive directors of the Company.

Further, the Company has not granted any stock options to any of its Non-Executive Directors.

c) Criteria for making payments to Non-Executive Directors

Independent Directors of the Company are paid sitting fees for attending Board/ Committee Meetings within the limits prescribed under Companies Act, 2013.

The Nomination and Remuneration Policy of the Company, inter alia, disclosing detailed criteria of making payments to Non-Executive Directors of the Company is placed on Company's website and can be accessed at: https://mvelectrosystems.com/policies-codes.php

5. General Body Meetings:-

a) Details of location, time, and date of the last three Annual General Meetings (AGM) and Special Resolutions passed thereat are as follows:-

Financial Year	Date and Time of Meeting	Venue of the Meeting	Details of Special Resolutions passed
2024-25	29.09.2025 (10.00 AM)	Registered Office at 1207/89, 12th Floor, Hemkunt Chambers, Nehru Place, New Delhi 110019	1. Approval for issuance of equity shares on a private placement basis 2. Approval for shifting of registered office from one state to another (National Capital Territory of Delhi to state of Haryana)

Financial Year	Date and Time of Meeting	Venue of the Meeting	Details of Special Resolutions passed
			3. Approval for enhancement of borrowing limits of the company u/s 180(1)(c) of the companies act, 2013 4. Approval for creation of mortgage or charge on the assets, properties or undertaking(s) of the company. 5. Approval for increase in threshold of loans / guarantees, providing of securities and making of investments in securities under section 186 of the companies act, 2013
2023-24	27.09.2024 (11.00 AM)	Registered Office at 118/1 (First Floor), Gali No. 2 Govind Puri, New Delhi, - 110019	1. To Approve the waiver of Recovery of Remuneration paid to Directors during the Financial Year 2022-23 and 2023-24.
2022-23	28.09.2023 (10:00AM)	Registered Office at 118/1 (First Floor), Gali No. 2 Govind Puri, New Delhi, - 110019	1. To approve the increase in borrowing limits of the company under section 180(1) (c) of the companies act, 2013. 2. To create the security on the properties of the company, both present and future, in favour of lenders.

All resolutions moved at the Annual General Meeting were passed by the requisite majority of shareholders.

Details of resolutions passed or proposed to be passed by way of postal ballot:

No Resolution is passed during the year under review by way of postal ballot.

6. Means of Communications:-

The unaudited quarterly financial results shall be announced within 45 days from the end of each quarter, and the audited annual financial results shall be announced within 60 days from the end of the last quarter. These financial results, after being taken on record by the Audit Committee and Board of Directors, are communicated to the Stock Exchanges within the prescribed timelines, where the shares of the Company are listed. These Financial Results are also uploaded on the Company Website at www.mvelectrosystems.com.

The results shall be published in at least one English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the company is situated.

Any news, updates, or vital/useful information to shareholders and any Presentation made to Institutional Investors or Analysts shall be intimated to Stock Exchange(s) and are being displayed on the Company's website: www.mvelectrosystems.com. All submissions to the Exchanges are made through the respective electronic filing systems.

The quarterly results, Shareholding Pattern, quarterly/half yearly/annual compliances and all other material events or information as detailed in Regulation 30 of the Listing Regulations shall be filed electronically with National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with BSE Limited through BSE Online portal. These communications are also posted on the Company's website www.mvelectrosystems.com.

All the information and disclosures required to be disseminated as per Regulation 46(2) of the SEBI Listing Regulations and under the Act shall be posted at Company's website at www.mvelectrosystems.com.

7. General Shareholder Information:-

Annual General Meeting - Date, Time and Venue	September 29, 2026 At 11.00 A.M through OAVM (Other Audio - Visual Means)
Financial Year	April 01, 2025 to March 31, 2026
Dividend Payment Date	No dividend has been proposed for the Year ended March 31, 2026.
Name and Address of Stock Exchanges where Company's securities are listed	**1. BSE Limited (BSE)** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, India. **2. National Stock Exchange of India Limited** Exchange Plaza, Plot No.C/1 G-Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051

Listing fees	The Company has remitted the annual listing fee to the Stock Exchanges for Financial Year 2025-26.
Suspension of Trading:	During the year under review, no order related to suspension of trading was passed.
Share Registrar and Transfer Agents	**KFin Technologies Limited** Selenium, Tower B, Plot No. 31 and 32, Gachibowli, Financial District Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India Tel. No.: + 91 40 6717 2222 / 18003094001 E-mail: mvelectrosystems.ipo@kfintech.com Investor Grievance e-mail: einward.ris@kfintech.com Website: www.kfintech.com SEBI Regn No.: INR000000221 Contact Person: M. Murali Krishna
Company Secretary & Compliance officer	Mr. Sourabh Bansal Email : cs@mvelectrosystems.com

8. Share Transfer System

Kfin Technologies Limited, is the Depository Interface of the Company for both National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'), and is also the Registrar and Transfer Agents ('RTA') for all the work related to share registry in terms of both physical and electronic holdings.

As mandated by SEBI, securities of Listed Companies can only be transferred in dematerialized form. Hence no transfer of shares in physical form is allowed and the shares can be transferred by shareholders through their Depository Participants.

Presently all the equity shares of the Company are held in demat form.

9. Dematerialization of Shares and Liquidity

The entire equity share capital of your Company is held in dematerialized form with NSDL and CDSL under International Securities Identification Number (ISIN) –INE0OWZ01020. The equity shares of the Company are available for trading in the Depository system of both the National Securities Depository Limited and the Central Depository Services (India) Limited and actively traded on BSE & NSE now. The Reconciliation of Share Capital as on 31st March, 2026 is as below:-

Particulars	No. of Shares	% of Shares
Held in dematerialized form in CDSL	3780420	18.48%
Held in dematerialized form in NSDL	16678780	81.52%
Physical	0	0
Total No. of shares	20459200	100%

10. Outstanding GDRs/ ADRs/ Warrants or any convertible instruments

The Company has not issued any GDRs, ADRs, Warrants or any convertible instruments.

11. Distribution of Shareholding and Shareholding Pattern as on 31st March, 2026

The distribution of shareholding as at March 31, 2026, being the date on which the Company was an unlisted public company, is not presented as a listed-company shareholding distribution under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Shareholding Pattern as on 31st March, 2026

Name of Shareholders	No. of Shares	% Holding
Promotor and Promotor Group		
Mohit Vohra	60,36,108	29.50
Sonali Dhawan	14,62,632	7.15
Rahul Dhawan	20,01,160	9.78
Avinash Mehta	1,280	0.01
Amit Dhawan	11,66,086	5.70
Sumit Dhawan	14,13,934	6.91
RP Singh	18,31,232	8.95
Sangeeta Singh	18,24,768	8.92
Total (A)	**1,57,37,200**	**76.92%**
Public Shareholders		
Madhuri Madhusudan Kela	11,50,000	5.62%
Raghav Investment Private Limited	9,25,000	4.52%
Pankaj Rastogi	9,14,400	4.47%
Other 51 Public Shareholder	17,32,600	8.47%
Total (B)	**47,22,000**	**23.08%**
Total Shareholding (A + B)	**2,04,59,200**	**100.00%**

12. Commodity Price Risk or Foreign exchange risk and hedging activities

During the financial year 2025-26, the Company did not undertake any hedging activities in respect of commodity price risk or foreign exchange risk.

13. List of Credit Ratings

During the Financial Year 2025-26, no credit ratings was obtained by the Company.

Plant Locations

Baghola Tatarpur Road, Prithla Industrial Zone, Distt. Palwal, Haryana, India – 121102

Address for Correspondence

Corporate & Registered Office:
Plot No. 7, Site No 2, 14/3, Mathura Road, Faridabad - 121 003, Haryana, India
Email: cs@mvelectrosystems.com

14. Other Disclosures

a) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large**

The shareholders of the Company, in their Annual General Meeting held on September 29, 2025, approved the limits for Material Related Party Transactions to be entered into during the financial year 2025-26.

Related party transactions as per requirements of Indian Accounting Standard (Ind- AS 24) "Related Party Disclosures" are disclosed in the Notes to the Financial Statements of the Company for the year ended 31 March 2026. These transactions are well within the limits approved by the shareholders and do not involve any potential conflict with the interests of the Company.

b) **Details of Non-Compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years**

There were no penalties, strictures or orders imposed on the Company by any stock exchange, SEBI or other statutory authority in relation to any matter concerning the capital markets during the last three years.

c) **Disclosure of Vigil Mechanism/ Whistle Blower Policy and access to the Chairperson of the Audit Committee**

The Company has put in place a mechanism for employees to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Companies Code of Conduct or Ethics Policy. The said Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the higher levels of supervisors, managers including the Chairperson of the Audit Committee. No employee of the Company has been denied access to the Audit Committee to make any representation.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website at the web link: https://mvelectrosystems.com/policies-codes.php

d) **Details of compliance with all the mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied and will comply with all the mandatory requirements of the SEBI Listing Regulations relating to corporate governance.

e) **Particulars of senior management including the changes therein since the close of the previous financial year.**

The Senior Management of the Company comprises of members of the management who are reporting to the Managing Director and the Executive Directors and includes functional heads by whatever name called and the Company Secretary and the Chief Financial Officer of the Company

The required details of senior management as on 31st March, 2026 is as follows:

Sr. No.	Name of Senior Management Personnel ("SMP")	Designation	Changes, if any, since the previous financial year (Yes/No)	Nature of changes and effective date
1.	Pradeep Bansal	VP_Operations	No	-
2.	Sanjay Mann	GM-R&D(Software)	No	-
3.	Rajat Kumar Kaushal	GM- Business Development	No	-
4.	Sunil Kumar	SM- R&D	No	-
5.	Rheesabh Dwivedi	DM- R&D	No	-
6.	Anand Kumar	AGM- Mechanical	No	-
7.	Mohd Irshad Saifi	Manager- Propulsion Divison	No	-
8.	Manoj Kr. Sharma	Chief Humar Resource Officer (CHRO)	No	-
9.	Ajay Kumar	Chief Financial Officer (CFO)	No	-
10.	Sourabh Bansal	Company Secretary and Compliance officer	No	-

f) **Web Link where policy for determining 'material' subsidiaries is disclosed**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to determine 'material subsidiary', the Company has adopted a 'Policy for Determining Material Subsidiary' and the same has been hosted on the website of the Company on the following web link: https://mvelectrosystems.com/policies-codes.php

As on March 31, 2026, The Company does not have any material subsidiary company.

g) **Web link where policy on dealing with related party transactions**

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions in line with the requirements of Section 177 (4) (iv) and 188 of the Act, read with Rules framed thereunder and the SEBI Listing Regulations, amended from time to time. This Policy has been posted on the website of the Company at below mentioned link: https://mvelectrosystems.com/policies-codes.php

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

During the Financial Year 2025-26, the Company has not raised funds through preferential allotment and qualified institutions placement.

i) **Practicing CS Certification**

A certificate from a Company Secretary in Practice, pursuant to Regulation 34(3) read with clause 10 of Part C of Schedule V of SEBI (LODR), Regulations, 2015 that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority as on March 31, 2026. The requisite certificate is annexed to this Report as **Annexure - 1.**

j) **Recommendation from the Committees to the Board**

During the year, all recommendations of Committees of Board of Directors, were accepted by the Board.

k) **Statutory Auditor Fee**

Total fees paid by the Company to the statutory auditor's M/s Sanmarks & Associates, Chartered Accountants for all the services provided by them are as follows:

Payment Towards	Amount in Millions
Statutory Audit Fee	0.27
Limited Review Reports	NA
Certification Fees	0.12
IPO Expenses	1.2
Total	1.59

l) Disclosure under the sexual harassment of women at Workplace (prevention, prohibition and redressal) Act, 2013

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment Act, 2013. The Company has a 'Policy for prevention of Sexual Harassment'. As per the Sexual Harassment Act, the policy mandates strict confidentiality and recognizes the right of privacy of every individual. As per the policy, any employee may report a complaint to the 'Internal Complaints Committee' formed for this purpose. We affirm that adequate access was provided to any complainant who wished to register a complaint under the policy.

Details of Complaints received and redressed during the financial year 2025-26 are as follows:

- Number of complaints outstanding at the beginning of financial year – Nil
- Number of complaints filed 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

m) Disclosure by the listed entity 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 details of loans and advances in the nature of loans to firms/companies in which Directors are interested, if any, are disclosed in the Financial Statements of the Company.

n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company has no material Subsidiary and hence this clause is not applicable.

o) Non-compliance of any requirement of Corporate Governance Report

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as specified under sub para (2) to (10) of Part C of Schedule V of the SEBI Listing Regulations. As it was not applicable to the company during the FY 2025-26.

The Company has complied with Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation 2 of Regulation 46.

The Discretionary Requirements as Specified in Part E of Schedule-II have been adopted by the Company.

CEO/ CFO CERTIFICATION

In compliance with Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations, a certificate from Managing Director and Chief Financial Officer of the Company to the Board of Directors as specified in Part B of Schedule II of the said regulations is annexed to this Report as **Annexure - 2**.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

In compliance with SEBI Listing Regulations, Pursuant to Clause E of Schedule-V of SEBI (LODR) REGULATIONS, 2015 the requisite certificate on Corporate Governance issued by M/s Taruna Kalra & Associates, Company Secretary in Practice is annexed to this Report as **Annexure-3**.

For and on Behalf of Board of Directors
MV Electrosystems Limited

Sd/-
Pankaj Rastogi
Managing Director
DIN: 11307172

Date: 25th August, 2026
Place: Faridabad

ANNEXURE-1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with clause 10 of Part C of Schedule V of SEBI (LODR), Regulations, 2015)

To
The Members
MV ELECTROSYSTEMS LIMITED
Plot No. 7, Site 2,
14/3, Mathura Road,
Faridabad, Haryana -121003

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MV ELECTROSYSTEMS LIMITED having CIN - U31401HR2009PLC140536 and having registered office at Plot No. 7, Site 2, 14/3, Mathura Road, Faridabad, Haryana -121003 (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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge and based on (a) Documents available on the website of the Ministry of Corporate Affairs ("MCA"); (b) Verification of Directors Identification Number ("DIN") status at the website of the MCA (c) Disclosures provided by the Directors (as enlisted in below Table) to the Company; and (d) SEBI Debarment list available at BSE Limited and National Stock Exchange of India Limited, we hereby certify that none of the Directors on the Board of the Company (as enlisted in below Table) have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India, MCA or any such other statutory authority for the Financial Year ending **on March 31, 2026:**

S.NO.	NAME	DESIGNATION	DIN
1.	Mr. Sumit Dhawan	Director	08260657
2.	Mr. Rahul Dhawan	Whole Time Director	08448024
3.	Mr. Mohit Vohra	Director	02534402
4.	Mr. Amit Dhawan	Director	03031778
5.	Mr. Sanjay Kumar Singh	Nominee Director	09077003
6.	Mr. Pankaj Rastogi	Managing Director	11307172
7.	Ms. Kanika Bhutani	Independent Director	08789609
8.	Mr. Vipin Sharma	Independent Director	07265438
9.	Mr. Sanjeev Mehta	Chairman & Independent Director	10433467

Ensuring the eligibility of 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 **Taruna Kalra & Associates**
Company Secretaries
Firm Unique Code: S2013HR236100
Peer Review No. 2306/2022

Sd/-
CS Taruna Kalra
Proprietor
Membership Number: F-6603, COP No.:7129
UDIN: F006603H001232841

Place: Faridabad
Date: 26.08.2026

ANNEXURE-2

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(Pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI (LODR), Regulations, 2015)

We, Pankaj Rastogi, Managing Director and Ajay Kumar, Chief Financial Officer certify that:-

1. We have reviewed the financial statements and cash flow statement for the period ended March 31, 2026 and to the best of our knowledge and belief:

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

    (ii) These statements together present a true and fair view of the Company's affairs and comply with existing Accounting Standards, applicable laws and regulations.

2. To the best of our knowledge and belief, no transactions entered into by the Company during the period ended March 31, 2026 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 we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

4. (i) There has not been any significant change in internal control over financial reporting during the period under reference;

    (ii) There has not been any significant change in accounting policies during the period requiring disclosure in the notes to the financial statements; and

    (iii) We are not aware of any instance during the period of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd/-	Sd/-
Pankaj Rastogi	**Ajay Kumar**
Managing Director	Chief Financial Officer

Place: Faridabad
Date: 25.08.2026

ANNEXURE-3

CERTIFICATE ON CORPORATE GOVERNANCE UNDER SEBI (LODR) REGULATIONS, 2015

(Pursuant to Clause E of Schedule-V of SEBI (LODR) REGULATIONS, 2015)

To
The Members
MV ELECTROSYSTEMS LIMITED
Plot No. 7, Site 2,
14/3, Mathura Road,
Faridabad, Haryana -121003

We have examined the Compliance condition of Corporate Governance of **'MV ELECTROSYSTEMS LIMITED' having CIN - U31401HR2009PLC140536 and having registered office at Plot No. 7, Site 2, 14/3, Mathura Road, Faridabad, Haryana -121003** (hereinafter referred to as 'the Company'), as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and paragraph C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") **to the extent applicable on it during the time period pre-listing of Securities, as the securities of the Company were listed on August 06, 2026. The Company was an unlisted company as on March 31, 2026.**

Subsequent to the close of the Financial Year, the Equity Shares of the Company were listed on BSE and National Stock Exchange of India on August 06, 2026 and consequently the Company became a listed public Company w.e.f. August 06, 2026.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Our Responsibility

Our responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with corporate Governance requirements by the Company.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance to the extent applicable as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraph C, D and E of Schedule V to the LODR Regulations as on the date of this certificate.

We state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Taruna Kalra & Associates**
Company Secretaries
Firm Unique code: S2013HR236100
Peer Review no: 2306/2022

Sd/-
CS Taruna Kalra
Proprietor
Membership No: F-6603, COP No.: 7129
UDIN: F006603H001233059

Place: Faridabad
Date: 26.08.2026

Management Discussion & Analysis

Index:

Industry Overview

The Indian Railways sector is undergoing a significant technological transformation, driven by the Government of India's sustained focus on railway modernisation, capacity augmentation, energy efficiency, sustainability and indigenous manufacturing. The near-completion of broad-gauge railway electrification, coupled with continuing investment in modern rolling stock, electric locomotives, EMUs, MEMUs and advanced trainsets, is creating a strong and expanding market for sophisticated rail electrical and power-electronics equipment. As of March 2026, approximately 99.6% of India's broad-gauge network had been electrified.

The modernisation of Indian Railways is increasingly centred around high-performance three-phase propulsion technology. Indian Railways produced 1,674 locomotives during FY 2025-26, while significant investments continue in modern rolling stock and technology upgradation. Government initiatives also include the replacement and upgradation of older propulsion equipment with modern IGBT-based systems.

The transition towards energy-efficient and technologically advanced rolling stock provides a substantial long-term opportunity for companies possessing indigenous design and development capabilities in propulsion and rail electrics. Three-phase technology, regenerative braking, intelligent controls, advanced diagnostics and higher levels of electronics integration are becoming increasingly important across locomotives, EMUs, MEMUs and trainsets.

MV Electrosystems – Emerging as an Indigenous Rail Electrics and Propulsion Company

MV Electrosystems Limited is positioned as an emerging Indian technology-driven company in the field of Rail Electrics, Power Electronics and Propulsion Systems. The Company has developed capabilities spanning the design, development, engineering, assembly, manufacturing and testing of electrical and power-electronics equipment for railway rolling stock.

A significant milestone in the Company's journey has been the development of an indigenous IGBT-based Three-Phase Locomotive Propulsion System based on its own intellectual property and engineering capabilities. The Company's technology platform integrates electrical, electronic, mechanical and software engineering, enabling the development of sophisticated systems designed to meet the demanding performance, reliability, safety and regulatory requirements of the railway sector.

The development of indigenous propulsion technology represents an important strategic achievement for the Company. Propulsion systems constitute the technological heart of an electric locomotive or self-propelled train, controlling the conversion and utilisation of electrical energy for traction. The ability to design and develop such systems provides MV Electrosystems with the opportunity to participate in higher-value segments of the railway equipment ecosystem.

Growing Opportunity in Locomotives and Trainsets

India's requirements for modern freight and passenger transportation continue to create opportunities for electric locomotives, EMUs, MEMUs and trainsets. The increasing size of the cities, urbanization, expansion of rail capacity, increasing freight movement, rising passenger expectations and the Government's emphasis on speed, safety and energy-efficient trains are expected to support sustained demand for advanced electrical systems.

The opportunity extends beyond new locomotives and rolling stock. A substantial installed base of electric locomotives and trains also creates a long-term requirement for replacement, retrofitting, rehabilitation and technology upgradation. Railway Board's FY 2025-26 works programme, for example, included the replacement of GTO-based propulsion equipment with IGBT propulsion systems for three-phase electric locomotives, underlining the continuing opportunity arising from fleet modernisation.

The passenger rolling-stock segment is also witnessing continued expansion. Indian Railways' production programme includes three-phase MEMUs, EMUs and trainset coaches, reflecting the increasing adoption of self-propelled and distributed traction systems.

Company Overview

MV Electrosystems Limited is a technology-driven railway electrical and power electronics Company, harnessing its specialised proficiency in the core segments of designing, developing, assembling and manufacturing of propulsion systems, electrical equipment and cable management for railway rolling stock. The comprehensive product line is based on Insulated Gate Bipolar Transistor (IGBT) 3-Phase Drive Propulsion Equipment, auxiliary converters, train and vehicle control units, Driver Display Units (DDUs), Rail Electrification Products including Automatic Fault Locator System, switchgear and cable Protection Products. The Company's in-house capabilities pertaining to power electronics, embedded systems, software and engineering drive the advancement of complex railway networks with limited dependence on external technology partners.

A substantial achievement has been the indigenous development of IGBT-based 3-Phase Drive Propulsion Equipment for 6,000 HP locomotives, in compliance with the standards of Chittaranjan Locomotive Works (CLW), Indian Railways, in September 2025, backed by initiated commercial supplies in March 2026. The robust expertise of its Research and Development (R&D) Centre, situated in Faridabad, was recognised by Department of Scientific and Industrial Research (DSIR) in June 2026. The Company is strategically positioned to partake in the rising digitisation, electrification and technological upgradation of Indian Railways, with applications spanning locomotives, Electric Multiple Unit (EMUs)/ Mainline Electric Multiple Unit (MEMUs), metro and Vande Bharat trains.

Business Segments

MV Electrosystems operates across three complementary business segments:

Propulsion Equipment, addressing critical electrical, power conversion and integration concerns regarding railway rolling stock and electrification infrastructure.

Rail Electrification Products, addressing the modernization of Rail Electrification infrastructure including 2x25KV lines.

Switchgear & Cable management Products that compliments the integration of Electrical & electronic equipment into the Rolling Stock

The Company's business model integrates technology-focused propulsion networks, alongside customised and bespoke connectivity components, propelling railway electrification and rolling stock modernisation in crucial phases. With enhancing in-house design and bolstering production capacity, the Company progressively transitions from component-level solutions towards value-accretive engineered frameworks.

1. Propulsion Equipment

The Propulsion Equipment segment constitutes the Company's technology-driven business, prioritising design, development and manufacturing of power conversion and management for railway applications. Its portfolio ranges from traction converter-inverter systems, auxiliary converters, Train Control Management Systems/Vehicle Control Units, driver display and embedded systems. The Company's indigenous IGBT-based 3-Phase Propulsion Equipment for 6,000 HP locomotives has received RDSO/ CLW approval, thereby, consolidating its position as an emerging domestic technology provider for new-age railway propulsion applications.

Additionally, the Company is undertaking strategies for extending its propulsion opportunity beyond conventional locomotives. Through a consortium arrangement, it has incorporated its operations in a MEMU tender for the design, development, production, distribution, testing and commissioning of microprocessor-controlled IGBT-based 3-Phase Propulsion Equipment for six MEMU sets aggregating an order value of ₹86.55Cr & Long Term Annual Maintenance Contract Opportunity.

2. Rail Overhead Electrification

Strong emphasis of the country on modernization of Rail overhead Electrification to complement High Speeds, Smooth journeys and energy efficiency. The Company is well positioned to offer products for this segment starting with a technology cooperation agreement for Automatic Fault Locator systems pertaining to the 2x25 kV railway overhead electrification lines.

3. Switchgear & Cable Protection Products

Switchboard Cabinets, Control Panels and wide range of Cable protection management products remains the integral part of Rail Rolling Stock. The Company possess over a decade of rich experience in Design, Development, manufacturing & supply of these products to Indian Railways.

The Company is strengthening its manufacturing footprint through Unit 2 at Nangla Bhiku, Haryana, with the manufacturing operations for cable protection and interconnected products being shifted from Unit 1. Unit 1 remains focused on 3-Phase Propulsion Equipment, while Unit 2 is intended to support dedicated manufacturing of Switchgear/Cable management products along with production of 3--Phase Propulsion Equipment

Research, Design and Development

R&D is the fundamental technology pillar of MV Electrosystems, backing the Company's indigenous evolution of complex railway power electronics and propulsion infrastructure. Its Faridabad-based R&D Centre is instrumental in its end-to-end product development proficiencies, spanning concept design, 3D modelling, simulation, prototyping, testing and validation. The multidisciplinary workforce integrates diverse expertise across power and control hardware, embedded systems, traction power and system software, alongside mechanical design and thermodynamics. Consequently, this feature strengthens the Company's capacity to develop unified and consolidated rail operations.

Robust R&D capabilities have been exhibited via the in-house engineering of its IGBT-based 3-Phase Drive Propulsion System, which has obtained the CLW/RDSO approval and forayed into the commercial supplies of Indian Railways. With this, the Company aims for heightened expansion in its operational efficacy towards composite converters, hotel load converters and propulsion systems concerning EMUs/MEMUs.

R&D Capability Framework

Capability	Key Strength
End-to-End Development	Concept Design → Simulation → Prototyping → Testing → Validation
Multi-disciplinary Engineering	Power Electronics, Embedded Systems, Software, Mechanical and Thermal Engineering
Indigenous Technology	In-house Upgradation of Complex Propulsion and Railway Power Electronics Infrastructure
Testing and Validation	Thermal, Vibration, Electrical and Performance Testing Under Simulated Railway Operating Circumstances
Standards and Compliance	Development in adherence to RDSO, IEC, CENELEC and Applicable Railway Standards
Digital Engineering	MATLAB, SolidWorks, Cadence ORCAD and ANSYS for System, Mechanical, PCB and Simulation Applications

45
Permanent R&D Professionals

35
Engineers across Multiple Disciplines

21.84%
Share of Permanent Workforce in R&D

June 2026
DSIR Recognition Received

Key Strengths

Strength	Key Differentiator
In-house Engineering & R&D	Integrated capabilities spanning power electronics, embedded systems, software, mechanical and thermal engineering, drive in-house construction of complex, resilient railway networks.
Proprietary Indigenous Technology	Indigenously designed IGBT-based 3-Phase Drive Propulsion System reduces dependence on external technology suppliers and associated technology or royalty payments.
High Entry Barriers	Mission-critical product engineering, stringent RDSO/CLW approvals, extensive testing and qualification stages pose significant barriers to foray into the railway propulsion sector.
Established Indian Railways Relationship	Long-standing association with Indian Railways since 2009, with 76.16% of FY2026 revenue derived from Indian Railways, supported by specialisation and a validated compliance and certification history.
Experienced Technical Team	A multidisciplinary R&D workforce, consisting of 45 permanent employees, including 35 engineers who collaboratively foster product development and implementation.

Financial Performance

(₹ in million)

Particulars	FY2026	FY2025
Revenue from Operations	494.28	626.37
Total Income	**497.91**	**646.37**
EBITDA	(99.42)	89.17
Operating EBITDA	(103.05)	69.17
Profit After Tax (PAT)	(126.29)	14.03
Profit After Tax (after OCI)	(126.95)	13.84

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder and other applicable accounting principles. There are no significant deviations in the accounting treatment adopted by the Company from the prescribed accounting standards.

Key Financial Ratios and Explanation for Significant Changes

Particulars	FY 2025-26 (Current Year)	FY 2024-25 (Previous Year)	% Change	Reason for Change
Current Ratio (in times)	1.47	1.07	36.36%	Due to increase in Current Assets as the stock of goods purchased increased during the year and also the GST recoverable of the same has also been included in current assets
Debt - Equity Ratio (in times)	0.89	1.54	-42.07%	Due to increase in Equity as shares were issued during the year.
Debt Service Coverage Ratio (in times)	-1.67	1.63	-202.46%	Due to loss incurred during the year
Return on Equity (ROE) (in %)	-31.55	8.84	-492.53%	Due to loss incurred during the year
Inventory Turnover Ratio	0.70	1.33	-46.99%	Due to increase in Level of Inventory
Trade receivable turnover ratio (in times)	2.95	4.61	-14.34%	NA
Trade payable turnover ratio (in times)	3.61	2.73	32.94%	Due to high level of purchase
Net capital turnover ratio (in times)	1.58	19.50	-91.90%	Due to increase in Net Working capital and decrease in net sales
Net profit ratio (in %)	-35.50%	2.14%	-1720.91%	Due to loss incurred during the year
Return on capital employed (ROCE) (in %)	-17.69%	22.13%	-179.97%	Due to loss incurred during the year
Return on Investment (ROI) (in %)*	-	24.96%	-100.00%	Due to sale of investment in gold bonds

Focus on Trainset and Distributed Power Propulsion

The Company believes that the future of railway mobility will increasingly move towards modern trainsets and distributed power propulsion architecture. Such systems require sophisticated traction converters, auxiliary converters, vehicle control systems, intelligent diagnostics and integrated power-electronics solutions.

In line with this evolving technological landscape, MV Electrosystems is strengthening its capabilities in propulsion systems for EMUs, MEMUs and trainsets. The Company's dedicated Research & Development Centre, recognised by the Department of Science & Technology, provides an important platform for undertaking advanced development programmes in rail propulsion and allied technologies.

The Company's ongoing R&D focus on Distributed Power Propulsion Systems is expected to create opportunities in next-generation railway platforms, including modern passenger trainsets and distributed traction applications. This emphasis on technology development is aligned with the broader national objective of strengthening indigenous capabilities and increasing self-reliance in advanced railway technologies.

Order Book and Manufacturing Scale-Up

The Company enters the next phase of its growth journey with a strong order book of approximately ₹1,014 Crore, providing significant business visibility and a foundation for future growth.

To execute the growing order pipeline and address emerging opportunities, the Company is undertaking a scale-up of its manufacturing operations. The expansion is aimed at strengthening production capacity, improving execution capability, enhancing supply-chain resilience and creating the infrastructure required for larger and more technologically sophisticated propulsion and rail electrical programmes.

The scale-up of manufacturing is expected to be complemented by continued investment in engineering, testing, quality systems, automation and skilled human resources.

Competitive Strengths

The Company's principal strengths include:

- Indigenous design and development capability in IGBT-based three-phase locomotive propulsion systems.
- Ownership and development of intellectual property in critical rail electrical and power-electronics technologies.
- Integrated expertise across electrical, electronic, mechanical and software engineering.
- Focus on high-value propulsion and rail electrics products.
- A growing presence across locomotive and trainset-related opportunities.
- A strong order book of approximately ₹1,014 Crore.
- Dedicated R&D infrastructure recognised by the Department of Science & Technology.

- Focus on next-generation Distributed Power Propulsion Systems.
- Alignment with the Government's emphasis on modernisation, electrification and indigenous manufacturing under the broader Make in India vision.

Opportunities

- Continued investment in railway infrastructure, electrification and modernisation is expected to create opportunities for advanced railway electrical and propulsion systems.
- The increasing focus on Make in India and indigenous development provides opportunities for the Company to leverage its in-house R&D and indigenous propulsion technology.
- The shift towards integrated propulsion systems may enable the Company to expand its participation across a broader range of railway electrical and power electronics solutions.
- Growth in EMUs, MEMUs, metro rail and modern trainsets presents opportunities for product diversification and expansion.
- The Company's capabilities in power electronics and embedded systems may also support opportunities in adjacent sectors and export markets.

Threats

- Railway propulsion system equipment and cable assemblies and propulsion systems must comply with rigorous safety and environmental standards, failure to meet these standards can result in project delays increased cost and reputational damage.
- The market for railway equipment is highly competitive with numerous domestic and international players bidding for contracts many companies have built strong ties with Indian Railways making the market more competitive.
- The global supply chain for raw materials and component is susceptible to disruptions due to geopolitical tensions natural disasters or pandemics such disruptions can lead to delays in production and increased cost.
- The railway propulsion equipment industry faces challenges in navigating complex regulations and obtaining timely approvals. Delays in land acquisition and project permissions can affect project schedules these factors may also increase operational costs if not manage efficiently.

Growth Priorities

Focus Area	Outlook
Railway Propulsion	Foraying into EMUs/MEMUs, Vande Bharat, Metros and Distributed-power Trainsets
Product Expansion	Designing Composite Converters, Hotel Load Converters and Complementary Electrical Frameworks
Integrated Solutions	Leveraging Integrated Propulsion-kit Procurement and Expanding the Company's Participation Across Railway Systems
Capacity Expansion	Scaling Agile Production and Evaluation Capabilities through Unit 2 and Additional Test Infrastructure
Adjacent Opportunities	Exploring applications in renewable energy, power conversion, energy storage and electric mobility
Global Opportunity	Entering Export Markets for Indigenous Propulsion and Power Electronics Services

Outlook

The outlook for the Indian Rail Electrics and Propulsion industry remains encouraging; with focus on capacity expansion, technology upgradation, modern rolling stock, replacement of legacy systems, higher-capacity locomotives, advanced EMUs, MEMUs and modern trainsets.

MV Electrosystems is strategically positioned to participate in this transformation. With its indigenous three-phase propulsion technology, growing order book, dedicated R&D capabilities and ongoing manufacturing scale-up, the Company is working towards strengthening its position as a significant Indian supplier of advanced Rail Electrics and Propulsion Systems.

The Company's strategy is centred on executing its existing order book efficiently, scaling manufacturing capabilities, strengthening its technology portfolio and accelerating the development of new products for locomotives, EMUs, MEMUs and trainsets. Continued investment in research and development is expected to play a central role in the Company's long-term growth strategy.

While the railway industry involves long development cycles, stringent approvals, high reliability requirements and dependence on customer procurement programmes, the Company's technology-led approach and growing manufacturing capabilities provide a strong foundation to pursue emerging opportunities.

The Company remains committed to its vision of contributing to India's rapidly modernising railway ecosystem through indigenous innovation, advanced power electronics and reliable propulsion technologies. The management believes that MV Electrosystems is well placed to participate in the next phase of growth of Indian Railways and to progressively expand its presence in the broader Rail Electrics and Propulsion Systems market.

Technology & Procurement Trends

Risks and Concerns

The Company's business is subject to risks associated with the railway sector, including changes in Government spending priorities, tendering and procurement processes, customer approval cycles, technology changes, supply-chain disruptions, availability and pricing of critical electronic components and the requirement to maintain consistently high standards of product reliability and quality.

The Company seeks to mitigate these risks through technology development, product diversification, industry diversification, strengthening of its vendor ecosystem, manufacturing scale-up, quality assurance systems and continued investment in research and development.

Internal Control Systems and Operational Focus

The Company continues to strengthen its internal processes in line with the growing scale and complexity of its operations. Focus areas include project monitoring, procurement, inventory management, quality control, engineering documentation, testing, manufacturing traceability and timely execution of customer commitments.

As the Company expands its operations, continued emphasis will be placed on building a strong organisational structure, attracting specialised engineering talent and establishing robust systems and processes appropriate for a technology-driven manufacturing organisation.

Human Resources and Research & Development

The Company's future growth will be closely linked to the strength of its engineering and technical talent. MV Electrosystems continues to focus on building capabilities in power electronics, traction engineering, embedded controls, software, electrical design, mechanical integration, manufacturing and testing.

As of May 31, 2026, its R&D Centre comprised 45 employees, including 35 engineers, with expertise across software, printed circuit boards, mechanical, hardware and electrical engineering, among other disciplines. This multidisciplinary workforce supports the Company's in-house product development capabilities and focus on indigenous railway technologies.

The Department of Science & Technology-recognised R&D Centre represents a key pillar of the Company's long-term strategy. Through sustained research and product development, the Company aims to enhance indigenous technology capabilities and develop advanced solutions for the evolving requirements of the Indian and global railway industry.

Forward-Looking Statement

Certain statements in this Management Discussion & Analysis describing the Company's objectives, projections, expectations and outlook may constitute forward-looking statements. Actual results may differ materially from those expressed or implied due to factors such as changes in Government policies, railway procurement programmes, economic conditions, technology developments, competition, raw-material and component availability and other factors beyond the Company's control.

Independent Auditor's Report

To
The Members of
MV ELECTROSYSTEMS LIMITED

Report on the audit of the Ind AS Financial Statements

We have audited the accompanying financial statements of **MV ELECTROSYSTEMS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in Equity and the statement of Cash Flows for the year then ended and notes to the financial statements, including material accounting policy information and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules 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 accompanying Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of management and those charged with governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

In preparing the Ind AS financial statements, management is responsible for the computation of cash losses and the maintenance of adequate records necessary for the auditor to verify the same. The management is responsible for ensuring the accuracy, completeness, and integrity of all financial data and underlying records.

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

Our responsibility, for reporting under clause (xvii) is limited to expressing a factual statement based on the audit procedures performed by us in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, and the requirements of the Companies (Auditor's Report) Order, 2020. Our procedures included examination of the books of account, analysis of the Statement of Profit and Loss, verification of non-cash charges, and reconciliation of the cash loss computation with the underlying financial data.

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Ind AS specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Emphasis of Matter

We draw attention to Note 42.13 to the financial statements and report that based on the identification of Micro and Small Enterprises by the entity, representation made by the entity and test checks done by us as per standards on auditing issued by ICAI, the entity has not made provision for interest payable u/s 16 of MSMED Act in current reporting year. Our opinion is not modified in respect of this matter.

Without qualifying our opinion expressed in the main body of the Independent Auditor's Report, we draw the attention of the members and other users of the financial statements to the following observations arising from our reporting under Clause (xvii):

(i) The Company has been reporting financial losses for current financial years ended 31st March, 2026. The persistence of financial losses during the year warrants attention from the Board of Directors and the management with respect to the Company's medium and long-term financial sustainability.

(ii) In the current financial year, the Company has additionally incurred a cash loss, which indicates that the Company's operational revenues and receipts have been insufficient to meet its operational cash expenditures during the year.

We have evaluated the going concern basis of accounting adopted by the management in accordance with SA 570 (Revised) — Going Concern. In performing our evaluation, we considered the following mitigating factors:

- The Company has received a significant equity infusion of ₹ 59,60,11,200/- through the issuance of 10,89,600 equity shares during the year, which has strengthened the Company's net worth and liquidity position.
- The Company's working capital facility (CC Limit) has been enhanced from ₹ 4,60,00,000/- to ₹ 18,00,00,000/- during the year, providing additional liquidity support.
- The Company has additionally availed an Insta Fund of ₹ 5,38,00,000/- and a Machinery Term Loan of ₹ 7,00,00,000/- during the year.
- The management has presented plans for operational improvement and revenue enhancement.

Based on our audit procedures, including review of cash flow projections, available credit facilities, the equity infusion received, and management's plans, we have concluded that no material uncertainty exists as on the date of this report that would cast significant doubt on the Company's ability to continue as a going concern. The going concern basis of accounting adopted by the management is considered appropriate.

However, we draw attention to the fact that the persistence of cash losses warrants continued attention from the Board of Directors and the management with respect to the Company's medium and long-term financial sustainability. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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.

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 purpose 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 financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules,2015, as amended;

e) On the basis of the written representations received from the directors and 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"**.

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

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

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

   iii. there were no amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2026;

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

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

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

v. The company has not declared and paid any dividend during the year.

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

h) The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Sanmarks & Associates**
Chartered Accountants
(Firm's Registration Number: 003343N)

Sd/-
Santosh Kumar Agrawal
(Partner)
Membership No. 091127
UDIN:26091127LHTPUB2523

Place: Faridabad
Date: 23.07.2026

Annexure 'A'

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

We report that:

i. a. The company has maintained proper records showing full particulars, including quantitative details and situation of its Property Plant and Equipment.

b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

c. The title deeds of immovable properties are held in the name of the company.

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

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

ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records. In the Financial Statement Inventory has been taken as Valued and Certified by the Management.

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 during any point of time of the year. The monthly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company except the Inventory of Packing material lying with the Company as the same was not considered while providing statement of Current Assets to banks or financial institution.

iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted an loans, Advances and Guarantees in normal course of business to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.

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

v. The company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.

vi. We have reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) (d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. a. According to the information & explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, and GST to the extent applicable and any other statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2026 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there is no amount payable in respect of Income tax, GST, whichever applicable, which has not been deposited on account of any disputes except the following:

- There is a demand of ₹ 43,63,608/-for Input tax Credit (taken from cancelled supplier) availed and utilized by the company during the tax period 2020-21and the concerned officer has also imposed a penalty of ₹ 4,36,361/- under section 73 of CGST Act. against the company. The Company has also filed an appeal against above demand which is under process.

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) In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the company.

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

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

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

e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31st March 2026. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31st March 2026. Accordingly, clause 3(ix)(f) is not applicable.

x. a) Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments). The Company has availed car loans of ₹ 77,04,380/- , an Insta Fund of ₹ 5,38,00,000/-, a Machinery Term Loan of ₹ 7,00,00,000/- and the Working Capital Facility (CC Limit) has been enhanced during the year from ₹ 4,60,00,000/- to ₹ 18,00,00,000/-during the year and the company has applied the funds of loans taken from any Banks/Financial Institutions during the year for the purpose for which they were obtained.

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 issued 10,89,600 fully paid-up equity shares of face value ₹10 each at an issue price of ₹547 per share, aggregating to ₹ 59,60,11,200/-. The premium of ₹537 per share amounting to ₹ 58, 51, 15,200/- has been credited to Securities Premium Account. We have verified that the said allotment has been made in compliance with the applicable provisions of Section 42 and Section 62 of the Companies Act, 2013, as applicable, and the Companies (Prospectus and Allotment of Securities) Rules, 2014. We have also verified that the Return of Allotment in Form PAS-3 has been filed with the Registrar of Companies within the prescribed period.

xi. a) According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the course of audit.

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

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

xii. The company is not a Nidhi Company. Therefore clause xii) of the order is not applicable to the company.

xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.

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

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

xv. The company has not entered into non-cash transactions with directors or persons connected with him.

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

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

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

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

xvii. Based on our examination, the company has incurred cash loss in the financial year 2025-26. Amount of cash loss during current financial year is ₹ 136.83 million and in the immediately preceding financial year the company has not incurred any cash losses.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) 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, the equity infusion of ₹ 59,60,11,200/- received during the year, the enhanced working capital facility (CC Limit of ₹ 18,00,00,000/-), and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report.

xx. Based on our examination, the provision of section 135 is not applicable on the company.

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

For **Sanmarks & Associates**
Chartered Accountants
(Firm's Registration Number: 003343N)

Sd/-
Santosh Kumar Agrawal
(Partner)
Membership No. 091127
UDIN:26091127LHTPUB2523

Place: Faridabad
Date: 23.07.2026

Annexure- 'B'

Report on Internal Financial Controls Over Financial Reporting

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

We have audited the internal financial controls over financial reporting of **MV ELECTROSYSTEMS LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Based on our audit, the following significant deficiency in internal financial controls over financial reporting has been identified:

(a) Delayed Deposit of Statutory Dues — Interest and Penalty Payments:

During the financial year ended 31st March, 2026, the Company has paid interest and penalty aggregating to ₹ 23,11,589/- to various statutory authorities, including interest on Income Tax. The payment of such interest and penalty indicates that statutory dues were not deposited within the prescribed due dates, which reflects a deficiency in the internal controls relating to the timely monitoring and payment of statutory obligations.

We have assessed this deficiency and are of the view that, while it represents a significant deficiency in internal financial controls, it does not constitute a material weakness, as it does not give rise to a reasonable possibility that a material misstatement of the Company's financial statements will not be prevented or detected on a timely basis. However, this deficiency warrants immediate attention from the management and the Board of Directors, particularly in the context of the Company's preparation for listing, where robust compliance controls are essential.

The management is advised to implement a systematic statutory dues monitoring and payment calendar to prevent recurrence of such defaults and the consequent financial impact of interest and penalty payments.

Opinion

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

For **Sanmarks & Associates**
Chartered Accountants
(Firm's Registration Number: 003343N)

Sd/-
Santosh Kumar Agrawal
(Partner)
Membership No. 091127
UDIN:26091127LHTPUB2523

Place: Faridabad
Date: 23.07.2026

Balance Sheet

as at March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-Current Assets			
Property, plant and equipments	2(a)	213.52	67.92
Investment property	2(b)	105.15	109.51
Capital WIP	2(c)	15.65	-
Intangible Assets WIP	2(d)	3.83	1.95
Intangible Assets	2(e)	0.35	0.45
Right of Use Assets	2(f)	55.91	50.77
Deferred Tax Assets	3	58.48	16.56
Financial assets			
i) Trade Receivables	7	0.24	0.24
ii) Other Financial Assets	4	14.40	9.32
Other Non Current Assets	5	7.17	-
Total Non-Current Assets		**474.68**	**256.70**
Current Assets			
Inventories	6	674.85	317.56
Financial assets			
i) Trade receivables	7	104.06	145.74
ii) Cash and cash equivalents	8	1.78	0.76
iii) Other Financial assets	9	5.08	5.36
Current tax Assets	17	2.31	-
Other current assets	10	194.61	15.07
Total Current Assets		**982.69**	**484.49**
Total Assets		**1,457.37**	**741.19**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	11	102.30	91.40
Other equity	12	523.41	87.70
Total equity		**625.71**	**179.10**
LIABILITIES			
Non Current Liabilities			
Financial Liabilities			
i) Borrowings	13(a)	95.43	50.73
ii) Lease Liabilities	13(c)	50.76	48.46
Provisions	14	15.55	10.53
Deferred tax liabilities (net)	3	-	-
Total Non-Current Liabilities		**161.75**	**109.72**
Current Liabilities			
Financial liabilities			
i) Borrowings	13(b)	403.50	224.29
ii) Trade payables	15		
- Total outstanding dues of micro and smallenterprises		49.34	53.32
- Total outstanding dues of creditors other than micro and small enterprises		169.89	131.75
iii) Other Financial Liabilities	16	30.76	19.37
Current tax liabilities	17	-	16.79
Provisions	18	1.46	0.82
Other current liabilities	19	14.96	6.02
Total Current Liabilities		**669.91**	**452.37**
Total Liabilities		**831.66**	**562.09**
Total Equity and Liabilities		**1,457.37**	**741.19**

The Accompanying notes are integral part of the Financial Statements

Material Accounting Policies and Notes to Accounts 1

As per our Report of even date

For **SANMARKS & ASSOCIATES**

CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sd/-
(Santosh Kumar Agrawal)
Partner
FRN : 003343N, M.No. : 091127

Sd/-
(Pankaj Rastogi)
Managing Director
(DIN 11307172)

Sd/-
(Amit Dhawan)
Director
(DIN 03031778)

Sd/-
(Ajay Kumar)
Chief Financial Officer

Sd/-
(Sourabh Bansal)
Company Secretary
M.No.A49529

Place : Faridabad
Date : 23.07.2026
UDIN : 26091127LHTPUB2523

Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Income			
Revenue from operations	20	494.28	626.37
Other income	21	3.63	19.99
Total Income		**497.91**	**646.37**
Expenses			
Cost of Raw Material Consumed	22	383.62	384.83
Changes in inventories of Finished goods, work-in-progress and stock-in-trade	23	(34.85)	(12.27)
Employee Benefit expense	24	137.60	95.66
Finance Cost	25	34.90	30.42
Depreciation and Amortisation expenses	26	33.65	34.73
Other Expenses	27	110.96	88.98
Total Expenses		**665.88**	**622.35**
Profit before exceptional items and tax		**(167.97)**	**24.02**
Exceptional items		-	1.63
Profit/(loss) before tax		**(167.97)**	**25.65**
Income Tax expense			
- Current Tax	28	-	19.24
- Deferred Tax		(41.69)	(7.63)
Total Tax Expense		**(41.69)**	**11.61**
Profit for the year		**(126.29)**	**14.03**
Other comprehensive income/(loss) for the year, net of tax			
A (i) Item that will not be reclassified to profit or loss		(0.90)	(0.27)
(ii) Income tax relating to item that will not be reclassified to profit or loss		0.23	0.08
Total comprehensive income for the year		**(126.95)**	**13.84**
Basic earnings per share of par value INR 10/- each (INR per share)	29	(6.52)	0.76
Diluted earnings per share of par value INR 10/- each (INR per share)	29	(6.52)	0.76

The Accompanying notes are integral part of the Financial Statements

Material Accounting Policies and Notes to Accounts 1

As per our Report of even date
For **SANMARKS & ASSOCIATES**
CHARTERED ACCOUNTANTS

Sd/-
(Santosh Kumar Agrawal)
Partner
FRN : 003343N, M.No. : 091127

Place : Faridabad
Date : 23.07.2026
UDIN : 26091127LHTPUB2523

For and on behalf of the Board of Directors

Sd/-
(Pankaj Rastogi)
Managing Director
(DIN 11307172)

Sd/-
(Amit Dhawan)
Director
(DIN 03031778)

Sd/-
(Ajay Kumar)
Chief Financial Officer

Sd/-
(Sourabh Bansal)
Company Secretary
M.No.A49529

Cash Flow Statement

for the period ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before Tax		(168.87)	25.37
Adjustments for:			
Depreciation and amortisation expense		33.65	34.73
Finance Costs		34.90	30.42
(Gain)/Loss on sale of Fixed Assets		-	(1.63)
FA Written off		-	7.48
Profit on Sale of Investment		-	(0.09)
Provision		6.11	4.94
Interest & Rent Received		(2.93)	(4.72)
Gratuity and leave Encashment Actual Paid		(0.44)	(0.42)
Amount Written off as bad debts		0.00	(0.23)
Operating Profit before working capital change		**(97.57)**	**95.85**
Adjustments for Working Capital Changes:			
(Increase)/Decrease in Inventories		(357.29)	(73.11)
(Increase)/Decrease in Financial-Non-current assets including fair value Adjustment of Security Deposits on Leased Aseets		(5.20)	(0.94)
(Increase)/Decrease in other non current assets		(7.17)	0.00
(Increase)/Decrease in Trade Receivables		41.67	(20.15)
(Increase)/Decrease in Financial-current assets		0.28	(3.97)
(Increase)/Decrease in Other current assets		(179.54)	(1.56)
Increase/(Decrease) in Trade payables		34.16	60.96
Increase/(Decrease) in Other-curent Liabilities		14.32	1.24
Cash generated from Operations		**(556.35)**	**58.31**
Direct Taxes paid		(19.10)	(7.92)
Net Cash flow from Operating activities	**(A)**	**(575.45)**	**50.39**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets including Intangible assets & CWIP		(181.63)	(25.49)
Interest & Rent received		2.93	4.72
Proceeds from sale of property, plant and equipment and disposal of assets		0.00	5.49
Proceeds from sale of Investment		-	0.43
Net cash used in Investing activities	**(B)**	**(178.69)**	**(14.85)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds / (repayment) of Equity Share Capital		10.90	-
Proceeds / (repayment) of Preference Share Capital		0.00	-
Proceeds / (repayment) of Security Premium		562.66	-
Proceeds of Long term Borrowings		77.70	32.90
(Repayment) of Long term Borrowings		(18.30)	(53.51)
Proceeds / (repayment) of Short Term borrowings		164.50	19.79
Payment fo Lease Liability		(12.51)	(10.32)
Finance Costs		(29.79)	(25.17)
Net cash (outflow)/inflow from financing activities	**(C)**	**755.16**	**(36.31)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)		**1.02**	**(0.77)**
Cash and cash equivalents at the beginning of the financial year		0.76	1.53
Cash and cash equivalents at the end of the year		**1.78**	**0.76**

Cash Flow Statement

for the period ended March 31, 2026
(All amounts in INR Millions, unless otherwise stated)

B. Reconciliation of cash and cash equivalents as per the cash flow statement:

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	1.78	0.76
Balance as per statement of cash flows	**1.78**	**0.76**

b. Reconcilliation of changes in liabilities arising from financial activities

Particulars	As at 1-April-2025	Cashflows	Non Cash Change	As at 31-March-2026
Non Current Borrowings	50.73	44.70	-	95.43
Current Borrowings	224.29	179.20	-	403.50
Lease Liabilities	54.81	(12.51)	8.32	63.13
Total	**329.83**	**211.40**	**8.32**	**562.06**

Particulars	As at 1-April-2025	Cashflows	Non Cash Change	As at 31-March-2025
Non Current Borrowings	72.15	(21.42)	-	50.73
Current Borrowings	203.70	20.59	-	224.29
Lease Liabilities	59.88	(10.32)	(5.07)	54.81
Total	**335.73**	**(11.14)**	**(5.07)**	**329.83**

Significant Accounting Policies and Notes to Accounts 1

As per our Report of even date
For **SANMARKS & ASSOCIATES**
CHARTERED ACCOUNTANTS

Sd/-
(Santosh Kumar Agrawal)
Partner
FRN : 003343N, M.No. : 091127

Place : Faridabad
Date : 23.07.2026
UDIN : 26091127LHTPUB2523

For and on behalf of the Board of Directors

Sd/-
(Pankaj Rastogi)
Managing Director
(DIN 11307172)

Sd/-
(Amit Dhawan)
Director
(DIN 03031778)

Sd/-
(Ajay Kumar)
Chief Financial Officer

Sd/-
(Sourabh Bansal)
Company Secretary
M.No.A49529

Statement of Changes in Equity

for the period ended March 31, 2026
(All amounts in INR Millions, unless otherwise stated)

A. Equity share capital

Particulars	Number of shares	Amount (In Millions)
As at March 31, 2024	**73,15,200**	**73.15**
Changes in equity share capital	18,24,800	18.25
As at March 31, 2025	**91,40,000**	**91.40**
Issue of shares	10,89,600	10.90
Increase in No. of shares pursuant to split from FV of ₹ 10 each to ₹ 5 each	1,02,29,600	-
As at March 31, 2026	**2,04,59,200**	**102.30**

B. Compulsorily Convertible Preference Share capital (CCPS)

Particulars	Number of shares	Amount (In Millions)
As at March 31, 2024	**57,025**	**0.57**
Changes in CCPS Capital	(57,025.00)	(0.57)
As at March 31, 2025	**-**	**-**
Changes in CCPS Capital	-	-
As at March 31, 2026	**-**	**-**

C. Other equity

Particulars	Reserves and surplus		
	Securities premium	Retained earnings	Total
Balance at March 31, 2024	**41.03**	**50.52**	**91.54**
Profit for the year	-	14.03	14.03
Other comprehensive income for the year	-	(0.20)	(0.20)
Total comprehensive income for the year	**-**	**13.84**	**13.84**
Transactions with owners in their capacity as owners			
Add: Amount received on issue of shares	-	-	-
Less: Amount utilized towards bonus issue of shares	-	(17.68)	(17.68)
Balance at March 31, 2025	**41.03**	**46.68**	**87.70**
Balance at March 31, 2025	**41.03**	**46.68**	**87.70**
Profit for the year	-	(126.29)	(126.29)
Other comprehensive income for the year	-	(0.66)	(0.66)
Ind AS Opening Adjustment	-	-	-
Total comprehensive income for the year	**-**	**(126.95)**	**(126.95)**
Transactions with owners in their capacity as owners			
Add: Amount received on issue of shares	585.12	-	585.12
Less: Brokerage paid	(22.45)	-	(22.45)
Balance at March 31, 2026	**603.69**	**-80.27**	**523.41**

Statement of Changes in Equity

for the period ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Nature and purpose of reserves

Securities Premium :

Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to "Securities Premium Account" and the utilisation thereof is in accordance with the provisions of Section 52 of the Companies Act, 2013.

Retained Earnings:-

Retained Earnings (RE) are the accumulated portion of a business's profits that are not distributed as dividends to shareholders but instead are reserved for reinvestment back into the business. Normally, these funds are used for working capital and fixed asset purchases (capital expenditures) or allotted for paying off debt obligations.

Other Comprehensive Income

This reserve represent the cumulative gain/losses arising from measurement of the defined benefit obligations relating to gratuity, as per the requirement of IND AS-19 Employee Benefits

As per our Report of even date
For **SANMARKS & ASSOCIATES**
CHARTERED ACCOUNTANTS

Sd/-
(Santosh Kumar Agrawal)
Partner
FRN : 003343N, M.No. : 091127

Place : Faridabad
Date : 23.07.2026
UDIN : 26091127LHTPUB2523

For and on behalf of the Board of Directors

Sd/-
(Pankaj Rastogi)
Managing Director
(DIN 11307172)

Sd/-
(Amit Dhawan)
Director
(DIN 03031778)

Sd/-
(Ajay Kumar)
Chief Financial Officer

Sd/-
(Sourabh Bansal)
Company Secretary
M.No.A49529

Notes to Financial Accounts

for the year ended 31.03.2026.

1. Corporate Information

MV Electrosystems Limited ('the company') incorporated in India on 03th Day of July 2009 as MV Electrosystems Private Limited and converted their status from Private Company to Public company on 26th day of November 2021. The Registered office of the company is situated at Plot No.7, Site No.2, 14/3, Mathura Road, Faridabad, Haryana-121003.

2. Material Accounting Policies Information

a. Basis of preparation

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 (as amended from time to time) The financial statements of the company have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Investments are measured at fair value.

(ii) Defined benefit plan- plan assets measured at fair value.

The financial statements are presented in INR millions

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported balances of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual result and estimates are recognised in the period in which the results are known/materialise.

c. Current vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d. Foreign currencies

The Company's financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

Transaction and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rate of exchange at the end of the reporting period.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

e. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements.

Notes to Financial Accounts

for the year ended 31.03.2026.

Based on the Educational Material on Ind AS 18 issued by the ICAI, sales tax/ value added tax (VAT) / Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services

Revenue from erection and services and revenue from job work is recognised as per the contractual terms and as and when services are rendered.

Interest Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Rental Income

Rental income arising from operating leases on investment properties is accounted for on an actual basis and is included under the head "other income" in the statement of profit and loss

f. Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (q) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

g. Taxation

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items 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.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be

Notes to Financial Accounts

for the year ended 31.03.2026.

utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss in other comprehensive income .Deferred tax items are recognised in correlation to the underlying transaction in OCI.

h. Property, Plant and Equipment

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

All the property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

In case of other assets, depreciation has been provided on written down value method on the economic useful life prescribed by Schedule II to the Companies Act'2013. Depreciation on addition to or on disposal of Fixed Asset is calculated on pro rata basis.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition 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 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.

i. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation of the finite intangible assets is allocated on systematic basis over the best estimate of their useful life and accordingly softwares are amortised on straight line basis over the period of six years or license period whichever is lower.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised. The Company has no intangible assets with an indefinite life.

j. Investment Property

Investment property is property 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.

The Investment Property consists of Land and Building and as land in a non-depreciable asset so Based on technical evaluation and consequent advice, the management believe that only building will be depreciated over a period of 30 years on written down value basis.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

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.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

k. Borrowing 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 capitalised as part of the cost of the asset. All other borrowing costs are expensed in the

Notes to Financial Accounts

for the year ended 31.03.2026.

period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

l. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

a. Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying 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 depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Particulars	Useful life (years)
Leasehold Land and Building	5-10

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.

b. Lease Liabilities

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 remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of land, building, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

d. Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

m. Inventories

Inventories are valued as follows:-

Raw materials, Stores, Spares, Other Materials and Traded Goods including packing material:-

Lower of cost and net realizable value. However, materials and other supplies 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. Cost is determined on FIFO basis.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods:-

Lower of cost and net realizable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on FIFO basis.

Notes to Financial Accounts

for the year ended 31.03.2026.

Work in Progress

Work in Progress is valued at the lower of actual cost incurred or net realizable value. Cost includes direct materials, labour and proportionate overheads.

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

n. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's 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.

o. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a pre-tax rate that reflects when appropriate, the risks specific to the liability.

p. Retirement and other employee benefits

(i) Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. 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.

(ii) Gratuityis a defined benefit plan and provision is being made on the basis of actuarial valuation carried out by an independent actuary at the year-end using projected unit credit method.

Remeasurements, 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. Remeasurements 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 Group recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises 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

Compensated Absences

Accumulated leave which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to statement of Profit and Loss in the period in which they occur.

Notes to Financial Accounts

for the year ended 31.03.2026.

q. 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.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at 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.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

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 AS103 applies are classified as at FVTPL. 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, 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 recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- Rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes to Financial Accounts

for the year ended 31.03.2026.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets. The Company follows '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 recognises 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 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 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 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 statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade and other payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All

Notes to Financial Accounts

for the year ended 31.03.2026.

other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through Statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

r. Derivative financial instruments

The Company does not use derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks respectively. Any gains or losses arising from changes in the foreign currency rates are taken directly to profit or loss in the year of realization /payment

s. Fair Value measurement

The Company measures financial instruments, such as, investment at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1 —** Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2 —** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3 —** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

As of March 31, 2025 and March 31, 2026 the fair value of cash and bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amount largely due to the short-term nature of these instruments.

For other financial assets that are measured at amortised cost, the carrying amounts approximate the fair value.

t. 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 is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements unless the probability of outflow of resources is remote.

Provisions and contingent liabilities are reviewed at each balance sheet date.

u. **Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

v. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share when applicable are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares which would be issued on the conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares when applicable are deemed converted as of the beginning of the period, unless they have been issued at a later date.

3. Significant accounting judgements, estimates and assumptions:-

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements :- In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements

Determining the lease term of contracts with renewal and termination options – Company as lessee The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has a lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Estimates and assumptions: - The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans

The cost of the defined benefit plans and other employment benefits and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

Notes to Financial Accounts

for the year ended 31.03.2026.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country

Further details about defined benefit obligations are provided in Note 37.

Taxes: - Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

4. Recent Accounting Pronouncements:

The 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. For the year ended March 31, 2026, MCA has amendments primarily focused on liability classification (Ind AS 1), new disclosure norms for supplier financing (Ind AS 7/107), and global tax rules (Ind AS 12). These amendments to the existing standards are not expected to have a material impact on the company during the current financial year.

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

2 Property, plant and equipment

a) TANGIBLE ASSETS

	Land	Building	Plant & Machinery	Motor Vehicles	Office Equipment/ Furniture	Computer	TOTAL
Period Ended March 31, 2025							
Gross carrying amount							
Opening gross carrying amount	-	0.24	111.22	42.19	15.00	10.20	178.85
Additions	-	-	1.46	20.21	0.53	1.34	23.54
Disposals	-	-	-	-19.06	-	-	-19.06
Closing gross carrying amount	**-**	**0.24**	**112.67**	**43.34**	**15.53**	**11.54**	**183.33**
Accumulated depreciation							
Opening accumulated depreciation	-	0.16	66.13	26.64	8.87	8.45	110.25
Depreciation charge for the year	-	0.01	9.57	7.58	1.83	1.37	20.36
Disposals	-	-	-	-15.20	-	-	-15.20
Closing accumulated depreciation	**-**	**0.16**	**75.70**	**19.02**	**10.71**	**9.82**	**115.41**
Closing net carrying amount	**-**	**0.08**	**36.97**	**24.32**	**4.82**	**1.72**	**67.92**
Period Ended March 31, 2026							
Gross carrying amount							
Opening gross carrying amount	-	0.24	112.67	43.34	15.53	11.54	183.33
Additions	-	-	154.10	8.66	0.51	0.83	164.10
Disposals	-	-	-	-0.05	-	-	-0.05
Closing gross carrying amount	**-**	**0.24**	**266.78**	**51.95**	**16.04**	**12.37**	**347.38**
Accumulated depreciation							
Opening accumulated depreciation	-	0.16	75.70	19.02	10.71	9.82	115.41
Depreciation charge for the year	-	0.01	8.52	7.54	1.42	1.02	18.50
Disposals	-	-	-	-0.05	-	-	-0.05
Closing accumulated depreciation	**-**	**0.17**	**84.22**	**26.51**	**12.12**	**10.84**	**133.86**
Closing net carrying amount	**-**	**0.07**	**182.56**	**25.44**	**3.91**	**1.53**	**213.52**

b) INVESTMENT PROPERTY

	Land	Building	Plant & Machinery	Motor Vehicles	Office Equipment/ Furniture	Computer	TOTAL
Period Ended March 31, 2025							
Gross carrying amount							
Opening gross carrying amount	63.60	54.85	-	-	-	-	118.45
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**63.60**	**54.85**	**-**	**-**	**-**	**-**	**118.45**
Accumulated depreciation							
Opening accumulated depreciation	-	4.12	-	-	-	-	4.12
Depreciation charge for the year	-	4.82	-	-	-	-	4.82
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	**-**	**8.94**	**-**	**-**	**-**	**-**	**8.94**
Closing net carrying amount	**63.60**	**45.91**	**-**	**-**	**-**	**-**	**109.51**
Period Ended March 31, 2026							
Gross carrying amount							
Opening gross carrying amount	63.60	54.85	-	-	-	-	118.45
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**63.60**	**54.85**	**-**	**-**	**-**	**-**	**118.45**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

2 Property, plant and equipment (Contd..)

	Land	Building	Plant & Machinery	Motor Vehicles	Office Equipment/ Furniture	Computer	TOTAL
Accumulated depreciation							
Opening accumulated depreciation	-	8.94	-	-	-	-	8.94
Depreciation charge for the year	-	4.36	-	-	-	-	4.36
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	-	13.31	-	-	-	-	13.31
Closing net carrying amount	63.60	41.55	-	-	-	-	105.15

c) CAPITAL WORK IN PROGRESS

	Land	Building	Plant & Machinery	Motor Vehicles	Office Equipment/ Furniture	Computer	TOTAL
Period Ended March 31, 2025							
Gross carrying amount							
Opening gross carrying amount	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	-	-	-	-	-
Accumulated depreciation							
Opening accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	-	-	-	-	-	-	-
Closing net carrying amount	-	-	-	-	-	-	-
Period Ended March 31, 2026							
Gross carrying amount							
Opening gross carrying amount	-	-	-	-	-	-	-
Additions	-	-	15.65	-	-	-	15.65
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	-	-	15.65	-	-	-	15.65
Accumulated depreciation							
Opening accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing accumulated depreciation	-	-	-	-	-	-	-
Closing net carrying amount	-	-	15.65	-	-	-	15.65

Capital Work In progress ageing schedule

	Amount of Intangible Assets under development for a period of				TOTAL
	Less Than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Plant and Machinery WIP	15.65	-	-	-	15.65
	-	-	-	-	-
Total	**15.65**	**-**	**-**	**-**	**15.65**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

2 Property, plant and equipment (Contd..)

Breakup of Expenditure Capitallised as CWIP

S.No.	Particulars	2025-26
a)	Cost of Plant machinery and Equipment including Freight inward	11.31
b)	Professional and Technical Services received related to Machinery	2.57
c)	Travelling Expense	1.77
	TOTAL	15.65

d) INTANGIBLE ASSETS WORK IN PROGRESS

	Land	Building	Plant & Machinery	Motor Vehicles	Office Equipment/ Furniture	Computer	TOTAL
Period Ended March 31, 2025							
Gross carrying amount							
Opening gross carrying amount	7.48	-	-	-	-	-	7.48
Additions	1.95	-	-	-	-	-	1.95
Disposals	-7.48	-	-	-	-	-	-7.48
Closing gross carrying amount	**1.95**	**-**	**-**	**-**	**-**	**-**	**1.95**
Accumulated amortization							
Opening accumulated amortization	-	-	-	-	-	-	-
Amortization charge for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing accumulated amortization	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Closing net carrying amount	**1.95**	**-**	**-**	**-**	**-**	**-**	**1.95**
Period Ended March 31, 2026							
Gross carrying amount							
Opening gross carrying amount	1.95	-	-	-	-	-	1.95
Additions	1.88	-	-	-	-	-	1.88
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**3.83**	**-**	**-**	**-**	**-**	**-**	**3.83**
Accumulated amortization							
Opening accumulated amortization	-	-	-	-	-	-	-
Amortization charge for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing accumulated amortization	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Closing net carrying amount	**3.83**	**-**	**-**	**-**	**-**	**-**	**3.83**

Intangible Assets under development ageing schedule

As on March 31, 2026	Amount of Intangible Assets under development for a period of				TOTAL
	Less Than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	1.88	1.95	-	-	3.83
Projects temporarily suspended	-	-	-	-	-
Total	**1.88**	**1.95**	**-**	**-**	**3.83**

As on March 31, 2025	Amount of Intangible Assets under development for a period of				TOTAL
	Less Than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	1.95	-	-	-	1.95
Projects temporarily suspended	-	-	-	-	-
Total	**1.95**	**-**	**-**	**-**	**1.95**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

2 Property, plant and equipment (Contd..)

Breakup of Expenditure Capitallised as Intangible Assets WIP

S.No.	Particulars	2025-26	2024-25
b)	ERP Under development	3.83	1.95
	TOTAL	**3.83**	**1.95**

Note: Intangible Assets – Work in Progress

Project Details:

S.No.	Particulars	
a)	Nature of Project	ERP Under development
b)	Carrying Amount (In INR)	38,25,003
c)	Stage of development	In Early Design Phase
d)	Accounting impact	The same has been capitalised as Intangible Assets WIP

e) INTANGIBLE ASSETS

	Land	Building	Plant & Machinery	Motor Vehicles	Office Equipment/ Furniture	Computer	TOTAL
Period Ended March 31, 2025							
Gross carrying amount							
Opening gross carrying amount	8.00	-	-	-	-	-	8.00
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**8.00**	**-**	**-**	**-**	**-**	**-**	**8.00**
Accumulated amortization							
Opening accumulated amortization	7.38	-	-	-	-	-	7.38
Amortization charge for the year	0.17	-	-	-	-	-	0.17
Disposals	-	-	-	-	-	-	-
Closing accumulated amortization	**7.55**	**-**	**-**	**-**	**-**	**-**	**7.55**
Closing net carrying amount	**0.45**	**-**	**-**	**-**	**-**	**-**	**0.45**
Period Ended March 31, 2026							
Gross carrying amount							
Opening gross carrying amount	8.00	-	-	-	-	-	8.00
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**8.00**	**-**	**-**	**-**	**-**	**-**	**8.00**
Accumulated amortization							
Opening accumulated amortization	7.55	-	-	-	-	-	7.55
Amortization charge for the year	0.10	-	-	-	-	-	0.10
Disposals	-	-	-	-	-	-	-
Closing accumulated amortization	**7.65**	**-**	**-**	**-**	**-**	**-**	**7.65**
Closing net carrying amount	**0.35**	**-**	**-**	**-**	**-**	**-**	**0.35**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

2 Property, plant and equipment (Contd..)

f) RIGHT OF USE ASSETS

	Land	Building	Plant & Machinery	Motor Vehicles	Office Equipment/ Furniture	Computer	TOTAL
Period Ended March 31, 2025							
Gross carrying amount							
Opening gross carrying amount	92.59	-	-	-	-	-	92.59
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**92.59**	**-**	**-**	**-**	**-**	**-**	**92.59**
Accumulated amortization							
Opening accumulated amortization	32.45	-	-	-	-	-	32.45
Depreciation charge for the year	9.37	-	-	-	-	-	9.37
Disposals	-	-	-	-	-	-	-
Closing accumulated amortization	**41.82**	**-**	**-**	**-**	**-**	**-**	**41.82**
Closing net carrying amount	**50.77**	**-**	**-**	**-**	**-**	**-**	**50.77**
Period Ended March 31, 2026							
Gross carrying amount							
Opening gross carrying amount	92.59	-	-	-	-	-	92.59
Additions	15.84	-	-	-	-	-	15.84
Disposals	-	-	-	-	-	-	-
Closing gross carrying amount	**108.43**	**-**	**-**	**-**	**-**	**-**	**108.43**
Accumulated amortization							
Opening accumulated amortization	41.82	-	-	-	-	-	41.82
Depreciation charge for the year	10.69	-	-	-	-	-	10.69
Disposals	-	-	-	-	-	-	-
Closing accumulated amortization	**52.52**	**-**	**-**	**-**	**-**	**-**	**52.52**
Closing net carrying amount	**55.91**	**-**	**-**	**-**	**-**	**-**	**55.91**

3 Deferred tax assets/(liabilities) (net)

The balance comprises temporary differences attributable to:

	As at March 31, 2026	As at March 31, 2025
Deferred tax assets		
'Property, plant and equipment and other intangible assets - depreciation, impairment and amortisation	-	5.88
Provision for employee benefits	1.59	1.21
Lease liabilities	4.07	2.87
Disallowance of Expenses u/s 43B	10.43	10.62
Carry forward Business Loss and Unabsorbed depreciation	46.21	-
Total deferred tax assets (A)	**62.30**	**20.59**
Deferred tax liabilities		
'Property, plant and equipment and other intangible assets - depreciation, impairment and amortisation	0.57	-
Lease liabilities	3.25	4.03
Total deferred tax liabilities (B)	**3.82**	**4.03**
Deferred tax assets/(liabilities) (net) (A-B)	**58.48**	**16.56**

(i) Deferred tax assets have been recognized to the extent of available and reasonable certainty of future taxable profits which will be available against which temporary differences can be utilised.

Notes to the Financial Statements

for the year ended 31-03-2026
(All amounts in INR Millions, unless otherwise stated)

4 Other Financial Assets

	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits		
Unsecured, Considered good	7.13	3.91
Deposits account with bank maturity more than 12 months	7.26	5.41
Total Other Financial Assets	**14.40**	**9.32**

5 Other Non Current Assets

	As at March 31, 2026	As at March 31, 2025
Non-current		
Advance to supplier against capital goods	7.17	-
Total Other Non Current Assets	**7.17**	**-**

6 Inventories

	As at March 31, 2026	As at March 31, 2025
Raw Materials and Consumables	564.17	217.46
Work-in-progress	68.42	38.46
Finished Goods	42.25	37.36
Goods in Transit	-	24.28
Total Inventories	**674.85**	**317.56**

4.1 Inventories are valued at cost or net realisable value whichever is lower except for Raw Materials which are carried at cost where the finished goods in which they will be incorporated are expected to be sold at or above cost.

Raw Materials, Ancillary Raw Materials and Stores & Spares

Cost comprises the cost of purchase including duties and taxes (other than those subsequently recoverable from the taxing authorities), freight inward and other costs directly attributable to bringing the inventories to their present location and condition. The cost of Ancillary Raw Materials and Stores & Spares is determined using the First-In First-Out (FIFO) method.

Work-in-Progress

Cost of Work-in-Progress comprises the cost of raw materials consumed, direct labour and an appropriate allocation of variable and fixed production overheads incurred in bringing the inventories to their present stage of completion.

Finished Goods

Cost of Finished Goods comprises the cost of raw materials, direct labour and an appropriate allocation of variable and fixed production overheads incurred in bringing the inventories to their present location and condition. Finished Goods are valued at the lower of cost and net realisable value.

7 Trade receivables

	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good	104.50	146.16
Less: Allowance for bad and doubtful debts*	-0.44	-0.42
Total trade receivables	**104.06**	**145.74**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

7 Trade receivables (Contd..)

	As at March 31, 2026	As at March 31, 2025
Non Current		
Secured, Considered Good	-	-
Unsecured Considered Good	0.24	0.24
Doubtful	-	-
Total trade receivables	**0.24**	**0.24**

*The allowance for bad & doubtful debts (for impairment of trade receivable) has been made on the basis of Expected Credit Loss (ECL) Method based on management's judgement. To the extent of ECL provision, the trade receivables have been classified as doubtful and the remaining have been considered as good

** In accordance with the company's accounting policy, the ageing of trade receivables is determined based on the bill date of the respective invoices.The bill date is considered the due date for payments, and ageing is calculated accordingly.

7.1 Trade Receivable ageing (As on 31st March 2026)

Particulars	Unbilled	Outstanding for following periods from due date of payment						
		Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More Than 3 years	Total
i) Undisputed Trade receivables – considered good	-	-	99.93	2.70	0.11	1.72	0.05	104.50
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-		-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-		-
iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-		-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-		-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-		-
vii) Undisputed Trade receivables – considered good-Non Current	-	-	-	-	-	0.24	-	0.24
viii) Expected Credit Loss	-	-	-	-	-	-	-	-0.44

7.2 Trade Receivable ageing (As on 31st March 2025)

Particulars	Unbilled	Outstanding for following periods from due date of payment						
		Not Due	Less than 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	More Than 3 years	Total
i) Undisputed Trade receivables – considered good	-	-	98.08	19.76	28.28	0.05	-	146.16
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-		-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-		-
iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-		-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-		-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-		-
vii) Undisputed Trade receivables – considered good-Non Current	-	-	-	-	0.24	-	-	0.24
viii) Expected Credit Loss	-	-	-	-	-	-	-	-0.42

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

8

	As at March 31, 2026	As at March 31, 2025
(a) Cash and cash equivalents		
Cash on hand	0.76	0.35
Balance with banks in current accounts	1.02	0.41
Total cash and cash equivalents	**1.78**	**0.76**
(b) Bank balances other than cash and cash equivalents		
	-	-
Total bank balances other than cash and cash equivalents	**-**	**-**

9 Other current financial assets

	As at March 31, 2026	As at March 31, 2025
Security deposits		
Unsecured, considered good	-	0.02
Other receivables (unsecured, considered good)		
Earnest Money(Railway)	5.08	5.34
Total other current financial assets	**5.08**	**5.36**

10 Other current assets

	As at March 31, 2026	As at March 31, 2025
Advance to Suppliers	74.40	6.52
Advance to Employees	0.49	0.33
IPO Expenses	20.04	1.50
Balances with government authorities		
GST	98.10	4.83
Refund Due	-	0.25
Prepaid expenses	1.54	1.41
TDS Recoverable form NBFC	-	0.12
Imprest Accounts	0.04	0.11
Total other current assets	**194.61**	**15.07**

11 Share capital

	Number	31-March, 2026	Number	31-March, 2025
Authorised equity share capital				
Equity shares of INR 5 each	2,98,80,000	149.40	1,49,40,000	149.40
CCPS of INR 10 each	60,000	0.60	60,000	0.60
Issued, Subscribed and Paid up share capital				
Equity shares of INR 5 each	2,04,59,200	102.30	91,40,000	91.40
Reconciliation of the number of shares outstanding				
Equity shares at the beginning of the year (Face Value INR 10)	91,40,000	91.40	73,15,200	73.15
Issued during the year	10,89,600	10.90	18,24,800	18.25
Total	**1,02,29,600**	**102.30**	**91,40,000**	**91.40**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

11 Share capital (Contd..)

	Number	31-March, 2026	Number	31-March, 2025
After Split of shares from FV of ₹ 10 each to FV of ₹ 5 each				
No. of shares at the beginning of the year (Face Value of INR 5)	1,82,80,000	91.40	-	-
Issued during the year	21,79,200	10.90	-	-
Total	**2,04,59,200**	**102.30**	**91,40,000**	**91.40**

Terms / Rights attached to equity shares

a) The Company has a single class of Equity Shares having a par value of INR 5 per share (Previous Year INR 10 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

b) The Company has not declared any dividend during the period.

c) In the event of liquidation of the company, the holders of equity share will be eligible 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) All the equity shares issued by the Company are fully paid-up and rank pari passu in all respects.

e) The company has not resereved any shares for issue under options and contracts/commitments for the sale of shares/disinvestmemts

f) For the period of five years immediately precedings the date as at which the Balance Sheet is prepared

i) The company has not allotted any fully paid up shares pursuant to the contract(s) without payment being received in cash.

ii) The company has alloted fully paid up shares in the ratio of 31 shares for every share held by the shareholder in the Company by way of bonus shares during the FY 2023-24.

iii) The company has not bought back any class of shares

g) During the year, the Company issued 456,100 equity shares on 25th August 2025 at an issue price of ₹547 per share aggregating to ₹24,94,86,700/- and 633,500 equity shares on 01st October 2025 at an issue price of ₹547 per share aggregating to ₹34,65,24,500/-. The aggregate consideration received on issue of the above shares amounted to ₹59,60,11,200/-. The excess of issue price over face value i.e. ₹537 per share amounting to ₹58,51,15,200 has been credited to Securities Premium.

Subsequently, the Company subdivided its equity shares from face value of ₹10 each to ₹5 each on 05th November 2025. Accordingly, the number of equity shares increased from 1,02,29,600 to 2,04,59,200. There is no change in the total paid-up share capital of the Company.

(ii) Details of shareholders holding more than 5% shares in the company

Particulars	Class of Shares	As at March 31, 2026		As at March 31, 2025	
		Number of shares	% holding	Number of shares	% holding
Mohit Vohra	Equity	60,36,108	29.50%	18,51,520	20.26%
Anu Vohra	Equity	-	0.00%	18,52,160	20.26%
Sonali Dhawan	Equity	14,62,632	7.15%	24,37,120	26.66%
Rahul Dhawan	Equity	20,01,160	9.78%	11,69,280	12.79%
Amit Dhawan	Equity	11,66,086	5.70%	640	0.01%
Sumit Dhawan	Equity	14,13,934	6.91%	-	0.00%
R.P. Singh	Equity	18,31,232	8.95%	9,15,616	10.02%
Sangeeta Singh	Equity	18,24,768	8.92%	9,12,384	9.98%
Madhuri Madhusudan Kela	Equity	11,50,000	5.62%	-	0.00%

Notes to the Financial Statements

for the year ended 31-03-2026
(All amounts in INR Millions, unless otherwise stated)

11 Share capital (Contd..)

(iii) Shareholding of Promoter/Promoter Group at the end of the year 2025-26

Promoter Name	No. of Shares as on 31.03.2025	% of Total Share	No. of Shares as on 31.03.2026	% of Total Share	% Change during the year
Mohit Vohra	18,51,520	20.26%	60,36,108	29.50%	9.25%
Anu Vohra	18,52,160	20.26%	-	0.00%	-20.26%
Sonali Dhawan	24,37,120	26.66%	14,62,632	7.15%	-19.52%
Rahul Dhawan	11,69,280	12.79%	20,01,160	9.78%	-3.01%
Amit Dhawan	640	0.01%	11,66,086	5.70%	5.69%
Ranveer Vohra	640	0.01%	-	0.00%	-0.01%
R.P. Singh	9,15,616	10.02%	18,31,232	8.95%	-1.07%
Sangeeta Singh	9,12,384	9.98%	18,24,768	8.92%	-1.06%
Avinsah Mehta	640	0.01%	1,280	0.01%	0.00%

(iii) Shareholding of Promoter/Promoter Group at the end of the year 2024-25

Promoter Name	No. of Shares as on 31.03.2024	% of Total Share	No. of Shares as on 31.03.2025	% of Total Share	% Change during the year
Mohit Vohra	18,51,520	25.31%	18,51,520	20.26%	-5.05%
Anu Vohra	18,52,160	25.32%	18,52,160	20.26%	-5.06%
Sonali Dhawan	24,37,120	33.32%	24,37,120	26.66%	-6.65%
Rahul Dhawan	11,69,280	15.98%	11,69,280	12.79%	-3.19%
Amit Dhawan	640	0.01%	640	0.01%	0.00%
Ranveer Vohra	640	0.01%	640	0.01%	0.00%
Avinsah Mehta	640	0.01%	640	0.01%	0.00%

12 Other equity

Reserves and Surplus	As at March 31, 2026	As at March 31, 2025
Securities premium	603.69	41.03
Retained earnings	-80.90	45.38
Other Comprehensive Income	0.63	1.29
Total reserves and surplus	**523.41**	**87.70**

(i) Securities premium

	As at March 31, 2026	As at March 31, 2025
Opening balance	41.03	41.03
Amount received on issue of shares	585.12	-
Less: Brokerage paid	-22.45	-
Closing balance	**603.69**	**41.03**

(ii) Retained earnings

	As at March 31, 2026	As at March 31, 2025
Opening balance	45.38	49.03
Profit for the year	-126.29	14.03
Less: Amount utilized towards bonus issue of shares	-	-17.68
Closing balance	**-80.90**	**45.38**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

12 Other equity (Contd..)

(iii) Other Comprehensive Income

	As at March 31, 2026	As at March 31, 2025
Opening Balance	1.29	1.49
Item that will not be reclassified to profit or loss	-0.90	-0.27
Income tax relating to item that will not be reclassified to profit or loss	0.23	0.08
Closing balance	**0.63**	**1.29**

Securities premium

Where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares is transferred to "Securities Premium Account" and the utilisation thereof is in accordance with the provisions of Section 52 of the Companies Act, 2013.

Retained Earnings

Retained Earnings (RE) are the accumulated portion of a business's profits that are not distributed as dividends to shareholders but instead are reserved for reinvestment back into the business. Normally, these funds are used for working capital and fixed asset purchases (capital expenditures) or allotted for paying off debt obligations.

Other Comprehensive Income

This reserve represent the cumulative gain/losses arising from measurement of the defined benefit obligations relating to gratuity, as per the requirement of IND AS-19 Employee Benefits

13 Borrowings

a) Long Term Borrowings

	As at March 31, 2026	As at March 31, 2025
Secured		
Non Current Maturities of Long term Loans from Bank		
Rupee Term Loan	23.25	34.77
Rupee Car Loan	16.18	14.96
Non Current Maturities of Long term Loans from Other than banks		
Rupee Term Loan	56.00	-
Unsecured		
Loans and Advances from related party	-	1.00
Total Borrowings - Non Current	**95.43**	**50.73**

b) Short Term Borrowings

	As at March 31, 2026	As at March 31, 2025
Secured		
Current Maturities of Long term Loans from Bank		
Current Maturities of Rupee Term Loan	11.05	11.68
Current Maturities of Rupee Car Loan	5.85	4.52
Current Maturities of Long term Loans from Other than Banks		
Current Maturities of Rupee Term Loan	14.00	-
Cash credit facilities	372.60	208.10
Total Borrowings - Current	**403.50**	**224.29**

1) The Company has availed a cash credit facility of ₹ 180.00 Millions and an insta fund of ₹ 54 million from Indian Overseas Bank ,NIT-I, Faridabad is primarily secured by hypothecation of Current Assets in paripassu with HDFC Bank.

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

13 Borrowings (Contd..)

2) The Company has availed a Cash Credit facility of ₹ 167.00 Mln, BG of ₹ 31.00 Mln., BG(Sub Limit) of ₹ 10.00 Mln Working Capital term Loans of ₹ 50.00 Mln. And Working Term Loan GECL Ext. of ₹ 17.11 Mln from HDFC Bank Limited is primarily secured by hypothecation of Industrial Property situated at Nangla Bhiku, Palwal, Haryana-121102

3) The Company has availed various Car loans from Union Bank of India, HDFC Bank, IOB and Daimler Financial Services during previous financial years which are primarily secured by the cars purchasesd from such loans.

4) The Company has acquired a new Plot at Village Nangla Bhiku Dist. Palwal, Haryana against which the company has availed a construction loan of ₹ 42.50 Mln from Indian Overseas Bank but the same was taken over by HDFC Bank by sanctioning a working capital term loan of ₹ 50.00 Million.

5) The Company has availed a new machinery term loan during the FY 2025-26 from Bajaj Finanace Limited amounting to ₹ 70.00 Million for 66 Months including 6 months moratorium from date of first disbursement at 9.50% p.a. floating rate of interest linked to BFL FRR i.e. 8.50% + spread of 1.0% and the same is secured by Exclusive charge over MFA of the company with minimum FACR of 1.33x procured using BFL funds

5) Car Loans:-

IOB ₹ 15,00,000.00 Repayable in 84 Equated monthly Installments of ₹ 22,872.00 @ 8.45% p.a.

HDFC ₹ 22,06,761.00 Repayable in 60 Equated monthly Installments of ₹ 44,736.00 @ 7.65% p.a.

HDFC ₹ 7,25,381.00 Repayable in 60 Equated monthly Installments of ₹ 18,189.00 @ 9.40% p.a.

IOB ₹ 37,00,000.00 Repayable in 60 Equated monthly Installments of ₹ 75,534.00 @ 9% p.a.

UNION BANK ₹ 1,74,00,000.00 Repayable in 60 Equated monthly Installments of ₹ 3,61,200.00 @ 9% p.a.

IOB ₹ 48,50,000.00 Repayable in 60 Equated monthly Installments of ₹ 78,155.00 @ 8.80% p.a.

HDFC ₹ 21,28,999.00 Repayable in 60 Equated monthly Installments of ₹ 44,298.00 @ 9.10% p.a.

6) Term Loans:-

Term Loan of ₹ 70.00 Million from Bajaj Finance Limited reapaybale in 60 equated monthly installments of ₹ 11,66,667/- @ 9.50%p.a

c) Lease Liabilities

	As at March 31, 2026	As at March 31, 2025
Non Current		
Financial Liabilities classified at amortised cost		
Lease Liabilities	50.76	48.46
Total	**50.76**	**48.46**

14 Provisions

	As at March 31, 2026	As at March 31, 2025
Gratuity	9.11	6.17
Leave Encashment	6.44	4.36
Total employee benefit obligations	**15.55**	**10.53**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

15 Trade payables

	As at March 31, 2026	As at March 31, 2025
- Total outstanding dues of micro and small enterprises	49.34	53.32
- Total outstanding dues of creditors other than micro and small enterprises	169.89	131.75
Total trade payables	**219.23**	**185.07**

*The carrying values of trade payables are considered to be a reasonable approximation of fair value. Amounts due to related parties are unsecured, interest free and repayable on demand.

** In accordance with the company's accounting policy, the ageing of trade payables is determined based on the bill date of the respective invoices. The bill date is considered the due date for payments, and ageing is calculated accordingly.

15.1 Trade Payable ageing (As on 31st March 2026)

	Unbilled	Not Due	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
i) Micro and Small Enterprises	-	-	45.06	2.21	0.92	1.15	49.34
ii) Others	-	-	159.49	3.35	6.26	0.79	169.89
iii) Disputed Dues - Micro and small enterprises	-	-	-	-	-		-
iv) Disputed Dues - Others	-	-	-	-	-		-

15.2 Trade Payable ageing (As on 31st March 2025)

	Unbilled	Not Due	Less than 1 year	1-2 Years	2-3 Years	More Than 3 years	Total
i) Micro and Small Enterprises	-	-	49.86	1.61	1.82	0.03	53.32
ii) Others	-	-	122.91	8.06	0.09	0.70	131.75
iii) Disputed Dues - Micro and small enterprises	-	-	-	-	-		-
iv) Disputed Dues - Others	-	-	-	-	-		-

16 Other Financial Liabilities

Current

	As at March 31, 2026	As at March 31, 2025
Interest Accrued but not Due	0.94	0.29
Salary and Bonus payable	15.50	11.34
Payable to Directors	1.22	0.16
Payable to Others	14.29	11.18
Lease Liabilities	12.37	6.35
Expenses Payable	0.80	0.62
Credit Card Payable	0.00	0.02
Electricity Expenses Payable	0.88	0.49
Audit Fees Payable	0.27	0.27
	30.76	**19.37**

Notes to the Financial Statements

for the year ended 31-03-2026
(All amounts in INR Millions, unless otherwise stated)

17 Current tax liabilities

	As at March 31, 2026	As at March 31, 2025
Opening balance	16.79	5.48
Add: Current tax payable for the year	-	19.24
Less: Taxes Paid	-18.29	-5.98
TDS & TCS recoverable	-0.81	-1.94
	-2.31	**16.79**

18 Provisions

	As at March 31, 2026	As at March 31, 2025
Provision for Gartuity and Leave Encahsment	1.46	0.82
	1.46	**0.82**

19 Other Current Liabilities

	As at March 31, 2026	As at March 31, 2025
Contract Liabilities		
Advance from Customers	0.88	0.47
Statutory tax payables		
LWF Payable	0.06	0.03
GST Payable	-	3.82
TDS & TCS Payable	2.86	1.11
PF Payable	1.16	0.58
ESI Payable	0.07	0.00
Expenses Payable	9.93	-
Total other current liabilities	**14.96**	**6.02**

20 Revenue from operations

	Year ended March 31, 2026	Year ended March 31, 2025
Sale and Processing Income of Products		
Sale of Goods	494.00	626.35
Scrap Sales	0.27	0.02
Total revenue from operations	**494.28**	**626.37**

21 Other income

	Year ended March 31, 2026	Year ended March 31, 2025
Interest income	0.53	0.22
Foreign Exchange Fluctuation	0.55	0.36
Fair value gain on Sovereign Gold Bonds	-	0.09
Other Non Operating Income		
Rental Income	2.40	4.50
Other items	-	14.69
Interest income on financial assets measured at amortised cost (Security Deposit)".	0.15	0.13
Total other income	**3.63**	**19.99**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

22 Cost of Material Consumed

	Year ended March 31, 2026	Year ended March 31, 2025
Opening Stock of Raw Material and Consumables	217.46	180.90
Purchase Raw Material	718.36	410.18
Purchase Consumables	3.01	1.68
Purchase of Packing Material	8.97	9.54
Less : Closing Stock of Raw Material and Consumables	-564.17	-217.46
Total Material Consumed	**383.62**	**384.83**

23 Changes in inventories of Finished goods, work-in-progress and stock-in-trade

	Year ended March 31, 2026	Year ended March 31, 2025
Stock at Commencement		
Work in progress	38.46	29.33
Finished Goods	37.36	34.22
	75.83	**63.56**
Stock at Close		
Work-in-progress	68.42	38.46
Finished Goods	42.25	37.36
	110.68	**75.83**
Total Changes in inventories of Finished goods, work-in-progress and stock-in-trade	**-34.85**	**-12.27**

24 Employee benefit expense

	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, Wages and Bonus	115.67	83.58
Director's Remuneration	6.18	0.84
Provision for Gratuity	2.50	2.01
Provision for Leave Encahsment	2.70	2.07
Contribution to provident & other funds	5.57	3.40
Staff and Labour welfare	4.97	3.76
Total Employee benefit expense	**137.60**	**95.66**

25 Finance cost

	Year ended March 31, 2026	Year ended March 31, 2025
Interest and finance charges on financial liabilities	29.79	25.17
Interest on Lease liabilities	5.11	5.25
Total finance cost	**34.90**	**30.42**

26 Depreciation and Amortization

	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on Tangible Assets	18.50	20.36
Depreciation on Investment Property	4.36	4.82
Amortization on Intangible Assets	0.10	0.17
Depreciation on ROU	10.69	9.37
Total Depreciation and Amortization Cost	**33.65**	**34.73**

Notes to the Financial Statements

for the year ended 31-03-2026
(All amounts in INR Millions, unless otherwise stated)

27 Other expenses

	Year ended March 31, 2026	Year ended March 31, 2025
Power & Fuel	10.62	7.91
Freight and Transportation	18.21	15.29
Job Work Charges	6.30	2.21
Labour Charges	20.27	19.84
Audit Fees	0.30	0.30
Advertisement Expenses	0.47	0.50
Amount Written off	0.06	2.55
Bank Charges	3.89	4.11
Director's Sitting Fees	0.50	-
Installation Expenses	1.48	1.66
Repair & Maintenance - Machinery	0.38	0.53
Repair Others	2.62	1.30
Legal, Professional and Technical Expenses	6.05	0.85
Liquidated Damage Charges	4.07	2.52
Rates, Fees & Taxes	2.13	1.62
Rent	5.82	6.10
Festival Celebration Expenses	1.14	0.64
Insurance	3.35	2.03
GST Not Claimed W/o	0.28	0.26
Testing and Inspection Charges	2.27	0.51
Interest and Penalties	2.60	1.00
Telephone and Internet Expenses	0.89	0.73
Provision for Doubtful Debts	0.02	0.59
Conveyance & Travelling Expense	10.02	6.96
Commission Expenses	1.47	2.39
Business Promotion	0.14	2.00
Security Charges	2.22	2.00
Other expenses	3.41	2.59
Total Other Expenses	**110.96**	**88.98**

Note 27 (a) : Details of payments to auditors

	Year ended March 31, 2026	Year ended March 31, 2025
Payments to auditors		
Audit fee	0.30	0.30
Restated Financials for DRHP	1.20	-
In other capacities		
Other	0.13	-
Total payments to auditors	**1.63**	**0.30**

28 Income tax expense

	As at March 31, 2026	As at March 31, 2025
(a) Income tax expense		
Current tax on profits for the year		
Current Tax	-	19.24
Adjustments for current tax of prior periods	-	-
Total current tax expense	**-**	**19.24**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

28 Income tax expense (Contd..)

	As at March 31, 2026	As at March 31, 2025
Deferred tax		
Decrease (increase) in deferred tax assets	(41.92)	(7.70)
(Decrease) increase in deferred tax liabilities	-	-
Total deferred tax expense/(credit)	**(41.92)**	**(7.70)**
Income tax expense	**(41.92)**	**11.54**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate :

	As at March 31, 2026	As at March 31, 2025
Profit before tax as per statement of profit & loss	(167.97)	25.65
Indian Income Tax Rate	27.82%	27.82%
Computed Tax expense	**-**	**7.13**
Tax effect of:		
Expenses disallowed -Expenses that are not deductible in determining taxable profit	87.48	91.73
Expenses allowed -Expenses that are deductible in determining taxable profit	(51.47)	(48.23)
Current Tax provision (A)	**-**	**19.24**
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	(41.92)	(7.70)
Deferred Tax provision (B)	**(41.92)**	**(7.70)**
Tax expense recognised in Statement of Profit and Loss (A+B)	**(41.92)**	**11.54**
Effective Tax Rate	**24.96%**	**44.99%**

29 Earnings per share

	Year ended March 31, 2026	Year ended March 31, 2025
(a) Basic earning per share	(6.52)	0.76
(b) Diluted earning per share	(6.52)	0.76

Reconciliation of earnings used in calculating earnings per share

	Year ended March 31, 2026	Year ended March 31, 2025
Profit attributable to equity shareholders of the Company		
Net Profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	(126.95)	13.84

Weighted average number of shares used as denominator

	Year ended March 31, 2026	Year ended March 31, 2025
Weighted average number of shares used as denominator in calculating basic earnings per share*	1,94,59,085	1,82,80,000
Weighted average number of shares used as denominator in calculating diluted earnings per share*	1,94,59,085	1,82,80,000

* During the year, the Company sub-divided its equity shares having a face value of ₹10 each into equity shares having a face value of ₹5 each. In accordance with Ind AS 33, Earnings per Share, the basic and diluted earnings per share for all periods presented have been retrospectively adjusted to give effect to the share split, as if the event had occurred at the beginning of the earliest period presented.

Accordingly, the earnings per share disclosed for the comparative periods have been restated for the change in the number of equity shares outstanding resulting from the sub-division of equity shares, to ensure comparability of earnings per share across all periods presented.

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

30 Fair value measurements

Financial instruments by category:

March 31, 2026	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Trade receivables	-	-	104.30	104.30
Cash and cash equivalents	-	-	1.78	1.78
Other financial assets	-	-	5.08	5.08
Total financial assets	**-**	**-**	**111.16**	**111.16**
Financial liabilities				
Borrowings	-	-	498.93	498.93
Trade payables	-	-	219.23	219.23
Other Financial Liabilities	-	-	30.76	30.76
Total financial liabilities	**-**	**-**	**748.92**	**748.92**

March 31, 2025	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Trade receivables	-	-	145.98	145.98
Cash and cash equivalents	-	-	0.76	0.76
Other financial assets	-	-	14.68	14.68
Total financial assets	**-**	**-**	**161.42**	**161.42**
Financial liabilities				
Borrowings	-	-	275.02	275.02
Trade payables	-	-	185.07	185.07
Other Financial Liabilities	-	-	67.83	67.83
Total financial liabilities	**-**	**-**	**527.93**	**527.93**

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining fair values of the financial instruments 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 company has classified financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

March 31, 2026	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets					
Trade receivables	104.30	-	-	-	104.30
Cash and cash equivalents	1.78	-	-	-	1.78
Other financial assets	5.08	-	-	-	5.08
Total financial assets	**111.16**	**-**	**-**	**-**	**111.16**

March 31, 2025	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets					
Trade receivables	145.98	-	-	-	145.98
Cash and cash equivalents	0.76	-	-	-	0.76
Other financial assets	14.68	-	-	-	14.68
Total financial assets	**161.42**	**-**	**-**	**-**	**161.42**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

30 Fair value measurements (Contd..)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (for example traded bonds) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable , the instrument is included in level 2

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(iii) Fair value of financial assets and liabilities measured at amortized cost

As of March 31, 2025 and March 31, 2026 the fair value of cash and bank balances, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amount largely due to the short term nature of these instruments.

For other financial assets that are measured at amortised cost, the carrying amounts approximate the fair value.

31 Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents	Credit ratings	Diversification of Bank Accounts
Credit risk	Trade receivables	Ageing analysis	Part of daily business management
Credit risk	Financial assets measured at amortised cost	Ageing analysis	Credit limits
Market risk - Interest Rate risk	Borrowings	Sensitivity Analysis	Regularly assessing the market
Market risk - Commodity price risk	Inventories	Sensitivity Analysis	Part of daily business management
Liquidity risk	Borrowings, Trade payables, other financial liabilities	Maturity analysis	Part of daily business management

a) Credit Risk

Credit risk is the risk that counterparty fails to discharge its obligation to our Company. Our exposure to credit risk is influenced mainly by cash and cash equivalents and trade receivables. We continuously monitor defaults of customers and other counterparties and incorporate this information into its credit risk controls. However, majority of our total sales comprises of sales to Indian Railways ,details of which are as under:

Nature of customers	March 31, 2026		March 31, 2025	
	Amount	in %	Amount	in %
Indian Railways (through Zonal railways / their divisions / production units)	379.22	76.72%	457.00	72.96%
Total revenue from Operations	**494.28**	**100%**	**626.37**	**100%**

* As %age to total revenue from operations.

Furthermore, we are also exposed to credit risk in relation to the corporate guarantee or retention money or earnest money given / retained on behalf of our Company for business generated from Indian Railways to secure the obligations as per the requirement of tender under which such contracts were awarded.

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

31 Financial risk management (Contd..)

The outstanding receivables (including more than 6 months is as under)

Nature of customers	March 31, 2026		March 31, 2025	
	Amount	in %	Amount	in %
Indian Railways (through Zonal railways / their divisions / production units)	87.99	84.36%	58.19	39.86%
Total outstanding receivables	**104.30**	**100%**	**145.98**	**100%**

Credit risk on cash and cash equivalents is limited as the Company utilises its cash credit facility for reducing borrowings in short term.

b) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: Currency risk, Interest rate risk and other price risk. Financial instruments affected by market risk include loans, borrowings, term deposits, and investments.

(i) Foreign Currency Risk

The payments made by the Company towards consideration for import of raw material, inventory and fixed assets are denominated in foreign currency, mostly the USD. Accordingly, We have currency exposures relating to forex payments, other than in Indian Rupees, particularly the USD. For the year ended March 2026 and March 2025 our net imports amounted to ₹ 117.40 millions and ₹ 20.87 millions respectively. Further, the significant portion of the components for manufacture of Rolling Stock Electrics and Propulsion Systems will be imported including hardware and electronic components, namely, IGBTs, semi conductors, micro processors, capacitors, etc and the exposure to foreign currency risk may increase in future.

The %age of import of material from various countries is as under:

County Wise Import	March 31, 2026		March 31, 2025	
	Amount	%age*	Amount	%age
Material				
China	53.36	43.19%	20.59	98.70%
Switzerland	-	0.00%	0.10	0.48%
Taiwan	0.94	0.76%	0.05	0.26%
USA	5.94	4.80%	0.07	0.35%
UAE	0.35	0.28%		
UK	16.11	13.04%		
Japan	-	0.00%		
Singapore	17.81	14.42%		
Fixed Assets				
China	0.19	0.16%	0.04	0.21%
Singapore	20.89	16.91%		
South Korea	7.96	6.44%		
Total value of imports made by the Company	**123.55**	**100%**	**20.87**	**100%**

* As a percentage to the total value of import of Material

** Included custom duty on import.

Exposure to foreign currency risk (in INR Millions)

Particulars	March 31, 2026	March 31, 2025
Trade Payables	6.54	12.16
TOTAL	**6.54**	**12.16**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

31 Financial risk management (Contd..)

Impact on Profit/Loss of 5% strengthening/weakening of the INR against the respective foreign currencies at the reporting date

Particulars	March 31, 2026	March 31, 2025
Impact on P&L	0.33	0.61
Total	**0.33**	**0.61**

(ii) 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. We are exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate, projected debt servicing capability and view on future interest rate. Our borrowings are denominated in Indian Rupees with a mix of fixed and floating rates of interest.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:-

Particulars	As at March 31, 2026	As at March 31, 2025
Loans - Variable Rates		
Long Term Loan (Including Current Maturities)	126.33	65.93
Short Term Loan*	372.60	208.10
Total	**498.93**	**274.02**

* Does not include non fund based limits outstanding on these dates.

Does not include the loans extended by the Promoter and Promoter Group as these do not carry any interest.

Impact on Interest Expenses for the year on 1% change in Interest rate

Particulars	As at March 31, 2026	As at March 31, 2025
Impact on P&L	4.99	2.74
Total	**4.99**	**2.74**

(iii) Commodity Price Risk

We are exposed to risks in respect of price and availability of raw material used for our manufacturing operations. Since the majority of our business is with Indian Railways, most of the orders being executed by us contains price variation clause which may allow us to pass on changes in the cost of our primary raw materials to our customers. However, we may not be able to do so immediately or fully, and so strong and rapid fluctuations in the prices of these raw materials could affect our operating results.

c) Liquidity Risk

Liquidity risk is the risk that our Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash. Our approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due. Our management monitors rolling forecasts of our liquidity position and cash and cash equivalents on the basis of expected cash flows and the due dates for repayment of term loans. We are confident of managing our financial obligation through available cash and bank balances, short term borrowings and liquidity management.

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

32 Capital Management

The Company's objective with respect to capital management is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less investments and cash and cash equivalents) to equity ratio is used to monitor capital.

Particulars	As at March 31, 2026	As at March 31, 2025
Debt	498.93	275.02
Less: Investments	-	-
Less: Cash & Cash equivalents	1.78	0.76
Net Debt	**497.15**	**274.27**
Total Equity	**625.71**	**179.10**
Net Debt to Equity Ratio	**0.79**	**1.53**

33 Related party relationships, transactions and balances

a) Key management personnel and Directors

Mohit Vohra	Director	Promoter
Sumit Dhawan	Director	Promoter
Rahul Dhawan	Director	Promoter
Amit Dhawan	Director	Promoter
Sanjay Kumar Singh	Director	Professional
Ajay Kumar	CFO	Appointed on 18.07.2024
Sourabh Bansal	Company Secretary	Appointed on 18.07.2024
Balkrishan	Company Secretary	Appointed on 11.08.2023 and Resignation on 18.07.2024
Pankaj Rastogi	Managing Director	Appointed as MD on 01.10.2025
Kanika Bhutani	Director	Independent
Sanjeev Mehta	Director	Independent
Vipin Sharma	Director	Independent

b) Enterprises in which directors are having significant interest

MV Mobility Limited	Common Directors
Prime Electronics	Director is a Partner in the Firm
Quadrant FutureTek Limited	Common Directors
RR Electrical and Allied Industries	Director is a Proprietor of the Firm
MV Greentech Private Limited	Common Directors
Iboard India Limited	Common Directors

c) Other Related Parties

Anu Vohra	Wife of Director
Pallavi	Wife of Director
Shruti Dhawan	Wife of Director
Sonali Dhawan	Wife of Director

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

33 Related party relationships, transactions and balances (Contd..)

b) Transactions with related parties :

Particulars	As at March 31, 2026	As at March 31, 2025
Sale		
MV Mobility Limited	0.03	-
Prime Electronics	6.85	3.13
Quadrant Future Tek Limited	18.00	1.42
Purchase		
Quadrant Future Tek Limited	25.59	137.09
MV Mobility Limited	0.00	-
Prime Electronics	0.02	
Rent received		
MV Mobility Limited	-	2.10
IBoard India Limited	2.40	2.40
Rent paid		
MV Mobility Limited	0.40	-
Loan received/Advances Received		
Mohit Vohra	2.50	6.00
Sumit Dhawan	1.60	2.50
Amit Dhawan	26.00	7.00
MV Mobility Limited	-	20.50
Iboard India Limited	-	15.00
Loan Repaid/ Advances Given		
Mohit Vohra	3.50	9.50
Sumit Dhawan	1.60	19.50
Amit Dhawan	26.00	7.00
MV Mobility Limited	-	20.50
Iboard India Limited	-	15.00
Amount paid on behalf of Related party		
Prime Electronics	0.02	0.16
Iboard India Limited	0.05	0.23
Amount paid by related party on behalf of Company		
Prime Electronics	0.18	5.00
MV Mobility Limited	0.01	-
Director remuneration		
Rahul Dhawan	0.84	0.84
Pankaj Rastogi	5.34	-
Directors Sitting Fees		
Kanika Bhutani	0.15	-
Sanjeev Mehta	0.18	-
Vipin Sharma	0.18	-
Salary		
Pallavi	0.90	0.90
Ajay Kumar	3.60	2.11
Sourabh Bansal	1.66	1.01
Balkrishan	-	0.34

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

33 Related party relationships, transactions and balances (Contd..)

c) Outstanding balances with related parties:

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivable		
MV Mobility Limited	-	1.00
Prime Electronics	0.27	0.19
IBoard India Limited	-	13.92
Rent Receivable		
IBoard India Limited	-	11.92
MV Mobility Limited	-	3.20
Trade Payable		
Quadrant Future Tek Limited	15.28	46.94
Loan Balances		
Mohit Vohra	-	1.00
Salary payable		
Pallavi	0.13	0.20
Ajay Kumar	0.42	0.40
Sourabh Bansal	0.12	0.20
Director remuneration Payable		
Rahul Dhawan	0.10	0.16
Mohit Vohra	-	0.18

34 Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Claims against the company not acknowledged as debts	-	-
Bank gurantee issued	30.62	28.33
GST Liability	4.80	4.80
Total contingent liabilities	**35.42**	**33.13**

35 Dues to micro small and medium enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act 2006 ('MSMED Act'). Disclosures pursuant to the said MSMED Act are as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
Principal Amount Due to suppliers registered under the MSMED Act and remaining unpaid as at year end	49.34	53.32
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to supplier registered under the MSMED Act, beyond the appointment day during the year	-	-

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

35 Dues to micro small and medium enterprises (Contd..)

Particulars	As at March 31, 2026	As at March 31, 2025
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	-	-
Interest accrued and remaining unpaid at the end of each accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act	-	-

36 Dividend

The Company had not declared or paid any dividend during the period.

37 Employee benefits

(i) Defined Contibution plan

a) Gratuity

The Company provides gratuity benefits to eligible employees in accordance with the applicable provisions of the Payment of Gratuity Act, 1972 and other relevant regulations.. In case of death while in service, the gratuity is payable irrespective of vesting. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is not a funded plan and the Company makes provision on the basis of acturial valuation and the same is paid by the company only when it becomes due.

Risk exposure:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Details of the Company's defined benefit plans are as follows:

Summary of membership data

Particulars	31-03-2026	31-03-2025
a) Number of employees	208.00	93.00
b) Total Monthly Salary (Lakhs)	71.49	36.52
c) Average Past Service (Years)	2.01	3.56
d) Average Age (Years)	33.43	36.26
e) Average remaining (Years) working life"	24.57	21.74
f) weighted average duration	14.64	13.38

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

37 Employee benefits (Contd..)

Actuarial Assumptions

Company attention was drawn to provisions of accounting standard that actuarial assumptions are an entity's best estimates of variables that will determine the ultimate cost of providing post employment benefits and shall be unbiased & mutually compatible.

a) **Economic Assupmtions**

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is company's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows:

Particulars	31-03-2026	31-03-2025
i) Discounting Rate	7.90	6.99
ii) Future salary Increase	6.00	6.00

b) **Demographic Assumption**

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company , business plan, HR Policy etc as provided in the relevant accounting standard.

Particulars	31-03-2026	31-03-2025
i) Retirement Age (Years)	58	58
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012-14)	
iii) Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	4.00	4.00
From 31 to 44 years	4.00	4.00
Above 44 years	4.00	4.00

It should be noted that in case of employees above retirement age, for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age.

Mortality & Morbidity rates - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits.

Mortality Rates for specimen ages

Age	Rate	Age	Rate	Age	Rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

37 Employee benefits (Contd..)

Change in Benefit Obligation

Particulars	31-03-2026	31-03-2025
a) Present value of obligation as at the beginning of the period	6.36	4.30
b) Acquisition adjustment		-
c) Interest Cost	0.53	0.31
d) Service Cost	1.97	1.70
e) Past Service Cost including curtailment Gains/Losses		
f) Benefits Paid	(0.18)	(0.22)
g) Total Actuarial (Gain)/Loss on Obligation	0.90	0.27
h) Present value of obligation as at the end of the period	9.58	6.36

*Consequent to the implementation of the Code on Wages, 2019, the Company has reassessed the definition of wages applicable for employee benefits, resulting in a change impacting past service. Based on initial discussions and representations from management, the resultant impact has been treated as a past service cost and has been recognised through profit or loss in accordance with Ind AS 19.

Bifurcation of Actuarial Gain/Loss on Obligation

Particulars	31-03-2026	31-03-2025
a) Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	-	-
b) Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(0.73)	0.14
c) Actuarial (Gain)/Loss on arising from Experience Adjustment	1.62	0.13

Significance of actuarial gain/loss - Recurring significant amount of actuarial gain/loss arising from experience as percentage of PBO in a year indicates that valuation assumptions need reconsideration unless it is caused by some exceptional event during the inter-valuation period.

Balance Sheet and related analysis

Particulars	31-03-2026	31-03-2025
a) Present Value of the obligation at end	9.58	6.36
b) Fair value of plan assets		-
c) Unfunded Liability/provision in Balance Sheet	(9.58)	(6.36)

The amounts recognized in the income statement.

Particulars	31-03-2026	31-03-2025
a) Total Service Cost	1.97	1.70
b) Net Interest Cost	0.53	0.31
c) Expense recognized in the Income Statement	2.50	2.01

Other Comprehensive Income (OCI)

Particulars	31-03-2026	31-03-2025
a) Actuarial gain / (loss) for the year on PBO	(0.90)	(0.27)
b) Actuarial gain /(loss) for the year on Asset		-
c) Unrecognized actuarial gain/(loss) for the year	(0.90)	(0.27)

Bifurcation of PBO at the end of year in current and non current.

Particulars	31-03-2026	31-03-2025
a) Current liability (Amount due within one year)	0.47	0.19
b) Non-Current liability (Amount due over one year)	9.11	6.17
Total PBO at the end of year	**9.58**	**6.36**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

37 Employee benefits (Contd..)

Sensitivity Analysis of the defined benefit obligation.

Particulars	31-03-2026	31-03-2025
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	9.58	6.36
a) Impact due to increase of 0.50%	(0.39)	(0.30)
b) Impact due to decrease of 0.50 %	0.43	3.28
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	9.58	6.36
a) Impact due to increase of 0.50%	0.43	0.33
b) Impact due to decrease of 0.50 %	(0.40)	(0.31)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

b) Compensated Leave Absences

The Company has provided for Acturial Liability for Earned Leave Liability of the Employees.

Risk exposure:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

D) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

E) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

Details of the Company's defined benefit plans are as follows:

Summary of membership data

Particulars	31-03-2026	31-03-2025
a) Number of employees	208.00	93.00
b) Total Monthly Salary (Lakhs)	71.49	36.52
c) Average Past Service (Years)	2.01	3.56
d) Average Age (Years)	33.43	36.26
e) Average remaining (Years) working life	24.57	21.74
f) Leave balance considered on valuation date	4,042.03	3,491.10
g) weighted average duration of PBO	14.64	13.38

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

37 Employee benefits (Contd..)

Actuarial Assumptions

Company attention was drawn to provisions of accounting standard that actuarial assumptions are an entity's best estimates of variables that will determine the ultimate cost of providing post employment benefits and shall be unbiased & mutually compatible.

a) Economic Assupmtions

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is company's long term best estimate as to salary increases & takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard. These valuation assumptions are as follows:

Particulars	31-03-2026	31-03-2025
i) Discounting Rate	7.90	6.99
ii) Future salary Increase	6.00	6.00

b) Demographic Assumption

Attrition rates are the company's best estimate of employee turnover in future determined considering factors such as nature of business & industry, retention policy, demand & supply in employment market, standing of the company , business plan, HR Policy etc as provided in the relevant accounting standard.

Leave availment / encashment / lapse rates are entity's best estimate for future based on past historical experience & its HR policy.

Particulars	31-03-2026	31-03-2025
i) Retirement Age (Years)	58	58
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012-14)	
iii) Attrition at Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
Up to 30 Years	4.00	4.00
From 31 to 44 years	4.00	4.00
Above 44 years	4.00	4.00
iv) Leave		
Leave Availment Rate	5.00%	5.00%
Leave Lapse rate while in service	Nil	Nil
Leave Lapse rate on exit	Nil	Nil
Leave encashment Rate while in service	Nil	Nil

It should be noted that in case of employees above retirement age, for the purpose of valuation it is assumed they will retire immediately & benefit is considered up to actual retirement age.

Mortality & Morbidity rates - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits.

Mortality Rates for specimen ages

Age	Rate	Age	Rate	Age	Rate
15	0.000698	45	0.002579	75	0.038221
20	0.000924	50	0.004436	80	0.061985
25	0.000931	55	0.007513	85	0.100979
30	0.000977	60	0.011162	90	0.163507
35	0.001202	65	0.015932	95	0.259706
40	0.00168	70	0.024058	100	0.397733

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

37 Employee benefits (Contd..)

Change in Benefit Obligation

Particulars	31-03-2026	31-03-2025
a) Present value of obligation as at the beginning of the period	4.99	3.12
b) Acquisition adjustment		
c) Interest Cost	0.39	0.23
d) Service Cost	1.90	1.52
e) Past Service Cost including curtailment Gains/Losses	-	-
f) Benefits Paid	(0.26)	(0.20)
g) Total Actuarial (Gain)/Loss on Obligation	0.40	0.32
h) Present value of obligation as at the End of the period	7.43	4.99

Change in Net defined Benefit Obligation

Particulars	31-03-2026	31-03-2025
a) Present value of obligation as at the beginning of the period	4.99	3.12
b) Acquisition adjustment		
c) Total Service cost	1.90	1.52
d) Net Interest Cost (Income)	0.39	0.23
e) Re-measurements	0.40	0.32
f) Contribution Paid to the fund	-	-
g) Benefits paid directly by the enterprise	(0.26)	(0.20)
h) Present value of obligation as at the End of the period	7.43	4.99

Bifurcation of Actuarial Gain/Loss on Obligation

Particulars	31-03-2026	31-03-2025
a) Total Service Cost	-	-
b) Net Interest Cost	(0.57)	0.11
c) Expense recognized in the Income Statement	0.98	0.21

Balance Sheet and related analysis

Particulars	31-03-2026	31-03-2025
a) Present Value of the obligation at end	7.43	4.99
b) Fair value of plan assets	-	-
c) Unfunded Liability/provision in Balance Sheet	(7.43)	(4.99)

The amounts recognized in the income statement.

Particulars	31-03-2026	31-03-2025
a) Total Service Cost	1.90	1.52
b) Net Interest Cost	0.39	0.23
c) Net Acturial (gain)/ loss recognized in the period	0.40	0.32
d) Expense recognized in the Income Statement	2.70	2.07

Bifurcation of PBO at the end of year in current and non current.

Particulars	31-03-2026	31-03-2025
a) Current liability (Amount due within one year)	0.99	0.63
b) Non-Current liability (Amount due over one year)	6.44	4.36
Total PBO at the end of year	**7.43**	**4.99**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

37 Employee benefits (Contd..)

Sensitivity Analysis of the defined benefit obligation.

Particulars	31-03-2026	31-03-2025
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	7.43	4.99
a) Impact due to increase of 0.50%	(0.32)	(0.23)
b) Impact due to decrease of 0.50 %	0.35	0.25
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	7.43	4.99
a) Impact due to increase of 0.50%	0.35	0.25
b) Impact due to decrease of 0.50 %	(0.33)	(0.24)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

38 LEASES

Where the Company is lessee

The Company has taken various assets on lease such as, generator, buildings and office premises Generally, leases are renewed only on mutual consent and at a prevalent market price and sub-lease is restricted.

The Company has Adopted Ind AS 116 using the full retrospective method of adoption.

The Company also applied the available practical expedients wherein it:

a) Used a Single Discount rate to a portfolio of leases with reasonably similar characteristics

b) Relied on its assessment of whether leases are onerous immediately before the date of initial application

c) Applied the short term lease exemptions to leases with lease term that ends within 12 months of the date of initial application.

d) Used hindsight in determining the lease term where the contract contained option to extend or terminate the lease.

The Effect of Adoption of IND AS 116

Particulars	31-03-2026	31-03-2025
Right of Use Asset	55.91	50.77
Total Assets	**55.91**	**50.77**
Lease Liabilities	63.13	54.81
Total Liabilities	**63.13**	**54.81**

Set out below the carrying amount of Right of use Asset recognised and the movement during the period

Particulars	31-03-2026	31-03-2025
Right of Use Asset as at beginning	92.59	92.59
Additions	15.84	-
Deletions	-	-
Sub Total (A)	**108.43**	**92.59**
Accumulated depreciation on Right of Use Assets		
Depreciation Expenses	52.52	41.82
Net Right of Use Asset as at end	**55.91**	**50.77**

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

38 LEASES (Contd..)

Set out below the carrying amount of Lease Liability recognised and the movement during the period

Particulars	31-03-2026	31-03-2025
Lease Liability recorded Opening	54.81	59.88
Additions	15.71	-
Deletions	-	-
Interest On Lease Liability	5.11	5.25
Repayment	12.51	10.32
Lease Liability recorded Closing	**63.13**	**54.81**
Current	12.37	6.35
Non Current	50.76	48.46

The Effective Interest Rate for Lease Liability is 10.40% with maturity between 2024-30

The Following are the amounts recognised in Statement of Profit and Loss Account

Particulars	31-03-2026	31-03-2025
Depreciation Expenses of Right of use assets	10.69	9.37
Interest Expenses on Lease liability	5.11	5.25
Interest income on financial assets measured at amortised cost (Security Deposit)".	0.15	0.13

The expense relating to payments not included in the measurement of lease liability and recognised as expense in the Statement of Profit and Loss during the year are as follows:

Particulars	31-03-2026	31-03-2025
a) Short term Leases	5.82	6.10

39 Disaggregation of revenue:

The following table shows revenue disaggregated by nature of goods, geography, and timing of revenue recognition:

Sector-wise Sales Category	For Period from 01-04-2025 to 31-03-2026		For Period from 01-04-2024 to 31-03-2025	
	Amount (in mn)	% of total sales	Amount (in mn)	% of total sales
Cable Protection & interconnected products and Switchgear & Panels				
Indian Railways	332.14	67.20%	457.00	72.96%
Private Sector (other than Group Companies)	78.79	15.94%	164.86	26.32%
Private Sector (Group Companies)	36.27	7.34%	4.50	0.72%
Sub-total (A)	**447.19**	**90.47%**	**626.37**	**100.00%**
Rolling Stock Electrics and Propulsion Systems				
Indian Railways	47.08	9.53%	-	0.00%
Sub-total (B)	**47.08**	**9.53%**	**-**	**0.00%**
Total (A+B)	**494.28**	**100.00%**	**626.37**	**100.00%**

Timing of Revenue Recognition

Particulars	For Period from 01-04-2025 to 31-03-2026	For Period from 01-04-2024 to 31-03-2025
At a point in time	494.28	626.37
Over time	-	-

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

39 Disaggregation of revenue: (Contd..)

Contract Balances

Particulars	31-03-2026	31-03-2025
Trade Receivables	104.30	145.98
Contract Assets	-	-
Contract Liabilities (Advance from Customers)	0.88	0.47

Contract liabilities mainly relate to advance consideration received from customers, which is recognized as revenue when the performance obligation is fulfilled.

40 Movement in Contract Balances

Contract Liabilities (Advance from Customers)	31-03-2026	31-03-2025
Opening Balance	0.47	7.39
Closing Balance	0.88	0.47
Net Increase / (Decrease)	**0.40**	**(6.91)**

Trade Receivables	31-03-2026	31-03-2025
Opening Balance	145.98	126.18
Closing Balance	104.30	145.98
Net Increase / (Decrease)	**(41.68)**	**19.80**

41 Foreign Currency Exposure

	31-03-2026	31-03-2025
Amount Spent	134.31	8.26
Amount Received	-	-

42 Additonal Regulatory Information

42.1 Title deeds of immovable properties not held in the name of Company:

There are no immovable properties (other than properties where the Company is the leesee and the lease agreements are duly executed in favour of the leesee) whose deeds are not held in the name of the Company:

42.2 The Company holds the Following Investment property

All Amount in INR Millions, Unless otherwise stated

Particulars	As at March 31, 2026	As at March 31, 2025
Investment Property -at Cost	118.45	118.45
Less:- Accumulated depreciation	13.31	8.94
Carrying Amount (Net Book value)	105.15	109.51

The fair value of the investment property as at:

All Amount in INR Millions, Unless otherwise stated

Particulars	As at March 31, 2026	As at March 31, 2025
Investment Property -FMV*	192.13	192.13
Investment Property -FMV*	192.13	192.13

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

42 Additonal Regulatory Information (Contd..)

42.3 The Company has not revalued its Property,Plant and Equipment during the year.

42.4 The Company has not revalued its intangible assets during the year. The Company has written off its suspended Intangible Assets under development during the FY 2024-25.

42.5 The Company had not granted any Loans or advances to promoters, directors, KMPs and the related parties (as defined underCompanies Act, 2013,) either severally or jointly with any other person

42.6 No procedings have been initiated or pending against Company for holding any Benami Property under Prohibitions of Benami Transactions Act,1988 (Earliers titled as Benami transactions (Prohibitions) Act,1988

42.7 The monthly returns/statement of current assets filed by Company with Banks for Borrowings are in agreement with the books of accounts except the Inventory of Packing material lied with the Company as the same was not considered while providing statement of Current Assets.

42.8 The Company is not declared a wilfull defaulter by any Bank or Financial Institution or any other lender

42.9 The Company has no transaction with Companies which are stuck off under section 248 of the Companies Act,2013 or under section 530 of Companies Act,1956

42.10 There are no charges or modifications thereof pending for satisfaction with the Registrar of Companies (ROC) under the provisions of the Companies Act, 2013.

42.11 Corporate Social Responsibility (CSR)

As per the provisions of **Section 135 of the Companies Act, 2013**, the Company is required to spend a certain percentage of its average net profits of the last three financial years on Corporate Social Responsibility (CSR) activities. However, CSR is not applicable to the Company for the following reason:

a) The Company's net worth is less than 500 crore and Turnover is less than 1000 crore and Net profit is also less than 5 crore.

Therefore, the Company has not spent any amount on CSR activities during the financial year.

42.12 With effect from April 01, 2023 the Ministry of Corporate Affairs (MCA) has made it mandatory for every company which uses accounting software for maintaining its books of accounts to use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of accounts along with the date of such changes were made and ensuring that the audit trail cannot be disabled.

The Company is using Accounting software for maintaining books of accounts for the FY 2023-24 and onwards which has a feature of recording audit trail (edit log) facility.

42.13 The Company have identified all the micro and small enterprises as per MSMED Act, 2006 and have made payments to them generally within the time limit specified in Section 15 of the MSMED Act, 2006 except few cases. Out of the total Trade Payables of ₹ 219.23 Millions only ₹ 49.34 Millions is payable to Micro and small enterprises.

The Company has not provided for interest on delayed payments to Micro and Small Enterprises under the MSMED Act, 2006, as the same was not claimed by the suppliers.. Consequently, said amount is not disclosed in notes to accounts as required by the section 22 of MSMED Act, 2006. However there is no impact on taxable income as the Interest u/s 16 of MSMED Act, 2006 is not allowed as deduction under Income Tax Act, 1961.

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

42 Additonal Regulatory Information (Contd..)

42.14 During the year ended 31 March 2026, the Company incurred a cash loss of ₹ 136.83 Million (Previous year: ₹ NIL). Management has evaluated the Company's operational and financial position and believes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, the financial statements have been prepared on a going concern basis.

Calculation of cash Loss	
Profit Before Tax	(167.97)
Depreciation and Amortisation expenses	33.65
Provisions	10.33
Provision for Bonus Payable	0.11
Actual Rent paid	(12.51)
Actual Gratuity and Leave Encashment paid	(0.44)
Actual bonus paid	-
Cash Loss during the year	**(136.83)**

42.15 The Company has not entered into any Scheme of Arrangement approved by any Competent Authority during the current or previous financial year. Accordingly, the disclosure requirements under Schedule III to the Companies Act, 2013 in this regard are not applicable.

43 Financial Ratios

Particulars	Numerator	Denominator	Numerator		Denominator		For the period from 01-04-2025 to 31-03-2026	For the period from 01-04-2024 to 31-03-2025	Change	Reason of Change
			31.03.2026	31.03.2025	31.03.2026	31.03.2025				
Current Ratio (In times)	Current Assets	Current liabilities	982.69	484.49	669.91	452.37	1.47	1.47	36.96%	Due to Increase in Current Assets as the stock of propulsion increased during the year and also the GST recoverable of the same has also been included in current assets
Debt – Equity Ratio (In times)	Total Debt	Total equity	498.93	275.02	625.71	179.10	0.80	0.80	-48.07%	Due to increase in Equity as shares were issued during the year.
Debt Service Coverage Ratio (In times)	EBITDA	Interest & Lease Payments + Principal Repayments	-99.42	89.17	59.60	53.00	-1.67	-1.67	-199.16%	Due to loss incurred during the year
Return on Equity (ROE) (In %)	Net Profit after Tax	Average Shareholder's Equity	-126.95	13.84	402.41	172.18	-31.55	-31.55	-492.52%	Due to loss incurred during the year
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	348.77	372.56	496.21	281.01	0.70	0.70	-46.98%	Due to increase in Level of inventory
Trade receivables turnover ratio (In times)	Turnover	Average Trade Receivable	494.28	626.37	125.14	135.84	3.95	3.95	-14.34%	NA

Notes to the Financial Statements

for the year ended 31-03-2026

(All amounts in INR Millions, unless otherwise stated)

43 Financial Ratios (Contd..)

Particulars	Numerator	Denominator	Numerator		Denominator		For the period from 01-04-2025 to 31-03-2026	For the period from 01-04-2024 to 31-03-2025	Change	Reason of Change
			31.03.2026	31.03.2025	31.03.2026	31.03.2025				
Trade payables turnover ratio (In times)	Net Credit Purchases	Average Trade Payables	730.33	421.39	202.15	154.59	3.61	3.61	32.54%	Due to high level of purchase
Net capital turnover ratio (In times)	Net Sales	Working Capital	494.28	626.37	312.78	32.12	1.58	1.58	-91.90%	Due to increase in Net Working capital and decrease in net sales
Net profit ratio (In %)	Net Profit after Tax	Total Income	-126.95	13.84	497.91	646.37	-25.50%	-25.50%	-1290.91%	Due to loss incurred during the year
Return on capital employed (ROCE) (In %)	EBIT	Capital employed	-133.07	54.44	752.04	246.03	-17.69%	-17.69%	-179.97%	Due to loss incurred during the year
Return on Investment (ROI) (In %)*	{MV(T1) – MV(T0) – Sum [C(t)]}	{MV(T0) + Sum [W(t) * C(t)]}	-	0.09	-	0.35	-	-	-100.00%	Due to sale of investment in gold bonds

44 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year

As per our Report of even date
For **SANMARKS & ASSOCIATES**
CHARTERED ACCOUNTANTS

Sd/-
(Santosh Kumar Agrawal)
Partner
FRN : 003343N, M.No. : 091127

Place : Faridabad
Date : 23.07.2026
UDIN : 26091127LHTPUB2523

For and on behalf of the Board of Directors

Sd/-
(Pankaj Rastogi)
Managing Director
(DIN 11307172)

Sd/-
(Amit Dhawan)
Director
(DIN 03031778)

Sd/-
(Ajay Kumar)
Chief Financial Officer

Sd/-
(Sourabh Bansal)
Company Secretary
M.No.A49529

NOTICE OF THE 17th ANNUAL GENERAL MEETING ("AGM")

To
The Members,

NOTICE is hereby given that the 17th Annual General Meeting of the Members of **MV ELECTROSYSTEMS LIMITED** will be held on Tuesday, 29th September, 2026 at 11:00 A.M. (IST) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) ("hereinafter referred to as electronic mode") to transact the following businesses:

ORDINARY BUSINESS:

1. **TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31ST, 2026 TOGETHER WITH THE REPORT OF THE AUDITORS' THEREON AND THE REPORT OF BOARD OF DIRECTORS.**

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

   "RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended March 31st, 2026 and the reports of the Auditors thereon and the reports of the Board of Director , placed before the 17th Annual General Meeting, be and are hereby received, considered and adopted."

2. **TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. MOHIT VOHRA (DIN: 02534402) AS A DIRECTOR OF THE COMPANY, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Mohit Vohra (DIN: 02534402) who retires by rotation at this Annual General Meeting and being eligible, offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. **TO CONSIDER AND APPROVE THE APPOINTMENT OF MR. SUMIT DHAWAN (DIN: 08260657) AS A DIRECTOR OF THE COMPANY, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT.**

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

   "RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Sumit Dhawan (DIN: 08260657) who retires by rotation at this Annual General Meeting and being eligible, offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

4. **APPOINTMENT OF M/S TARUNA KALRA & ASSOCIATES, PRACTISING COMPANY SECRETARY AS SECRETARIAL AUDITOR AND FIX THEIR REMUNERATION**

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

   "RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ('Act') read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')[including any statutory modification(s) or re-enactment(s) thereof for the time being in force], **and based on the Recommendations of the Audit Committee of the Company**, M/s. Taruna Kalra & Associates, Company Secretary in Practice (Membership Number- F-6603, COP No: 7129), who have confirmed their eligibility to be appointed as the Secretarial Auditors of the Company in terms of Regulation 24A (1A) of the SEBI Listing Regulations, be and are hereby appointed as the Secretarial Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of 22nd Annual General Meeting to be held in the year 2031,covering the period from the financial year ending 31st March 2027 till the financial year ending 31st March 2031, at such remuneration as maybe determined by the Board of Directors of the Company, from time to time, in consultation with the Secretarial Auditors.

   RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, things and deeds and take all such steps as may be necessary, proper or expedientto give effect to this resolution.

5. **TO APPROVE THE RELATED PARTY TRANSACTIONS**

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

   "RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), and subject to such other approvals, consents, permissions and sanctions as may be necessary and **based on the Recommendations of the Audit Committee** of the Company, consent of the Members of the Company be and is hereby accorded to the Company for entering into and/or continuing with related party transactions and/or contracts/arrangements with the related parties of the Company, as detailed in the Explanatory Statement annexed to this Notice, for an aggregate value not exceeding the respective limits specified therein, during the financial year 2026-27, on such terms and conditions as may be mutually agreed between the Company and the respective related parties.

RESOLVED FURTHER THAT the consent of the members of the company be and is hereby accorded in pursuance to Rule 6A of the Companies (Meetings of Board and its Powers) Rules, 2014, where Related Party Transaction cannot be foreseen and transaction details are not available, on the basis of approval of audit committee and upon approval of board, board is authorized to enter into related transactions in under the category of Other development activities exigencies subject to value not exceeding Rs. 1,00,00,000/- (One Crore only) per transaction during the financial year 2026-27;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things and to finalise the terms and conditions of the aforesaid transactions, as may be necessary, expedient or desirable in connection with or incidental to giving effect to this resolution;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred upon it by this resolution to any Director(s), Key Managerial Personnel or other officer(s) of the Company, as it may deem appropriate."

By order of Board of Directors
For **MV ELECTROSYSTEMS LIMITED**

Sd/-
Sourabh Bansal
Company Secretary & Compliance Officer

Date: 25.08.2026
Place: Faridabad

Notes:

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 22/2020, 33/2020, 02/2021, 19/2021, 21/2021, 02/2022, 10/2022, 11/2022, 09/2023, 9/2024 and 03/2025 dated 8 April, 2020, 13 April, 2020, 5 May, 2020, 15 June, 2020, 28 September, 2020, 13 January, 2021, 8 December, 2021, 14 December, 2021, 5 May, 2022, 28 December, 2022, 25 September, 2023, 19 September, 2024 and 22 September, 2025 respectively, issued by the Ministry of Corporate Affairs (hereinafter collectively referred as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13 May, 2022, Circular No. SEBI/HO/CFD/PoD-2/CIR/P/2023/4 dated 5 January, 2023, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7 October, 2023 and SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated 3 October, 2024 issued by the Securities and Exchange Board of India ('SEBI Circulars') and in compliance with the provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), the 17th Annual General Meeting of the Company ('AGM' or 'Meeting') is being conducted through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') facility, which does not require physical presence of the Members at a common venue. Hence, the Members are requested to attend and participate at the ensuing AGM through VC / OAVM facility being provided by the Company in the given notice. The deemed venue for the AGM shall be the Registered Office of the Company.

2. The quorum for the AGM, as provided in Section 103 of the Act, is thirty (30) members (including a duly authorized representative of a body corporate) and Members present in the meeting through VC/OAVM shall be counted for the purpose of reckoning the quorum pursuant to MCA Circulars and other applicable circulars. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the AGM. The Company may close the window for joining the VC/OAVM facility 15 minutes after the scheduled time of start of the AGM. Instructions for Members to attend the AGM through VC/OAVM are given in Note No. 12 of this Notice.

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

4. The explanatory statement as required under Section 102(1) of the Companies Act, 2013 ("the Act") setting out the material facts concerning the businesses under Item No. 4 and 5 of this Notice, proposed to be transacted at the AGM is annexed hereto and forms part of this notice. The relevant details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/re-appointment as Director under Item No. 2 & 3 of the Notice are also annexed to the notice.

5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.mvelectrosystems.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

6. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

7. In continuation to this Ministry's **General Circular No. 20/2020** dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

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

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

(i) The voting period begins on September 26, 2026 at 10.00 AM (IST) and ends on September 28, 2026 at 05:00 PM (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 22, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

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

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member'

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

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

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

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

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

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

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

2) Click on "Shareholders" module.

3) Now enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

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

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

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

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

(ix) Click on the EVSN for the relevant MV ELECTROSYSTEMS LIMITED on which you choose to vote.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email **to Company at cs@mvelectrosystems.com or to RTA at einward.ris@kfintech.com.**

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

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

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

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

By order of Board of Directors
For **MV ELECTROSYSTEMS LIMITED**

Sd/-
Sourabh Bansal
Company Secretary & Compliance Officer

Date: 25.08.2026
Place: Faridabad

For Item No. 2 and 3

Particulars of Directors seeking appointment /re-appointment in this annual general meeting

S. No.	1	2
Name of Director	Mr. Mohit Vohra	Mr. Sumit Dhawan
Category/Designation	Non- Executive Director	Non- Executive Director
Director Identification No.(DIN)	02534402	08260657
Date of Birth	May 18, 1975	December 1, 1987
Father's/Husband Name	Shri. Vinod Kumar Vohra	Shri. Ravinder Kr. Dhawan
Date of first appointment	July 03, 2009	October 22, 2018
Shareholding (No. of Shares)	5886108	1413934
Relationship with other directors	Cousin of Mr. Amit Dhawan and Mr. Sumit Dhawan	Brother of Mr. Amit Dhawan, Cousin of Mr. Mohit Vohra
Experience	29 years	15 years
Education Qualification	Mechanical Engineer	Bachelor of Computer Application
Brief Resume	Mohit Vohra aged 51 years is a Mechinal Engineer over 29 years of experience and has previously worked with Thermax Limited, Pouyet Communication India Private Limited (then subsidiary of 3M India Limited) and Tyco Electronics Corporation India Private Limited. Skilled in the Company's overall strategic direction and vision and provides guidance and mentorship to the management team, particularly with respect to capability building, team strengthening and the development of future projects.	Sumit Dhawan aged 38 years is a Bachelor of computer application with 15 years of experience and has previously worked with AM Speciality Materials Private Limited. Skilled in strategic, sourcing and supplier management operations.
Number of Board Meeting attended in the last financial year	10	10
Last Remuneration	Nil	Nil
Remuneration sought to be paid	Nil	Nil
Other directorship	-Quadrant Future Tek Limited -MV Mobility Limited -Iboard India Limited	- MV Mobility Limited
Committee Membership	Nil	Member in Stakeholder Relationship Committee of MV Electrosystems Ltd.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. 4: Appointment of Secretarial Auditors and Fixing of Remuneration

Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations),every listed entity shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified, with the annual report of the listed entity and the company can appoint or re-appoint a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, with the approval of its shareholders in its Annual General Meeting. An individual Company Secretary in Practice may be appointed as Secretarial Auditor for not more than one term of five consecutive years.

The Audit Committee has recommended the appointment of M/s Taruna Kalra & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for consideration and approval of the Board of Directors and the Members of the Company. The Board of Directors, based on the recommendation of the Audit Committee, has approved the appointment of M/s. Taruna Kalra & Associates, Company Secretary in Practice (Membership Number- F-6603, COP No: 7129) as Secretarial Auditors of the Company for a term of five (5) consecutive financial years commencing from FY 2026–27 to FY 2030-31, under Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI LODR Regulations, 2015 (including latest amendments).

M/s Taruna Kalra & Associates is a firm of Practicing Company Secretaries registered with the Institute of Company Secretaries of India (ICSI). The firm has experience of more than 20 years in dealing with carrying out the various activities pertaining to the Secretarial Audit and other allied matters.

The firm has accorded its consent to the aforesaid proposed appointment, and confirmed that their appointment, if made, shall be within the limits laid down by/under the Listing Regulations and guidelines issued by ICSI in this regard. They have also confirmed that they hold a valid peer review certificate issued by the ICSI and are eligible for appointment as Secretarial Auditor and not disqualified for the proposed appointment, under the Act read with the rules made thereunder, Listing Regulations and applicable SEBI circulars.

The Board seeks the approval of the shareholders for the appointment and also authorisation to fix their remuneration and reimbursement of applicable taxes and out-of-pocket expenses, in accordance with law.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

ITEM NO. 5: APPROVAL FOR RELATED PARTY TRASNACTIONS

Pursuant to Section 102 of the Companies Act, 2013 ("Act") and Regulation 23 of the SEBI LODR Regulations, the following statement sets out the material facts relating to the proposed resolution.

The Company, in the ordinary course of its business, enters into various transactions with its related parties, including transactions for purchase/sale of goods and services, availing/providing of services, reimbursement of expenses, leasing arrangements, provision of corporate support services and other transactions, as may be applicable to the Company from time to time.

The proposed transactions are expected to be undertaken on an arm's length basis and in the ordinary course of business and are in the interest of the Company.

Pursuant to Regulation 23 of the SEBI LODR Regulations, all Related Party Transactions require prior approval of the Audit Committee. Further, material Related Party Transactions require prior approval of the Members of the Company. The Audit Committee, after reviewing the proposed Related Party Transactions to be entered into with the related parties, approved the same and recommended the Transactions for consideration and approval of the Board of Directors and the Members of the Company. Based on the recommendation of the Audit Committee, the Board of Directors considered and approved the proposed Related Party Transactions and recommended the same for approval of the Members of the Company.

Accordingly, approval of the Members is sought for entering into and/or continuing with the proposed Related Party Transactions with the related parties during the financial year 2026-27, within the limits specified below.

Nature of Transaction	Estimated Maximum Value during FY 2026-27	Name of Related Party	Nature of Relationship
Sales /Purchase	14.5 crores	MV MOBILITY LIMTED	A public company in which a director is a director or holds along with his relatives, more than two per cent. of its paid-up share capital
Sales/ Purchase	14.5 crores	PRIME ELECTRONICS	A partnership firm, in which a director, or his relative is a partner;
Sales/Purchases	14.5 crores	QUADRANT FUTURE TEK LIMITED	A public company in which a director is a director or holds along with his relatives, more than two per cent. of its paid-up share capital
Purchases	14.5 crores	RR ELECTRICAL AND ALLIED INDUSTRIES	A Sole-Proprietorship Firm in which Mr. Rahul Dhawan is a sole proprietor.
Sales/ Rent	14.5 crores	IBOARD INDIA LIMITED	A public company in which a director is a director or holds along with his relatives, more than two per cent. of its paid-up share capital
Sales /Purchase	14.5 crores	MV GREENTECH PRIVATE LIMITED	A private company in which relative of Director is a Director.

The Audit Committee has reviewed and approved the proposed transactions and has taken into consideration, inter alia, the nature, material terms and conditions, pricing methodology and other relevant factors.

The transactions proposed to be entered into with the related parties are expected to be on an arm's length basis and in the ordinary course of business. The Company will ensure that the transactions are undertaken in accordance with the applicable provisions of the Act, SEBI LODR Regulations and other applicable laws.

The Board of Directors recommends the resolution set out at Item No. 5 of this Notice for approval of the Members.

Except for Mr. Mohit Vohra, Mr. Amit Dhawan, Mr. Sumit Dhawan and Mr. Rahul Dhawan, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in this resolution.

By order of Board of Directors
For **MV ELECTROSYSTEMS LIMITED**

Sd/-

Date: 25.08.2026
Place: Faridabad

Sourabh Bansal
Company Secretary & Compliance Officer

NOTES

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MV ELECTROSYSTEMS LTD.

Corporate & Registered Office

Plot No. 7, Site No 2, 14/3, Mathura Road, Faridabad 121
003, Haryana, India