



Date:- 20.06.2026

To,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (East),
Mumbai - 400 051

Symbol: - KRISHNADEF
ISIN: - INE0J5601015

Subject: Submission of Annual Report of the Company for the Financial Year 2025-26 under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Respected Sir/ Ma'am,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the **Annual Report of the Company along with the Notice of the 13th Annual General Meeting ("AGM") and other Statutory Reports for the Financial Year 2025-26**. The same is also being sent through electronic mode to those Members whose email addresses are registered with the Company/Registrar and Share Transfer Agent/Depository Participants.

Further, the **13th AGM** of the Members of the Company will be held on **Wednesday, 15th July 2026, at 11:00 a.m. (IST)** through **Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**.

The Annual Report of the Company is also available on its website <https://krishnaallied.com/>

Kindly take the above information on the record.

Thanking You,

Yours faithfully,

For Krishna Defence and Allied Industries Limited,

Gunjan Bhagtani
Company Secretary & Compliance Officer
Membership No. A66343

Engineering the Future of Defence



Summary of the Year's Achievements & Financial Performance

Reporting Period:

2025-2026

Table Of Contents

Corporate Overview

- 04 Company Overview
- 05 MD's Letter to Shareholders
- 07 Operational Locations
- 08 Key Products
- 09 Financial Performance
- 10 Our Competitive Edge
- 11 Operational and Manufacturing Excellence
- 12 Opportunities on The Horizon
- 14 Governance
- 15 Board Of Directors
- 16 Senior Management
- 17 Corporate Information

Statutory Report

- 18 Board's Report
- 29 Annexure I
- 41 Annexure II
- 42 Annexure III
- 46 Annexure IV
- 47 Annexure V
- 50 Annexure VI
- 51 Annexure VII
- 52 Annexure VIII
- 53 Annexure IX
- 57 Annexure X

Financial Statements

- 78 Standalone
- 151 Consolidated

Notice

- 223 Notice Of The Annual General Meeting



To view this report online, please visit:
www.krishnaallied.com

Company Overview

Krishna Defence and Allied Industries Limited (KDAIL) has emerged as a formidable player in India's defence sector, championing 'Make in India' solutions that significantly reduce import dependence. Leveraging deep technical acumen across Specialized Steel Components, Welding Wire, and Complex Alloy Products, KDAIL combines state-of-the-art manufacturing facilities with robust R&D capabilities to design, develop, and manufacture a wide range of critical products building a substantial order book and comprehensive in-house capabilities across Defence and Dairy segments.



Vision

To be India's foremost provider of world-class engineering products championing 'Make in India' and serving the Indian Government, PSUs, and private customers through continuous innovation and excellence.



Mission

To deliver innovative, cost-efficient, and cutting-edge engineering solutions powered by the latest technology creating value for organisations and end-users while advancing the Atmanirbhar Bharat vision of self-reliance and reduced import dependency.



MD's Letter to Shareholders

Dear Shareholders,

FY26 has been a year of purposeful consolidation one in which we transformed the ambitions of FY25 into enduring institutional capability. After a landmark year of record revenue and profit, we chose to invest deeply in our foundations: strengthening our manufacturing infrastructure, expanding our technology partnerships, and sharpening our focus on the sectors where India's defence modernisation is moving fastest.

India's defence landscape continues to evolve at an unprecedented pace. The government's sustained emphasis on self-reliance, enhanced defence budgets, and the acceleration of naval modernisation programmes have created conditions that strongly favour indigenous manufacturers with proven capabilities. As a company born from the Make in India and Atmanirbhar Bharat vision, we are not merely a beneficiary of this transformation we are an active participant in shaping it.

Revenue from operations grew year-on-year, with improved PAT margins reflecting greater operational efficiency, better product mix, and disciplined cost management. These results are especially meaningful because they were achieved in a consolidation year, underscoring the quality of our earnings.

During the year, we secured key MoD contracts expanding our armoured steel and critical platforms portfolio, and commissioned our expanded Bulb Bars and welding consumables facility, deepening our vertical integration. We were selected under the PLI Scheme for strategic steel a recognition that validates our manufacturing credentials and opens new growth in materials central to naval and land defence.



“Together, we are building an organisation that is not just profitable, but purposeful.”

Our JV with VABO Composite of the Netherlands deepened meaningfully in advanced composite components for naval vessels, and we signed a Technology Transfer agreement with NIO Goa for Autonomous Underwater Vehicle development, marking our entry into an entirely new frontier.

Our FY27 strategy focuses on three areas: indigenising imported steel products leveraging our PLI recognition and metallurgical expertise; co-developing smart weapons and ammunition systems with domestic and international partners; and advancing autonomous underwater vehicles through our NIO Goa partnership and existing AUV engineering experience. Across all three, our philosophy is consistent invest early, collaborate wisely, and build capabilities that are genuinely difficult to replicate.

MD's Letter to Shareholders

We remain nearly debt-free, with stronger infrastructure, a broader technology portfolio, and deeper institutional relationships than ever before well-positioned to capture the durable opportunity India's growing defence ecosystem presents. India's growing defence budget, the Navy's ambitious fleet expansion, and the Army's

modernisation drive together create a compelling and durable opportunity, one that we are strategically, operationally, and financially equipped to capture.

Thank you to our shareholders, team, Armed Forces customers, and research partners.

Warm Regards

Ankur Shah

Ankur Shah
MANAGING DIRECTOR

Operational Locations



Key Products



Bulbars



Weld Consumables



Armoured Steel Profiles



Alloy Steel Casting



Ballast Bricks



Composites Door



Modular Vehicle Barrier



Improved Space Heating Device



Milk Cooling Tanks

Financial Performance

FY2025–26 was a landmark year for Krishna Defence, with FY 25-26 revenues reaching 2,448 million, growing 29.1%YoY year-on-year, driven by deepening demand across defence, naval and maritime applications. EBITDA expanded 69.9% YoY to 520 million at a 21.3% margin, while net profit surged to ₹413 million, reflecting strong operating leverage and execution discipline. With an unexecuted order book of ₹1,034 million and a tender pipeline of ₹2,210 million as on March 31, 2026, we enter the next phase of growth with robust revenue visibility and a strengthened foundation.

Key Financial for 31st March, 2026

Rupees in Million

Operating Revenue

₹ 2,448

Net Profit

₹ 413.2

EBIDTA

₹ 520

EPS

₹ 28.12

Our Competitive Edge

In FY26, KDAIL continued to strengthen the foundations that distinguish us in India's rapidly evolving defence sector — deep metallurgical expertise, vertically integrated manufacturing, enduring relationships with the Indian Armed Forces, and a consistent track record of delivering complex, high-specification projects on time and to standard.

Building on record-breaking FY25 — revenue of ₹ 1,896.1 million (29.1% YOY growth) and PAT of ₹222.6 million. FY26 delivered measured consolidation and continued earnings growth. Revenue grew to 2448 Million and PAT margins improved to 16.9% driven by enhanced operational efficiency, a stronger product mix, and disciplined cost management, with new Army order inflows further reinforcing our standing as a dependable, long-term supply partner.

Expanded Product Portfolio

We secured new MoD contracts expanding our armour profiles for armoured vehicles and critical platforms, validating the precision of our special alloy steel metallurgy against the most exacting defence-grade specifications.

Bulb Bars & Welding Consumables Facility Commissioned

Our expanded facility, commissioned in FY26, enhances vertical integration, quality control, and cost competitiveness. Our bulb bar segment, recognised with the Defence Technology Absorption Award, continues to set the benchmark for indigenous manufacturing in its category.

PLI Scheme — Strategic Steel

We were selected under the PLI Scheme for strategic steel, reinforcing our manufacturing credentials and creating a platform for scaling production in materials central to naval and land defence.

VABO Composite JV & ToT with NIO Go

Our JV with VABO Composite deepened in FY26 with expanded scope in advanced composite components for naval vessels, opening avenues in global naval supply chains. We also signed a ToT with NIO Goa for joint AUV development, combining KDAIL's underwater systems engineering with NIO's oceanographic expertise across defence and civilian ocean research.

Near-Debt-Free Balance Sheet

Our near-debt-free balance sheet provides the financial agility to invest decisively, respond swiftly to emerging opportunities, and sustain delivery across a growing order pipeline.

Operational & Manufacturing Excellence

At KDAIL, manufacturing excellence is a culture, not a function. Advanced processes, rigorous multi-stage quality control, and a continuous improvement mindset ensure every product meets the demanding standards of Indian defence. Strategic collaborations with DRDO, the Indian Navy, the Indian Army, and specialised research institutions keep us firmly aligned with Make in India and Atmanirbhar Bharat objectives.

1. Infrastructure Investments in FY26



FY26 saw significant capacity additions at our Halol, Gujarat facility, new Vertical Machining Centres enhancing precision and throughput, a dedicated fabrication bay supporting simultaneous execution of large-scale contracts, and our expanded welding consumables and bulb bar facility now fully operational, bringing critical processes in-house.

2. AS9100D Certification



A landmark FY26 achievement, AS9100D is the internationally recognised quality management standard for aerospace and defence, going beyond ISO 9001:2015 with additional safety and reliability requirements. This certification enhances our credibility with domestic and international customers and positions KDAIL for a broader range of high-value defence programmes.

3. Project Highlights



Our active project portfolio spans armour profiles for Indian Army tanks, composite doors and hatches for the Indian Navy through our VABO JV, super alloy weld consumables, AUV development under ToT with NIO Goa, and advanced Radio Frequency over Fibre systems through our associate Waveoptix Defence Solutions.

4. Quality Control



Our quality framework is built on AS9100D and ISO 9001:2015 certifications, NABL accredited in-house testing laboratories, and structured workforce training programmes underpinned by stringent multi-stage checks from design validation through to final delivery.

Opportunities on the horizon

India's defence sector is undergoing its most significant transformation in decades. Rising defence budgets, the government's sustained policy push for indigenisation, the Indian Navy's ambitious fleet expansion programme, and the MoD's accelerated modernisation drive are together creating a landscape of sustained, multi-year opportunity for domestic defence manufacturers with proven capabilities. KDAIL is strategically positioned to capture a meaningful share of this opportunity across several high-growth domains.

1. Steel Indigenisation – Leveraging Existing Infrastructure

We intend to utilise our established manufacturing base, metallurgical expertise, and PLI Scheme recognition for strategic steel to progressively indigenise imported steel products. Beginning with direct import substitution and scaling towards full domestic production, this initiative is commercially attractive and deeply aligned with the Atmanirbhar Bharat vision. By reducing India's dependence on imported steel in critical defence categories, KDAIL will create a new, scalable revenue stream while serving a clear national strategic priority.

2. Smart Weapons and Ammunition Systems

We see a significant long-term opportunity in smart weapons and ammunition systems as the Indian Armed Forces accelerate their transition towards precision, network-enabled warfare. We are actively developing partnerships and co-development collaborations with leading technology companies both domestic and international for the design and manufacture of smart weapon and ammunition systems. Our existing relationships with the Indian Army and Navy, combined with our composites and precision manufacturing capabilities, provide a strong foundation for entry into this high-value domain. We will invest purposefully in this area and believe it has the potential to become a transformative business vertical for KDAIL.

3. Autonomous Underwater Vehicles – A Bright Future

The future of naval strategy and ocean intelligence is increasingly autonomous and underwater. Our experience in AUV structural engineering, combined with our ToT with the National Institute of Oceanography for AUV development, positions KDAIL at the frontier of this rapidly evolving domain. We will continue to partner and collaborate with leading technology developers and research institutions for the development of next-generation AUV platforms and will commit dedicated investment towards building this capability over the coming years. The strategic and commercial potential of autonomous underwater systems is substantial, and we intend to be a leading indigenous player in this space.

4. Waveoptix Defence Solutions – Strengthening Defence Electronics

Waveoptix Defence Solutions Pvt. Ltd., our associate company in which we hold a 40% stake, continues to strengthen KDAIL's portfolio in secure communications and tactical electronics. Waveoptix's capabilities in Radio Frequency over Fibre (RToF) technology covering secure long-range signal transmission, bi-directional RToF for HF/VHF/UHF radio networks, multi-link RToF for submarine communication, antenna remoting systems, and electronic warfare support systems are increasingly relevant as the Indian Armed Forces invest in network-centric warfare capabilities. A notable recent achievement of Waveoptix was the successful development and supply of India's first indigenously designed bi-directional RToF module for a radio mesh network – delivered within six months of acquisition to meet urgent Indian Defence operational requirements. This milestone demonstrates both the technical depth of the Waveoptix team and the value of KDAIL's strategic investment in defence electronics.

5. Conceptia Software Technologies – Shaping the Future of Defence and Maritime Solutions

In FY26, we strengthened our diversification strategy by acquiring a 20% stake in Conceptia Software Technologies Pvt. Ltd, a leading player in marine and offshore engineering design solutions. This investment enables KDAIL to leverage Conceptia's advanced design capabilities, deep technical expertise, and established industry relationships to accelerate our entry into high-value marine and offshore projects. By combining KDAIL's manufacturing strength with Conceptia's engineering proficiency, we are well-positioned to offer fully integrated defence and marine solutions reinforcing our position as a comprehensive, forward-looking partner in the maritime sector.

The opportunity set for Conceptia is substantial and growing:

- Strong government emphasis on Make in India and boosting indigenous shipbuilding capabilities.
- Launch of financial assistance programmes and infrastructure upgrades supporting shipbuilding sector expansion.
- Significant long-term opportunities emerging in defence and commercial maritime contracts across India.
- Growing global demand for advanced naval and offshore engineering services, creating new export markets.
- Conceptia's specialised marine and offshore engineering expertise positions it and by extension KDAIL to capitalise on these expanding opportunities effectively.effectively.

6. Broader Horizon – International Certifications and Approvals

We are progressing with approvals from key international certification bodies including BV (Bureau Veritas), LRS (Lloyd's Register), and IRS (Indian Register of Shipping) for our shipbuilding steel sections and higher-grade weld consumables. These certifications will significantly expand the addressable market for KDAIL's products both domestically in India's growing shipbuilding sector and internationally and are expected to become important growth enablers in the near term.



Governance

At Krishna Defence and Allied Industries Limited, good governance is not merely a compliance requirement, it is a core value that underpins every aspect of how we operate, communicate, and grow. We believe that sustainable, long-term value creation for our shareholders is only possible when built on a foundation of transparency, accountability, and ethical conduct. Our governance framework is designed to ensure that these principles are embedded across all levels of the organisation.

Compliance with Industry Standards

We operate within a comprehensive regulatory compliance framework to ensure full adherence to applicable laws, industry regulations, and quality benchmarks relevant to our sectors. Regular internal and external audits are carried out to measure performance against compliance requirements, identify areas of improvement, and ensure swift corrective action. Our dedicated compliance committees proactively monitor regulatory updates, ensuring that policy changes are promptly reflected in our internal governance systems. In FY26, the receipt of our AS9100D certification further elevated our compliance posture incorporating the rigorous quality, safety, and reliability requirements of international aerospace and defence standards into our manufacturing governance framework.

Regular Reporting

Transparency is a core value at KDAIL. We communicate openly with our stakeholders through annual reports, audited financial statements, and sustainability disclosures, providing clear, accurate, and timely information on our operations, governance practices, and social responsibility initiatives. We are committed to ensuring that our shareholders, investors, and other stakeholders have access to the information they need to make informed decisions.

Stakeholder Engagement

We engage regularly with our stakeholders through Annual General Meetings, shareholder conferences, and investor communications, offering a platform to discuss governance matters, share operational and financial updates, and gather valuable feedback to further enhance our practices. We value these interactions as an important part of building long-term trust and confidence.

Communication Channels

To ensure accessibility and awareness, we make our governance policies, regulatory updates, and key corporate initiatives publicly available through our corporate website and other official communication platforms, enabling all stakeholders to always stay informed. As our business scales and our profile in India's defence sector grows, we are committed to continuously strengthening our governance infrastructure to match our ambitions.

Investor Relations

Our dedicated Investor Relations function ensures prompt, accurate, and consistent communication with investors and the broader financial community. All governance-related inquiries are addressed in a timely manner, reinforcing trust and confidence in the Company's management and direction. We are committed to maintaining the highest standards of disclosure and communication as KDAIL continues to grow.

Board of Directors



Mrs. Preyal Shah

Chairperson & Non-Executive Director



Mr. Ankur Shah

Managing Director



Mr. Divyakant Zaveri

Independent Director



Mr. Jaykumar Toshniwal

Independent Director



RAdm Anil Dutta

Independent Director

Senior Management



Mr. Ankur Shah
Managing Director



Mr. Ravindranatha Maroli
General Manager



Mr. Rohit Shintre
Product Development
Head



Mr. Ajinkya Gaikwad
CEO (Composite Division)



Mrs. Gunjan Bhagtani
Company Secretary



Mr. Manish Shah
Chief Financial Officer

Corporate Information

BOARD OF DIRECTORS

Mrs. Preyal Ankur Shah
Chairperson & Non-Executive Director

Mr. Ankur Ashwin Shah
Managing Director

Mr. Divyakant Ramniklal Zaveri
Independent Director

RAdm Anil Kumar Dutta (Retd, IN)
Independent Director

Mr. Jaykumar Toshniwal
Independent Director

CHIEF FINANCIAL OFFICER

Mr. Manish Shah

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Gunjan Bhagtani

STATUTORY AUDITORS

M/s. CNK & Associates LLP
Chartered Accountants, Vadodara

SECRETARIAL AUDITORS

DRP & Associates,
Practicing Company Secretary, Vadodara

BANKERS

Axis Bank Limited
Punjab National Bank

REGISTRAR & SHARE TRANSFER AGENT: BIGSHARE SERVICES PRIVATE LTD.

E-3 Ansa Industrial Estate
Saki Vihar Road, Sakinaka
Mumbai-400072
Email: investor@bigshareonline.com
Website: www.bigshareonline.com

REGISTERED OFFICE

344, Floor-3, Plot-267,
A To Z Industrial Estate,
Ganapatrao Kadam Marg, Lower Parel,
Delisle Road, Mumbai,
Maharashtra, 400013 India

PLANT-I

Plot No. I 2 I /8/9/20/21 /22/23-24,
GIDC Estate, Kaloi,
Panchmahals,
Gujarat, 389330

PLANT-II

Plot No: 503/A and 503/D/3/1
GIDC Estate,
Halol - 389350

Statutory Reports

Boards Report

Dear Shareholders,

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company") along with the audited financial statements, for the financial year ended March 31, 2026.

01. Financial Highlights

(₹ in Lakh)

Particulars	2025-26	2024-25
Revenue from Operations	24,478.22	18,961.38
Other Income	326.84	287.81
Total Revenue	24,805.06	19,249.19
Expenses:		
Cost of materials consumed	8,625.43	11,441.64
Purchases of Stock-in-Trade	264.44	371.20
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	3,671.34	(2,019.93)
Employee benefit expenses	2,032.40	1,686.18
Finance costs	38.02	94.92
Depreciation and amortization expenses	410.33	275.34
Job Work & Labour Charges	1,825.03	2,329.18
Other expenses	2,856.88	2,091.11
Total expenses	19,723.86	16,269.62
Profit /(Loss) before Tax	5,081.20	2,979.57
Less: Tax Expenses		
Current Tax	1,345.38	772.85
Tax of earlier years (Net)	(18.54)	6.07
Deferred Tax Liability	(57.75)	(2.22)
Profit for the period	3,812.12	2,202.87

02. Company's Performance

The revenue from operations during the year 2025-26 has increased to Rs. 24,478.22 Lakhs as compared to Rs. 18,961.38 Lakhs in the last financial year which shows increase of 29.10% of previous year's revenue. The Profit before tax is Rs. 5,081.20 Lakhs for FY 2025-26 as compared to Rs. 2,979.57 Lakhs in the last financial year. The company has made profit after tax of Rs. 3,812.12 Lakhs for FY 25-26 as compared to Rs. 2,202.87 Lakhs in the last financial year. During the Financial Year 2025-26, your Company has migrated from the SME Platform of National Stock Exchange (NSE) to Capital Market Segment (Main Board) pursuant to Migration with effect from on 30th December, 2025 vide NSE letter NSE/LIST/287 dated 26th December, 2025.

03. Management Discussion & Analysis

A detailed review of the operations, performance and future outlooks of the Company and its businesses is given in the Management Discussion and Analysis Report which forms part of this Report as Annexure I.

04. Directors and Key Managerial Personnel

Following changes incorporated during the financial year 2025-26:

1. Mr. Anil Kumar Dutta appointment was confirmed by the shareholders of the Company in the Postal Ballot 09th May, 2025.
2. There was a demise of Mr. Sandeep Ramrao Kadam (DIN: 06841164), Whole-time Director of the Company, on 27th March 2026.

However, after the end of Financial Year and before issuance of Board Report

3. Mr. Piyush Harjibhai Patel resigned from the post of Chief Financial Officer of the Company on 07th April 2026.
4. Mr. Manish Shah was appointed as a Chief Financial Officer of the Company by Board of Directors on 11th April 2026.

5. Mr. Harshadsinh Mahida was appointed as an Additional Whole Time Director of the Company by Board of Directors on 17th June 2026.

Re-appointments/ Appointments to be considered:

Mrs. Preyal Ankur Shah DIN (06966962), Director of the Company and eligible for re-appointment has given her consent and declaration under Form DIR-8 pursuant to Section 164(2) read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. Ankur Ashwin Shah (DIN: 01166537), Managing Director of the Company and eligible for re-appointment has given his consent and declaration under Form DIR-8 pursuant to Section 164(2) read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

Relevant resolutions (Ordinary and Special, as applicable) seeking shareholders' approval forms part of the Notice. Details of Mr. Ankur Ashwin Shah (DIN: 01166537), Managing Director seeking re-appointment as per Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and as per prevailing Secretarial Standards issued by ICSI, is already annexed to the notice of the annual general meeting.

Mr. Jaykumar Toshniwal (DIN: 00609542), and Mr. Divyakant Ramniklal Zaveri (DIN: 01382184), Independent Director of the Company and eligible for re-appointment has given their consent and declaration under Form DIR-8 pursuant to Section 164(2) read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

Mr. Harshadsinh Mahida (DIN: 11760208), appointed as an Whole-time director of the Company with effect from 17th June 2026, the Board of Directors has approved his appointment as Whole-time Director of the Company, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Accordingly, a Special Resolution seeking shareholders' approval for his appointment as Whole-time Director is included in the Notice convening the ensuing Annual General Meeting. The relevant details and disclosures as required under the Companies Act, 2013 are provided in the Explanatory Statement annexed to the Notice of the Annual General Meeting.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2026 are:

- Mr. Ankur Ashwin Shah – Managing Director
- Mr. Piyush Patel- Chief Financial Officer
- Ms. Gunjan Bhagtani- Company Secretary and Compliance Officer

The List of Directors for F.Y. 2025-2026 are as under:

Name of Director	Category Cum Designation	Date of Appointment	No. of Shares held as on March 31, 2026
Mr. Ankur Ashwin Shah	Managing Director	10/09/2013	54,53,890
Mr. Divyakant Ramniklal Zaveri	Independent Director	23/08/2021	-
Mr. Jaykumar Toshniwal	Independent Director	23/08/2021	-
Mrs. Preyal Ankur Shah	Chairman & Non-Executive Director	11/01/2022	3,36,000
Mr. Anil Kumar Dutta	Independent Director	25/03/2025	-
*Mr. Sandeep Ramrao Kadam	Whole-time Director	11/03/2014	3,936

* Mr. Sandeep Ramrao Kadam's demise occurred on 27th March 2026; hence he is no longer a Whole-time Director of the Company w.e.f; 27th March 2026.

05. Transfer to General Reserve

The Company does not propose to transfer any amount to the general reserve out of the amount available for appropriation.

06. Dividend

During the Financial Year 2025-26 the Final Dividend for 2024-25 was paid in the month of October further, for the Financial Year 2025-26, the Board of Directors have recommended final dividend of ₹ 1.25 per share on 20th May, 2026.

Accordingly, total dividend of ₹ 1.25 per share as final dividend for the financial year 2025-26 be considered, if approved by the members will be paid within the statutory time limit.

07. Change in Nature of Business:

During the year, the Company has not changed its business or object and continues to be in the same line of business as per the main object of the Company.

08. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

The provision of Section 125 applies to the extent of transferring the unclaimed dividend in to the unclaimed dividend account and the Company is in compliance with the same.

09. Share Capital

Authorised Capital:

During the period under review, the Company had Authorized Share Capital of Rs. 20,00,00,000 divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10 (Ten) Each.

Issued, Subscribed & Paid-Up Capital:

At the beginning of the financial year the paid-up share capital of the Company was 1,40,59,026 shares of 10/- each amount to ₹ 14,05,90,260.

During the period under review, the company has further converted 8,60,000 warrants into equity shares amounting to 8,60,000 each convertible into one fully paid-up equity share of the Company in two tranches i.e., 5,41,000 shares were issued on 26.06.2025 & 3,90,000 shares were issued on 25.07.2025 respectively.

Therefore, the paid-up capital increased to Rs. 14,91,90,260.

During the period under review, your Company has allotted 13,166 (Thirteen Thousand One Hundred Sixty-Six) Equity Shares of face value of Rs. 10/- of the Company fully paid up, to the eligible employees in accordance with the terms of respective ESOP Scheme.

The trading approval for 13,166 shares is received from the stock exchange on February 19, 2026 and thus the listed capital increased to Rs. 14,93,21,920.

Further, your Company has allotted 1,196 (One Thousand One Hundred Ninety-Six) Equity Shares of face value of Rs. 10/- of the Company fully paid up to the eligible employee in accordance with the terms of respective ESOP Scheme.

The trading approval for 1,196 shares is received from the stock exchange on April 17, 2026 and thus the listed capital as on the date is Rs. 14,93,33,880.

During the period under review, your Company has not bought back any of its securities / has not issued any Sweat Equity Shares / has not issued shares with Differential Voting rights and there has been no change in the voting rights of the shareholder.

10. Employee Stock Option Schemes

With a view to attract, reward and retain talented and key employees in the competitive environment and encourage them to align individual performance with Company objectives, the Company has introduced 'Employee Stock Option Scheme (hereinafter referred to as "ESOP I" / the "Scheme" or the "Plan").

The company has granted Employee Stock options to selected Employees, the same is elaborated in relevant part of the report in **Annexure VIII**.

11. General Meetings

During the year under review, the following General Meetings were held, the details of which are given as under:

Sr. No	Date of Meeting	Type of Meeting
01	19th September, 2025	Annual General Meeting
02	09th May, 2025	Extra Ordinary General Meeting by way of Postal Ballot

12. Disclosure by Directors

The Directors on the Board have submitted notice of interest under Section 184(1) i.e. in Form MBP 1, intimation under Section 164(2) i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company.

13. Change in Registered Office

During the year, there was no change in the Registered Office of the Company.

14. Material Changes and Commitment if any Affecting the Financial Position of the Company Occurred Between the End of the Financial Year to Which This Financial Statements Relate and the date of the Report

There have been no material changes or commitments affecting the financial position of the company occurred between the end of the financial year and the date of this report.

15. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo:

Information as required to be given under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in the annexure to this report as **Annexure - II**.

16. Statement Concerning Development and Implementation of Risk Management Policy of The Company

The Company has been taking a proactive approach concerning the development and implementation of a Risk Management Policy after identifying the

following elements of risks which in the opinion of the Board may threaten the very existence of the Company itself. (a) financial; (b) legal and regulatory; (c) operating; and (d) commercial risks, including health, safety and environment. The Company does not have any Risk Management Committee as the Board takes into consideration all the risk factors at regular intervals at its meetings.

17. Corporate Social Responsibility

During the Financial Year 2025-26, the Company carried out CSR activities as mandated by the law.

The CSR initiatives undertaken during the financial year 2025-26 and the Annual Report on CSR activities as required by the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in 'Annexure V' to this Report.

18. Insurance

The Company has a broad-banded approach towards insurance. Adequate cover has been taken for all movable and immovable assets against numerous risks and hazards.

19. Disclosure for compliance with other statutory laws

19 (i) Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013.

Your Company has always believed in providing a safe and harassment free workplace for every women employee working with your Company. Your Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

Your Company has a zero tolerance for sexual harassment at workplace and, therefore, has in place a policy on prevention of sexual harassment at workplace. The said policy is in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

During the year, the number of complaints received and disposed is mentioned below:

Sr. No.	Grievance Details	
(a)	number of complaints of sexual harassment received in the year;	0
(b)	number of complaints disposed off during the year;	0
(c)	number of cases pending for more than ninety day	0

19 (ii) Disclosure of Number of Employees as on the closure of Financial Year

Female	15
Male	174
Transgender	0

20. Compliance with Maternity Benefit Act, 1961

The Company is in compliance with Maternity Benefit Act, 1961. Current Leave policy of the company is in line with provisions of Maternity Benefit Act, 1961 and other applicable labour laws and rules made thereunder. All employees are covered under the said policy.

21. Details of Application Made or any Proceeding Pending Under Insolvency and Bankruptcy Code, 2016

During the year under Review, neither any application was made nor any proceedings were pending under Insolvency and Bankruptcy Code, 2016.

22. The Details of Difference Between Amount of the Valuation Done at the Time of One - Time Settlement and the Valuation Done While Taking Loan from the Banks or Financial Institutions Along with the Reasons Thereof

There was no such case during the financial year, hence not applicable.

23. Particulars of Loans, Guarantees or Investments Made Under Section 186 of the Companies Act, 2013

The Company has not granted any new Loan or Guarantee to Company, any person or body corporate except loan to employees of the Company as per Company's policy for employees

However, corporate guarantee of Rs. 5.00 crore issued in favour of the bankers of its associate company, Waveoptix Defence Solutions Private Limited, was outstanding as at 31st March, 2026

a) Investment of Rs. 1,76,00,000 for acquisition of 20% stake in Conceptia Software Technologies Private Limited. The said Company became an Associate Company of by virtue of acquisition.

After the Closure of Financial Year but before the issuance of this report, the following investments were made by the Company:

- b) Investment of Rs. 51,000/- in Krishna Vabo Defence Composites Private Limited, a Joint Venture in the nature of subsidiary of the Company.
- c) Investment of Rs. 4,00,04,800/- in Taharabadkar Solutions Private Limited. The said Company became an Associate Company of by virtue of investment.
- d) Investment of Rs. 50,100/- in XSub Robotics Private Limited, the said entity became a Joint Venture in nature of subsidiary of the Company.

The details of Loans given, Investments made and guarantees given and securities provided under the Section 186 of the Companies Act, 2013, have been provided in the notes to the Financial Statements.

24. Details of Significant & Material Orders Passed by the Regulators or Courts

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

25. Maintenance of Cost Records and Cost Audit

Cost records as specified by the Central Government under sub-section 1 of section 148 of the Companies Act, 2013, are maintained by the Company for the financial year 2025-26.

The Cost Audit was carried out as per the provisions of Companies Act, 2013. The Cost Audit for the Financial Year 2025-26 was carried out by M/s. Y S Thakar (FRN: 000318) and the Cost Audit Report was taken on record by the Audit Committee and the Board of Directors.

26. Company's Policy Relating to Directors Appointment, Payment of Remuneration and Discharge of their Duties

The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 is available on the website of the Company at and have been displayed on website <https://www.krishnaallied.com>.

27. Formal Annual Evaluation

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and individual Directors which includes criteria for performance evaluation of executive directors and non-executive directors.

In evaluating the suitability of individual Board members, the Committee may take into account factors, such as;

- I. General understanding of the Company's business;
- II. Educational back ground and experience;
- III. Personal and professional ethics, integrity and values;
- IV. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

28. Auditors

I. Statutory Auditor

Pursuant to provision of Section 139 of the Companies Act read with the Companies (Audit & Auditors) Rules, 2014, M/s. CNK & Associates LLP, Chartered Accountants, Vadodara (holding Registration No. 101961W) Statutory Auditors of the Company will be completing their tenure at the ensuing Annual general Meeting.

Therefore, pursuant to provision of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the Members are requested to re-appoint M/s. CNK & Associates LLP, Chartered Accountants, Vadodara (holding Registration No. 101961W) at the ensuing Annual General Meeting to hold office for another term of 5 years i.e. from conclusion of 13th AGM until the Conclusion of 18th AGM to be held in Financial Year 2030-31.

Consent and certificate from them have been received to the effect that their appointment as Statutory Auditors of the Company, if any, would be according to the terms and conditions prescribed under Section 139 of the Act and Rules framed thereunder.

The Report issued by M/s. CNK & Associates LLP, Chartered Accountant (FRN: 101961W), Statutory Auditor for FY 2025-26 does not contain any qualification, reservation, adverse remark or disclaimer.

II. Cost Auditor

M/s. Y S Thakar & Co. (FRN: 000318) were the Cost Auditors of the Company for Financial Year 2025 & 2026. However, due to their retirement they have ceased to be cost auditors of the Company. Based on the recommendation of the Audit Committee, M/s. Zarna Thakar & Associates., Cost Accountants, being eligible, have been appointed by the Board of Directors in their meeting held on 20th May, 2026 as the Cost Auditors for F.Y. 2026-27 to carry out the cost audit of the company for financial year 2026-27.

The remuneration to be paid shall be subject to ratification by the shareholders at the ensuing annual general meeting of the Company.

III. Internal Auditor

M/s Shilmi J Patel & Co. Chartered Accountants, Vadodara, FRN-154683W, were the Internal Auditor of the Company. The Internal Auditors has conducted periodic audit of operations of the Company. The Audit Committee of the Board of Directors has reviewed the findings of Internal Auditors regularly.

Mr. Niket Shah & Associates, Chartered Accountants, Vadodara, are appointed as Internal Auditor of the Company at the Board meeting held on 20.05.2026, based on the recommendations of the Audit Committee.

IV. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. DRP & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. Due to dissolution of the firm the Company has proposed to the Shareholders based on the recommendations of the Board & Audit Committee to appoint M/S. Prerna Bokhil & Associates, Peer Review No: 6953/2025 as Practicing Company Secretaries with effect from Financial Year 2026-27, for a period of Five years.

29. Secretarial Audit Report

The secretarial audit of the Company has been conducted on a concurrent basis in respect of the matters as set out in the said rules and Secretarial Audit Report given by DRP & Associates., Company Secretaries, Vadodara, Secretarial Auditor of the Company forms part of this report and is marked as **Annexure-III**.

There were no qualifications, reservations or adverse remarks made by DRP & Associates., Company Secretaries, Vadodara, Secretarial Auditors of the Company, in their report.

30. Annual Return

In compliance with Section 92(3) and 134(3)(a) of the Act, Annual Return is uploaded on Company's website and can be accessed at <https://krishnaallied.com/annual-returns/>

31. Disclosure Under Rule-5 of the Companies (Appointment And Remuneration) Rules, 2014

Disclosure required under Section 197 of the Companies Act, 2013 read with Rule-5 of the Companies (Appointment and remuneration) Rules, 2014 have been annexed as **Annexure- IV**.

32. Particulars of Contracts or Arrangements Made With Related Parties

Contracts or arrangements with related parties referred to under Section 188 of the Companies Act, 2013 entered into during the year under review, were on an arm's length basis. No material contracts or arrangements with related parties were entered into during the year under review.

The particulars of contracts or arrangements with related parties given in "Form AOC-2" are given in **Annexure VI** forming part of this Report.

33. Corporate Governance

Company migrated on NSE (Main Board) platform on 30th December, 2025, the compliance regarding Corporate Governance Report is now applicable to the Company from 30th December, 2025.

A detailed corporate governance report including compliance certificate received from M/s. DRP & Associates, Practicing Company Secretaries, regarding compliance of conditions of corporate governance as stipulated in Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 is attached as **Annexure X**.

The management discussion and analysis report as stipulated in Regulation 34 (2) (e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 has been annexed to Directors' report as **Annexure I**.

The requirement of submitting Business Responsibility and Sustainability Reporting as stipulated in Regulation 34 (2) (f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 is applicable to top 1000 listed companies on the basis of market capitalization and shall continue to apply for a period of three consecutive years as per Regulation 3 of SEBI (LODR) Regulations, 2025. The Company does not fall under top 1000 listed companies on basis of market capitalization from FY 2025-26 and have remained outside the applicable threshold for a period of three consecutive years, therefore the Business Responsibility and Sustainability Reporting as stipulated in Regulation 34 (2) (f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 is not applicable to the Company from the financial year 2025-26.

34. Number of Board Meetings Conducted During the Year Under Review

The Board of the Company regularly meets to discuss various Business opportunities. Additional Board meetings are convened, as and when required to discuss and decide on various business policies, strategies and other businesses.

The Company had nine Board meetings during the financial year under review:

Sr. No	Date of Meeting	Number of Directors entitled to Attend Meeting	No. of Directors Attended Meeting
1	08.04.2025	6	5
2	20.05.2025	6	6
3	26.06.2025	6	6
4	25.07.2025	6	6
5	21.08.2025	6	6
6	26.09.2025	6	5
7	14.11.2025	6	5
8	14.02.2026	6	6
9	30.03.2026	5	5

The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the erstwhile Listing Agreement.

35. Audit Committee

The Audit Committee is duly constituted in accordance Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 & Regulation 18 of Listing Regulations as amended from time to time. It adheres to the terms of reference which is prepared in compliance with Section 177 of the Companies Act, 2013.

The Company Secretary acts as the Secretary to the committee and the Committee Members are:

Name of Members	Chairman/Member	Nature of Directorship	No. of Meeting Held	No. of Meeting At- tended
Mr. Divyakant Ramniklal Zaveri	Chairman	Independent Director	9	9
Mr. Jaykumar Toshniwal	Member	Independent Director	9	9
Mr. Ankur Ashwin Shah	Member	Managing Director	9	9

Two third of the members are Independent Directors and all the members are financially literate. The composition, role, functions and powers of the Audit Committee are in line with the requirements of applicable laws and regulations. The Audit Committee shall oversee financial reporting process and disclosures, review financial statements, internal audit reports, related party transactions, financial and risk management policies, auditors' qualifications, compliance with Accounting Standards etc. and oversee compliance with Stock Exchanges and legal requirements concerning financial statements and fixation of audit fee as well as payment for other services etc.

During the year under review nine Audit Committee Meetings were held on 08.04.2025, 20.05.2025, 26.06.2025, 25.07.2025, 21.08.2025, 26.09.2025, 14.11.2025, 14.02.2026, and 30.03.2026.

36. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in accordance with Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 & Regulation 19 of Listing Regulations as amended from time to time.

The Company Secretary acts as the Secretary to the committee and the Committee Members are:

Name of Members	Chairman/Member	Nature of Directorship	No. of Meeting Held	No. of Meeting At- tended
Mr. Divyakant Ramniklal Zaveri	Chairman	Independent Director	5	5
Mr. Jaykumar Toshniwal	Member	Independent Director	5	5
Mrs. Preyal Ankur Shah	Member	Chairperson & Non-Ex-ecutive Director	5	5

During the year under review five Nomination and Remuneration Committee Meetings were held on 08.04.2025, 20.05.2025, 21.08.2025, 14.02.2026, and 30.03.2026.

37. Stakeholders Relationship Committee

The Stakeholders Relationship Committee was duly constituted and is in compliance with the requirements of Section 178 of the Companies Act, 2013 & Regulation 20 of Listing Regulations.

Company Secretary is the Compliance Officer, who acts as the Secretary to the Committee and the Members of the Committee are:

Name of Members	Chairman/Member	Nature of Directorship	No. of Meeting Held	No. of Meeting At- tended
Mr. Jaykumar Toshniwal	Chairman	Independent Director	1	1
Mr. Divyakant Ramniklal Zaveri	Member	Independent Director	1	1
Mr. Sandeep Kadam Ramrao	Member	Whole-Time Director	1	N.A.

The Stakeholders Relationship Committee looks into shareholders' complaints related to transfer of shares, non-receipts of balance sheet besides complaints from SEBI, Stock Exchanges, Court and various Investor Forums. It oversees the performance of the Registrars and Transfer Agent and recommends measures for overall improvement in the quality of investor services. The Company is in compliance with the SEBI SCORES, which has initiated by SEBI for processing the investor complaints in a centralized web-based redress system and online redressal of all the shareholders complaints.

During the year under review, no grievances were received based on the reports from Bigshare Services Private Limited and on Scores portal. The Committee meeting was held on 30.03.2026.

Due to demise of Mr. Sandeep Ramrao Kadam on 27th March 2026, only two members were present in the SRC meeting held on 30th March 2026. In order to fill the vacancy, the Board of Directors appointed Mr. Ankur Ashwin Shah as a member of the SRC Committee in the consequent meeting held on 30th March 2026.

The revised Composition of Stakeholders' Relationship Committee is as under:

Name of Members	Chairman/Member	Nature of Directorship
Mr. Jaykumar Toshniwal	Chairman	Independent Director
Mr. Divyakant Ramniklal Zaveri	Member	Independent Director
Mr. Ankur Ashwin Shah	Member	Managing Director

38. CSR Committee

The details of members of CSR Committee is as under:

Name of Members	Chairman/Member	Nature of Directorship	No. of Meeting Held	No. of Meeting At- tended
Mr Ankur Ashwin Shah	Chairman	Managing Director	1	1
Mr Divyakant Ramniklal Zaveri	Member	Independent Director	1	1
Mr Sandeep Ramrao Kadam	Member	Whole-Time Director	1	1

The CSR Committee meeting was held on 20.05.2025.

Due to demise of Mr. Sandeep Ramrao Kadam on 27th March 2026, in order to fill the vacancy, the Board of Directors appointed Mrs. Preyal Ankur Shah as a member of the CSR Committee meeting in the consequent meeting held on 30th March 2026.

The revised Composition of CSR Committee is as under:

Name of Members	Chairman/Member	Nature of Directorship
Mr. Ankur Ashwin Shah	Chairman	Managing Director
Mr. Divyakant Ramniklal Zaveri	Member	Independent Director
Mrs. Preyal Ankur Shah	Member	Non-Executive Director

39. Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any Subsidiary or Joint venture as on 31st March 2026.

However, the Company has two associate companies:

- I. Waveoptix Defence Solution Private Limited with a stake of 40%

II. Conceptpia Software Technologies Private Limited with a stake 20 %

Further, the Company has incorporated / invested in the following companies after the closure of Financial Year:

- (a) Krishna Vabo Defence Composites Private Limited on 02nd April, 2026 with a stake of 51%.
- (b) X-Sub Robotics Private Limited on 27th April, 2026 with a stake of 50.01 %
- (c) Taharabdkar Solutions Private Limited on 12th May, 2026 with a stake of 46.81%

Further, pursuant to provisions of Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's Joint venture in Form AOC-1 is attached as **Annexure VII** to the Board's Report.

40. Compliance Officer

The Compliance Officer cum designated Company Secretary of the Company for the financial year 2025-26 was Mrs. Gunjan Bhagtani.

41. Registrar and Share Transfer Agent

The Company has appointed Bigshare Services Private Limited as its Registrar and Share Transfer Agent.

42. Internal Control Systems & Their Adequacy

Internal controls encompass a set of rules, policies and procedures to provide reasonable assurance for achievement of the organizational objectives in operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies. Your Company's internal control systems are commensurate with the size and nature of its operations, which records transactions and operations; ensures protection against misuse or loss of the Company's assets; ensures efficiency in operations of the plant and facilitates transparency and accuracy of financial reporting.

The reports of the Internal Auditor are reviewed by the Audit Committee. The Audit Committee also reviews adequacy of internal controls, system and procedures, insurance coverage of assets from various risks and steps are taken to manage foreign currency exposures. The Audit Committee also interacts with Internal Auditors and Statutory Auditors of the Company to ensure compliance of various observations made during the conduct of audits and adequacy of various controls.

43. Deposits

The Company has not invited deposit from members or public. Therefore, the details relating to deposits, covered under Chapter V of the Act is not applicable.

44. Website

The corporate website is <https://www.krishnaallied.com> reflecting the details and business of the company. Also, the website displays financial & corporate information.

45. Declaration of Independent Directors

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1) (b) and 25(8) of the SEBI Listing Regulations, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulations 16(1) (b) of the SEBI Listing Regulations. In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

The Board of directors of the Company has taken on record the declaration and confirmation submitted by the independent directors after undertaking due assessment of the veracity of the same. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

46. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms 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 the financial year and of the profit 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 on a going concern basis; and
 - e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. Internal financial control means the policies and procedures adopted by the Company 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.
 - 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.

47. Details in Respect of Frauds Reported by Auditors

During the year under review, there were no frauds reported by the Company or fraud on the Company by the officers and employees of the Company has been noticed or reported or no fraud are reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013.

48. Vigil Mechanism/ Whistle Blower Policy

The Company has adopted the whistle blower mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct and ethics. The Company has a "VIGIL MECHANISM / WHISTLE BLOWER POLICY", the copy of which is available on the website of the Company, namely <https://www.krishnaallied.com>

49. Safety & Environment

The Company is committed to providing a safe and healthy working environment and achieving an injury and illness free workplace.

50. Listing Fees

The Equity Shares of the Company are listed on NSE – Capital Market Segment and the Company has paid the annual listing fees for the year 2026-2027.

51. Human Resource

Your Company considers its Human Resource as the key to achieve its objective. Keeping this in view, your Company takes utmost care to attract and retain quality employees. Your Company appreciates the spirit of its dedicated employees.

52. Green Initiatives

In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 13th Annual General Meeting of the Company including the Annual Report for Financial Year 2025-26 are being sent to all Members whose e-mail addresses are registered with the Company/ Depository Participant(s).

53. Acknowledgements

The Board of Directors is grateful and wish to record its appreciation for the co-operation and support of the shareholders of the Company, Bankers of the Company, clients of the Company and all employees including the workers, staff and management and all others concerned with the Company's business.

Your directors gratefully acknowledge the on-going support and co-operation provided by Central and State Government, Stock Exchange, SEBI, NSDL,

By Order of the Board of Directors

Krishna Defence and Allied Industries Limited

Place: Halol

Date: 17.06.2026

S/D

Ankur Shah

Managing Director

DIN: 01166537

S/D

Preyal Shah

Chairperson & Director

DIN: 06966962

Annexure I

Management Discussion & Analysis

Global economy

Overview

After withstanding higher trade barriers and elevated uncertainty last year, global activity now faces a major test from the outbreak of war in the Middle East. Assuming that the conflict remains limited in duration and scope, global growth is projected to slow to 3.1 percent in 2026 and 3.2 percent in 2027. Global headline inflation is projected to rise modestly in 2026 before resuming its decline in 2027. Slowdown in growth and increase in inflation are expected to be particularly pronounced in emerging market and developing economies.

Outlook

The global economy is again disrupted, this time with the outbreak of war in the Middle East. Rising commodity prices, firmer inflation expectations, and tighter financial conditions are testing the recent resilience. Global inflation is expected to tick up in 2026 and resume its decline in 2027. Pressures are concentrated in emerging market and developing economies, especially commodity importers with preexisting vulnerabilities. Risks are decisively on the downside. A prolonged conflict, deeper geopolitical fragmentation, disappointment over AI-driven productivity, or renewed trade tensions could weaken growth and unsettle markets. High public debt and eroded policy buffers add vulnerability. Policies should foster adaptability, enhance credibility, and reinforce international cooperation.¹Downside risks dominate the outlook. A longer or broader conflict, worsening geopolitical fragmentation, a reassessment of expectations surrounding artificialintelligencedriven productivity, or renewed trade tensions could significantly weaken growth and destabilize financial markets. Elevated public debt and eroding institutional credibility further heighten vulnerabilities. At the same time, activity could be lifted if productivity gains from AI materialize more rapidly or trade tensions ease on a sustained basis.

World Economic Outlook Growth Projections

(Real GDP, annual percent change)	PROJECTIONS		
	2025	2026	2027
World Output	3.4	3.1	3.2
Advanced Economies	1.9	1.8	1.7
United States	2.1	2.3	2.1
Euro Area	1.4	1.1	1.2
Germany	0.2	0.8	1.2
France	0.9	0.9	0.9
Italy	0.5	0.5	0.5
Spain	2.8	2.1	1.8
Japan	1.2	0.7	0.6
United Kingdom	1.3	0.8	1.3
Canada	1.7	1.5	1.9
Other Advanced Economies	3.0	2.6	2.2
Emerging Market and Developing Economies	4.4	3.9	4.2
Emerging and Developing Asia	5.5	4.9	4.8
China	5.0	4.4	4.0
India	7.6	6.5	6.5
Emerging and Developing Europe	2.0	2.0	2.1
Russia	1.0	1.1	1.1
Latin America and the Caribbean	2.4	2.3	2.7
Brazil	2.3	1.9	2.0
Mexico	0.6	1.6	2.2
Middle East and Central Asia	3.6	1.9	4.6
Saudi Arabia	4.5	3.1	4.5
Sub-Saharan Africa	4.5	4.3	4.4
Nigeria	4.0	4.1	4.3
South Africa	1.1	1.0	1.3
Memorandum			
Emerging Market and Middle-Income Economies	4.4	3.8	4.1
Low-Income Developing Countries	4.8	4.8	4.9

Source: IMF-style compilation, World Economic Outlook, April 2026

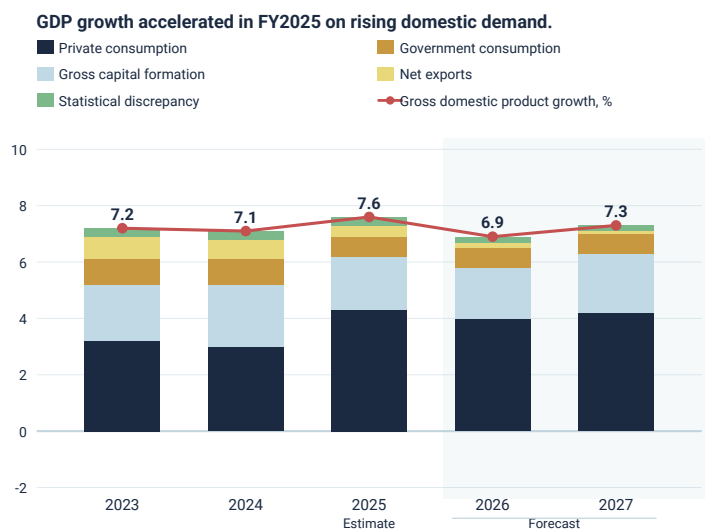
Note: For India, data and projections are presented on a fiscal year (FY) basis, with FY 2025/26 (starting in April 2025) shown in the 2025 column. India's growth projections are

Indian economy

Overview

Economic growth accelerated in fiscal year 2025 (FY2025, ended 31 March 2026) amid resilient household consumption, steady public investment, and lower-than-expected drag from net exports. GDP growth is projected to decline to 6.9% in FY2026 primarily due to external challenges, and expand to 7.3% in FY2027 as consumption and investment benefit from favorable policies and the external environment improves. Inflation is forecast to rise to 4.5% in FY2026 amid conflict in the Middle East, before easing to 4.0% in FY2027 as food prices moderate. A key policy challenge is to rationalize subsidies and transfers to protect vulnerable groups while preserving fiscal space for growth-enhancing public investment.

Real GDP grew by 7.6% in FY2025, higher than the 7.1% recorded in FY2024, supported by resilient household consumption and steady public investment. Private final consumption expenditure growth increased to 7.7% in FY2025 from 5.8% in FY2024, stimulated by lower income tax and goods and services tax (GST) and falling food prices. Government consumption grew 6.6%, helped by slower fiscal consolidation. Investment expanded a robust 7.1% as private investment responded to easing financial conditions, including falling interest rates, complementing an increase in public capital expenditure. Exports grew by 6.5% despite the impact of higher US reciprocal tariffs on several Indian goods, while imports grew at 6.4%.



FY = fiscal year, GDP = gross domestic product.
 Notes: Years are fiscal years ending on 31 March of the next year.
 Sources: Ministry of Statistics and Programme Implementation; CEIC Data Company.

Table 2.15.1 Selected Economic Indicators, %

Growth will moderate this fiscal year but rise in FY2027, while inflation will rise this fiscal year and moderate in FY2027.

	2024	2025	2026	2027
GDP growth	7.1	7.6	6.9	7.3
Inflation	4.6	2.1	4.5	4.0

GDP = gross domestic product.
 Note: Years are fiscal years ending on 31 March of the next year.
 Sources: Ministry of Statistics and Programme Implementation, Government of India; Reserve Bank of India; Asian Development Bank estimates.

On the supply side, a buoyant services sector and recovery in the manufacturing sector led growth in FY2025. Services sector growth accelerated to 9.0% in FY2025 compared to 7.9% in FY2024 (Figure 2.15.2). This was helped by 9.9% growth in financial, real estate, and professional services, as the sector shifted towards high-value-added services and on continued robust real estate demand. Trade, hotel, transport, and communication services grew by 10.1%. The industrial sector grew by 8.8%, underpinned by a 11.5% expansion in manufacturing, helped by higher domestic demand and falling input prices.

With a prolonged conflict now more likely, downside risks to the outlook have increased substantially. A prolonged conflict in the Middle East could undermine India's macroeconomic performance through multiple channels. These include higher energy prices, disruptions to trade flows, and weaker remittance inflows given the region's continued importance for India's external sector. Higher global oil prices would put upward pressure on inflation, significantly widen the current account deficit, and weigh on growth by increasing input costs. The extent of the impact would depend on the degree of pass-through to domestic fuel prices. While limited pass-through could cushion the effect on inflation and growth in the near term, it would increase fiscal pressure through higher subsidy requirements.²

Industry overview

Global defence industry³

Global defence spending grew in 2025, reaching USD2.63 trillion, up from USD2.48 trillion in 2024. Spending also rose in real terms by 2.5%. This uplift was driven by strong spending increases in Europe and the Middle East. In Europe, defence-industrial developments were marked by a surge in venture capital investment in defence start-ups, alongside EU member states enhancing Brussels' role in coordinating industrial and procurement efforts.

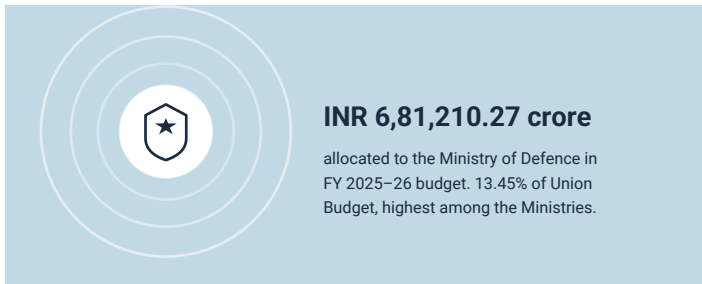
Key Signals and Implications for 2026

SIPRI estimates that world military expenditure reached [USD 2.718 trillion](#) in 2024, a 9.4% real-terms increase versus 2023 and the steepest year-on-year rise since at least 1988.

PwC's topline for the industrial base is that global revenue across the top 100 aerospace & defense companies reached [USD 922 billion](#) in 2024, while noting demand strength across civil and defense alongside delivery/output constraints tied to labor and supply chain fragility.

Further, Space Foundation's 2025 Q2 Space Report highlights a [USD 613 billion](#) global space economy in 2024, with the commercial sector contributing 78% of total growth and 149 launches in the first half of 2025. This signals that demand is being pulled by commercial cadence as much as state programs.

Further, IATA reports full-year passenger traffic in 2024 rose [10.4% vs 2023](#), landing 3.8% above 2019 levels. This demand-side indicator supports sustained production and aftermarket workloads even when OEM output lags.



Indian defence manufacturing industry⁴

India's defence manufacturing sector is rapidly emerging as a cornerstone of the country's strategic and economic ambitions. The government has prioritised this sector, reflecting its significance in national security and economic growth. DeDDefence exports surge to a record high of ₹38,424 crore in Financial Year 2025-26. This impressive growth demonstrates India's expanding role as a global defence exporter. The government's 'Atmanirbhar Bharat' (Self-Reliant India) initiative further reinforces this focus, encouraging domestic companies to develop cutting-edge defence products and reduce dependency on imports. Policies like the Defense Acquisition Procedure 2020 and the increase in FDI limit to 74% under the automatic route are designed to enhance private sector participation and drive technological advancements. With these measures, India is positioning itself as a global hub for defence manufacturing, contributing to national security, creating job opportunities, and fostering technological innovation.

Growth drivers

Defence industrial corridors: Defence Industrial Corridors (DICs) are dedicated zones that provide crucial infrastructure, land, and streamlined regulatory processes, attracting both domestic and foreign investors. This fosters collaboration, knowledge transfer, and the creation of a robust supply chain within the DICs. With easier access to resources and a supportive ecosystem, companies can manufacture equipment efficiently, leading to increased domestic production and a stronger Indian defence industry.

Promotion of indigenous design and development of defence equipment: Promoting indigenous design and development of defence equipment is a strategic growth driver for India's manufacturing sector. By fostering domestic innovation in areas like missiles, warships, and combat vehicles, India reduces dependence on foreign imports and strengthens its techno-

logical prowess. This not only boosts self-reliance but also creates high-skilled jobs, attracts investments in R&D, and fuels the growth of a robust domestic defence ecosystem, ultimately positioning India as a leading defence manufacturing nation.

Modernization and upgradation: India's military modernization push translates directly to growth in domestic defence manufacturing. The ageing equipment and weaponry across the armed forces necessitate large-scale procurement. By prioritizing domestic production to meet these requirements, the government fuels demand for Indian-made defence equipment. This incentivizes manufacturers to expand capacity, invest in new technologies, and create high-skilled jobs, fostering a robust domestic industry capable of meeting future defence needs.

iDEX Challenge: The Innovations for Defence Excellence (iDEX) initiative is a flagship programme launched by the Ministry of Defence. It seeks to foster innovation and technology development in defence and aerospace by engaging startups, MSMEs, individual innovators, R&D institutes, and academia. Through the iDEX Challenge, the government identifies specific defence technology requirements and invites innovative solutions, thereby driving indigenisation and strengthening the domestic defence ecosystem.

Aatmanirbhar Bharat Abhiyan: The Aatmanirbhar Bharat Abhiyan, or Self-Reliant India Mission, is a comprehensive vision outlined by the Government of India to make the country more self-sufficient across various sectors, including defence. This mission emphasises the need for indigenisation and encourages the local production of defence equipment, reducing dependency on foreign imports and promoting the development of a robust domestic defence industry.

Export Ecosystem Expansion: Transitioning from a net importer to a global supplier, India has fundamentally restructured its defense diplomacy. This shift establishes strategic leverage worldwide by providing cost-effective, high-tech alternatives to traditional Western arms. In FY 2025-26, defense exports hit an unprecedented record of ₹38,424 crore, reflecting a massive 62.66% year-on-year growth. Indian defense hardware, including [BrahMos](#) and [Pinaka systems](#), is now actively being exported.

Capital Budget Indigenisation: Ring-fencing domestic capital expenditure systematically starves import dependency while injecting immense liquidity into local defense industries. This budgetary commitment guarantees long-term financial viability for indigenous manufacturers and severely reduces vulnerability to foreign supply chain shocks. India's defence budget rose from ₹2.53 lakh crore in 2013-14 to ₹7.85 lakh crore in 2026-27 with ₹1.39 lakh crore exclusively earmarked for domestic procurement. This massive domestic allocation represents a staggering 75% of the total capital acquisition budget reserved entirely for Indian defense hardware.

Manufacturing Base Scaling: India's defense industrial base has matured significantly, shifting focus from state-run monopolies to a highly collaborative public-private manufacturing ecosystem. This synergy creates competitive economies of scale, accelerating domestic production capabilities while integrating agile [MSMEs](#) into global supply chains. Indigenous defense production soared to an all-time high of ₹1.51 lakh crore in FY 2024-25.

While [Defense Public Sector Undertakings \(DPSUs\)](#) anchored this output,

⁴ <https://www.investindia.gov.in/sector/defence-manufacturing>

the private sector's contribution rapidly expanded to capture a 23% overall share.

The 5th Positive Indigenisation List comprises 346 strategically vital items, including complex Line Replacement Units (LRUs) for radars and sonar systems.

Fostering Startup Innovation: Bypassing traditional bureaucratic defense behemoths, India is aggressively leveraging agile startups to develop cutting-edge, next-generation military and warfare technologies. This decentralized R&D approach accelerates rapid prototyping and actively prevents technology denial by hostile regimes in critical domains like AI and unmanned systems. The Innovations for [Defence Excellence \(iDEX\) framework](#) has engaged 619 startups and MSMEs, resulting in over 430 signed contracts as of February 2025. Consequently, the government has directly procured 43 advanced items worth ₹2,400 crore from these young iDEX innovators.

Private Sector Aerospace Integration: Breaking the longstanding state monopoly in military aviation is fundamentally crucial for establishing a robust, globally competitive domestic aerospace sector. Empowering private conglomerates to lead complex platform integration catalyzes the immediate formation of localized, high-skill Tier-1 and Tier-2 supplier networks.

For instance, the [India C295 programme](#) marks the first major Make in India aerospace initiative in the private sector, with Tata Advanced Systems leading manufacturing, final assembly, testing, and long-term support of the aircraft. With India as the largest buyer of 56 aircraft, the project will enable over 85% indigenous production, involving thousands of parts and a growing network of domestic suppliers, boosting India's aerospace capabilities.

Research & Development: Expanding defense research funding beyond exclusive state agencies ensures the rapid, indigenous development of proprietary, futuristic weapon systems. By bringing academia and private industries into the R&D fold, India is laying the foundation for true technological self-reliance rather than mere license-based assembly. In the FY 2026-27 budget, the financial allocation for the [Defence Research and Development Organisation \(DRDO\)](#) was heavily increased to ₹29,100.25 crore. Crucially, 25% of the total Defence R&D budget has now been structurally opened up directly to private industry, start-ups, and academic institutions.⁵

Indian Navy outlook

2025 marked a turning point in naval induction. INS Tamal, commissioned in Russia, became the final warship acquired from a foreign shipyard. The focus has now shifted firmly to domestic construction. Among the ships inducted were INS Surat, a Visakhapatnam-class destroyer; INS Nilgiri, INS Himgiri and INS Udaygiri, the first of the Nilgiri-class stealth frigates; INS Vagsheer, the last of the Kalvari-class submarines; and three shallow-water anti-submarine warfare vessels—INS Arnala, INS Androth and INS Mahe. The fleet also welcomed INS Nistar, the Navy's first indigenously designed diving support vessel, along with survey ships INS Nirdeshak and INS Ikshak. Each induction strengthens more than combat power. Warship construction sustains domestic design skills, specialised manufacturing, and a [workforce whose expertise](#) increasingly extends beyond defence. Few key

drivers of the this rapid growth are enumerated below:

Key drivers

Indigenisation and Maritime Capability: Strategic Imperatives for the Indian Navy

The development of an indigenised naval force, characterised by minimal dependence on external supply chains constitutes a central pillar of the Government of India's Aatmanirbhar Bharat vision. This shift has become increasingly relevant as India positions itself as the Indian Ocean Region's (IOR) primary "first responder". In recent months, the Indian Navy has conducted multiple humanitarian assistance, disaster response, and maritime security operations, safeguarding lives and high-value cargo. These interventions have enhanced global confidence in India's maritime capabilities and reinforced its role as a stabilising actor in the region.

India's push toward naval self-reliance, guided by the Indian Naval Indigenisation Plan (INIP), has gained renewed urgency. Global disruptions in supply chains, emerging technological paradigms, and intensifying maritime threats increasingly define the contours of modern naval warfare. Indigenisation therefore functions not only as an industrial or technological goal but as a critical strategic determinant of India's ability to maintain a secure, credible, and resilient maritime posture in the decades ahead.

INIP 2015–2030: Objectives, Recommendations, Pursuance & Outcomes

The **Indian Naval Indigenisation Plan (INIP) 2015–2030** was conceived to accelerate India's naval self-reliance by systematically indigenising equipment across the Float, Move and Fight categories. Its core objective was to transition from partial import dependence to a structured, long-term, 15-year roadmap enabling domestic development of advanced shipborne systems, in alignment with the national Make in India vision. It sought to identify capability gaps, particularly in high-end weapons, sensors, propulsion systems, gearboxes and underwater technologies, and provide industry with a clear forecast of future requirements to stimulate indigenous R&D and production.

Key recommendations included partnering with DRDO, DPSUs and private industry; adopting Buy Indian/Buy & Make Indian procurement; strengthening collaboration with MSMEs; and building domestic capacity in propulsion, electronics, submarine technologies, aviation systems and critical components. The plan further recommended standardisation, open architecture controls, ToT absorption and formation of joint development ecosystems.

Reflecting this push, the armed forces, including the Navy, have identified over 5,000 items that will be sourced domestically. Indigenous construction of frigates, warships and submarines is driving defence production under Aatmanirbhar Bharat and helping transform the Navy into a Builder's Navy, with its Warship Design Bureau having designed over scores of vessels since inception

⁵ <https://www.drishtias.com/daily-updates/daily-news-editorials/reimagining-indias-defence-sector>

India's Builder's Navy



Indigenisation lies at the heart of shift from a Buyer's Navy to a Builder's Navy

Over the past two decades, the Indian Navy has undergone a marked transformation from an import-dependent "Buyer's Navy" to a predominantly indigenous "Builder's Navy." This evolution is reflected in the domestic design and construction of more than one hundred warships across major shipyards, supported by the Warship Design Bureau. Recent indigenisation platforms have articulated the goal of increasing private-sector participation to 50 percent or more, while strengthening partnerships with academia to accelerate research and technology development. Navy has been collaborating with IITs to strengthen research, innovation and capability development for future naval platforms. Indian Navy's Swavlamban 3.0 Indigenization Plan, released in 2023, provides an industry- and academia-oriented roadmap that identifies platforms, systems and subsystems prioritised for indigenous development.

As per the indigenization plan, the machinery fitted onboard ships in the three categories of Float, Move and Fight has been indigenised to the extent of about 90%, 60% and 50% respectively, an indication of shortfall in the third category.

Surface Fleet and Shipbuilding

The Indian Navy's surface fleet indigenisation has progressed rapidly: **51 large ships are under construction in the country**, valued at approximately **Rs 90000 crore**, demonstrating the country's growing shipbuilding capability.

India's naval modernisation has accelerated over the past one and half decades, marked by the induction of advanced indigenous platforms across aircraft carriers, destroyers and multi-mission frigates, underscoring the country's growing self-reliance in maritime defence

Submarine and Underwater Systems

India's submarine capability has witnessed a major transformation under the Aatmanirbhar Bharat vision, with a sharp focus on indigenous construction and technology development. Ongoing indigenous submarine pro-

grammes and follow-on initiatives (including design and localised subsystem development) continue under MoD/DRDO partnership and domestic yard execution.

Indian Navy Budget Growth and Percentage Share (2020-21 to 2025-26)

Year	DSE	Navy (Revenue)	% age share	Navy (Capital)	% age share	Navy (Revenue + Capital)	% age share
2020-21	3,23,053.00	22,934.75	7.10	26,688.28	8.26	49,623.03	15.36
2021-22	3,47,088.28	23,360.68	6.73	33,253.55	9.58	56,614.23	16.31
2022-23	3,85,370.15	25,406.42	6.59	47,590.99	12.35	72,997.41	18.94
2023-24	4,32,720.14	32,284.20	7.46	52,804.75	12.20	85,088.95	19.66
2024-25	4,54,772.67	32,778.73	7.21	62,545.98	13.75	95,324.71	20.96
2025-26	4,91,732.30	38,194.80	7.77	65,352.82	13.29	1,03,547.62	21.06

Source: eparlib.sansad.in

Navy Budget Doubles to ₹1.03 Lakh Crore, Share Rises from 15% to 21% in five years

India's defence budget has risen from ₹2.53 lakh crore in 2013–14 to ₹6.81 lakh crore in 2025–26, a 9.53% increase over last year. The Indian Navy's budget has also grown consistently from 2020–21 to 2025–26, especially in capital spending, reflecting India's focus on building a technologically advanced and strategically capable maritime force.⁶

Dairy equipment manufacturing industry

The Dairy Processing Equipment market is witnessing steady growth as dairy processors increasingly focus on improving product quality, extending shelf life, and enhancing production efficiency. The growing demand for processed dairy products such as milk, cheese, yogurt, butter, and dairy ingredients is driving the adoption of advanced processing equipment across global markets. Equipment such as pasteurizers, homogenizers, separators, evaporators, and dryers play a critical role in ensuring food safety, consistency, and large-scale production capabilities. The market also benefits from rising consumption of value-added dairy products, including flavored milk, protein-enriched beverages, and functional dairy offerings.

Growth is further supported by the expansion of organized dairy processing, particularly in emerging economies, along with improvements in cold chain infrastructure and supply chain efficiency. Dairy processors are increasingly investing in automated and energy-efficient equipment to optimize operations, reduce costs, and meet regulatory standards. Technologies such as membrane filtration and advanced drying systems are gaining traction, particularly in applications such as milk powder, whey processing, and protein ingredient production. Additionally, increasing focus on sustainability is encouraging the adoption of solutions that reduce energy consumption, water usage, and overall environmental impact. As demand for high-quality dairy products continues to rise, the market is expected to witness continued technological advancements and increased equipment adoption across both developed and developing regions.

The dairy processing equipment market in India is expected to reach a projected revenue of US\$ 2,740.0 million by 2030. A compound annual growth rate of 7.1% is expected of India dairy processing equipment market from 2025 to 2030. Some of the notable dairy processing market highlights are below:

- The India dairy processing equipment market generated a reve-

⁶ <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2198298®=3&lang=1>

nue of USD 1,794.7 million in 2024 and is expected to reach USD 2,740.0 million by 2030.

- The India market is expected to grow at a CAGR of 7.1% from 2025 to 2030.
- In terms of segment, pasteurizers was the largest revenue generating equipment type in 2024.
- Pasteurizers is the most lucrative equipment type segment registering the fastest growth during the forecast period.
- In terms of revenue, India accounted for 13.3% of the global dairy processing equipment market in 2024.
- Country-wise, India is expected to lead the global market in terms of revenue in 2030.
- In Asia Pacific, India dairy processing equipment market is projected to lead the regional market in terms of revenue in 2030.

In the light of immense opportunity in both defence and dairy manufacturing processing, the company is expected to also grow along side the industry of which it is a part.

Company overview

Krishna Defence and Allied Industries Limited (KDAIL) is a rapidly advancing defence company, providing critical components to the Indian Navy for its warships and developing special products for the Indian Army. With in-house capabilities for designing, developing, and manufacturing a wide range of equipment for both the Defence and Dairy sectors, the company's products exemplify indigenous excellence, crafted with utmost precision to cater to a promising defence market. In alignment with the national goal of achieving indigenous defence equipment manufacturing capabilities and self-sustainability, KDAIL has a rich history of innovation and growth. Starting in 1997 with the manufacturing of dairy equipment, the company entered the defence sector in 2006 by developing shipbuilding steel sections for the Indian Navy, previously imported. In 2022, KDAIL was listed on the NSE Emerge platform and on December, 2025 the Company migrated to the Capital Segment (Mainboard) of NSE. The company operates state-of-the-art manufacturing facilities in Halol and Kalol Gujarat for defence equipment, and in Kalol, Gujarat for dairy equipment. Their defence products include shipbuilding steel sections, improved space heating devices, weld consumables, ballast bricks and profiles for T-90 tanks while their dairy equipment product spectrum feature milk cooling tanks, robotic milk collection units, and stainless-steel milk cans. With over 30 years of operations and a dedicated workforce of more than 189 employees, KDAIL continues to develop indigenous solutions to replace imported defence components, by supplying critical items to both the Navy and the Indian Army.

The Company's research and development (R&D) capabilities drive the company's product diversification across various business verticals. These capabilities encompass product design, engineering, simulation, prototyping, and testing, primarily conducted at its manufacturing facilities. Its research focuses on creating innovative products and solutions tailored to meet customer expectations and preferences while enhancing production processes and product quality. Leveraging its R&D strengths, the company is currently developing several new products, some of which have already garnered orders.

Waveoptix Defence solution Pvt LTD (Associate Company)

The Company has ventured into defence electronic which has a state-of-

the-art manufacturing & testing facility in Bengaluru, where it significantly enhances its RF and optical technologies capabilities. This advanced facility includes comprehensive RF testing and measurement infrastructure, covering a range from 9KHz to 44GHz, equipped with signal generators, spectrum analysers, network analysers, and high-performance oscilloscopes. Additionally, the optical testing and measurement infrastructure boasts cutting-edge manufacturing and testing equipment, such as optical insertion and return loss testers, polishing machines, and a wide array of connectors and cables.

The new facility setup allows for rapid prototyping of complex RF and optical systems, enabling end-to-end system realisation with in-house expertise in RF, digital, and optical domains. Rigorous environmental testing ensures product durability and reliability. This strategic enhancement strengthens the Company's position in delivering high-performance, rugged systems for various applications and enhances its reputation for innovation and quality in RF and optical technologies.

Conceptia Software Technologies Private Limited

Conceptia Software Technologies Pvt. Ltd., India is an ISO 9001- 2015 certified engineering service provider dedicated to mechanical engineering, shipbuilding, and oil & gas industry.

Conceptia is a leading design & associated service provider for India, Middle East & Asia Pacific region for the marine market. Conceptia's balanced & diversified experience gained over 20 years in handling naval as well as commercial projects makes Conceptia unique amongst its peers. With teams present in major Indian Shipyards and UAE, Conceptia is perhaps the largest Indian player in this market.

Conceptia's core expertise is in providing design & engineering services to shipyards, ship owners and oil and gas companies. They undertake Detailed Engineering of all types of ships and offshore structures, basic design of vessels, support during construction and pre-production stage like animation of events / event depiction etc. Conceptia has undertaken and successfully completed more than 60 engineering projects from various shipyards, ship-owners from Middle East and Asia Pacific Region.

Conceptia has been a major player in the marine & offshore industry, supplying engineering services to various shipyard's including Garden Reach Shipbuilders & Engineers Ltd., Drydocks World Dubai, Hindustan Shipyard Ltd., Sembawang Shipyard Pte., Jaya Holding Pte., etc. to name a few. Apart from this, Conceptia's credentials for providing skilled manpower support includes support provided for various Indian & foreign customers including Reliance Defense & Engineering Ltd, Nkom-Qatar, Drydocks World Dubai etc. to name a few.

Krishna Vabo Defence Composites Private Limited

Krishna Vabo Defence Composites Private Limited is a joint venture between India's Krishna Defence and Allied Industries Limited (KDAIL) and Netherlands-based VABO Composites B.V.. Established in 2026, this entity (51:49 shareholding) focuses on manufacturing, designing, and supplying advanced composite products, such as ship doors and hatches, for the Indian Navy and global maritime sectors. The goal is to indigenize composite solutions and reduce import dependence under the Make in India initiative and the target market is Indian defence programs (navy) and export markets, including Southeast Asia and the Middle East.

Taharabadkar Solutions Private Limited

Taharabadkar Solutions Pvt Ltd (TSPL) is involved in design, development and manufacture of smart weapons & guided ammunition and ammunition systems, it was incorporated on 11th March 2025. KDAIL has acquired 46.81% stake in TSPL.

Xsub Robotics Private Limited

Xsub Robotics Private Limited (XRPL) is involved in design, developing and manufacture of manned and unmanned marine platforms such as remotely operated vehicles (ROVs), autonomous underwater vehicles (AUVs), robotic crawlers, inspection machines, and allied equipment. It was incorporated on 27th April, 206 and KDAIL has 50.01% stake in XRPL.

Strategic Growth and Expansion

Krishna Defence and Allied Industries Limited (KDAIL) is embarking on a path of sustained growth and expansion through a focused three-pronged strategy.

Capacity Expansion

KDAIL is making substantial investments to expand its production capacity for existing products. This includes acquiring advanced machinery, such as customized furnaces and heat treatment equipment etc. Additionally, the company is securing an adjacent 40,000 square foot plot to establish a new production line. These efforts are aimed at enhancing operational efficiency and meeting increasing demand.

Strategic Partnerships

The company is diversifying its product offerings through strategic partnerships. KDAIL has formed a joint venture with a Vabo Composites, a European manufacturer which is leader in composite doors and hatches. This collaboration will introduce innovative products to the Indian market and explore export opportunities, broadening the company's market reach. The Joint Venture is in the form of a subsidiary company.

The Company has also formed a strategic partnership with Conceptia Software Technologies Private Limited by acquiring 20% stake and becoming an Associate Company.

The Company has formed a strategic partnership with Taharabadkar Solutions Private Limited by acquiring 46.81% stake and becoming an Associate Company.

The Company has also formed strategic partnership with Planys Ark Private Limited and Conceptia Software Technologies Private Limited to form a joint venture named as Xsub Robotics Private Limited (XRPL). It is involved in design, developing and manufacture of manned and unmanned marine platforms such as remotely operated vehicles (ROVs), autonomous underwater vehicles (AUVs), robotic crawlers, inspection machines, and allied equipment. It was incorporated on 27th April, 206 and KDAIL has 50.01% stake in XRPL.

Sustainable Growth

By focusing on capacity expansion and strategic product diversification, KDAIL is poised to achieve sustainable growth and strengthen its position as an industry leader. This expansion will also generate new job opportunities and contribute to the overall strength of the Indian manufacturing

sector.

Key strengths

Diversified range of products

Expanding beyond its current steel and alloy offerings, the company aims to meet the Indian military's modernization needs by diversifying into Composite Doors and Hatches, Specialised Weld Consumables and Unmanned Vehicle for doing underwater survey of the Naval Ship, this strategic move positions it as a comprehensive solution provider for domestic procurement, enhancing its market presence and aligning with evolving armed forces requirements. The government's focus on specialization and private sector involvement presents expanded opportunities. Leveraging core competencies in product design, development, and testing, along with technology transfer for defence applications, the company is poised to benefit from India's Make in India program and increased indigenization efforts.

Precision engineering expertise with complex product manufacturing capability

With comprehensive in-house capabilities, the company develops and manufactures defence application products, and dairy equipment. Utilising precision machining, assembly, and specialized fabrication, it produces critical assemblies and precision components for defence sectors. Sourcing raw materials from trusted vendors, its stringent quality control ensures low rejection rates and meets customer requirements. Having successfully delivered orders for the Indian Armed Forces and dairies, the company is primed to capitalize on future opportunities. Its specialized operations and stringent quality control make it challenging for new players to qualify for such projects.

Strong R&D capabilities with a focus on innovation

The company prioritizes Research and Development (R&D) to enhance its product range, investing in adaptable manufacturing processes. Its experienced team of engineers drives complex product development, keeping it at the forefront of technological advancements. This focus on R&D has enabled the company to continually upgrade its manufacturing technology and processes. With a strong emphasis on R&D, the company has developed a diverse range of products for the defence and dairy sectors, including bulb bars, Space heating Device (Bukhari), Ballast bricks, Specialized Weld Consumables and Profiles for T-90 Tanks for the Indian Armed Forces, as well as innovations like the Solar BMC and Robotic Milk Collection Unit for dairy applications. The company's dedicated R&D team remains committed to expanding its product portfolio across both sectors.

Long Standing Relationship with the customers

With stringent qualification processes in the defence sector, the company's registrations with all the shipyards, DRDO and Directorate of Quality Assurance (Naval) reinforces its credibility. Decades of experience in manufacturing engineering products have built in trust with its customers, who rely on the company for tailored solutions. Its engineering prowess enables a consistent delivery of high-quality precision components and assemblies, thus fostering strong customer relationships. The company prioritizes understanding and meeting its customers' specific needs, ensuring satisfaction which in turn enables continued dependence on its products and services by its clients.

Experienced and Qualified Management and Employee base

The company's experienced management team, led by its Executive Board, brings vast knowledge and expertise to the company. With extensive experience in its served sectors, the company drives market opportunities, formulate strategies, and manage client expectations effectively. Additionally, the independent directors provide valuable advisory services, thus enhancing performance and compliance. Each business vertical is overseen by experienced segment heads, ensuring strong customer relationships and effective management. Supported by team of 30+ Engineers, experienced Metallurgist, trained personnel and skilled workers, the company's qualified management and employees enable it to expand our operational capabilities, enhance product quality, and drive industry growth.

Product portfolio

Defence	Dairy
In-house Development	
Ship Building Steel Sections	Milk Cooling Tanks
Steel profile for T-90 Tanks	
Special Steel Alloy Ballast Bricks	Robotic Milk Collection Unit
Special Steel Alloy Welding Wire	
Welding Electrodes	Stainless Steel Milk Can
Transfer of Technology from DIPAS & DRDO	
Improved Space Heating Device	

Discussion on Financial performance with respect to operational performance

The Company has a robust and adequate system of internal financial controls, commensurate with its size and business operation. It ensures timely and accurate financial reporting in accordance with applicable accounting standards, safeguarding of assets against unauthorised use or disposition and compliance with all applicable regulatory laws and Company policies. Internal Auditors of the Company review the internal financial control systems on a regular basis for its effectiveness, and necessary changes and suggestions are duly incorporated into the system. Internal audit reports are also reviewed by the Audit Committee of the Board.

Financial performance

The revenue from operations during the year 2025-26 has increased to Rs. 24,478.22 Lakhs as compared to Rs. 18,961.38 Lakhs in the last financial year which shows increase of 29.10% of previous year's revenue. The Profit before tax is Rs. 5,081.20 Lakhs for FY 2025-26 as compared to Rs. 2,979.57 Lakhs in the last financial year. The company has made profit after tax of Rs. 3,812.12 Lakhs for FY 25-26 as compared to Rs. 2,202.87 Lakhs in the last financial year.

Moreover, the financial ratios of the company lie in a good range, thereby indicating a stable financial position of the company in this fiscal year.

Particulars	FY26	FY25	YoY growth (%)
Revenue (in ₹ Mn)	2447.8	1896.1	29.1
EBITDA (in ₹ Mn)	520.3	306.2	69.9
PAT (in ₹ Mn)	381.20	220.3	73.1
ROCE (in %)	26.72%	21.87%	22

Details of significant changes in the financial ratio:

Particulars	F.Y. 2025-26	F.Y. 2024-25	Variation(%)	Remarks
(i) Debtors Turnover	9.13	8.43	8.30 Increase	Due to increase in sales
(ii) Inventory Turnover	5.52	3.62	53 Increase	Due to higher sales and improved inventory management
(iii) Interest Coverage Ratio	146.6	16.01	816 Increase	Due to Repayment of long term debt
(iv) Current Ratio	3.99	4.01	0	NA
(v) Debt Equity Ratio	0.01	0.07	-85 Decrease	Due to Decrease in short-term borrowings
(vi) Operating Profit Margin (%)	20.91	16.21	29.00 Increase	Due to improved operational efficiency and higher profitability
(vii) Net Profit Margin (%)	15.57	11.62	34 Increase	Due to increase in Turnover

Segment wise performance

Operating segments have been identified based on the internal reports regularly reviewed by the Chief Operating Decision Maker (“CODM”) for the purpose of allocating resources and assessing performance, in accordance with Ind AS 108 – Operating Segments.

The Defence Products Segment constitutes the Company’s principal business activity. The Dairy Products Segment represents a relatively small portion of the Company’s operations and does not meet the quantitative thresholds prescribed under paragraph 13 of Ind AS 108 for separate reportable segment disclosure.

Accordingly, the Company has only one reportable operating segment, being the Defence Products Segment. Segment-wise information in respect of revenue, results, assets and liabilities has therefore not been presented separately, as the information for the sole reportable segment is the same as that disclosed in the financial results.

The CODM reviews the operating performance of the Company on a consolidated basis, and the segment information presented above appropriately reflects the manner in which the Company’s business is managed.

Opportunities and threats

Opportunities

Capitalize on Government Initiatives

The continued increase in India’s defence budget and strong policy focus on indigenization under programs like “Make in India” and “Atmanirbhar Bharat” present significant opportunities. The company, with its specialization in defence components such as special steel profiles, weld consumables, and naval applications, is well positioned to benefit from domestic procurement preferences.

Precision Engineering Expertise with Complex Product Manufacturing Capability

The company’s strength lies in precision manufacturing of specialized defence components rather than broad-based engineering leadership. Its ability to meet stringent defence specifications, maintain low rejection rates, and execute complex machining and fabrication processes provides a competitive edge in niche segments.

Its established track record with the Indian Armed Forces and dairy sector clients enhances credibility, though scale remains smaller compared to large defence PSUs and Tier-1 private players.

Diversified Range of Products

The company is gradually expanding beyond core steel and alloy components into adjacent defence segments such as naval systems (e.g., hatches, doors), specialized welding consumables, and select electronics-related applications.

While this diversification supports long-term growth, execution capability, certifications, and scaling in these new domains will be key to realizing these opportunities.

Export Opportunities

India’s growing focus on defence exports creates opportunities for the company to explore international markets, particularly in friendly countries seeking cost-effective defence components.

However, export growth will depend on achieving global certifications, building international partnerships, and scaling production capabilities.

Invest in Research and Development (R&D)

Continued investment in R&D supports product development, process improvements, and alignment with evolving defence requirements. The company’s engineering capabilities have enabled development of specialized products for both defence and dairy sectors.

However, R&D intensity and scale remain moderate, and future competitiveness will depend on sustained investment and successful commercialization of new products.

Strengthen Supply Chain Management

Fluctuations in prices of steel, alloys, and other key inputs can significantly impact margins, especially given the company’s limited pricing power in defence contracts. Managing procurement efficiently and diversifying suppliers remains essential.

Threats

Fluctuations in Raw Material Prices

Relying on raw materials such as steel and various alloys, Krishna Defence is susceptible to price fluctuations in these commodities, which can moderately influence their production costs and profitability. To address this risk, the company has deployed efficient hedging strategies and considers diversifying their supplier base to explore alternative sources.

Political and Economic Instability

Geopolitical developments can influence defence priorities and procurement timelines. While defence spending is relatively stable, policy shifts, regulatory changes, or delays in approvals can impact order flows and execution cycles.

Government Dependency

A large portion of revenue is linked to defence orders from government entities. Delays in tendering, order finalization, or execution can impact revenue visibility and cash flows.

Risks and concerns

Risk	Description	Mitigation strategy
Market risk	The company's revenues are significantly dependent on defence procurement cycles, government spending, and execution timelines rather than general economic growth. While the dairy segment adds diversification, defence remains the primary growth driver and is influenced by policy decisions, indigenization push, and budget allocations.	The company is expanding its order book through increased participation in indigenization programs such as "Make in India" in defence. It is diversifying into high-margin specialized defence components while maintaining its dairy equipment segment for stability. Strategic partnerships, export opportunities, and long-term contracts with government entities help reduce revenue volatility.
Innovation risk	The key innovation risk lies less in "consumer preferences" and more in the ability to meet evolving defence specifications, technological standards, and indigenization requirements. Failure to upgrade capabilities in precision manufacturing and defence-grade engineering could impact competitiveness.	The company continues to invest in R&D focused on defence applications, precision engineering, and material capabilities. It collaborates with global and domestic defence players, upgrades manufacturing processes, and aligns product development with armed forces' requirements and future procurement trends.
Data security and cyber risk	As a defence-linked manufacturer, the company faces heightened cybersecurity risks, including potential threats to sensitive design data, supply chain systems, and defence-related information. Any breach could lead to regulatory, reputational, and national security implications.	The company has strengthened its cybersecurity framework with upgraded IT infrastructure, secure ERP systems, controlled data access, and compliance with defence-related data protection norms. Regular monitoring systems, and employee awareness programs are used to mitigate cyber threats.
Environmental footprints- Waste management	Improper handling of industrial waste, especially from metal processing and manufacturing activities, can lead to environmental damage and regulatory penalties. ESG compliance expectations are also increasing for defence suppliers.	The company follows structured waste management practices aligned with regulatory requirements and continues to improve compliance systems. It is investing in sustainability initiatives such as renewable energy (including solar power targets), resource efficiency, and environmentally responsible manufacturing processes.

Manufacturing

Krishna Defence & Allied Industries Limited (KDAIL) upholds stringent quality standards and continuously advances its manufacturing processes. The company's commitment is reflected in its ISO 9001:2015 certification, NABL-approved in-house testing facilities, and a skilled workforce of 30+ engineers and 2 metallurgists. Recent upgrades include significant capacity expansions with advanced machinery such as press machines, lathe machines, wire drawing machines, melting furnaces, and induction machines. The company has integrated CNC machining, automated welding, and precision fabrication technologies to enhance product quality and efficiency. In-house capabilities extend to designing and manufacturing critical assemblies and precision components, supported by a new heat treatment plant for shipbuilding steel sections for streamlined inventory management. The company's manufacturing plants in Kalol and Halol, Gujarat, are equipped with ISO-certified quality management systems, ensuring high standards in every product.

Quality control

In the industries served by the company, adherence to quality standards is paramount to avoid cancellation of purchase orders due to defects or non-compliance with customer specifications. To ensure quality, the quality control team conducts thorough checks at every stage of the manufacturing process, from raw material identification to final assembly. The company offers a warranty period of typically 12 months from the date of delivery, during which any manufacturing defects are repaired or replaced at their expense. Additionally, depending on the customer, the company may be required to provide performance bank guarantees to ensure timely supply of goods and avoid penalties for delays.

Human resources

The company has a diverse workforce that collaborates to maintain high service standards while adhering to industry best practices in HR policies. The company focuses on increasing the representation of female employees to meet diversity goals, recognizing that a contented workforce enhances efficiency and productivity. The company attracts top talent and encourages cross-functional collaboration to cultivate an inclusive work environment. With a commitment to growth, the company empowers employees through various training programs, leadership development modules, and engagement sessions. These initiatives encompass product and process training, behavioural training, sales training, self-management programs, and fraud and risk management training. Utilizing HR analytics, the company ensures smooth leadership transitions through succession planning for the executive committee, emphasizing organizational fit. Engaging employees through regular meetings virtual sessions, workshops, and confluences, the company provides platforms for interaction with business leaders, talent showcasing, and family engagement. Additionally, the company offers long-term incentives, stock options, and competitive compensation to retain its top talent.

Total number of employees as on 31st March, 2026: **189**

Internal control systems and adequacy

The Company maintains robust internal control procedures tailored to its size and activities. It believes that safeguarding assets and enhancing operational efficiency are achievable through the implementation of adequate internal controls and the standardization of operational processes. These internal controls and risk management mechanisms adhere to the principles and criteria outlined in the corporate governance code of the organization. They are seamlessly integrated into the overall organizational structure of both the Company and the Group, involving various personnel who collaborate effectively in fulfilling their respective duties. The Board of Directors provides guidance and strategic oversight to the Executive Directors and management, overseeing monitoring and support committees.

Disclosure of Accounting Treatment

The financial statements for the year ended 31st March, 2026 have been prepared as per the Indian Accounting Standards (INDAS). There is a change in treatment of the accounting standards as earlier the Company was following Generally Accepted Accounting Principles (GAAP).

The explanation by the management for change in accounting standards is that as the Company has migrated from SME Platform of National Stock Exchange to the Capital Segment (Mainboard) of National Stock Exchange it is mandatory for the Company to follow INDAS method of accounting in line with the listing regulations applicable to the Company.

Cautionary statement

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand-supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.

By Order of the Board of Directors

Place: Halol

Date: 17th June, 2026

Annexure II

Information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

Disclosures Of Particulars With Respect To Conservation Of Energy, Technology Absorption And Foreign Exchange Earnings And Outgo As Required Under Clause (E) Of Sub Section (1) Of Section 134 (3)(M) Of the Companies Act, 2013.

FY 2025-26

A. CONSERVATION OF ENERGY:

(i)	The steps taken or impact on the conservation of energy;	: Solar Power System of 280 KW installed under process.
(ii)	The steps taken by the company for utilizing alternate sources of energy;	: Post installation of Solar Panels the Power generated would be fed to the grid
(iii)	The capital investment on energy conservation equipment;	: Investment of approx. Rs. 71 Lakhs made by the Company.

B. TECHNOLOGY ABSORPTION:

(i)	The efforts made towards technology absorption;	Certified to manufacture welding consumables
(ii)	The Benefits derived like product improvement, cost reduction, product development or import substitution;	Import substitution
(iii)	In case of imported technology (imported during the last 5 years reckoned from the beginning of financial year) -	The technology is transferred through DRDO
	a) The details of technology imported ;	Classified information so can not be shared
	b) The year of Import;	NA
	c) Whether the technology been fully absorbed	Yes
	d) If not fully absorbed, areas where absorption has not taken place, and reasons there of; and	NA
(iv)	The expenditure incurred on research and development.	Rs. 1,80,00,000/- till date.

C. Foreign exchange earnings and outgo:

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows:

	Particulars	Current Year (Amount in Lakhs)
A)	Foreign Exchange Earning	3.05
B)	Foreign Exchange Outgo	0
1.	CIF Value of Capital Goods	0
2.	CIF Value of inputs	0
3.	Other	0
	Total (B)	3.05

Annexure III

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026

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

To,

The Members,

Krishna Defence and Allied Industries Limited
344, Floor-3, Plot-267, A to Z Industrial Estate,
Ganapatrao Kadam Marg, Lower Parel, Delisle Road,
Mumbai-400013, Maharashtra, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Krishna Defence and Allied Industries Limited having (CIN): L74900MH2013PLC248021 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

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

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

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the audit period)
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the audit period)
 - (i) The Securities and Exchange Board of India (Listing and Obligations Disclosure Requirements) 2015.

VI. As informed to us other laws specifically applicable to the company are as under:

1. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
2. The Factories Act, 1948
3. The Industrial Employment (Standing Orders) Act, 1946
4. The Maternity Benefit Act, 1961
5. The Minimum Wages Act, 1948
6. The Payment of Wages Act, 1936
7. The Negotiable Instruments Act, 1881
8. The Payment of Gratuity Act, 1972
9. The Employees' Compensation Act, 1923
10. The Contract Labour (Regulation & Abolition) Act, 1970
11. The Industrial dispute Act, 1947
12. The Payment of Bonus Act, 1965
13. The Employment Exchanges (Compulsory Notification of Vacancies) Amendment Act
14. The Apprentice Act, 1961
15. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In respect of above laws specifically applicable to the Company, we have relied on information /records produced by the company during the course of our audit on test check basis and limited to that extent, the company has complied with the above laws applicable to the company.

The company was SME listed company and the shares of the Company listed and admitted to dealings on Capital Market Segment (Main Board) pursuant to Migration from SME Emerge platform with effect from on 30th December, 2025 vide NSE letter NSE/LIST/287 dated 26th December, 2025.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with the National Stock Exchange. Now Disclosure under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except certain forms which have been filed after due date with the additional fees.

We observed that in one instance, the XBRL filing on NEAPS occurred after the PDF filing. This may attract a penalty under applicable provisions in the future. However, the matter is procedural and does not materially or adversely impact the Company's affairs.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. However, due to sad demise of Mr. Sandeep Ramrao Kadam, Whole-time Director of the Company, the company being top 2000 listed entity, is required to comply with regulation 17(1)(C) of SEBI LODR, 2015 within stipulated time.

Following are the details of change of Directors in the year under review:

Sr. No.	Name of the Director	Nature	Date of Changes	Designation
1.	Anil Kumar Dutta	Change in Designation	13-05-2025 (Postal Ballot)	Independent Director
2.	Preyal Ankur Shah	Re-appointment	19-09-2025 (Annual General Meeting)	Non-Executive Director
3.	Sandeep Ramrao Kadam	Cessation due to sad demise	27-03-2026	Whole-time Director

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or on shorter period of time in some cases, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and committees, as the case may be.

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

Place: Vadodara

Date: 30/04/2026

Signature:
For DRP & Associates
Company Secretaries

Ruchita Tushar Patel
FCS No. 13531
C P No.: 15669
PR:1204/2021
UDIN: F013531H000243178

Annexure A

To,

The Members,

Krishna Defence and Allied Industries Limited,

344, Floor-3, Plot-267, A to Z Industrial Estate,

Ganapatrao Kadam Marg, Lower Parel, Delisle Road,

Mumbai-400013, Maharashtra, India

Our Secretarial Audit Report of even date is to be read along with this letter:-

1. Maintenance of the secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the Financial Year ended on 31st March, 2026.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
6. The compliance of the provisions of the Corporate and other applicable Laws, Rules, Regulations and Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Annexure IV

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr.No.	Requirements	Disclosure	
I	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	MD	56.03
		WTD	20.83
II	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	CFO	12%
		CS	15%
		WTD	15%
III	The percentage increase in the median remuneration of employees in the financial year	15%	
IV	The number of permanent employees on the rolls of the Company as on 31st March, 2026	189	
V	Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Ni	
VI	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is confirmed	

Information under Rules 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company in receipt of remuneration for the year in the aggregate of Rs. One Crore and two lakh and/ or Rs. eight lakh fifty thousand per month during the financial year 2025-26:

Name	Age	Designation	Nature of employment	Qualification & Experience (Yrs)	Remuneration received (Rs. In lacs)	Date of Commencement of employment	Last employment/ Designation
i. Employed throughout the financial year							
Ankur Ashwin Shah	48	Managing Director	Contractual	B.E. 25	120.00	10-09-2013	Godrej & Boyce Co. Limited
ii. Employed for a part of financial year							
				Not Applicable			
iii. Employed throughout the year of part thereof							
				Not Applicable			

Annexure V

Annual Report on CSR Activities for the Financial Year 2025-26 (Pursuant to Section 135 of the Companies Act read with CSR Rules, 2014)

1. Brief Outline on CSR Policy of the Company:

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amendments thereto. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at <https://krishnaallied.com/wp-content/uploads/2022/03/New-CSR-Policy.pdf>

The primary objectives of the Company's CSR Policy are:

a) Education: Enabling underprivileged children and youth overcome poverty through education and to reach their full potential, by boosting their aspirations, improving their skill set. The Company will work across the education continuum – primary, secondary and tertiary levels leading up to employability. The Company will also work directly or with partners to provide life skills to children, youth and adults thereby boosting their confidence and improving their employability.

b) Healthcare: providing end-to-end access to affordable and quality healthcare to children, youth and adults from socially and economically backward background. This includes preventive & early screening of diseases, curative & operative healthcare for fatal diseases as well as capacity building for hospitals & institutions.

This Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as **Annexure V** to the Board's Report.

2. Composition of CSR Committee:

The Composition of the CSR Committee is as below:

Sr. No	Name of Director	Designation in Committee	No. of CSR Committee meetings held during the year	No. of CSR Committee meetings attended during the year
1.	Mr. Ankur Ashwin Shah	Chairman	1	1
2.	Mr. Divyakant Ramniklal Zaveri	Member	1	1
3.	Ms. Preyal Ankur Shah*	Member	0	0

*Due to demise of Mr. Sandeep Ramrao Kadam on 27th March 2026, erstwhile member of the CSR Committee and to fill the vacancy, the Board of Directors appointed Mrs. Preyal Ankur Shah as a member of the CSR Committee meeting in the consequent meeting held on 30th March 2026.

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

<https://krishnaallied.com/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not Applicable.

5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 1649.61 Lakhs

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 32.99 Lakhs

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Not Applicable

(d) Amount required to be set-off for the financial year, if any: ₹ 4.91 Lakhs

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 28.08 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 32.40 Lakhs

(b) Amount spent in Administrative Overheads: Nil

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

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 32.40 Lakhs

(e) CSR amount spent or unspent for the Financial Year:-

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (In Rs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 32,40,000/-	NA	NA	NA	NA	NA

(f) Excess amount for set off, if any

(₹ in Lakh)

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 32,99,000/- Less: Set off amount of Previous Year Rs. 4,91,760/- Total: Rs. 28,08,240/-
(ii)	Total amount spent for the Financial Year	32,40,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 4,31,760/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Rs. 4,31,760/-

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

Sr. No	Preceding Financial Years	Amount transferred to unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹).	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-1			NIL				
2	FY-2							
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not applicable

S/D
Ankur Shah
Managing Director
DIN: 01166537

S/D
Preyal Shah
Chairperson & Director
DIN: 06966962

Attachment to Annexure

Amount spent on CSR Projects on other than Ongoing Projects: Rs. 32,40,000/-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No).	Location of the project.	Amount spent for the project (in Rs.)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District		Name.	
							CSR Registration number	
1.	Donation to Muni Seva Ashram towards promotion of healthcare.	Healthcare	Yes	Gujarat	Vadodara	No	Muni Seva Ashram	CSR00004688
2	Donation to Hari Om Seva Trust	Healthcare	Yes	Maharashtra	Mumbai	No	Hari Om Seva Trust	CSR00004215
3	Donation to GC School, Pilvai towards promotion of education	Education	No	Gujarat	Mehsana	No	Sheth Girdharlal Chumilal High School Trust	CSR00033250.
4	Donation to Bombay Bayview Charitable Trust towards promotion of healthcare	Healthcare	Yes	Maharashtra	Mumbai	No	Bombay Bayview Charitable Trust	CSR00004578
5	Donation to Rotary Club of Bombay Central Charitable Trust towards promotion of education	Education	Yes	Maharashtra	Mumbai	No	Rotary Club of Bombay Central Charitable Trust	CSR00006875
6	Donation to Shree Vile Parle Kelavani Mandal	Education	Yes	Maharashtra	Mumbai	No	Vile Parle Kelavani Mandal	CSR00006227
7	Donation to Sprinkle Cancer Care Foundation	Healthcare	Yes	Maharashtra	Mumbai	No	Sprinkle Cancer Care Foundation	CSR00062398
8	Donation to Vishva Education & Charitable Trust (Dhesiya)	Education	Yes	Maharashtra	Mumbai	No	Vishva Education & Charitable Trust (Dhesiya)	CSR00083242
9	Donation to Sheth Girdharlal Chumilal Highschool Trust	Education	Yes	Maharashtra	Mumbai	No	Sheth Girdharlal Chumilal Highschool Trust	CSR00033250
TOTAL								Rs. 32,40,000/-

Annexure: VI 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 transactions under third proviso thereto

Sr No	Particulars				
1	Details of contracts or arrangements or transactions not at arm's length basis	Not Applicable	Not Applicable	Not Applicable	Not Applicable
2					
A	Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/ Passport for individuals or any other registration number	U29251M-H2007PTC174964	U26309M-H2023PTC408094	AAH-4141	U72900KA2004PTC034151
B	Name(s) of the related party	Krish Industries Private Limited	Waveoptix Defence Solution Private Limited	White Gold Technologies LLP	Conceptia Software Technologies Pvt.Ltd
C	Nature of Relationship	Common Directors	Associated Enterprise	Directors having Partnership	Associated Enterprise
D	Nature of contracts / arrangements / transactions	Rent paid	Purchase / Sale of goods	Rent/License fees Received for letting out Plot No. 121/23-24, GIDC Kalol, District- Panchmahal, State of Gujarat, admeasuring 1212 square meters with shade and structure on a leave and licence basis for carrying out permitted business activity in favour of White Gold Technologies LLP.	Purchase / Sale of goods
E	Duration of the contracts/ arrangements/transactions	Monthly basis	On continuous basis	w.e.f. 01.04.2017	On continuous basis
F	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 7.20 during the F.Y. 2025-26.	Rs. 165.13 and Rs. 21.52 respectively during the F.Y. 2025-26.	Rs. 2.68 during the F.Y. 2025-26.	Rs. 7.99 during the F.Y. 2025-26.
G	Date(s) of approval by the Board, if any	25.03.2025	25.03.2025	25.03.2025	20.05.2025
H	Amount paid as advances, if any:	49.71 Lakhs	NIL	NIL	NIL

Annexure VII

Form AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries: Nil

Part B Associates and Joint Ventures Statement pursuant to Section 129 (3) of the Companies Act, 2013, related to Associate Companies and Joint Ventures

Sr.No.	Name of Associates or Joint Ventures	Waveoptix Defence Solution Private Limited	Conceptia Software Technologies Private Limited
1	Latest audited Balance Sheet Date	31st March, 2026	31st March, 2026
2	Date on which the Associate or Joint Venture was associated or acquired	04th August, 2023	30th April, 2025
3	Shares of Associate or Joint Ventures held by the company on the year end		
	No.	5,000 Shares of face value of Rs. 10 each	88,000 Shares of face value of Rs. 10 each
	Amount of Investment in Associates or Joint Venture	Rs. 5,00,00,000	Rs. 1,76,00,000
	Extent of Holding (in percentage)	40 %	20%
4	Description of how there is significant influence	Not Applicable	Not Applicable
5	Reason why the associate/Joint venture is not consolidated.	Not Applicable	Not Applicable
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs.10,84,66,170	Rs.20,89,21,000
7.	Profit or Loss for the year	Rs. 5,08,66,621	Rs.5,79,82,000
i	Considered in Consolidation	Rs. 2,03,46,648	Rs. 1,15,96,400
ii	Not Considered in Consolidation	Rs. 3,05,19,973	Rs. 4,63,85,600

Notes:

- Names of associates or joint ventures which are yet to commence operations.: Nil
- Names of associates or joint ventures which have been liquidated or sold during the year: Nil

For Krishna Defence and Allied Industries Limited

As per our report of even date
For CNK & Associates LLP
Chartered Accountants
FRNo. : 101961W/W-100036

Ankur Ashwin Shah
Managing Director
DIN: 01166537

Pareen Shah
Partner

Manish Shah
Chief Financial Officer

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Date: 20.05.2026

Place: Halol

Annexure VIII to Board Report

Statement pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 read with Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014

Sr.No	Particulars	Details of ESOP I
A	Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.	Refer Note No. 51 of the Financial Statements
B	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 -Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time	Refer Note No. 51 of the Financial Statements
C (i)	A description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including	
(a)	Date of shareholders' approval	13th August, 2024
(b)	Total number of options approved under ESOS	3,00,000
(c)	Vesting requirements	25 % of the options will vest each year
(d)	Exercise price or pricing formula	304
(e)	Maximum term of options granted	Four Year
(f)	Source of shares (primary, secondary or combination)	Primary
(g)	Variation in terms of options	N.A.
(ii)	Method used to account for ESOS -Intrinsic or fair value	Fair Value
(iii)	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Refer Note No. 51 of the Financial Statements
(iv)	Option movement during the year (For each ESOS):	
	Number of options outstanding at the beginning of the period	Nil
	Number of options granted during the year	Nil
	Number of options forfeited / lapsed during the year	1,316
	Number of options vested during the year	14,362
	Number of options exercised during the year	14,362
	Number of shares arising as a result of exercise of options	14,362
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	43,66,048
	Loan repaid by the Trust during the year from exercise price received	N.A.
	Number of options outstanding at the end of the year	43,086
	Number of options exercisable at the end of the year	43,086
(v)	Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	Not applicable since no grants were made during the year.

- (vi) Employee wise details of options granted to (a)senior managerial personnel as defined under Regulation 16(d) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Employee wise details of options outstanding during FY 2025-26 to: a) Senior managerial personnel as defined under regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended: There was no grant made in the Financial Year. However below is the list of Senior Management to whom grant was made in FY 2025-26:

Name	Designation	Options Granted but not Vested	Exercise Price
Sandeep Kadam Ramrao*	Whole Time Director	14,358	304
Gunjan Bhagtani	Company Secretary	864	304
Rohit Shintre	Head-Products Development	8,883	304
Ajinkya Gaikwad	Head-Marketing-Defence	2,961	304
Jaiprakash Dube	Regional Manager-Sales & Marketing	3,117	304
Ravindranath Maroli	General Manager	2,421	304
Niraj Shah	Manager – Accounts & Finance,	960	304
Rajesh Sojitra	Manager QA&QC	1,980	304
Roshan Kanojiya	Asst Manager-HR & Admin	540	304
Jaimin Patel	Manager PPC	960	304
Harshadsinh Mahida	Senior Manager, Defence Production	2,406	304
Rushang Patel	Asst Manager, Production Development	1,218	304

*Stock options granted to Mr. Sandeep Ramrao Kadam have vested to his Nominee on account of his demise dated 27th March, 2026
(b) N.A.

(c) Nil

- (vii) A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:
(a)the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;
(b)the method used and the assumptions made to incorporate the effects of expected early exercise; (c)how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and
(d)whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition.

Refer to note No. 51 in the Financial Statements

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]

To,

Krishna Defence and Allied Industries Limited,
344, Floor-3, Plot-267, A to Z Industrial Estate,
Ganapatrao Kadam Marg, Lower Parel, Delisle Road,
Mumbai-400013, Maharashtra, India,

This certificate is issued pursuant to Regulation 13 of the Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "the Regulations"), the management of the Company has requested us to issue the required certificate with respect to the Employee Stock Option Scheme for the financial year 2025-26.

Management Responsibility:

It is the responsibility of the management of the Company to implement the scheme(s) including designing, maintaining records and devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Verification:

The Company has implemented "Employee Stock Option Plan 1" viz Employee Stock Option Scheme in accordance with the Regulations and the Special Resolution(s) passed by the members at the General Meeting (s) of the Company held on 13th August, 2024.

For the purpose of verifying the compliances of the Regulations, we have examined the following:

1. Scheme(s) received from/furnished by the Company;
2. Articles of Association of the Company;
3. Resolutions passed at the meeting of the Board of Directors;
4. Shareholders resolutions passed at the General Meeting(s);
5. Shareholders resolution passed at General Meetings w.r.t variation in the scheme (if any); Not Applicable
6. Shareholders resolution passed at General Meeting w.r.t approval for implementing the scheme(s) through a trust(s); Not Applicable
7. Minutes of the meetings of the Compensation Committee;
8. Trust Deed; Not Applicable
9. Details of trades in the securities of the company executed by the trust through which the scheme is implemented; Not Applicable
10. Relevant Accounting Standards as prescribed by the Central Government;
11. Detailed terms and conditions of the scheme as approved by Compensation Committee;
12. Bank Statements towards Application money received under the scheme(s);
13. Valuation Report;
14. Exercise Price / Pricing formula;
15. Statement filed with recognised Stock Exchange(s) in accordance with Regulation 10 of these Regulations;
16. Disclosure by the Board of Directors;
17. Relevant provisions of the Regulations, Companies Act, 2013 and Rules made thereunder;
18. Other relevant document/ filing/ records/ information such as sought and made available to us and the explanations provided by the Company.

Certification:

In our opinion and to the best of our knowledge and according to the verifications as considered necessary and explanations furnished to us by the Com-

pany and its Officers,

We certify that the Company has implemented the "Employee Stock Option Plan 1" in accordance with the applicable provisions of the Regulations and Resolution(s) of the Company in the General Meeting(s) and have accordingly granted ESOPs pursuant to scheme in the financial year under review.

Assumption & Limitation of Scope and Review:

1. Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
2. Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
3. 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.
4. This certificate is solely for your information and it is not to be used, circulated, quoted, or otherwise referred to for any purpose other than for the Regulations.

Place: Vadodara
Date: 30-04-2026

Signature:
DRP & Associates.
Company Secretaries

Ruchita Patel
FCS No.: 13531
C P No.: 15669
PR: 1204/2021

UDIN: F013531H000243266

Annexure IX

COMPLIANCE CERTIFICATE

We, the Managing Director and CFO of the Company, pursuant to Regulation 17(8) of the SEBI (LODR) Regulations, 2015 read with Schedule II, hereby furnish the following:

- A. We have reviewed financial statements and the cash flow statement for the financial year 2025-26 and that to the best of their knowledge and belief:
- (1) The statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) The statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. We inform to the best of our knowledge and belief that no transactions are entered into by the Company during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we were aware and the steps we had taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee regarding:
- (1) Any significant changes in internal control over financial reporting during the year;
 - (2) Any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) Any instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For Krishna Defence and Allied
Industries Limited**

SD/-
Ankur Shah
Managing Director
DIN: 01166537
Date: 20.05.2026

SD/-
Manish Shah
Chief Financial Officer
Date: 20.05.2026

Annexure X – REPORT ON CORPORATE GOVERNANCE

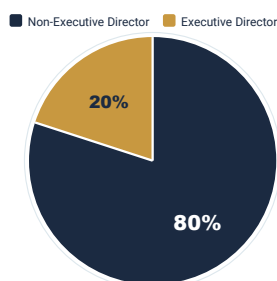
1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Krishna Defence and Allied Industries Limited ("your Company / KDAIL") is always committed to the adoption of best governance practices and their adherence in true spirit. Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest level of transparency, accountability, sustainability, ethical behaviour and safety in all spheres of its operations. Your Company subscribes to equitable treatment of all its stakeholders, which has helped in maintaining their trust and appreciation. This has helped in fostering financial stability and business integrity, resulting in inclusiveness and sustainable growth.

2. BOARD OF DIRECTORS

The Board, as on March 31, 2026, comprises of 5 (five) Directors out of which 1 (one) is Executive Director and 4 (four) are Non-executive Independent Directors and accordingly more than 50% of the Board consists of Non-executive Independent Directors.

BOARD STRUCTURE



Company is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulation of sad demise of Late Mr. Sandeep Kadam who was the Whole Time Director of the Company.

None of the Directors on the Board are members of more than ten committees and Chairperson of more than five committees across all companies in which they are Directors as per the requirements of Regulation 26 of the Listing Regulations.

(a) Details of Composition of Board for the period from 1st April, 2025 to 31st March, 2026

Name of Director	Designation	Number of Shares Held
Mr. Ankur Ashwin Shah	Managing Director	54,53,890
Ms. Preyal Ankur Shah	Chairman & Non-Executive Director	3,36,000
Mr. Divyakant Zaveri	Non-Executive, Independent Director	Nil
Mr. Jaykumar Toshniwal	Non-Executive, Independent Director	Nil
Mr. Radmn Anil Kumar Dutta	Non-Executive, Independent Director	Nil
Mr. Sandeep Ramrao Kadam*	Whole Time Director	3936

*Mr. Sandeep Ramrao Kadam ceased to be a Director of the Company w.e.f 27th March, 2026 on account of demise.

(b) Attendance of Directors & Details of names of listed entities where person is a director

Name	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at the last Annual General Meeting
Mr. Ankur Ashwin Shah	9 (Nine)	9	Present
Ms. Preyal Ankur Shah		9	Present
Mr. Divyakant Zaveri		9	Present
Mr. Jaykumar Toshniwal		9	Present
Mr. Radmn Anil Kumar Dutta		8	Present
Mr. Sandeep Ramrao Kadam*		7	Present

* Excludes directorship in Indian Private Limited Companies, Foreign Companies, Companies under section 8 of the Companies Act, 2013.

(c) Number of other board of directors or committees in which a directors is a member or chairperson and the names of the listed entities where the person is a director and the category of directorship:

Name of the Director	Name of the Listed companies	Category & No. of Directorship & Membership
Jaykumar Toshniwal	---	---
Sandeep Ramrao Kadam	---	---
Ankur Ashwin Shah	---	---
Divyakant Ramniklal zaveri	(a) Saptarishi Agro Industries Limited (b) Gujarat Containers Ltd	Independent Director - 3 Chairman of Audit Committee -3 Member of Stakeholders Relationship Committee - 3
Preyal Ankur Shah	---	---
Anil Kumar Dutta	---	---

Apart from Krishna Defence and Allied Industries Limited, Mr. Jaykumar Toshniwal, Mr. Sandeep Ramrao Kadam, Mr. Ankur Ashwin Shah, Mr. Anil Kumar Dutta and Mrs. Preyal Ankur Shah did not hold Directorship in any other listed company as on March 31, 2026.

(d) Details of Board Meetings

Sr.	Date	Board Strength	No. of Directors Present
	April 08, 2025	6	5
	May 20, 2025	6	6
	June 26, 2025	6	6
	July 25, 2025	6	6
	August 21, 2025	6	6
	September 26, 2025	6	5
	November 14, 2025	6	5
	February 14, 2025	6	6
	March 30, 2026	5	5

(e) Disclosure of relationships between directors inter-se:

- i. Mr. Ankur Ashwin Shah and Ms. Preyal Ankur Shah are Spouses.
- ii. None of the other directors are related to any other Director on the Board.

(f) Holdings of Non-Executive Directors

None of the Non-Executive Independent Directors holds any shares and/or convertible instruments issued by your Company for the time being except for Mrs. Preyal Ankur Shah, who holds 3,36,000 equity shares of the Company.

The last Annual General Meeting (AGM) of your Company was held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) on Friday, September 19, 2025 in compliance with the provisions of General Circular no. 09/ 2023 dated September 25, 2023 read with General Circular no. 20/ 2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India.

(g) WEB LINK OF FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The details of familiarization programmes imparted to Independent Directors are uploaded on the website of your Company and can be accessed through weblink:

<https://krishnaallied.com/wp-content/uploads/2025/09/Familisariation-Programme-for-ID-1.pdf>

(h) CHART OR A MATRIX SETTING OUT SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

Your Company is among India's very few manufacturing houses with comprehensive in-house capabilities of designing, developing, and manufacturing a wide range of equipment for Defence, Security, Dairy, and Mega Kitchen verticals. Your Company while appointing a Director always ensures that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, business management, sales, marketing, research, corporate governance, technical operations or other disciplines related to your Company's business. Your Company believes that each person appointed on the Board of your Company shall have expertise in one or more of the aforesaid fields. Your Directors collectively possess all the required core skills/expertise/competencies that are required to operate business smoothly in the manufacturing industry.

- i. List of core skills/expertise/competencies identified by the Board of Directors:

Skill Area	Description
Strategy and planning	Setting long-term goals and designing actionable roadmaps to achieve organizational success.
Policy Development	Creating structured guidelines and frameworks to guide decisions and ensure consistency.
Governance, Risk and Compliance	Ensuring ethical oversight, identifying risks, and maintaining adherence to laws and regulations.
Financial Performance	Managing resources to optimize profitability, sustainability, and financial health.
Government Relations (policy & process)	Building and maintaining relationships with government bodies to influence and navigate policy and regulatory processes
Marketing & Communications	Promoting brand value and effectively conveying messages to target audiences.
Member and stakeholder engagement	Building strong relationships and actively involving stakeholders to align interests and drive collaboration.
Commercial Experience	Applying business acumen to drive revenue growth, market expansion, and operational efficiency.
Legal	Interpreting laws and providing guidance to protect the organization's interests and ensure compliance
Human Resource Management	Managing workforce planning, talent development, and employee relations to support organizational goals.
Information Technology / Digital Skills	Leveraging technology and digital tools to improve processes, innovation, and business outcomes.

The list of core skills/expertise/competencies identified by the Board as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Directors are as follows:

- ii. List of names of directors possessing core skills/expertise/competencies:

List of skills/expertise/competencies	Name of Director having the identified skills/expertise/ competencies
Strategy and planning	Ankur Ashwin Shah, Sandeep Ramrao Kadam & Anil Kumar Dutta
Policy Development	Ankur Ashwin Shah, Sandeep Ramrao Kadam & Anil Kumar Dutta
Governance, Risk and Compliance	Divyakant Zaveri & Jaykumar Toshniwal
Financial Performance	Ankur Ashwin Shah, Divyakant Zaveri & Jaykumar Toshniwal
Government Relations (policy & process)	Ankur Ashwin Shah, Sandeep Ramrao Kadam & Anil Kumar Dutta
Marketing & Communications	Ankur Ashwin Shah, Divyakant Zaveri & Jaykumar Toshniwal
Member and stakeholder engagement	Ankur Ashwin Shah, Divyakant Zaveri & Sandeep Ramrao Kadam
Commercial Experience	Ankur Ashwin Shah, Divyakant Zaveri & Jaykumar Toshniwal
Legal	Divyakant Zaveri & Jaykumar Toshniwal
Human Resource Management	Divyakant Zaveri & Jaykumar Toshniwal
Information Technology / Digital Skills	Ankur Ashwin Shah & Jaykumar Toshniwal

- (i) **Confirmation of the Board:** The Board of Directors confirm that the independent directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 and are independent of the management of the Company. Further, the Board has obtained a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of company by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

- (j) **Detailed reasons for the resignation of Independent Directors:** Not applicable as no Independent Director has tendered resignation during the year 2025-26.

1. **Audit Committee:**

The Board of your Company has constituted a well-qualified, financially literate and independent Audit Committee with all its members as Independent Directors. All Members of the Audit Committee possess expert knowledge of Accounts, Audit and Finance.

(a) **Terms of Reference**

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary

- g. Evaluation of internal financial controls and risk management systems;
- h. Monitoring the end use of funds raised through public offers and related matters, if any.

(b) Composition of Audit Committee

Name of Director	Designation
Mr Divyakant Ramniklal Zaveri,	Chairperson
Mr Jaykumar Toshniwal,	Member
Mr Ankur Ashwin Shah	Member

(c) Meetings and Attendance

During the financial year under review i.e. April 1, 2025 to March 31, 2026, total of 9 (Nine) meetings of the Audit Committee were held on April 08, 2025, May 20, 2025, June 25, 2025, July 26, 2025, August 21, 2025, September 26, 2025, November 11, 2025, February 14, 2026 and March 30, 2026. All the members were present in the meeting held on above mentioned dates.

2. Nomination, Remuneration and Compensation Committee (NRC)

The Board of the Company has constituted a well-qualified, independent, and diverse Nomination and Remuneration Committee, comprising majority of Independent Directors. All members possess strong expertise in human resource management, leadership development, and compensation practices, enabling them to effectively oversee appointments, performance evaluation, and remuneration policies of the Company.

(a) Terms of Reference of NRC

1. Formulate and recommend criteria and policies for appointment, qualifications, independence, and remuneration of Directors, KMPs, and senior employees.
2. Assess Board skill balance and define required roles and capabilities for Independent Directors.
3. Establish criteria for evaluating the performance of the Board, its Committees, and individual Directors.
4. Develop and implement a Board Diversity policy.
5. Identify and recommend qualified individuals for Board and senior management roles, including their removal where necessary.
6. Design remuneration policies for Executive/Whole-Time Directors and KMPs, including compensation and benefits.
7. Review and finalize terms, conditions, and remuneration for Executive/Whole-Time Directors and KMPs.
8. Approve and oversee ESOP schemes in compliance with applicable regulations.
9. Make recommendations to the Board on relevant nomination and remuneration matters.

(b) Composition of NRC

Name of Director	Designation
Mr Jaykumar Toshniwal,	Chairperson
Mr Divyakant Ramniklal Zaveri	Member
Mrs Preyal Ankur Shah	Member

- (c) Meetings and Attendance** During the year under review i.e. April 1, 2025, to March 31, 2026, a total of 5 (five) meetings of the Nomination, Remuneration and Compensation Committee were held on April 08, 2025, May 20, 2025, August 21, 2025, February 14, 2026, and March 30, 2026.

All the members were present in the meeting held on above mentioned dates.

(d) Performance evaluation criteria for Independent Directors:

As per the Nomination, Remuneration and Compensation policy of your Company, the Independent Directors are evaluated on criteria as mentioned below:

- i. General understanding of the Company's business;
- ii. Educational back ground and experience:

iii. Personal and professional ethics, integrity and values;

iv. Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

2. Stakeholders' Relationship Committee (SRC):

The SRC Committee of the Board oversees and ensures effective redressal of grievances of shareholders and other stakeholders, including issues related to transfers, dividends, and shareholder communication.

It also monitors stakeholder engagement practices to maintain transparency, protect investor interests, and strengthen trust in the Company.

(a) Composition of SRC

Name of Director	Designation
Mr Jaykumar Toshniwal,	Chairperson
Mr Divyakant Ramniklal Zaveri	Member
Mr. Sandeep Ramrao Kadam*	Member
Mr. Ankur Ashwin Shah**	Member

*Mr. Sandeep Ramrao Kadam ceased to be a member of the SRC w.e.f. 27th March, 2026, on account of his demise.

**Mr. Ankur Ashwin Shah joined as a member of the SRC w.e.f. 30th March, 2026.

(b) Name & Designation of the Compliance Officer

Ms. Gunjan Bhagtani, Company Secretary & Compliance Officer

(c) Meetings of SRC

During the financial year ended March 31, 2026, the Committee had 1 (one) meeting which was held on March 30, 2026 and attended by Mr. Jaykumar Toshniwal & Mr. Divyakant Zaveri.

(d) Number of Shareholders Complaints received during the financial year and number of complaints not resolved to the satisfaction of the shareholders:

During the financial year, your Company received 0 complaints from shareholders. As on March 31, 2026 were was no complaint which remained unresolved.

(5A) The provisions of Risk Management Committee as not Applicable to the Company

(5B) SENIOR MANAGEMENT

The list of Senior Management of the Company during Financial Year 2025-26:

List of Key Management of Krishna Defence & Allied Industries Limited

Sr.No	Name	Designation
1	Ankur Ashwin Shah	Managing Director
2	Sandeep Kadam Ramrao*	Whole Time Director
3	Piyush Patel*	Chief Financial Officer
4	Gunjan Bhagtani	Company Secretary

List of Senior Management of Krishna Defence & Allied Industries Limited

5	Ravindranatha Maroli	General Manager
6	Rohit Shintre	HEAD - PRODUCTS DEVELOPMENT
7	AJINKYA GAIKWAD	HEAD MARKETING - DEFENCE
8	NAMRATA GODAMBE	MANAGER - HR & ADMIN
9	JAIPRAKASH DUBE	REGIONAL MANAGER - SALES & MARKETING
10	Niraj Shah	Manager - Accounts & Finance
11	Rajesh Sojitra	Manager - QA & QC
12	Roshan Kanojiya	Asst. Mgr- HR & Admin

13	Jaimin Patel	Production In-charge Unit II
14	Harshadsinh Mahida	Production In-charge Unit III
15	Kaushik Goswami	Asst. Manager - Purchase
16	Rushang Patel	R & D - Engineer
17	Sagar Patel	Asst. Manager - Production
18	Sarthak Vaidya	Asst. Manager - QA
19	Niral Gandhi	Asst. Mgr- HR & Admin

*Mr. Sandeep Ramrao Kadam ceased to be a Director & KMP of the Company w.e.f 27th March, 2026 on account of his demise.

**Mr. Piyush Patel ceased to be a KMP of the Company w.e.f 7th April, 2026 on account of his resignation.

6. Details of Remuneration paid to Directors for the financial year ended March 31, 2026:

(a) **Pecuniary relationship with Non-Executive Directors:**

The Company did not have any pecuniary relationship with any non-executive directors except sitting fees paid for attending board and committee meetings during the year 2025-26.

(b) **Criteria of making payments to non-executive directors:**

The Criteria of making payments to non-executive directors is disclosed on the website of the Company at: <https://krishnaallied.com/>

(c) **Disclosure of Remuneration:**

Sr. No.	Name	Salary including Benefits & Perquisites	Stock Options
1.	Sandeep Ramrao Kadam	50.55 LPA	4786
2.	Ankur Ashwin Shah	120.00 LPA	Nil

Details of sitting fees & commission paid to the Independent Directors during the financial year 2025-26 along with their Shareholding as on date of this Report are as under:

Sr. No.	Name of the Directors	Sitting Fees	(₹ in Lakh)
1.	Jaykumar Toshniwal	5.25	
2.	Divyakant Zaveri	5.30	
3.	Anil Kumar Dutta	3.20	

7. GENERAL BODY MEETING

(a) **Annual General Meetings**

Last three Annual General Meetings of your Company were held at the venue and time as detailed herein below:

Year	Date of Annual General Meeting	Time of Meeting	Particulars of Special Resolutions passed
2025	September 19, 2025	4.00 p.m.	Payment of Remuneration to Mr. Ankur Ashwin Shah, Managing Director
2024	August 13, 2024	11:00 a.m.	Appointment of Mr. Sandeep Ramrao Kadam as Whole Time Director of the Company Payment of Remuneration to Mr. Ankur Ashwin Shah, Managing Director Approval of Employee Stock Option Plan - I Approval of The Grant Of Employee Stock Options Under The 'Employee Stock Option Plan I' To The Eligible Employees Of The Company's Subsidiary And / Or Associate Companies
2023	September 30, 2023	11:00 a.m.	No Special Resolution was passed

8. Means of Communication:

(a) As the Company was listed on SME exchange till 29th December, 2025 the requirement of submission of Quarterly results was not applicable to the Company thereafter, w.e.f from 30th December, 2025 the Company had migrated to NSE Capital Market Segment (Main Board) and has been complying with the requirement of submission of quarterly results.

(b) Further, the same are published in English and Marathi Newspapers after the provisions became applicable and are also hosted on the website

of the company at <https://krishnaallied.com/>

- (c) The official and required news releases are displayed on website – <https://krishnaallied.com/>
- (d) The presentations made to any institutional investors / analysts are submitted to the Stock Exchange and hosted on the website of the Company.

9. General Shareholder Information:

(a) **Annual General Meeting**

Date	Time	Venue
Friday 19 th September, 2025	4:00 P.M.	Through Video Conferencing

- (b) **The Financial Year of the Company** 01st April, 2025 to 31st March, 2026.
- (c) **Dividend Payment Date:** Final Dividend declared in the Annual General Meeting was paid out to the shareholders on 3rd October, 2025.
- (d) **Name and address of each stock exchange(s), at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);**
Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051
The payment of annual listing fees for FY 2025-26 is paid to National Stock Exchange where shares are listed.
- (e) **Address of Registrars and Share transfer agent:**
E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai-400 072.
Email: info@bigshareonline.com
Website: www.bigshareonline.com
- (f) **In case the securities are suspended from trading, the directors report shall explain the mentioned explaining the reasons thereof:**
The securities are not suspended from trading. Therefore, no disclosures are required.
- (g) **Share Transfer System:**
The Company's shares are traded in the National Stock Exchange compulsorily in dematerialized mode. The Company does not have any shares in physical form.
- (h) **Distribution of Shareholding as on 31st March 2026**

Category	Number of Shares	Percentage %
Promoter Group	89,54,000	59.96
NRI	3,02,968	2.03
Bodies Corporate	5,72,390	3.83
Alternate Investment Funds	3,08,069	2.06
Foreign Portfolio Investors	90,802	0.61
Non-Institutions – Individual	45,86,751	30.72
Others	1,18,408	0.79
Total	1,49,33,388	100.00

- (i) **Dematerialization of share and liquidity:**
As on 31st March, 2026, 100.00% of the Company's total shares representing 1,49,33,388 equity shares were held in dematerialized form with the depositories.
- (j) **Outstanding GDR's /ADR's/ Warrants or any Convertible instruments, conversion date and likely impact on equity-** Not Applicable
- (k) **Commodity price risk or foreign exchange risk and hedging activities**
Risk of price fluctuation on basic raw materials like steel, components, power as well as finished goods used in the process of manufacturing. Any volatility in the currency market can impact the overall profitability.
- (l) **Plant Locations:**
Plant I (Kalol): 121/9 & 20, GIDC, Kalol, Dist. Panchmahals – 389330.
Plant II (Halol): 503A, GIDC, Halol, Dist. Panchmahals – 389350
- (m) **Address for Correspondence**
503A, GIDC, Halol, Dist. Panchmahals – 389350
- (n) **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or**

abroad.

The Company has not issued any debt instruments or any fixed deposit programme or any scheme or proposal involving mobilisation of funds. However, the Company had annual surveillance credit rating services for banking facilities availed by the Company for FY 2025-26 and received a received rating of Crisil BBB/Stable for Long Term Rating and Crisil A3+ for Short Term Rating.

10. Other Disclosures

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

There are no materially significant related party transaction that may have potential conflict with the interest of listed entity at large.

(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;

The was no instance of Non-Compliance by the Company.

(c) details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

The Audit Committee of the Board of Directors acts as the Vigil Mechanism Committee. The company has a whistle blower policy in place and the Company further confirms that there was no instance of denying access to audit committee by any personnel.

(d) details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all mandatory requirements and not adopted any non-mandatory requirements.

(e) web link where policy for determining 'material' subsidiaries is disclosed:

For the Financial Year ending March 31, 2026 the Company does not have any subsidiaries hence, the same is not applicable.

(f) web link where policy on dealing with related party transactions:

The Policy of dealing with related party transactions is hosted at: <https://krishnaallied.com/policies/>

(g) disclosure of commodity price risks and commodity hedging activities

Risk of price fluctuation on basic raw materials like steel components, power as well as finished goods used in the process of manufacturing

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

The Company has submitted the utilisation of funds as prescribed in NSE Circular No. NSE/CML/2024/23 dated September 05, 2024. along with Statement of Deviation from time to time.

(i) a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Certificate attached as an annexure to the corporate governance report.

(j) where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.

Not Applicable

(k) Total Fees paid to the Statutory Auditors during the Financial Year 2025-26 is Rs. 9,48,130/-in the network firm/network entity of which the statutory auditor is a part.

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

(i) number of complaints filed during the financial year - Nil

(ii) number of complaints disposed of during the financial year - Nil

(iii) number of complaints pending as on end of the financial year - Nil

(m) Disclosure by 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 Provided that this requirement shall be applicable to all listed entities except for listed banks.

No loans and advance in nature of loans granted to firms /companies in which directors are interested during the period under review.

(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 auditorsof such subsidiaries.

There is no subsidiary of the Company

11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed

There was no instance of any non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) specified.

12. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted

The company has not adopted any discretionary requirements as specified in Part E of Schedule II.

13. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are made in this corporate governance report which is a part of the annual report.

14. The Managing Director and CFO have given appropriate certification as required under regulation 17(8) read with Schedule II part B of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the Board of Directors.

15. Disclosures required under Schedule V of Annual Report pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015:

Disclosures mentioned in part D of Schedule V:

The Managing Director has signed declaration stating that members of the Board of Directors and senior management personnel have affirmed compliance with code of conduct of Board of Directors and senior management as required as per Para D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Disclosures mentioned in part E of Schedule V:

Compliance certificate from practicing company secretary regarding compliance of conditions of corporate governance has been annexed with this report.

Disclosures mentioned in part F of Schedule V:

There are no shares in demat suspense account or unclaimed suspense account.

Disclosures mentioned in part G of Schedule V:

The Company has not entered into Shareholders Agreement as per clause 5A of paragraph A of Part A of Schedule III of SEBI (LODR) Regulations, 2015

Certificate on Compliance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

Krishna Defence and Allied Industries Limited,

344, Floor-3, Plot-267, A to Z Industrial Estate,
Ganapatrao Kadam Marg, Lower Parel, Delisle Road,

Mumbai-400013, Maharashtra, India,

We have reviewed the records concerning the company's compliance of conditions of Corporate Governance as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2026.

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

We have conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for the review and the information and explanations given to us by the company.

Based on such review, in our opinion, the company has complied with the conditions on Corporate Governance, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Place: Vadodara

Date: 30/04/2026

Ruchita Tushar Patel

FCS No. 13531

C P No.: 15669

PR:1204/2021

UDIN: F013531H000243321

Signature:

For DRP & Associates

Company Secretaries

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

Krishna Defence and Allied Industries Limited,

344, Floor-3, Plot-267, A to Z Industrial Estate,

Ganapatrao Kadam Marg, Lower Parel, Delisle Road,

Mumbai-400013, Maharashtra, India.

On the verification of company information and directors' details and records provided to us by the Company and after verifying the details and records of directors on Ministry of Corporate Affairs site, we hereby confirm that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority for FY 2025-26.

This certificate is issued specifically for disclosures to be required for Corporate Governance.

Place: Vadodara

Date: 30/04/2026

Signature:

For DRP & Associates

Company Secretaries

Ruchita Tushar Patel

FCS No. 13531

C P No.: 15669

PR:1204/2021

UDIN: F013531H000243442



Financial Statement

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of Krishna Defence and Allied Industries Limited ("the Company"), which comprises the Balance Sheet as at 31st March 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 Standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information other than the Financial Statement and Auditor's Report thereon

The Company's Management and Board of Directors is responsible preparation the other information. The other information comprises the information included in the Management discussion and analysis, board's report including Annexure to Board's Report, Shareholder's information, corporate governance report but does not include the Standalone financial statements and our auditor's report thereon. The Board's Report including Annexure to Board's Report, Shareholder's Information and Corporate Governance Report are expected to be made available to us after the date of this auditor's report. Any Material misstatement thereon pertaining to it, will be reported thereon.

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

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

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. When we read other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with the governance.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

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

In preparing the Standalone financial statements, The Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and the Board of Directors either intends to liquidate the

Company or to cease operations, or has no realistic alternative but to do so;

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

Auditor's Responsibilities for the Audit of Standalone financial statements

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except as mentioned in Note 2(h)(vi);
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none

of the directors is disqualified as on 31st 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 standalone financial statement 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 the requirements of section 197(16) of the Act, as amended:

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

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements – Refer Note 38 to the Standalone financial statements;

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

iii. The company is not required to be transferred any amount, to the Investor Education and Protection Fund by the Company.

iv.

i. The Management has represented that, to the best of its knowledge and belief, as disclosed in note no. 48(v) to the Standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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;

ii. The Management has represented that, to the best of its knowledge and belief, as disclosed in note no. 48(vi) to the Standalone financial statements, that no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures that we have considered reason-

able and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

V. The Final Dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with section 123 of the Act, as applicable.

The Company has not paid any interim dividend during the year.

As stated in note no. 52 to the Standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except in respect of Inventory records maintained by the company. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirement for record retention except in respect of Inventory records maintained by the Company.

For, C N K & Associates LLP

Chartered accountants

FRN: 101961W/W-100036

Pareen Shah

Partner

Mem. No. 125011

Date: 20/05/2026

Place: Halol

UDIN: 26125011ZTEANO6593

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Para 1 ‘Report on Other Legal and Regulatory Requirements’ in our Independent Auditor’s Report to the members of the Company on the Standalone financial statements for the year ended 31st March, 2026.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- I. (a) In respect of the Company’s Property, Plant and Equipment’s and Intangible Assets:
 - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) The Company has maintained proper records showing full particulars of Intangible Assets;
 - (b) The company has a phased programme of physical verification of its Property, Plant and Equipment so as to cover all assets once in three years. In accordance with this programme, certain Property, Plant and Equipment were verified during the year and basis the physical verification conducted by management, Property, Plant and Equipment amounting to Rs 101.33 Lacs has been written off in the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;
 - (c) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the Standalone financial statements, are held in the name of the Company as at the Balance Sheet date;
 - (d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
 - (e) As disclosed in note no. 48(i) to the accounts and as verified by us, 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. (A) In our opinion and according to information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals with appropriate coverage and procedures of such verification by the management and no discrepancies were noticed on physical verification of 10% or more in aggregate for each class of inventory;
 - (B) The Company has working capital limits sanctioned from banks or financial institutions exceeding Rs. 5 crores during the year. The discrepancies in quarterly filed returns or statements with the books of accounts with explanation thereof is mentioned in Note 49 to the Standalone financial statements;
- III. (a) The Company has, during the year made investments in an associate, stood guarantee for one Company. During the year, the company has not provided security or granted any loans or advances in nature of loan. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to loans granted to parties other than associate and guarantees stood to associate are as per the table given below:

Particulars	No. of Parties	Aggregate amount granted/provided during the year (Rs. In Lakhs)	Balance Outstanding as at balance sheet date in respect of loans (Rs. In Lakhs)
Unsecured Loans			
Employee	2	-	0.67
Corporate Guarantee			
Associate	1	-	500.00

- (b) In respect of the aforesaid investments and loans including loan to employees (which are interest free), Guarantee provided, the terms and conditions under which such investments were made and loans were granted, guarantee were provided are not prejudicial to the Company’s interest;
- (c) In respect of the loans to employees, the schedule of repayment of principal amount has been stipulated, and the employees are repaying the principal amount as stipulated in a regular manner. Payment of interest is not applicable as these employee loans are interest free in nature;
- (d) In respect of the aforesaid loan, there is no amount which is overdue for more than ninety days;
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same employees;
- (f) The loans granted to employees had stipulated the scheduled repayment of principal and the same were not repayable on demand.

Other than that mentioned above, the company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties;

- IV. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, in respect of loans, investments, guarantees, and security, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013;

- V. The Company has not accepted any deposits or amounts which are deemed to be deposits during the year and therefore, the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder are not applicable to the Company;
- VI. We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act and are of the opinion that prima facie the prescribed cost records have been made and maintained by the Company. 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) In our opinion, the company is generally regular in depositing undisputed statutory dues including Goods and Service tax, provident fund, employee state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues as applicable to the appropriate authorities. Further, there were no undisputed amounts payable with respect to above statutory dues in arrears as at March 31, 2026 for a period of six months from the date they became payable;
- (b) According to the information and explanations given to us and the records examined by us, no statutory dues including Goods and Service tax, employee state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues as applicable to the appropriate authorities as at March 31, 2026 which have not been deposited on account of a dispute except following:

Name of Stature	Nature of Dues	Amount (Rs. In lakhs)*	Period to which the amounts relates	Forum where dispute
Employees Provident Fund Act, 1952	Provident Fund	62.52	F.Y 2015-2019	Central Government Industrial Tribunal Cum Labour Court.
Custom Act, 1962	IGST on Custom Duty	11.27	July 2017 to March 2019	Commissioner (Appeals)

*Net of amount paid under protest

- VIII. (a) As disclosed in note no. 48(vii) to the accounts and as verified by us, there were no transactions which were not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
- IX. (a) The company has not defaulted on repayment of any loans or other borrowings or on payment of interest thereon.
- (b) As disclosed in note no. 48(x) to the accounts and as verified by us, the company is not declared as wilful defaulter by any bank or financial institution or other lender;
- (c) Based on the procedures performed by us and according to the information and explanations given by the Management, the term loans taken by the company were applied for the purpose for which the loans were obtained;
- (d) On an overall examination of the Standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate. The Company did not have any subsidiaries or joint venture company during the year.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate. The Company did not have any subsidiaries or joint venture company during the year.
- X. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and as mentioned in note no. 19 to the financial statement, the company has made preferential allotment of share warrants during the year. In respect of this allotment, we further report that –

i) the requirement of section 42 and 62 of the Companies Act, 2013 as applicable, have been complied with; and

ii) the amount raised during the year have been applied by the company as follow:

Particulars	Amount (Rs. In Lakhs)
Opening unutilized balance	-
Total Amount Raised during the year	1960.80
Amount utilized for the purpose for which funds were raised	1960.80
Unutilized balance as at balance sheet date	-

- XI. (a) During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud on or by the Company noticed or reported during the year, nor we have been informed of any such case by the management.
- (b) According to the information and explanations given to us, and based on our examination of the records no fraud on or by the Company noticed or reported during the course of audit. Accordingly reporting under this clause is not applicable;
- (c) According to the information and explanations provided to us, no whistle-blower complaints have received during the year by the company.
- XII. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;
- XIII. In our opinion, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the Standalone financial statements as required by the applicable accounting standards;
- XIV. (a) In our opinion and the records examined by us, the company has an internal audit system commensurate with the size and nature of its business of the company;
- (b) We have considered report of the internal auditors for the period under audit;
- XV. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with them. Hence, the provisions of Section 192 of the Act are not applicable;
- XVI. (a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- XVII. The company has not incurred cash losses in the financial year and in the immediately preceding financial year;
- XVIII. There is no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) is not applicable;
- XIX. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.;
- XX. (a) According to the information and explanation given to us and based on our examination of the records, company is not required to transfer any unspent amount to a Fund specified in Schedule VII to the Companies Act within period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act ;
- (b) According to the information and explanation given to us and based on our examination of the records, company is not required to transfer any amount remaining unspent under section 135(5) of the companies act pursuant to any ongoing project, to special account in compliance with the provision of section 135(6) of the said Act.

For, C N K & Associates LLP

Chartered accountants

FRN: 101961W/W-100036

Pareen Shah

Partner

Mem. No. 125011

Date: 20/05/2026

Place: Halol

UDIN: 26125011ZTEANO6593

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statement of **KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED** (“the Company”) as of 31st March 2026 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 internal financial controls with reference to Standalone financial statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 with reference to standalone financial statement 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to Standalone financial statements of the company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to Standalone financial statements of the company and their operating effectiveness.

Our audit of internal financial controls with reference to standalone financial statement included obtaining an understanding of internal financial controls with reference to standalone financial statement, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to standalone financial statement with reference to Standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statement

A company’s internal financial control with reference to standalone financial statement is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statement 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 Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the Standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statement

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

Opinion

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

For, C N K & Associates LLP

Chartered accountants

FRN: 101961W/W-100036

Pareen Shah

Partner

Mem. No. 125011

Date: 20/05/2026

Place: Halol

UDIN: 26125011ZTEANO6593

Standalone Balance Sheet

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Standalone Balance Sheet as at 31st March, 2026
All amounts are in lakhs unless otherwise stated

(₹ in Lakh)

Sr No.	Particulars	Note No	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
ASSETS					
(1)	Non-current assets				
	(a) Property, Plant and Equipment	4	3,375.63	2,196.81	1,462.38
	(b) Capital work-in-progress	5	303.83	164.73	3.22
	(c) Right of Use Asset	6	10.27	69.27	-
	(d) Financial Assets				
	(i) Investments	7	701.17	525.94	1.02
	(ii) Loans	8	-	-	215.60
	(iii) Other Financial Asset	9	7,687.20	548.72	642.48
	(e) Deferred tax Assets (Net)	24	63.49	7.70	3.98
	(f) Other non-current assets	10	302.39	143.15	64.48
			12443.99	3656.32	2393.16
(2)	Current assets				
	(a) Inventories	11	1,631.24	7,242.07	3,248.24
	(b) Financial Assets				
	(i) Trade receivables	12	3,467.75	1,894.05	2,606.75
	(ii) Cash and cash equivalents	13	602.91	33.37	509.68
	(iii) Bank balances other than cash and cash equivalents	14	2,504.79	2,235.41	3,906.26
	(iv) Loans	15	0.67	2.32	3.89
	(v) Other financial assets	16	0.61	34.74	-
	(c) Other current assets	17	720.59	1,267.31	682.79
			8,928.56	12,709.28	10,957.60
	Total Assets		21,372.55	16,365.60	13,350.76
EQUITY AND LIABILITIES					
Equity					
	(a) Equity Share capital	18	1,493.34	1,405.90	1,370.50
	(b) Other Equity	19	17,521.40	11,713.29	9,263.48
			19,014.74	13,119.19	10,633.98
LIABILITIES					
(1)	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	20	46.00	-	116.48
	(ii) Lease Liability	21	2.66	42.53	-
	(ii) Other Financial Liability	22	-	-	25.00
	(b) Long-term provisions	23	72.19	34.76	34.22
			120.85	77.29	175.70
(2)	Current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	25	159.84	944.97	826.50
	(ii) Lease Liability	21	8.40	32.40	-

Sr No.	Particulars	Note No	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
	(iii) Trade payables	26			
	-Total outstanding dues of Micro enterprises and small enterprises		108.84	290.57	105.92
	-Total outstanding dues other than Micro and small enterprises		556.77	511.72	1,218.18
	(iv) Other Financial Liability	27	191.02	88.86	13.02
	(b) Other current liabilities	28	473.97	1,112.58	213.09
	(c) Short-term Provisions	29	617.94	63.86	54.27
	(d) Current Tax Liabilities	29A	120.18	124.16	110.11
			2,236.96	3,169.13	2,541.08
	Total Equity and Liabilities		21,372.55	16,365.60	13,350.76

See accompanying notes forming part of the financial statements.

In terms of our report of even date attached

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

Pareen Shah
Partner
Mem. No. 125011

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Date: 20/05/2026

Place: Halol

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026

Place: Halol

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Standalone Statement of Profit And Loss For The Year Ended 31st March 2026
All amounts are in lakhs unless otherwise stated

(₹ in Lakh)

Sr No.	Particulars	Note No.	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
(I)	INCOME			
	Revenue From Operations	30	24,478.22	18,961.38
	Other Income	31	326.84	287.81
	Total Income		24,805.06	19,249.19
(II)	EXPENSES			
	Cost of materials consumed	32	8,625.43	11,441.64
	Purchase of Stock-in-Trade	33	264.44	371.20
	Changes in Inventories of Finished goods, and work-in-process	34	3,671.34	(2,019.93)
	Employee benefits expense	35	2,032.40	1,686.18
	Finance costs	36	38.02	94.92
	Depreciation and amortization expense	4 & 6	410.33	275.34
	Other expenses	37	4,681.91	4,420.29
	Total expenses		19,723.86	16,269.62
(III)	Profit before tax (I-II)		5,081.20	2,979.57
(IV)	Tax expense:			
	(1) Current tax	40	1,345.38	772.85
	(2) Income Tax adjustments for the earlier years		(18.54)	6.07
	(3) Deferred tax		(57.75)	(2.22)
(V)	Profit After tax (III-IV)		3,812.12	2,202.87
(VI)	Other Comprehensive Income			
	(i) <u>Items that will not be reclassified to profit or loss</u>			
	- Remeasurements of the defined benefit plans		7.76	(5.98)
	(ii) <u>Income tax relating to items that will not be reclassified to profit or loss</u>			-
	- Remeasurements of the defined benefit plans		(1.95)	1.50
(VII)	Total Other Comprehensive Income		5.81	(4.47)
(VIII)	Total Comprehensive Income for the year (V+VII)		3,817.93	2,198.39
	Earnings per equity share			
	(1)Basic	39	25.95	15.73
	(2)Diluted		25.85	15.24

In terms of our report of even date attached

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

Pareen Shah
Partner
Mem. No. 125011

Date: 20/05/2026

Place: Halol

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026

Place: Halol

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Standalone Cash Flow Statement For The Year Ended 31st March, 2026
All amounts are in lakhs unless otherwise stated

(₹ in Lakh)

	Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before exceptional items, prior period items and tax:	5,081.20	2,979.57
	Adjustments for :		
	Depreciation /amortization	410.33	275.34
	Profit/Loss on sale of Property, Plant & equipments	(2.12)	(2.39)
	Profit on sale of investment	(0.31)	-
	Amount no longer payable written back	-	(4.69)
	Bad Debts	-	75.71
	Rent Income	(2.68)	(3.22)
	Provision for Expected credit loss	39.76	(36.89)
	Interest received	(309.13)	(239.33)
	Share based payment expenses	147.76	60.41
	Interest on Income Tax	3.04	11.25
	Gain on cancellation of lease	(4.95)	-
	Interest Expense	33.61	81.94
	Property, Plant and Equipments Written Off	101.33	-
	Operating Profit before working capital changes	5,497.85	3,197.70
	Adjustments for:		
	(Increase)/Decrease in Trade receivables	(1,613.46)	673.88
	(Increase)/Decrease in Inventories	5,610.83	(3,993.83)
	(Increase)/Decrease in Loans and Advances	1.65	1.57
	(Increase)/Decrease in Other Non Current Assets	(26.21)	(44.62)
	(Increase)/Decrease in Other Current Assets	546.72	(584.53)
	Increase/(Decrease) in Trade Payable	(136.69)	(517.12)
	Increase/(Decrease) in Liabilities and Provisions	54.72	951.76
		4,437.56	(3,512.88)
	Cash generated from Operations	9,935.41	(315.18)
	Less : Direct taxes paid (Net of refund, if any)	(1330.82)	(776.12)
	Net cash from Operating Activities (A)	8,604.59	(1,091.30)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property plant & Equipment's	(1,964.68)	(1,254.23)
	Proceeds from Sale of Property plant & Equipment's	2.78	13.49
	(Purchase)/Sale of investments	1.08	(49.92)
	Investment in Associate	(176.00)	(475.00)
	Loan to Associate	-	215.60
	(Increase)/Decrease in Other bank balances	(7,380.44)	1,811.73
	Rent Received	2.68	3.22
	Interest received	343.26	204.59
	Net Cash used in Investing Activities (B)	(9,171.31)	469.47

C CASH FLOW FROM FINANCIAL ACTIVITIES

Proceeds from Issue of Share capital	2004.46	296.70
Receipt of Long term borrowings(net)	48.35	-
Repayment of Long Term Borrowings	(0.64)	(116.48)
Increase/(Decrease) in Short term Borrowings	(786.83)	118.48
Interest paid	(28.19)	(71.61)
Dividend paid on Equity Shares	(74.54)	(70.25)
Repayment of lease Liability	(26.30)	(11.27)
Net cash used Financing Activities (C)	1,136.30	145.57
Net increase in cash and cash equivalents (A+B+C)	569.58	(476.26)
Cash and cash equivalents at the beginning of the year	33.42	509.68
Cash and cash equivalents at the end of the year	603.00	33.42
Components of Cash & Cash Equivalents		
Cash on hand	0.76	0.97
Balance with schedule banks		
In Current Account	602.15	32.41
Earmarked bank balances	0.09	0.04
Cash and Cash Equivalents	603.00	33.42

Notes:

- 1) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
- 2) In accordance with para 22 of Ind AS 7 - Statement of Cash Flows, cash flows from current borrowings have been reported on net basis since these being working capital facilities, the maturities are short.
- 3) During the year, there are no non cash transaction from investing and financing activities.

In terms of our report of even date attached

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

Pareen Shah
Partner
Mem. No. 125011

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Date: 20/05/2026

Place: Halol

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026

Place: Halol

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Standalone Statement of changes in Equity for the year ended 31st March, 2026
All amounts are in lakhs unless otherwise stated
A Equity Share Capital
As at 31st March, 2026

Balance as at 01st April, 2025	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01st April, 2025	Changes in equity share capital during year	Balance as at 31st March, 2026
1,405.90	-	1,405.90	87.44	1,493.34

As at 31st March, 2025

Balance as at 01st April, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01st April, 2024	Changes in equity share capital during year	Balance as at 31st March, 2025
1,370.50	-	1,370.50	35.40	1,405.90

B Other Equity
As at 31st March, 2026

Particulars	Reserves & Surplus				Other items of Other Comprehensive Income	Total Equity
	Securities Premium	Money Received Against Share Warrants	Employee Stock Option Reserve	Retained Earning		
As at 1st April, 2025	6,136.14	653.60	60.41	4,867.61	(4.47)	11,713.29
(Loss)/Profit for the year	-	-	-	3,812.12	-	3,812.12
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	-	-	-	5.81	5.81
Dividend paid	-	-	-	(74.60)	-	(74.60)
Money Received Against Share Warrants during the year	-	1,960.80	-	-	-	1,960.80
Securities Premium Received on issue of equity shares	2,632.36	-	-	-	-	2,632.36
Securities premium utilised for meeting share issue expense	-	-	-	-	-	-
Reserve Created during the year	-	-	155.75	-	-	155.75
Reserve utilised during the year	-	-	(69.73)	-	-	(69.73)
	-	-	-	-	-	-
Money Received Against Share Warrants utilised for issue of Equity Shares	-	(2,614.40)	-	-	-	(2,614.40)
Balance as at 31st March, 2026	8,768.50	-	146.43	8,605.13	1.34	17,521.40

As at 31st March, 2025

Particulars	Reserves & Surplus				Other items of Other Comprehensive Income	Total Equity
	Securities Premium	Money Received Against Share Warrants	Employee Stock Option Reserve	Retained Earning		
As at 1st April, 2024	5,750.94	777.50	-	2,735.03	-	9,263.48
(Loss)/Profit for the year	-	-	-	2,202.87	-	2,202.87
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	-	-	-	(4.47)	(4.47)

Dividend paid	-	-	-	(70.30)	-	(70.30)
Securities Premium Received on issue of equity shares	460.20	-	-	-	-	460.20
Securities premium utilised for meeting share issue expense	(75.00)	-	-	-	-	(75.00)
Reserve Created during the year	-	-	60.41	-	-	60.41
Money Received Against Share Warrants utilised for issue of Equity Shares	-	(123.90)	-	-	-	(123.90)
Balance as at 31st March, 2025	6,136.14	653.60	60.41	4,867.61	(4.47)	11,713.29

As at 1st April, 2024

Particulars	Reserves & Surplus				Other items of Other Comprehensive Income	Total Equity
	Securities Premium	Money Received Against Share Warrants	Employee Stock Option Reserve	Retained Earning		
As at 31st March, 2024	5,750.94	777.50	-	2,743.51	-	9,271.96
Opening adjustment due to adoption of Ind AS				(8.48)	-	(8.48)
Balance as at 1st April, 2024	5,750.94	777.50	-	2,735.03	-	9,263.48

In terms of our report of even date attached

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

Pareen Shah
Partner
Mem. No. 125011

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Date: 20/05/2026

Place: Halol

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026

Place: Halol

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Standalone Ind AS Financial Statements

1-A Corporate Information

Krishna Defence and Allied Industries Limited (formerly known as Krishna Allied Industries Limited) is a listed public limited company, incorporated on 10th September, 2013. Company was incorporated as private limited company and later converted into unlisted public limited company on 07th December 2021. The Company was then listed on the SME platform of National Stock Exchange i.e. NSE Emerge and later on received principal approval for Listing of its equity shares on Capital Market Segment (Main Board) pursuant to Migration from SME Emerge platform (NSE) vide letter Ref: NSE/LIST/287, dated December 26, 2025 from National Stock Exchange of India Limited.

The Company is engaged in the manufacture, import, export, trading and supply of steel products and materials, defence equipment and systems, dairy and kitchen equipment, engineering products and allied industrial goods, catering to customers in India and overseas markets.

1-B Basis of Preparation

i. Compliance with Ind AS

These financial statements of the Company comprises, the balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (herein referred to as "financial statements"). These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) prescribed under Section 133 of Companies Act, 2013, (the 'Act'). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements up to year ended 31st March, 2025 were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2021 ("Indian GAAP") and other relevant provisions of the Act as applicable. These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101- First time Adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the 'Previous GAAP' for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's financial position, financial performance and cashflows is provided in Note 46 of the financial statement.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

iii. Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

iv. Composition of Financial Statements

The financial statements are in accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Changes in Equity
- Statement of Cash Flow
- Notes to Financial Statements

v. Key Accounting Judgments, Estimates and Assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

2 Material Accounting Policies

A Current versus 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 realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- 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
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

B Revenue Recognition:

Revenue is measured based on the identification of performance obligations in a contract and is recognised when or as those performance obligations are satisfied. Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered if any are net off variable consideration on account of various discounts, schemes, rebates offered by the company or late delivery charges associated as the part of the contract.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer.

Revenue is recognised when the amount can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company, the costs incurred or to be incurred can be measured reliably.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for late delivery are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

C Other Income:

Interest income:

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the Effective Interest Rate ("EIR") method on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate, provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Other income is comprised primarily of exchange gain/loss on foreign currency transactions is accounted for an accrual basis for except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

D Property, Plant and Equipment (PPE)

Freehold land is carried at historical cost. All other items of PPE are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, after deducting trade discounts and rebates, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any; The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment; Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss;

Subsequent Expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. All other repairs and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

De-Recognition:

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when the asset is de-recognised;

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2024 measured as per the Previous GAAP and use that carrying value as the deemed cost (except to the extent of any adjustment permissible under other accounting standard) of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Tangible assets, other than leasehold land, are depreciated on a pro-rata basis based on the written down value method, based on the estimated economic useful lives of the assets taken as per indicative prescribed year in schedule II of the Companies Act, 2013. Freehold land is not depreciated; Cost of Leasehold Asset is amortised over the tenure of lease agreement. In case where the cost of part of asset is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining assets, the useful life of that significant part has been determined separately.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Capital Work-in-Progress:

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the applicable standards. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under "Other Non-Current Assets" and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

E Intangible Assets:

Recognition and measurement:

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.

Amortization:

Intangible assets are amortized over their useful life of the assets prescribed under the schedule II to the companies Act, 2013.

De-recognition of Intangible Assets:

Intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is de-recognized.

F Impairment of Non financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified;

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs;

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

G Inventories:

Inventories include raw material, packing materials, consumable stores, work in progress, and finished goods.

Inventories have been valued at cost or net realizable value, whichever is lower. Cost of inventories is determined on a First in First out basis (FIFO), after providing for obsolescence and other losses as considered necessary. In the case of raw materials and stock-in-trade, cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.. In the case of finished goods and work in progress, cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. 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.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realisable value is made on an item-by-basis.

H Financial Instruments:

Financial Assets:

Initial recognition and Measurement:

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Trade receivables that do not contain a significant financing component are measured at transaction price less any provisions for doubtful debts based on expected credit loss calculation. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the Statement of Profit and Loss.

Subsequent measurement:

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the statement of profit or loss

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment).

Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVTOCI) and equity instruments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVTOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVTOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

Impairment of Financial assets

The Company assesses at each reporting date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 months expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

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 recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Statement of Assets & Liabilities. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities:

Initial recognition and Measurement

The Company's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs;

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

Financial Liability at Amortized Cost Method

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process;

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized 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 recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty.

I Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise of 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; Bank Overdrafts are shown within borrowings in current liabilities in Balance sheet.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Cash Flows

J Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

K Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution of dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

L Foreign Currency Translation:**Initial Recognition:**

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Translation and Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Employee benefits:

M Employee benefits includes short term employee benefits, contribution to defined contribution schemes , contribution to defined benefit plan and Compensated absences.

Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Contribution towards defined benefit contribution schemes:

Contribution towards provident fund is made to the regulatory authorities. Contributions to the above scheme are charged to the Statement of profit and loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions to be made.

Defined benefit Plan:**Gratuity plan:**

The Company has a defined benefit gratuity plan. Separate actuarial valuation is carried out for each plan using the projected unit credit method. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. Current service cost, Past-service costs are recognised immediately in Statement of profit or loss;

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end;

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period in which they arise.

N Employee Share Based Payment

Share-based compensation benefits are provided to employees via Employee Stock Option Plan 1. Employees of the Company receive remuneration in the form of share based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

O Borrowing Costs:

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred;

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

P Income Taxes :

The tax expense comprises of current income tax and deferred tax.

Current income tax:

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the applicable tax rates.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

The carrying amount of deferred income 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 income tax asset to be utilised;

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Q Provisions and Contingent liabilities and contingent assets :

a) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement;

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost;

Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

b) Contingent Liabilities and Contingent assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements;

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

R Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period;

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

S Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications. Further Lease liabilities are premeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the under lying asset.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever, the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

T Segment reporting:

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, evaluates the Company's performance and allocates the resources based on an analysis of various performance. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

U Events after Reporting Date

Where events occurring after the Balance Sheet date provide evidence of conditions which existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

3 Recent Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new 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 notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, Ind AS 1 - Presentation of Financial Statements, Ind AS 7 - Statement of Cash Flows, Ind AS 107 - Financial Instruments: Disclosures and Ind AS 12, International Tax Reform – Pillar Two Model Rules. The company has reviewed the new pronouncements and based on its evaluation given necessary impact (including additional disclosures) as applicable.

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Notes forming part of the Standalone Ind AS Financial Statements
All amounts are in lakhs unless otherwise stated
4 Property, Plant and Equipments

(₹ in Lakh)

Particulars	Freehold Land	Lease Hold Land- ROU Asset	Factory Building	Office Premises	Plant and Equipments	Furniture and Fixtures	Motor Vehicle	Office Equipments	Computer Equipments	Total
Gross carrying amount										
At 1st April, 2024	153.94	-	177.88	173.16	882.78	18.88	43.91	7.31	4.52	1,462.38
Additions	-	262.68	-	-	710.91	5.66	18.41	2.83	11.11	1,011.59
Disposals	-	-	-	-	-	-	18.34	-	-	18.34
As at 31st March, 2025	153.94	262.68	177.88	173.16	1,593.69	24.54	43.98	10.14	15.63	2,455.63
Additions	-	361.78	826.86	-	348.53	32.72	66.56	13.05	15.68	1,665.17
Disposals/Write Off	-	-	-	-	138.82	2.46	1.51	2.45	2.54	147.79
As at 31st March, 2026	153.94	624.46	1,004.74	173.16	1,803.39	54.80	109.02	20.73	28.77	3,973.02
										-
At 1st April, 2024	-	-	-	-	-	-	-	-	-	-
Depreciation charged	-	2.04	17.78	8.43	209.52	5.33	13.73	3.58	5.66	266.07
On Disposals	-	-	-	-	-	-	7.24	-	-	7.24
As at 31st March, 2025	-	2.04	17.78	8.43	209.52	5.33	6.49	3.58	5.66	258.83
Depreciation charged	-	6.33	44.45	8.02	286.25	9.29	19.40	5.93	9.40	389.07
On Disposals/Write off	-	-	-	-	45.55	0.97	0.71	1.39	1.89	50.51
As at 31st March, 2026	-	8.37	62.23	16.45	450.23	13.64	25.17	8.13	13.17	597.39
Net carrying amount:										
As at 31st March, 2026	153.94	616.09	942.51	156.70	1,353.16	41.15	83.85	12.61	15.60	3,375.63
As at 31st March, 2025	153.94	260.64	160.10	164.72	1,384.17	19.21	37.49	6.55	9.97	2,196.81
As at 01st April, 2024	153.94	-	177.88	173.16	882.78	18.88	43.91	7.31	4.52	1,462.38

(i) The Company has adopted Previous Generally Accepted Accounting Principles (GAAP) as the deemed cost as per the exemption under Ind AS 101. Accordingly, the company has set the Net Block as per Previous GAAP as on 1 April, 2024 as the Gross block under Ind AS.

(ii) Assets pledged as security :Exclusive charge of PNB Bank over Commercial Office located at Lower Parel, Mumbai. Exclusive charge of Axis Bank over Industrial Property 503/A, R S No 32/P located at Halol. Pari pasu charge of PNB Bank with Axis Bank on Industrial Shed No 121/8, 121/9, 121/20, 121/21, 121/22 GIDC Kalol, on Industrial Shed 121/23, 121/24 GIDC Kalol and Flat no. B-302, Shivam Residency Tower, Vadodara. These assets are subject to the terms and conditions of the respective financing and security documents executed with the lending banks.

(iii) Specific Vehicle is hypothecated as security against Vehicle Loan.

(iv) The Company has not revalued any of its Property, plant and equipment during the year.

(v) The Right of use asset is on account of two leasehold lands acquired by the company for the balance lease period of 78 years and 83 years and the lease premium for the same was paid in full at the inception of the lease. The leasehold land is carried at cost less accumulated amortization.

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Notes forming part of the Standalone Ind AS Financial Statements
All amounts are in lakhs unless otherwise stated
5 Capital Work-in-progress

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Opening Balance	164.73	3.22	3.22
Addition during the year	103.59	161.51	-
Capitalisation during the year	(364.97)	-	-
Total	303.83	164.73	3.22

CWIP ageing schedule:

CWIP / Intangible Assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at 31st March, 2026					
Projects in progress	303.83	-	-	-	303.83
Projects temporarily suspended	-	-	-	-	-
As at 31st March, 2025					
Projects in progress	161.51	3.22	-	-	164.73
Projects temporarily suspended	-	-	-	-	-
As on 1st April, 2024					
Projects in progress	3.22	-	-	-	3.22
Projects temporarily suspended	-	-	-	-	-

Note: There are no Capital Work in Progress for which completion is overdue or has exceeded its cost compare to its original plan.

6 Right of Use Asset

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Gross Block (Refer Note No . 35 E(b))			
Opening balance	78.54	-	-
Addition during the year	-	78.54	-
Disposal	59.09	-	-
Closing balance	19.46	78.54	-
Depreciation Block			
Opening balance	9.27	-	-

Depreciation charged during the year	21.26	9.27	-
Disposal	21.34		
Closing balance	9.19	9.27	-
Net Block	10.27	69.27	-
Refer note 41(B) for the disclosures required as per Ind AS 116: Leases			

7 Investments

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(A) Investment at fair value through Other Comprehensive Income			
(a) Investment in Equity Shares- Unquoted (fully paid up)			
(i) Investment in Planys Technologies Private Limited	49.92	49.92	-
(C.Y. 120 equity shares of Rs 100 each fully paid up) (P.Y. 120 equity shares of Rs 100 each fully paid up) (1st April 2024: Nil)			
(B) Investment valued at Cost			
(a) Investment in Equity Shares of Associate Company- Unquoted (fully paid up)			
(i) Investment in Waveoptix Defence Solution Private Limited	475.25	475.25	0.25
(C.Y. 5000 fully paid up equity shares of Rs 10 each) (P.Y. 5000 shares) (1st April, 2024: 2500 Shares)			
(ii) Investment in Conceptia Software Technologies Private Limited	176.00	-	-
(C.Y. 88,000 fully paid up equity shares of Rs 10 each) (P.Y. Nil shares) (1st April 2024: Nil Shares)			
(C) Investment at Fair Value through Profit and Loss Account (FVTPL)			
(a) Investment in Mutual Fund - Unquoted (At FVTPL)			
(i) Investment in units of UTI	-	0.77	0.77
(C.Y. Nil Units) (P.Y. 6,204.629 Units) (1st April 2024: 6,204.629 Units)			
Total	701.17	525.94	1.02
Aggregate amount of quoted investments	-	-	-
Aggregate market value of quoted investments	-	-	-
Aggregate amount of unquoted investments	701.17	525.94	1.02

8 Non- Current Loans

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good			
Loan to Related Party (Refer Note Below)	-	-	215.60
(i) WaveOptix Defence Solution Private Limited	-	-	-
Total	-	215.60	-

Note: The company had given loan to the Associate Company for business purpose. The company has charged the interest on above loan at a rate of 10% p.a. The company has received 2,500 Equity shares at price of Rs. 19,000 per shares on account of conversion of unsecured loan given to associates company as on 25th March ,2025 as per the approval of board resolution dated 08th November, 2023.

9 Other Non - Current Financial Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good (at Amortised cost)			
(a) Security Deposits	161.05	136.56	89.48
Less: Provisions	-	2.88	2.88
	161.05	133.68	86.60
(b) Other Balances: (Refer below note (i))			
(i) Bank Balances held as margin money against Guarantees	883.83	69.02	417.72
(ii) Fixed Deposit with Bank (Refer Below Note (i))	6,642.32	346.02	138.16
Total	7,687.20	548.72	642.48

Note (i): The company has given the fixed deposit amounting to Rs. 862.55 Lakhs (P.Y. Rs.129.87 Lakhs) (1st April 2024: Rs 138.16 Lakhs) as collateral security to the banks against the Fund based, Non fund based working capital facility availed from the Banks.

10 Other Non - Current Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good			
(a) Capital Advance	265.76	105.35	24.23
(b) Balances with government authorities	21.10	21.04	21.04
(c) Expenses paid in advance	15.53	16.76	19.22
Total	302.39	143.15	64.48

11 Inventories (At lower of cost and net realizable value)

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(a) Raw Materials	769.55	2,664.08	757.01
(b) Work-in-progress	463.30	3,913.62	2,287.53
(c) Finished goods (other than those acquired for trading)	263.19	396.56	-
(d) Stock-in-trade	-	3.98	65.42
(e) Stores, Spares and fuel	105.81	150.78	83.95
(f) Scrap	29.40	113.05	54.34
Total	1,631.24	7,242.07	3,248.24

Notes: Inventories amounting to Rs 1631.24 Lakhs (PY: Rs 7242.07 Lakhs) (1st April 2024: Rs 3248.24 Lakhs) have been pledged to secure borrowings of the Company. (Refer Note: 25)

12 Trade Receivables

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good (at Amortised cost)			
Trade Receivables considered good - Unsecured	3,550.15	1,936.68	2,686.28
Less : Provision for Expected Credit Loss Allowance	(82.40)	(42.64)	(79.53)
Total	3,467.75	1,894.05	2,606.75

Ageing of Trade Receivables :

Particulars	Less than 6 Months	6 Months - 1 year	2-3 Years	More than 3 Years	Total
As at 31st March, 2026					
Undisputed					
- considered good	3362.60	120.04	47.25	3.01	3,550.15
- which have significant increase in credit risk	-	-	-	-	-
- credit impaired	-	-	-	-	-
Disputed					
- considered good	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-
- credit impaired	-	-	-	-	-
Total Trade Receivable	3362.60	120.04	47.25	3.01	3,550.15
Less: Expected Credit Loss Allowance	(33.64)	(6.00)	(35.44)	(3.01)	(82.40)
Expected Credit Loss Allowances Rates	1%	5%	75%	100%	
Total Trade Receivable	3328.96	114.04	11.81	-	3,467.75
Particulars	Less than 6 Months	6 Months - 1 year	2-3 Years	More than 3 Years	Total

As at 31st March, 2025

Undisputed					
- considered good	1847.32	23.28	12.96	-	1,936.68
- which have significant increase in credit risk	-	-	-	-	-
- credit impaired	-	-	-	-	-
Disputed					
- considered good	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-
- credit impaired	-	-	-	-	-
Total Trade Receivable	1847.32	23.28	12.96	-	1,936.68
Less: Expected Credit Loss Allowance	(18.47)	(1.16)	(9.72)	-	(42.64)
Expected Credit Loss Allowances Rates	1%	5%	75%		
Total Trade Receivable	1828.84	22.11	3.24	-	1,894.05

Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As on 1st April, 2024						
Undisputed						
- considered good	2237.56	62.48	127.12	111.24	147.87	2,686.28
- which have significant increase in credit risk		-	-	-	-	-
- credit impaired		-	-	-	-	-
Disputed						
- considered good		-	-	-	-	-
- which have significant increase in credit risk		-	-	-	-	-
- credit impaired		-	-	-	-	-
Total Trade Receivable	2237.56	62.48	127.12	111.24	147.87	2,686.28
Less: Expected Credit Loss Allowance	(21.96)	(3.12)	(6.36)	(11.12)	(36.97)	(79.53)
Expected Credit Loss Allowances Rates	1%	5%	5%	10%	25%	
Total Trade Receivable	2215.60	59.36	120.77	100.12	110.90	2,606.75

13 Cash and cash equivalents

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Balances with Banks			
In Current Accounts	602.15	32.41	6.78
		-	
Cash in Hand	0.76	0.97	1.87
Bank deposits with maturity for less than 3 months	-	-	501.03
Total	602.91	33.37	509.68

14 Other Bank balances

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Other Balances (Refer below note (i))			
(i) Bank Balances held as margin money against Guarantees	153.51	637.23	230.33
(ii) Fixed Deposit with Bank (Refer note (ii))	0.95	685.71	644.08
(iii) Fixed Deposit with Bank having maturity less than 12 months	2,350.23	912.43	3,031.85
(iv) Earmarked bank balances (Refer note iii)	0.09	0.04	-
Total	2,504.79	2,235.41	3,906.26

(i) Other Balances includes Bank deposits having maturity of less than 12 months.

(ii) The above Fixed deposits is given as collateral security to the banks against the Fund based, Non fund based working capital facility availed from the Banks.

(iii) These balances pertain to amount deposited in unclaimed dividend account which is earmarked for payment of dividend and cannot be used for any other purpose.

15 Loans - Current							
	Particulars				As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good (at Amortised cost)							
	Loans to employees				0.67	2.32	3.89
	Total				0.67	2.32	3.89
16 Other Current Financial assets							
	Particulars				As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good							
	Interest receivable				0.61	34.74	-
	Total				0.61	34.74	-
17 Other Current Assets							
	Particulars				As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good							
	Advance to suppliers (Refer below note)				475.79	840.95	591.35
	Advances for Expenses				18.30	6.74	0.95
	Expenses paid in advance				134.05	83.87	49.09
	Balances with government authorities				92.45	335.75	41.40
	Total				720.59	1,267.31	682.79
	Note:						

This includes Advance for material given to White Gold Technologies LLP amounting to Rs.Nil (Rs. P.Y. 379.47 lakhs) (1st April 2024: Rs 227.77 lakhs) in which the director of the company is partner.

Note: Short term loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ Nil (previous year ₹ Nil)

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Notes forming part of the Standalone Ind AS Financial Statements
All amounts are in lakhs unless otherwise stated

18	Share Capital				
(i)	Share Capital				
	Particulars	Authorised Share Capital		Issued Share Capital	
		Equity Share Capital		Equity Share Capital	
		No. of Shares	Amount (Rs.in lakhs)	No. of Shares	Amount (Rs.in lakhs)
	As at 1st April 2024	15,000,000	1,500.00	13,705,026	1,370.50
	Increase /(decrease) during the year	-	-	354,000	35.40
	As at 31st March 2025	15,000,000	1,500.00	14,059,026	1,405.90
	Increase /(decrease) during the year			874,362	87.44
	As at 31st March 2026	15,000,000	1,500.00	14,933,388	1,493.34

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2026		As at 31st March 2025		As at 1st April 2024	
	Nos.	₹	Nos.	₹	Nos.	₹
Number of shares outstanding as at the beginning of the financial year	1,40,59,026	1,406	1,37,05,026	1,370.50	1,37,05,026	1,370.50
Add / (Less): changes during the year by the Company	8,74,362	87.44	3,54,000	35.40	-	-
Number of shares outstanding as at the close of the financial year	1,49,33,388	1,493.34	1,40,59,026	1,405.90	1,37,05,026	1,370.50

(iii) Terms and Rights attached

The Company has only one class of equity share having a par value of ₹10 per share. In the event of liquidation of Companies, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. Each Shareholder of Equity share is entitled to one vote per share.

(iv) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at 31st March, 2026		As at 31st March 2025		As at 1st April 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity shares of Rs. 10 each fully paid						
Ankur Shah	54,53,890	36.52%	52,53,890	37.37%	52,53,890	38.34%
Krish Industries Private Limited	8,40,000	5.62%	840,000	5.97%	8,40,000	6.13%
Pallavi Shah	17,35,710	11.62%	17,35,710	12.35%	16,33,710	11.92%

(vi) Shared held by promoters at the end of 31st March, 2026

Promoter's Name	As at 31st March, 2026			As at 31st March 2025			As at 1st April 2024		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Ankur Shah	54,53,890	36.52%	-0.85%	52,53,890	37.37%	-0.97%	52,53,890	38.34%	-7.56%

19 Other Equity

Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 1st April, 2024	As at 31st December, 2025	As at 31st March, 2025	As at 31st March, 2024	As at 1st April, 2023
Securities Premium Account	8,768.50	6,136.14	5,750.94	8,664.54	6,136.14	5,750.94	757.32
Money Received Against Share Warrants	-	653.60	777.50	-	653.60	777.50	420.00
Employee Stock Option Reserve	146.43	60.41	-	163.98	60.41	-	-
Retained Earnings	8,606.46	4,863.13	2,735.03	7,370.28	4,865.73	2,743.51	1,764.55
Total	17,521.40	11,713.29	9,263.48	16,198.81	11,715.88	9,271.96	2,941.88

Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 1st April, 2024	As at 31st December, 2025	As at 31st March, 2025	As at 31st March, 2024
Securities Premium Account						
Opening balance	6,136.14	5,750.94	5,750.94	6,136.14		
Add: Received on issue of Equity shares during the year	2,632.36	460.20	-	2,528.40		
Less : Utilised for meeting share issue expenses ((Refer below Note No (i))	-	75.00	-	-		
Closing Balance	8,768.50	6,136.14	5,750.94	8,664.54	6,136.14	5,750.94
Money Received Against Share Warrants						
Opening balance	653.60	777.50	777.50	653.60		
Money Received Against Share Warrant during the year	1,960.80	-				
Money Received Against Share Warrant utilised for issue of share ((Refer below Note No (ii))	2,614.40	123.90		653.60		
Closing Balance	-	653.60	777.50	-	653.60	777.50
Employee Stock option Reserve						
Opening Balance	60.41	-		60.41		
Add: Reserve Created during the year (Refer Note No .51)	155.75	60.41		103.57		
Less : Reserve Utilised during the year	(69.73)	-				
Closing Balance	146.43	60.41	-	163.98		
Retained Earnings						
Opening balance	4,863.13	2,735.03	2,743.51	4,863.13	2,743.51	2,743.51
Add: Net profit for the year	3,812.12	2,202.87		2,581.84	-	-
Add/(Less): Remeasurement of the Net Defined benefit liability/asset, net of tax effect *	5.81	(4.47)		(0.09)	-	-
Add/(Less): Impact of Ind AS 101 debited to retained earning on date of transition	-	-	(8.48)		-	-
Less : Dividend paid (refer note (iii))	(74.60)	(70.30)		(74.60)	-	-
Closing balance	8,606.46	4,863.13	2,735.03	7,370.28	2,743.51	2,743.51
Grand Total	17,521.40	11,713.29	9,263.48	16,198.81	9,533.26	9,271.96

*This is item of other comprehensive income arising from remeasurement of defined benefit obligation net of income tax, which is directly recognised in retained earning.

Note

(i) Pursuant to Section 52 of the Companies Act , 2013 , Securities Premium account has been utilized against share issue expenses related to Issue management fees, professional fee and other expenses incurred amounting to Rs. 75.00 Lakhs related to the preferential issue of equity shares during the previous year ended 31st March 2025.

(ii) During the year , the Company had converted the 8,60,000 Convertible Equity warrants into Equity Shares on receipt of balance amount of Rs 1960.80 Lakhs towards Share Warrants.

(iii) The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. On 20th May 2025, final dividend of Rs 0.50 per share (Total dividend Rs. 74.60 lakhs) were proposed by the board of directors which is paid in FY 2025-26 after the approval of shareholders in General Meeting. (Total Dividend paid in P.Y. Rs 70.30 Lakhs)

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Notes forming part of the Standalone Ind AS Financial Statements
All amounts are in lakhs unless otherwise stated
20 Borrowings

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(a) Term Loans			
- Secured			-
(i) From Others - Vehicle Loan (Refer below Note (i))	47.71		-
Total	47.71	-	-
Less: Current Maturities of long - term debts	1.70		
	46.00	-	-
Loans from directors (unsecured) (Refer below Note (ii))	-		116.48
Total	46.00	-	116.48

Note :

(i) Vehicle Loan is for a loan tenure of 4 years with a monthly instalment of Rs 0.49 Lakhs (including Interest). Rate of Interest is 9% p.a. Vehicle loans are secured by way of hypothecation of a specific vehicle.

(ii) The unsecured loan was interest free loan from director with a tenure of 2-3 years.

21 Lease Liability

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Opening Balance	74.93	-	-
Addition during the year	-	78.54	-
Finance Cost	5.14	7.66	-
Payment made during the year	(26.30)	(11.27)	-
Disposal	(42.70)	-	-
Closing Balance	11.06	74.93	-
Current Liabilities	8.40	32.40	
Non current Liabilities	2.66	42.53	-

22 Other Non - Current Financial liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Security Deposits	-	-	25.00
Total	-	-	25.00

23 Long Term Provisions

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(i) Provision for Compensated absences (Refer Note- 41A)	22.82	14.71	11.73
(ii) Provision for Gratuity (Refer Note- 41A)	49.37	20.05	22.49
Total	72.19	34.76	34.22

24 Deferred tax Liabilities/ (Asset) (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Deferred Tax Liabilities in relation to:			
Related to Property Plant and Equipment	5.75	37.50	36.51
Total Deferred Tax Liabilities	5.75	37.50	36.51
Deferred Tax Assets in relation to:			
Allownces for Doubtful Debts and other deposits (ECL)	20.74	10.73	20.02
On Lease Liabilities	0.20	1.42	-
On Remeasurement of Defined Benefit Plan	7.40	9.35	7.85
Amounts allowable for tax purpose on payment basis	40.91	23.69	12.62
Total Deferred Tax Assets	69.25	45.20	40.49
Net Deferred Tax Liabilities / (Asset) (Net)	(63.49)	(7.70)	(3.98)

As at 31st March, 2026

Particulars	Opening Balance	Recognised in Retained Earnings	Recognised in OCI	Recognised in Profit & Loss	Closing Balance
Deferred Tax Liabilities in relation to:					
Property, plant and equipment	37.50	-	-	(31.75)	5.75
Total Deferred Tax Liabilities	37.50	-	-	(31.75)	5.75
Deferred Tax Assets in relation to:					
Allownces for Doubtful Debts and other deposits (ECL)	10.73	-	-	10.01	20.74
leases liabilities	1.42	-	-	(1.22)	0.20
Remeasurement of Defined Benefit Plan	9.35	-	(1.95)	-	7.40
Amounts allowable for tax purpose on payment basis	23.69	-	-	17.22	40.91
Total Deferred Tax Assets	45.20	-	(1.95)	26.00	69.25
Net Deferred Tax Liabilities / (Asset) (Net)	(7.70)	-	1.95	(57.75)	(63.49)

As at 31st March, 2025

Particulars	Opening Balance	Recognised in Retained Earnings	Recognised in OCI	Recognised in Profit & Loss	Closing Balance
Deferred Tax Liabilities in relation to:					
Property, plant and equipment	36.51	-	-	1.00	37.50
Total Deferred Tax Liabilities	36.51	-	-	1.00	37.50
Deferred Tax Assets in relation to:					
Allowances for Doubtful Debts and other deposits (ECL)	20.02	-	-	(9.29)	10.73
leases liabilities	-	-	-	1.42	1.42
Remeasurement of Defined Benefit Plan	7.85	-	1.50	-	9.35
Amounts allowable for tax purpose on payment basis	12.62	-	-	11.07	23.69
Total Deferred Tax Assets	40.49	-	1.50	3.21	45.20
Net Deferred Tax Liabilities / (Asset) (Net)	(3.98)	-	(1.50)	(2.22)	(7.70)

As on 1st April, 2024

Particulars	Opening Balance	Recognised in Retained Earnings	Recognised in OCI	Recognised in Profit & Loss	Closing Balance
Deferred Tax Liabilities in relation to:					
Property, plant and equipment	36.51	-	-	-	36.51
Total Deferred Tax Liabilities	36.51	-	-	-	36.51
Deferred Tax Assets in relation to:					
Allowances for Doubtful Debts and other deposits (ECL)	20.02	-	-	-	20.02
on lease liabilities	-	-	-	-	-
Remeasurement of Defined Benefit Plan	-	7.85	-	-	7.85
Amounts allowable for tax purpose on payment basis	17.62	(5.00)	-	-	12.62
Total Deferred Tax Assets	37.63	2.85	-	-	40.49
Net Deferred Tax Liabilities / (Asset)	(1.13)	(2.85)	-	-	(3.98)

25 Borrowings

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(a) Loans repayable on demand			
- Secured			
(i) From Banks (refer below note (i))	158.14	944.97	807.63
- Unsecured			
(i) Loan from directors	-	-	18.86
(b) Current Maturities of long-term debt- Vehicle Loan	1.70	-	-
Total	159.84	944.97	826.50

Note (i) : Terms of Loans and Security details
Secured Loan from Bank-
Axis Bank:

Facility Granted: Rs 5000 lakhs (Fund Based Rs 800 lakhs and Non-Fund Based Rs 4200 lakhs)

Rate of Interest: Repo rate + 2.75%

Security details:The above facility is primarily secured by hypothecation charge on entire present and future current asset of the company and by way of first charge on the entire movable fixed assets of the company. Exclusive charge of Axis Bank over Industrial Property 503/A, R S No 32/P located at Halol as collateral security. Further, the Axis Bank has pari-pasu charge with PNB Bank on Industrial Shed No 121/8, 121/9, 121/20, 121/21, 121/22, 121/23, 121/24 GIDC Kalol and Flat no. B-302, Shivam Residency Tower, Vadodara as collateral security. The facility is further secured by way of lien on fixed deposits of original value of Rs.513.00 Lakhs. The facility is further secured by way of lien on LIC policy in name of Mr. Ankur Shah having surrender value of Rs. 62.00 Lakhs. The facility is further secured by way of personal guarantee of the Managing director Mr. Ankur Shah.

Punjab National Bank:

Facility Granted: Rs 1900 lakhs (Fund Based Rs 400 lakhs and Non-Fund Based Rs 1500 lakhs)

Rate of Interest: Repo rate + Mark up 2.65% + BSP 0.10%+Spread 0.50%.

Security details:The Above facility is primarily secured by paripassu hypothecation charge on entire stock and book debts of the company and by way of exclusive charge over Commercial Office located at Lower Parel, Mumbai as collateral security and Also collaterally secured by way of paripassu charge with Axis Bank Limited on immovable properties situated at Industrial Shed No. 121/8, 121/9, 121/20, 121/21, 121/22, 121/23 & 121/24 GIDC Kalol and Flat no B-302, Shivam Residency Tower. Further , the facility is secured by Fixed deposit of original value Rs. 129.87 Lakhs and personal guarantee of Managing director Mr. Ankur Shah.

26 Trade payables

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Trade payables			
- Total outstanding dues of Micro & Small Enterprises	108.84	290.57	105.92
- Total outstanding dues other than Micro and small enterprises	556.77	511.72	1,218.18
Total	665.61	802.30	1,324.11

Ageing of Trade Payables:

Particulars	Less than 1 Years	1-2 Years	2-3 Years
As at 31st March, 2026			
(i) MSME	108.84	-	-
(ii) Others	539.23	2.65	-
(iii) Disputed Dues - MSME	-	-	-
(iv) Disputed Dues - Others	-	-	-
Total Trade Payable	648.07	2.65	-

Particulars	Less than 1 Years	1-2 Years	2-3 Years
As at 31st March, 2025			
(i) MSME	290.57	-	-
(ii) Others	496.83	-	14.89
(iii) Disputed Dues - MSME	-	-	-
(iv) Disputed Dues - Others	-	-	-
Total Trade Payable	787.41	-	14.89

Particulars	Less than 1 Years	1-2 Years	2-3 Years
As on 1st April, 2024			
(i) MSME	105.92	-	-
(ii) Others	1128.37	84.32	5.49
(iii) Disputed Dues - MSME	-	-	-
(iv) Disputed Dues - Others	-	-	-
Total Trade Payable	1234.29	84.32	5.49

27 Other Current Financial liabilities						
	Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
	Interest accrued on borrowings			2.96	2.68	-
	Unclaim Dividend			0.10	0.04	-
	Security Deposits			-	-	0.25
	Payable to Employees			117.19	72.57	
	Payable for Expenses			70.76	13.57	12.77
	Total			191.02	88.86	13.02

28 Other current liabilities						
	Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
	Statutory dues payable			337.10	38.63	26.76
	Advances From Customers			136.87	1,073.95	121.34
	Total			473.97	1,112.58	213.09

29 Short Term Provisions						
	Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
	(a) Provision for employee benefits					
	(i) Provision for Compensated absences (Refer Note- 41A)			3.79	1.81	4.33
	(ii) Provision for Bonus			42.45	37.12	27.56
	(iii) Provision for Gratuity (Refer Note- 41A)			20.67	16.80	15.23
	(iv) Provision for Commission to Non Executive Directors			52.85	-	-
	(b) Provisions- Others					-
	(i) Provision for Warranties [Refer Note No- 50]			4.97	8.13	7.15
	(ii) Provision for Late delivery Charges [Refer Note No- 50]			493.21	-	-
	Total			617.94	63.86	54.27

29A Current Tax Liability						
	Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
	Provision for Income tax (Net of Taxes paid in advance)			120.18	124.16	110.11
	Total			120.18	124.16	110.11

Notes forming part of the Standalone Ind AS Financial Statements

All amounts are in lakhs unless otherwise stated

30 Revenue From Operations

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
(a) Sale of products (Refer note 30.1)	23,043.02	18,418.09
(b) Other Operating revenue (Refer note 30.2)	1,435.20	1,068.52
Total	24,478.22	19,486.61

Refer note- 41D for disclosure as per Ind AS 115.

30.1 Sale of Products comprises of

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Sale of manufactured goods		
Defence Product	21,077.00	17,365.57
Dairy & Kitchen Equipment	1,612.54	794.63
	22,689.54	18,160.21
Sale of Traded goods		
Defence Product	230.40	233.73
Dairy & Kitchen Equipment	123.08	24.15
	353.48	257.88
Total Sale of Products	23,043.02	18,418.09

30.2 Other Operating Revenue comprises of

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
(i) Job Work Income	829.20	458.49
(ii) Scrap Sales	603.88	607.64
(iii) Export Incentives	2.12	2.39
Total - Other operating revenues	1,435.20	1,068.52

31 Other Income

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Interest Income (refer Note 31.1)	309.13	239.33
Rental Income measured at amortised cost	2.68	3.22
Net gain on foreign currency transactions	0.37	1.29
Profit on sale of Property, Plant and Equipments	2.12	2.39
Amount no longer payable written back	-	4.69
Gain on sale of investment measured at FVTPL	0.31	-
Reversal of Provision for doubtful debt & other deposits (ECL)	-	36.89
Insurance Claim Received	6.52	-
Gain on Cancellation of Lease	4.95	-
Miscellaneous Income	0.76	-
Total	326.84	287.81

31.1 Interest Income comprises of (measured at amortised cost)

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Interest on Fixed deposits	309.13	204.93
Interest from Waveoptix Defence Solution Ltd	-	34.40
Total	309.13	239.33

32 Cost of materials consumed

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Raw Materials Consumption		
Opening Stock	2,664.08	757.01
Add: Purchases	6,730.90	13,348.70
	9,394.98	14,105.71
Less: Closing stock	769.55	2,664.08
Cost of Material consumed	8,625.43	11,441.64
Total	8,625.43	11,441.64

33 Purchase of Stock-in-Trade

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Purchase of traded goods	264.44	371.20
Total	264.44	371.20

34 Changes in inventories work-in-progress

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
(a) Inventories at the beginning of the year:		
Finished Goods	396.56	-
Work in Progress	3,913.62	2,287.53
Stock in Trade	3.98	65.42
Scrap	113.05	54.34
	4,427.22	2,407.29
(b) Inventories at the end of the year:		
Finished Goods	263.19	396.56
Work in Progress	463.30	3,913.62
Stock in Trade	-	3.98
Scrap	29.40	113.05
	755.88	4,427.22
Net Change in Inventories	3,671.34	(2,019.93)

35 Employee benefits expense

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Salaries, wages, bonus etc.	1,576.24	1,354.85
Remuneration to directors	166.67	164.26
Share based payment (refer Note 51)	147.76	60.41
Contributions to Provident and other funds	96.70	69.20
Staff welfare expenses	45.03	37.46
Total	2,032.40	1,686.18

36 Finance costs

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Interest Expense		
On Working capital loan	24.69	74.28
On Vehicle Loan	1.38	-
Unwinding interest cost on Lease liability	5.14	7.66
Other borrowing costs	1.37	1.66
Interest on Statutory Dues	5.44	11.32
Total	38.02	94.92

37 Other expenses

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Store & Spares Consumed	364.12	212.37
Job Work & Labour Charges	1,825.03	2,329.18
Power & Fuel Expenses	531.94	367.81
Repairs & Maintenance - Plant & Machinery	32.37	10.76
- Building	10.51	2.48
- Others	79.75	7.57
Laboratory and Testing Expenses	67.18	56.48
Travelling and Conveyance	132.64	141.29
Legal & Professional Charges	348.45	191.80
Rates & Taxes	1.12	1.05
Rent Expenses (Refer Note No. 41B(i)(a))	64.36	82.16
Security Expenses	67.82	29.83
Vehicle Expenses	14.49	16.48
Insurance Expenses	15.79	11.74
CSR Expenses (Refer Note 43B)	33.00	15.58
Donation Expenses	0.42	-
Factory Expenses	29.98	9.17
Installation charges	16.43	21.26
Freight & Forwarding charges	430.27	436.25
Telephone & Internet Expenses	5.09	7.62
Bad Debts	-	75.71
Expected credit loss expenses (ECL)	39.76	-
Auditor's Remuneration (Refer Note 37.1)	8.79	6.63
Selling & Distribution Expenses		
a. Commission on sales	23.95	10.98
b. Advertisement	17.66	3.16
c. Sales Promotion Expenses	43.54	55.22
d. Tender fees	14.43	49.42
Property, Plant & Equipments Written Off	101.33	
Bank Charges & Commission	66.72	66.73
Commission to Non Executive Director	52.85	-
Miscellaneous Expenses	242.12	201.59
Total	4,681.91	4,420.29

37.1 Note: Auditor's Remuneration

Payments to the auditors comprises:	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Statutory Audit fees	7.50	5.00
Tax Audit	-	0.85
Other certification services	1.29	0.78
Total	8.79	6.63

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Notes forming part of the Standalone Ind AS Financial Statements
All amounts are in lakhs unless otherwise stated
38 Additional information to the financial statements
Contingent liabilities and Capital commitments

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Contingent liabilities			
(a) Claims against the company not acknowledged as debt:			
(i) on account of Liquidated damages levied on the company	-	-	185.46
(ii) Disputed with Provident Fund Authorities	83.35	83.35	83.35
(iii) - Labour Laws - Claims from Employees / Contractual Personnel including ex-employees	-	-	Amount not ascertainable
(ii) Disputed with Custom Authority	11.47	11.47	11.47
(b) Bank Guarantees issued by bank on behalf of Company for which company has issued counter guarantee	3,165.27	4,733.14	1,840.70
(c) Corporate guarantee issued on behalf of associate	500.00	900.00	-
(d) On account of other contingent claims	-	-	4.63
	3,760.09	5,727.96	2,125.61
Capital Commitments			
Estimated amount of Contracts to be executed on capital account and not provided for net of capital advance (Net of Advance CY Rs. 807.91 Lakhs) (PY- Rs 105.35 Lakhs) (1st April 2024- Rs 666.90 Lakhs)	1,073.68	358.01	691.13

39 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity Share holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity share holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

Particulars	As at March 31, 2026	As at March 31, 2025
Profit attributable to equity share holders of the Company for basic and diluted earnings per share	3,812.12	2,202.87
Weighted average number of shares -		
shares Outstanding during the year (Nos.):	14,059,026	13,705,026
Add : Share issued during the year	874,362	354,000
	14,933,388	14,059,026
Weighted average number of shares for Basic EPS	14,692,717	14,006,653
Effect of potential conversion of equity share warrants outstanding	52,394	449,138
Weighted average number of shares for Diluted EPS	14,745,111	1,44,55,791
Face Value per share	10.00	10.00
Basic Earnings per share	25.95	15.73

Diluted Earnings per share	25.85	15.24
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40 Tax Expense

Particulars			As at	As at
			March 31, 2026	March 31, 2025
(a) Income tax expense				
Current tax				
Current tax on profits for the year			1,345.38	772.85
Income Tax adjustments for earlier years			(18.54)	6.07
			1,326.83	778.92
Deferred tax				
Deferred tax for the year*			(57.75)	(2.22)
				-
*excludes below tax impact on Other Comprehensive Income				
Total Income tax Expense			1,269.08	776.71
(b) Reconciliation of Effective tax rate on profit before tax				
Tax at the Indian tax rate			25.17%	25.17%
Profit before tax			5,081.20	2,979.57
Current tax as per enacted tax rate			1,278.84	749.90
Tax effect of :				
Expenditure for which deduction is not allowed under Income Tax Act			8.79	20.74
Others/ prior year tax adjustment			(18.54)	6.07
Income Tax Expense			1,269.08	776.71

41 Disclosure under Indian Accounting Standards

(A) Employee Benefit Plans:

Defined benefit plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following tables summaries the components of net benefit expense recognized in the Statement of profit and loss.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March.

Reconciliation of opening and closing balances of the defined benefit obligation.

Particulars	As At 31st March, 2026	As At 31st March, 2025
Opening defined benefit obligation	161.27	140.65
Current service cost	18.48	15.99
Interest cost	10.37	9.60
Past Service Cost	23.43	-
Actuarial loss / (gain)	(6.90)	7.42
Benefit paid	(6.78)	(12.39)
Closing projected benefit obligation	199.87	161.27

Reconciliation of opening and closing balances of Plan Asset.

Particulars	As At 31st March, 2026	As At 31st March, 2025
Opening Value of Plan Asset	124.43	102.94
Interest Income	8.47	7.44
Return on plan assets excluding amounts included in interest income	0.87	1.44
Contribution by Employer towards Plan Asset	-	25.00
Benefit paid	(3.92)	(12.39)
Closing Value of Plan Asset	129.84	124.43

Amount recognized in the balance sheet

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 1st April, 2024
Present value of obligation	199.87	161.27	140.65
Fair value of plan assets	129.84	124.43	102.94
Net Liability	70.04	36.85	37.71
Amounts in the balance sheet	-	-	-
Provision for gratuity	70.04	36.85	37.71
Net Liability / (assets)	70.04	36.85	37.71

Expense recognized in the statement of profit and loss and Other Comprehensive Income

Particulars	As At 31st March, 2026	As At 31st March, 2025
Profit and Loss Account		
Current Service cost	18.48	15.99
Interest on defined benefit obligation	1.91	2.17
Past Service Cost*	23.43	-

Amounts recognized in Profit and Loss Account	43.81	18.15
Other Comprehensive Income		
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	-7.99	5.98
Due to experience adjustments	1.09	1.44
Return on plan assets excluding amounts included in interest income	-0.87	-1.44
Amounts recognized in Other Comprehensive (Income)/Expense	-7.76	5.98
Total	36.05	24.13

*The Government of India has notified the Implementation of Four New labour codes on 21st November 2025, by consolidating and rationalizing 29 existing labour laws. Further, based on management estimates and actuarial valuation obtained, the company has considered the impact of gratuity liability arising from the implementation of the New Labour Codes and accordingly the financial impact of the same has been recognized as an additional expense of Rs. 23.43 Lakhs in the standalone statement of profit and loss for the Year ended March 31, 2026.

Bifurcation Of Liability

	As At 31st March, 2026	As At 31st March, 2025	As At 1st April, 2024
Current Liability Of Gratuity	20.67	16.80	15.23
Non Current Liability of Gratuity	49.37	20.05	22.49
Total	70.04	36.85	37.71

Particulars	FY 2025-2026	FY 2024-2025
Assumption used in accounting for the gratuity:	7.25%	6.70%
Expected return on plan assets (%)	7.25%	6.70%
Rate of Discounting	7.25%	6.70%
Rate of Salary Increase	7.00%	7.00%
Mortality Rate During Employment	As per Indian Assured Lives Mortality (2012-14) Table	As per Indian Assured Lives Mortality (2012-14) Table
Mortality Rate after Employment		

Notes

- Discount Rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
- Expected rate of return on plan assets: This is based on our expectation of the average long term rate of return expected on investment of the Fund during the estimated term of the obligations.
- Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Expected Future Cashflows(Undiscounted)	As At 31st March, 2026	As At 31st March, 2025	As At 1st April, 2024
1st Following Year	24.52	12.87	14.57
2nd Following Year	19.21	17.64	11.01
3rd Following Year	26.22	15.07	15.16
4th Following Year	15.69	20.35	13.49
5th Following Year	13.35	11.36	17.92
Sum of Years 6 to 10 years	97.23	77.06	67.64

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 1st April, 2024
Projected Benefit Obligation on Current Assumptions	199.87	161.27	140.65
Delta Effect of +0.5 % Change in Rate of Discounting	193.08	155.30	135.49
Delta Effect of -0.5 % Change in Rate of Discounting	207.11	167.65	146.17
Delta Effect of +0.5 % Change in Rate of Salary Increase	206.31	167.18	145.83
Delta Effect of -0.5 % Change in Rate of Salary Increase	193.74	155.67	135.69
Delta Effect of +10 % Change in Withdrawal Rate	200.09	160.97	140.56
Delta Effect of -10 % Change in Withdrawal Rate	199.61	161.58	140.75

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Other long term Benefit:

The Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to , policy of maximum leave accumulation of company. The scheme is not funded.

Changes in the present value of the obligation in respect of leave encashment

Particulars	As At 31st March, 2026	As At 31st March, 2025
Obligation at the year beginning	16.52	16.06
(Gains) / losses on obligation	6.33	-0.61
Current service cost	3.54	1.90
Interest cost	1.05	1.00
Benefit paid	-1.98	-1.83
Past Service Cost	1.14	-
Obligation at the year end	26.61	16.52

Defined Contribution plans:

Amounts recognized as expense for the period towards contribution to the following funds:

Particulars	As At 31st March, 2026	As At 31st March, 2025
Employers contribution to:		
-Provident Fund	41.91	40.90
-Employee State Insurance	10.17	9.33
Total	52.07	50.22

(B) Recognition, measurement and disclosures related to Leases:

(i) As Lessee

(a) Short term Leases

The Company has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less), cancellable long-term leases and for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability for short term leases is ₹ 64.36 Lakhs. (P.Y. ₹. 82.16 Lakhs).

(b) Finance Leases:

The Right of Use (ROU) asset has been created on account of prepayments made by the company towards lease building.

(i) Lease liabilities are presented in the balance sheet is as follows-

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 1st April, 2024
Current maturities of lease liabilities	8.40	32.40	-
Non-current lease liabilities	2.66	42.53	-
Total	11.06	74.93	-

Following are the changes in Liability arising from financing activities

Particulars	As At 31st March, 2026	As At 31st March, 2025
At the beginning of the year	74.93	-
Addition during the year	-	78.54
Derecognition	(42.70)	-
Payment of lease liabilities	(26.30)	(11.27)
Other Adjustment		-
Interest Expenses	5.14	7.66
At the end of the period	11.06	74.93

Amount Recognized in the Statement of Profit & Loss

Particulars	As At 31st March, 2026	As At 31st March, 2025
Interest on Lease Liabilities	5.14	7.66
Depreciation on Lease Asset	21.26	9.27

Amount Recognized in the Statement of Cash Flow

Particulars	As At 31st March, 2026	As At 31st March, 2025
Total Cash out flow for leases	(26.30)	(11.27)

(ii) As Lessor

Company has not given any asset on lease.

(C) Segment Reporting

Operating segments have been identified based on the internal reports regularly reviewed by the Chief Operating Decision Maker ("CODM") for the purpose of allocating resources and assessing performance, in accordance with Ind AS 108 – Operating Segments.

The Defence Products Segment constitutes the Company's principal business activity. The Dairy Products Segment represents a relatively small portion of the Company's operations and does not meet the quantitative thresholds prescribed under paragraph 13 of Ind AS 108 for separate reportable segment disclosure.

Accordingly, the Company has only one reportable operating segment, being the Defence Products Segment. Segment-wise information in respect of revenue, results, assets and liabilities has therefore not been presented separately, as the information for the sole reportable segment is the same as that disclosed in the financial results.

The CODM reviews the operating performance of the Company on a consolidated basis, and the segment information presented above appropriately reflects the manner in which the Company's business is managed

Gross Revenue As per Geographical Location (Geographical segment information)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025			
Domestic Sales	24,475.17	20,199.41			
Export Sales	3.05	-			
Total	24,478.22	20,199.41			

Information about major customers (Revenue from sales to any one particular customer which exceeds 10% of total revenues)

Aggregate sales to customers contributing sales exceeding 10% of total revenue for the year ended 31st March, 2026 was Rs. 14886.43 Lakhs and is derived from three customers. (PY Rs 10740.47 Lakhs from three customers)

(D) Disclosure on revenue pursuant to Ind AS 115 - Revenue from Contracts with Customers:**(i) Disaggregation of revenue**

(a) Revenue from sale of products are recognised at a point in time. There are no further disaggregation of revenue with respect to this information.

(b) Revenue from sale of products is majorly from Domestic market i.e from sales within India. Disaggregation of revenue with respect to this information is given above in Note 41 (C).

(ii) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	FY 2025-26	FY 2024-25
Revenue as per Contracted price	24,040.27	17,181.50
Adjustments		
Less:- Discounts, rebates and Late Delivery Charges	997.25	525.23
Revenue from contract with Customers (excluding other operative Income)	23,043.02	16,656.27

(iii) Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	FY 2025-26	FY 2024-25
Trade receivables	3,467.75	1,894.05
Contract assets	-	-
Contract liabilities	-	-
Advance from Customers	136.87	1073.95

42 Related Party Disclosures

Details of related parties:

(A) Names of related parties and description of relationship:

Description of relationship	Names of related parties
Associate Enterprise	(a) Waveoptix Defence Solution Private Limited
	(b) Conceptia Software Technologies Private Limited
Key Management Personnel (KMP)	(a) Mr. Ankur Ashwin Shah, Managing Director
	(b) Late Mr. Sandeep Ramrao Kadam, Whole time Director (upto 27th March, 2026)
	(c) Mrs. Preyal Ankur Shah, Non-Executive Director and Chairperson (w.e.f. 11th January, 2022)
	(d) Mr. Jaykumar Toshniwal, Independent Director
	(e) Mr. Divyakant Ramniklal Zaveri, Independent Director
	(f) Mr. Anilkumar Dutta, Additional Director (w.e.f. 25th March, 2025)
	(g) Mr. Piyush Harjibhai Patel, Chief Financial Officer (upto 7th April, 2026)
	(h) Mr. Manish Shah, Chief Financial Officer (w.e.f. 11th April, 2026)
Relatives of KMP/Enterprise in which KMP / Relatives of KMP or Directors can exercise significant influence	(a) Krish Industries Private Limited (b) Krish Commodities (India) LLP (Formerly known as Krish Commodities Private Limited) (c) White Gold Technologies LLP (d) Ankur A Shah (HUF) (e) Ashwin N Shah (HUF) (f) Chetan Dharia

Details of Related Party Transactions during the year 31 March, 2026 and balances outstanding as at 31 March, 2026;

(B) Transactions with Related parties:

Name of party	Nature of transaction	For the year ended March 31,2026	For the year ended March 31,2025
Ankur Ashwin Shah	Remuneration to Directors & KMP	120.00	120.00
Sandeep Kadam	Remuneration to Directors & KMP	46.67	44.26
Piyush Patel	Remuneration to Directors & KMP	28.83	25.74
Gunjan Bhagtani	Remuneration to Directors & KMP	7.69	5.55
Chetan Dharia	Salary to Relative of KMP	-	4.80
Divyakant Zaveri	Directors's sitting fees	5.30	3.80
Preyal Shah	Directors's sitting fees	3.85	3.05
Jaykumar Toshniwal	Directors's sitting fees	5.25	3.75
Anil Kumar Dutta	Directors's sitting fees	3.20	-
Ankur Ashwin Shah	Loan Taken	-	3.34
Ankur Ashwin Shah	Loan Repaid	-	138.68
Krish Commodities (India) LLP (Formerly known as Krish Commodities Private Limited)	Loan Repaid	-	5.51
Krish Commodities (India) LLP (Formerly known as Krish Commodities Private Limited)	Deposit Repaid	-	25.00
WaveOptix Defence Solution Private Limited (Received of 2,500 Equity Share @ Rs. 19,000 per share on account of conversion of loan in FY 2025-26)	Investment in equity shares of Associate	-	475.00
Conceptia Software Technologies Pvt.Ltd	Investment in equity shares of Associate	176.00	-
Krish Industries Pvt Ltd	Purchase	-	42.95
White Gold Technologies LLP	Purchase	-	247.32
WaveOptix Defence Solution Private Limited	Purchase	165.13	189.36
Conceptia Software Technologies Pvt.Ltd	Purchase	7.99	-
Krish Industries Pvt Ltd	Purchase of Capital Asset (Land and Building)	466.80	
Ankur Ashwin Shah	Purchase of Capital Asset (Residential Flat- Shivam Residency)	43.64	
	Purchase of Capital Asset (Residential Flat- Sharvan Green)	40.07	
WaveOptix Defence Solution Private Limited	Sales	21.52	-

Krish Industries Pvt Ltd	Rent Expenses	7.20	28.80
White Gold Technologies LLP	Rent Income	2.68	3.22
WaveOptix Defence Solution Private Limited	Interest Income	-	34.40
WaveOptix Defence Solution Private Limited	Loans Given	-	316.09
WaveOptix Defence Solution Private Limited	Loan Received back	34.74	527.90
(Rs. 475.00 Lakhs is repaid by converting into 2,500 Equity Shares at Rs. 19,000 each in FY 2024-25)			
Krish Industries Pvt Ltd	Reimbursement of Electricity expenses	75.39	157.95
White Gold technologies LLP	Reimbursement of Electricity expenses	0.41	2.98
Ankur Ashwin Shah	Dividend Paid	27.27	26.27
Preyal Ankur Shah	Dividend Paid	1.68	1.68
Pallavi Ashwin Shah	Dividend Paid	8.68	8.68
Krish Commodities (India) LLP (Formerly known as Krish Commodities Private Limited)	Dividend Paid	2.94	2.94
Krish Industries Pvt Ltd	Dividend Paid	4.20	4.20
Ankur A Shah HUF*	Dividend Paid	0.00	0.00
Ashwin N Shah HUF*	Dividend Paid	0.00	0.00
Preyal Ankur Shah (2,52,000 equity share at a price of Rs. 140/- per share)	Equity Share Issued	-	352.80
Pallavi Ashwin Shah (1,02,000 equity share at a price of Rs. 140/- per share)	Equity Share Issued	-	142.80
Ankur Ashwin Shah (2,00,000 equity share at a price of Rs.304/- per share on 25/07/2025)	Equity Share Issued	456.00	-
Sandeep Ramrao Kadam (No of Option)#	ESOP Granted (No of Option)	-	19,144
Gunjan Bhagtani (No of Option)##	ESOP Granted (No of Option)	-	1,152
* Amount below one thousand			
#Out of 19144 granted Share options, 4786 share options are exercised during FY 2025-26 and consequently 1196 equity shares are allotted at exercise price of Rs 304 per shares during FY 2025-26. (Previous Year- Nil share allotted)			
##Out of 1152 granted Share options, 288 share options are exercised during FY 2025-26 and consequently 288 equity shares are allotted at exercise price of Rs 304 per shares during FY 2025-26. (Previous Year- Nil share allotted)			

(C) Balance outstanding at year end:

Name of party	Nature of transaction	As At 31st March, 2026	As At 31st March, 2025
Ankur Ashwin Shah	Remuneration Payable	13.94	7.86
Sandeep Kadam	Remuneration Payable	3.89	2.07
Piyush Patel	Remuneration Payable	2.40	1.77
Gunjan Bhagtani	Remuneration Payable	0.64	0.53
WaveOptix Defence Solution Private Limited	Amount Payable	56.79	-
White Gold Technologies LLP	Advances given	-	379.43
Krish Industries Pvt Ltd	Advances given	49.71	30.78

WaveOptix Defence Solution Private Limited	Amount Receivable - Interest on Loans	-	34.74
Ankur Ashwin Shah	Upfront premium received against Convertible Equity Warrants issued during the year	-	152.00
Krish Industries Pvt Ltd - Rent Deposit Given	Security Deposits	-	10.00
WaveOptix Defence Solution Private Limited	Corporate Guarantee Given	500.00	900.00
Sandeep Ramrao Kadam (No of Option)	ESOP Granted (No of Option)	14,358	19,144
Gunjan Bhagtani (No of Option)	ESOP Granted (No of Option)	864	1,152

Notes forming part of the Standalone Ind AS Financial Statements

All amounts are in lakhs unless otherwise stated

43 Other Disclosures:

(A) Disclosures related to the Micro, Small and Medium Enterprises.

Based on the information available with the company, the company has identified Micro, Small and Medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The Company has made payments of dues to Micro, Small and Medium enterprises, generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act, 2006.

The details relating to Micro, Small and medium enterprise is disclosed as under :

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 1st April, 2024	For the year ended 1st April, 2023
The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;				
i) Principle Amount	108.84	290.57	105.92	219.74
ii) Interest Due thereon				
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	2.40	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and				
The 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 the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-	-

Note: As a part of vendor registration process, Company obtains information from suppliers regarding their registration (if any) under Micro, Small and Medium Enterprises Development Act, 2006. The above information has been determined based on vendors identified by the Company and confirmed by the vendors, which has been relied upon by the auditors.

(B) Corporate Social Responsibility

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2024	
Amount required to be spent by the company during the year	33.00	15.58	8.60	-
Amount of expenditure incurred	33.00	15.58	8.60	
Shortfall at the end of the year	-	-	-	
Total of previous year shortfall	-	-	-	
Reason for shortfall	-	-	-	
Nature of activities	Refer note 1	Refer note 1	Refer note 1	
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant AS	NA	NA	NA	
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA	NA	

Note 1: The Company has made CSR contribution to various eligible trusts for promotion of Health and Education.

Notes forming part of the Standalone Ind AS Financial Statements

All amounts are in lakhs unless otherwise stated

44 Financial instruments:

i) Fair value measurement hierarchy

Particulars	As at 31st March, 2026					As at 31st March, 2025					As at 1st April, 2024				
	Carrying amount	Level of input used in			Carrying amount	Level of input used in			Carrying amount	Level of input used in					
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3			
Financial assets															
At Fair Value through Other Comprehensive Income (FVOCI)															
Investments in Equity Shares	49.92	-	-	49.92	49.92	-	-	49.92	-	-	-	-	-		
At Fair Value through Profit and Loss Account (FVTPL)															
Investments in Mutual Funds	-	-	-	-	0.77	-	-	-	0.77	-	0.77	-	-		
At Amortised cost															
Investments	651.25	-	-	-	475.25	-	-	-	0.25	-	-	-	-		
Trade Receivables	3,467.75	-	-	-	1,894.05	-	-	-	2,606.75	-	-	-	-		
Cash and cash equivalents	602.91	-	-	-	33.37	-	-	-	509.68	-	-	-	-		
Bank balances other than above	2,504.79	-	-	-	2,235.41	-	-	-	3,906.26	-	-	-	-		
Other financial assets	7,687.82	-	-	-	583.46	-	-	-	642.48	-	-	-	-		
Loans	0.67	-	-	-	2.32	-	-	-	219.49	-	-	-	-		
Total Financial assets	14,965.10	-	-	49.92	5,274.56	-	-	49.92	7,885.68	-	0.77	-	-		
Financial liabilities															
At Amortised cost															
Borrowings	205.85	-	-	-	944.97	-	-	-	942.98	-	-	-	-		
Trade Payables	665.61	-	-	-	802.30	-	-	-	1,324.11	-	-	-	-		
Lease Liability	11.06	-	-	-	74.93	-	-	-	-	-	-	-	-		
Other Financial Liabilities	191.02	-	-	-	88.86	-	-	-	38.02	-	-	-	-		
Total Financial liabilities	1,073.54	-	-	-	1,911.06	-	-	-	2,305.10	-	-	-	-		

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market 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.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of the remaining financial instruments is determined using discounted analysis.

All of the resulting fair value estimates are included in level 1 or 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

The carrying amounts of trade receivables, electricity deposit, employee advances, cash and cash equivalents and other short term receivables, trade payables, borrowings, capital creditors and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Notes forming part of the Standalone Ind AS financial statements
All amounts are in lakhs unless otherwise stated

45 FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and short-term deposits that arise directly from its operations.

The Company has exposure to credit risk, liquidity risk and market risk arising from financial instruments.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities.

The Company monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(A) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables.

(i) Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The reconciliation of ECL is as follows:

Particulars	As at 31st March, 2026 (₹)	As at 31st March, 2025 (₹)	As at 1st April, 2024 (₹)
Balance at the beginning of the year	42.64	79.53	10.19
Utilised during the year			
Provision made during the year	50.54	1.59	69.34
Provision reversed during the year	10.78	38.48	-
Balance at the end of the year	82.40	42.64	79.53

(ii) Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's 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, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturities of financial liabilities

The tables herewith analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

Particular	Less than 1 year	More than 1 year	Total
As at 31st March, 2026			
Non-derivatives			
Trade payables	665.61		665.61
Lease Liability	8.40	2.66	11.06
Borrowing	205.85	-	205.85
Other Financial Liabilities	191.02		191.02
Total Non-derivative liabilities	1,070.88	2.66	1,073.54
As at 31st March, 2025			
Non-derivatives			
Trade payables	802.30		802.30
Lease Liability	32.40	42.53	74.93
Borrowing	944.97	-	944.97
Other Financial Liabilities	88.86		88.86
Total Non-derivative liabilities	1,868.53	42.53	1,911.06
As at 1st April, 2024			
Non-derivatives			
Borrowing	942.98	-	942.98
Lease Liability	-	-	-
Trade payables	1,324.11	-	1,324.11
Other Financial Liabilities	38.02	-	38.02
Total Non-derivative liabilities	2,305.10	-	2,305.10

(D) CAPITAL MANAGEMENT

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

The Company determines the amount of capital required on the basis of annual planning and budgeting and its plan for working capital and long-term borrowings. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.

The Capital Structure of the Company consists both debt and equity.

Gross Debt (Long term and short term borrowings including current maturities)	205.85	944.97	942.98
Less: Cash and bank balances (excluding margin deposits)	602.91	33.37	509.68
Net Debt	-397.06	911.60	433.30
Total Equity	19,014.74	13,119.19	10,633.98
Net Debt to equity Ratio	-	0.07	0.04

Notes forming part of the Standalone Ind AS Financial Statements

All amounts are in lakhs unless otherwise stated

46 Disclosure as required by Ind AS 101 first time adoption of Indian Accounting Standards

Transition to Ind AS

These are the Company's first Financial Statements prepared in accordance with Ind AS.

The accounting standards notified u/s 133 of the Companies Act, 2013 and the Accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31st March, 2026, the comparative information presented in these financial statements for the year ended 31st March, 2025 and in the preparation of an opening Ind AS balance sheet at 1st April, 2024 (The Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied by the Company in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment (PPE) and Intangible Assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. Accordingly, the Company as elected to measure all of its PPE and Intangible Assets at their previous GAAP carrying value.

A.2 Ind AS Mandatory Exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2024 are consistent with the estimates as at the same date made in conformity with previous GAAP.

A.2.2 De-recognition of financial assets and liabilities

Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B. Reconciliations between previous GAAP and Ind AS

The following tables represent the reconciliations of Balance Sheet, Total Equity, Total Comprehensive Income, and Cash Flows from previous GAAP to Ind AS.

I. Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS as at 1st April, 2024

Particulars	Notes to First time adoption	Amount as per IGAAP * as on 31.03.2024	Effects of transition to Ind AS	Amount as per Ind AS as on 01.04.2024
Non-current assets				
(a) Property, Plant and Equipment		1,462.38	-	1,462.38
(b) Capital work-in-progress		3.22	-	3.22
(c) Right of Use Asset		-	-	-
(d) Financial Assets				
(i) Investments		1.02	-	1.02
(ii) Loans		215.60		215.60
(ii) Other Financial Asset		642.48		642.48
(e) Long-term loans and advances		-	-	-
(f) Deferred tax Assets (Net)	4	1.13	2.85	3.98
(g) Other non-current assets		64.48	-	64.48
			-	
Current Assets				
(a) Inventories		3,248.24	-	3,248.24
(b) Financial Assets				
(i) Trade receivables		2,606.75	-	2,606.75
(ii) Cash and cash equivalents		509.68	-	509.68
(iii) Bank balances other than cash and cash equivalents		3,906.26	-	3,906.26
(iv) Other financial assets		3.89	-	3.89
(c) Short term loans and Advances		-	-	-
(d) Other current assets		682.79	-	682.79
TOTAL ASSETS		13,347.91	2.85	13,350.76
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		1,370.50	-	1,370.50
(b) Other equity	3	9,271.96	(8.48)	9,263.48
		10,642.46	(8.48)	10,633.98
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings		116.48	-	116.48
(ii) Lease Liability		-	-	-
(ii) Other Financial Liability		25.00	-	25.00
(b) Long-term provisions	2	29.33	4.88	34.22
(c) Deferred tax liability (Net)		-	-	-
(d) Other Non-current liabilities		-	-	-
		170.81	4.88	175.70
Current liabilities				
(a) Financial Liabilities				

(i) Borrowings		826.50	-	826.50
(ii) Lease Liability		-	-	-
(iii) Trade payables		-	-	-
-Total outstanding dues of Micro enterprises and small enterprises		105.92	-	105.92
-Total outstanding dues other than Micro and small enterprises		1,218.18	-	1,218.18
(iv) Other Financial Liability		13.02	-	13.02
(b) Other current liabilities		213.09	-	213.09
(c) Provisions	2	47.82	6.45	54.27
(d) Current Tax Liability		110.11	-	110.11
Total liabilities		2,534.64	6.45	2,541.08
TOTAL EQUITY AND LIABILITIES		13,347.91	2.85	13,350.76

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

II. Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS as at 31st March, 2025

Particulars	Notes to First time adoption	Amount as per IGAAP * as on 31.03.2025	Effects of transition to Ind AS	Amount as per Ind AS as on 01.04.2025
Non-current assets				
(a) Property, Plant and Equipment		2,196.81	-	2,196.81
(b) Capital work-in-progress		164.73	-	164.73
(c) Right of Use Asset	1	-	69.27	69.27
(d) Financial Assets				
(i) Investments		525.94	-	525.94
(ii) Loans		-	-	-
(ii) Other Financial Asset		548.72	-	548.72
(e) Deferred tax Assets (Net)	4	6.82	0.87	7.70
(f) Other non-current assets		143.15	-	143.15
Current Assets				
(a) Inventories		7,242.07	-	7,242.07
(b) Financial Assets				
(i) Trade receivables		1,894.05	-	1,894.05
(ii) Cash and cash equivalents		33.37	-	33.37
(iii) Bank balances other than cash and cash equivalents		2,235.41	-	2,235.41
(iv) Loans		2.32	-	2.32
(v) Other financial assets		34.74	-	34.74
(c) Other current assets		1,267.31	-	1,267.31
		16,295.45	70.15	16,365.60
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		1,405.90	-	1,405.90
(b) Other equity	3	11,715.88	(2.59)	11,713.29
		13,121.78	(2.59)	13,119.19
LIABILITIES				
Non current liabilities				
(a) Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Lease Liability	1	-	42.53	42.53
(ii) Other Financial Liability		-	-	-
(b) Long-term provisions	2	38.68	(3.92)	34.76
(c) Deferred Tax liabilities		-	-	-
		38.68	38.61	77.29
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		944.97	-	944.97
(ii) Lease Liability	1	-	32.40	32.40
(iii) Trade payables				
-Total outstanding dues of Micro enterprises and small enterprises		290.57	-	290.57
-Total outstanding dues other than Micro and small enterprises		511.72	-	511.72
(iv) Other Financial Liability		88.86	-	88.86

(b) Other current liabilities		1,112.58	-	1,112.58
(c) Provisions	2	62.13	1.73	63.86
(d) Current Tax Liabilities (Net)		124.16	-	124.16
Total liabilities		3,134.99	34.13	3,169.13
TOTAL EQUITY AND LIABILITIES		16,295.45	70.15	16,365.60

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

III. Reconciliation of Total Comprehensive Income for the year ended 31st March, 2025

Particulars	Notes to First time adoption	Amount as per IG-AAP * For the year ended 31st March, 2025	Effects of transition to Ind AS	Amount as per Ind AS For the year ended 31st March, 2025
Revenue From Operations		18,961.38	-	18,961.38
Other Income		287.81	-	287.81
Total Income		19,249.19	-	19,249.19
EXPENSES				
Cost of materials consumed		11,441.64	-	11,441.64
Purchase of Stock-in-Trade		371.20	-	371.20
Changes in Inventories of Finished goods, and work-in-process		(2,019.93)	-	(2,019.93)
Employee benefits expense	2	1,705.68	(19.50)	1,686.18
Finance costs	1	87.26	7.66	94.92
Depreciation and amortization expense	1	266.07	9.27	275.34
Other expenses	1	4,431.56	(11.27)	4,420.29
Total expenses		16,283.46	(13.84)	16,269.62
Profit before tax (I-II)		2,965.73	13.84	2,979.57
Tax expense:				
(1) Current tax		772.85	-	772.85
(2) Income Tax adjustments for the earlier years		6.07	-	6.07
(3) Deferred tax	4	(5.70)	3.48	(2.22)
Profit After tax (III-IV)		2,192.51	10.36	2,202.87
Other Comprehensive Income	6			
A (i) Items that will not be reclassified to profit or loss				
- Remeasurements of the defined benefit plans		-	(5.98)	(5.98)
(ii) Income tax relating to items that will not be reclassified to profit or loss				
- Remeasurements of the defined benefit plans		-	1.50	1.50
Total Comprehensive Income for the year (V+VII)		2,192.51	5.89	2,198.39

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

IV. The Company does not have a significant impact on the Cash flow statement as on 31st March 2024.

V. Reconciliation of Equity as on 31st March 2025 and 1st April 2024

	Net worth as per Previous GAAP		Note Reference	As at 31st March, 2025	As on 1st April, 2024
	Net worth as per previous GAAP			13,121.78	10,642.46
	Right of Use assets and lease liability		1	(5.66)	-
	Impact of Employee Benefit provision		2	2.19	(11.33)
	Impact of Deferred tax on above		4	0.87	2.85
	Total Impact			(2.59)	(8.48)
	Net worth as per Ind AS			13,119.19	10,633.98

C. Notes to First time adoption**1 Right of Use Assets and Lease Liability**

Effective 1st April 2024, the Company has adopted Indian Accounting Standards (Ind AS) 116 - "Leases" using the "Modified Retrospective Approach" where at the date of initial application, the Lease Liability is measured at the present value of remaining lease payments discounted at the incremental borrowing rate at the date of initial application and Right-of-use Asset has been recognised at an amount equal to the lease liability. Accordingly, the Company recognised Lease liabilities of Rs. 78.54 and corresponding Right-of-use Assets at an amount equal to the lease liability. Further, This results in decreases of profit by Rs. 5.66 Lakhs as of the 31st March 2025.

2 Provision for Gratuity and Leave encashment

Under the previous GAAP, Gratuity is measured & recognised on actuarial valuation basis for all the employees except for some of the employee. Under Ind AS, Gratuity is now measured for all the employees of the company. The Gratuity have been recognized in retained earnings as at the date of transition and subsequently in the profit and loss for the year ended 31st March, 2025. This results in increase in profit by Rs. 2.81 lakhs as at 31st March, 2025 and decrease in the reserves by Rs. 9.66 Lakhs as at 1st April, 2024. Further, actuarial gains on remeasurement of the net defined benefit have been regrouped to Other Comprehensive Income (OCI) resulting in Decreases in profit by Rs. 4.47 lakhs as at 31st March, 2025.

Under the previous GAAP, leave encashment is measured based on actual valuation. Under Ind AS, Leave encashment is required to be measured through actuarial valuation as per requirement of Ind AS. The leave encashment have been recognized in retained earnings as at the date of transition and subsequently in the profit and loss for the year ended 31st March, 2025. This results decreases in profit by Rs. 0.62 Lakhs as at 31st March, 2025 and decrease in the reserves by Rs. 1.67 Lakhs as at 1st April, 2024.

3 Retained Earnings

Retained earnings as at 1st April, 2024 has been adjusted consequent to the above Ind AS adjustments.

4 Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

5 Actuarial Gain/ Loss

Under the previous GAAP, actuarial gains and losses were recognised in Statement of Profit and Loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit of liability/ asset which is recognised in other Comprehensive Income. Consequently, the tax effect of the same has also been recognised in Other Comprehensive Income under Ind AS instead of Profit and Loss.

6 Other Comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in Statement of Profit and Loss but are shown in the Statement of Profit and Loss as "Other Comprehensive Income", includes remeasurement of Employee Benefit obligation and fair valuation of Equity Instruments through OCI and Income tax relating to these items. The concept did not exist under the previous GAAP.

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Notes forming part of the Standalone Ind AS Financial Statements
All amounts are in lakhs unless otherwise stated
47 Accounting Ratios

Particulars	2025-2026	2024-2025	Variance %	Reason
Current Ratio (in times) (Current Assets / Current Liabilities)	3.99	4.01	0%	NA
Debt-Equity Ratio (in times) (Total Debts/ Net Worth)	0.01	0.07	- 85%	Due to decrease in Short term borrowing
Debt Service Coverage Ratio (in times) (Net Profit + Depreciation+Interest+ Loss on sale of PPE /Interest & Principal)	146.60	16.0	816%	Due to increase in Profit
Return on Equity Ratio (in %) (Net PAT /Net worth)	23.73%	19.73%	20%	NA
Inventory Turnover Ratio (in times) (Revenue from Operations / Average Value of Inventory)	5.52	3.62	53%	Due to increase in revenue from operations and decrease in closing stock as compared to previous year
Trade Receivables turnover ratio (in times) (Credit Sales / Average Trade Receivable)	9.13	8.43	8%	NA
Trade Payable turnover ratio (in times) (Credit Purchase / Average Trade Payable)	15.51	16.91	-8%	NA
Net capital turnover ratio (in times) (Revenue from Operations / Average Working Capital)	3.02	2.11	43%	Due to increase in revenue from operations as compared to previous year
Net profit ratio (in %) (Net Profit After Tax/ Revenue from Operation)	15.57%	11.62%	34%	Due to increase in turnover
Return on Capital employed (in %) (EBIT / Capital Employed)	26.72%	21.87%	22%	NA
Return on Investment (in %) (Net Return on Investment / Cost of Investment)	-	-	-	Company does not hold any investment except equity shares of associates and Fixed Deposit with Bank, Hence ROI Ratio not applicable

48 Other Statutory information's

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- ii. The Company does not have any transactions with companies struck off.
- iii. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv. The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- v. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: 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 to or on behalf of the Ultimate Beneficiaries.
- vi. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that The Company shall:
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. The Company does not have any such transaction which is not recorded in the books of accounts and that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii. The company holds all the title deeds of immovable property in its name.
- ix. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- x. The company is not declared as willful defaulter by any bank or financial Institution or other lender.

49 Quarterly returns and statement of current assets filed by the company with banks are as under:**F.Y. 2025-26**

Name of Bank	Qtr.	Details of current assets	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Axis Bank/ Punjab National Bank	Jun-25	Inventory	5,751.75	5,751.75	0.00	-
	Jun-25	Book Debts	4,711.24	4,711.34	(0.11)	NA
	Jun-25	Trade Payable	1,926.13	388.34	1,537.79	See Note 1 below
Axis Bank/ Punjab National Bank	Sep-25	Inventory	5,166.57	5,148.26	18.31	See Note 2 below
	Sep-25	Book Debts	3,332.12	4,244.89	(912.77)	Due to updation of data after submission of stock statement
	Sep-25	Trade Payable	916.42	320.85	595.57	See Note 1 below

Axis Bank/ Punjab National Bank	Dec-25	Inventory	36.83	See Note 2 below
	Dec-25	Book Debts	(270.58)	Due to updation of data after submission of stock statement
	Dec-25	Trade Payable	493.56	See Note 1 below
Axis Bank/ Punjab National Bank	Mar-26	Inventory	-	-
	Mar-26	Book Debts	-	-
	Mar-26	Trade Payable	-	-

F.Y. 2024-25

Name of Bank	Qtr.	Details of current assets	Amount of difference	Reason for material discrepancies
Axis Bank/ Punjab National Bank	Jun-24	Inventory	97.91	See Note 2 below
	Jun-24	Book Debts	(101.11)	Due to updation of data after submission of stock statement
	Jun-24	Trade Payable	724.56	See Note 1 below
Axis Bank/ Punjab National Bank	Sep-24	Inventory	478.47	See Note 2 below
	Sep-24	Book Debts	-	-
	Sep-24	Trade Payable	453.94	See Note 1 below
Axis Bank/ Punjab National Bank	Dec-24	Inventory	76.38	See Note 2 below
	Dec-24	Book Debts	-	-
	Dec-24	Trade Payable	726.66	See Note 1 below
Axis Bank/ Punjab National Bank	Mar-25	Inventory	500.86	See Note 2 below
	Mar-25	Book Debts	(676.72)	See Note 3 below
	Mar-25	Trade Payable	698.29	See Note 1 below

Note: 1: Trade Payable given to bank includes only payables related to materials (net of advances) and the payables towards other expenses creditors are not included in statement submitted to bank.

Note: 2: Stock of scrap & Stock in transit is not included in stock statement submitted to the bank.

Note: 3 : Receivables on account of material in transit considered in Stock statement submitted to bank.

50 Disclosure relating to Provision:

Provision for warranty

Warranty cost are provided based on a technical estimated of the costs required to be incurred for repairs, replacement, material cost, servicing based on past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

The movement in the above provisions are summarised below:

Particulars	31st March, 2026	31st March, 2025	31st March, 2024
Opening Balance	8.13	7.15	7.92
Add: Provision created during the year	0.78	1.20	1.13
Less: Provision reversed during the year	3.94	0.22	1.90
Total	4.97	8.13	7.15
Provision for Late Delivery Charges			

Late Delivery Charges are provided based on a technical estimate of the completion period of the contract, levy of LD charges by the Customer as per terms of the contract based on past experience in respect of late delivery.

The movement in the above provisions are summarised below:

Particulars	31st March, 2026	31st March, 2025	31st March, 2024
Opening Balance	-	-	-
Add: Provision created during the year	1,489.89	525.23	27.61
Less: Provision utilised during the year	996.68	525.23	27.61
Total	493.21	-	-

51 Share Based Payment:

Employee Stock Option Plan (ESOP)

The share-based payment plan is an employee option plan. The options are equity settled options.

Pursuant to the approval by the shareholders in the annual general meeting of company held on 13th August, 2024, the board or any committee as may be authorised by the Board, was authorised to create and grant from time to time, in one or more tranches, "Employee Stock Option Plan 1" for not exceeding 3,00,000 equity shares for the benefit of the employee of the company. The resolution also accorded approval for the Board of Directors, to formulate the Scheme as per broad parameters outlined in the resolution. Pursuant to Scheme framed, the company has granted options to eligible employees of the company under plan. All Stock Options are time based and not linked to any performance. Each options entitle for one equity share. Additionally, the scheme received in-principle approval from the National Stock Exchange (NSE) as on 17th October 2024.

(A) Details of Equity- Settled Share-based payment transaction are as under:

Particulars	Tranche II	Tranche III	Tranche IV
% of total options which are eligible to vest	25%	25%	25%
No. of Options	15,839.00	15,839.00	15,839.00
Grant Date	11/11/2024	11/11/2024	11/11/2024
Vesting date	11/10/2026	11/10/2027	11/10/2028
Exercise price (Rs. per share)	304.00	304.00	304.00
Fair Value per Stock Option(Rs. per share)	491.14	547.76	575.17

(B) Fair Valuation

Weighted average fair value of options granted under the scheme are as follows:

Grant date	Option Value per unit granted
11/10/2025	429.85
11/10/2026	491.14
11/10/2027	547.76
11/10/2028	575.17

The Company follows fair value based method of accounting for determining compensation cost for its stock-based compensation scheme. The fair value of the options has been done by an independent firm of Actuarial Valuers on the date of grant using the Black-Scholes Merton Model

(C) The Key assumptions/factors in the Black-Scholes Merton Model for calculating fair value as on the date of grant:

Particulars	Assumptions/ Factors			
Exercise Price per Option	304.00			
Dividend Yield	7.00%			
12 Months Price Volatility	82.27%			
Risk- free Rate of Return	6.73%			

(D) Movement of Options Granted :

Particulars	As at	As at	As at		
	31st March 2026	31st March 2025	1st April 2024		
	No. of Shares	No. of Shares	No. of Shares		
Outstanding at the beginning of the year	58,764	-	-		
Granted during the year	-	63,356	-		
Vested during the year*	28,720	-	-		
Exercised during the period	14,362	-	-		
Options expired/ forfeited during the year (due to resignation etc) (vested)					
Outstanding at the end of the year	43,086	58,764	-		

(E) Details of stock option exercised :

Particulars	2025-26	2024-25			
Options exercised	14,362	-			
Exercised Price (Amount in Rs)	304.00	-			
Options exercisable outstanding*	14,358	-			
Exercise Price (Amount in Rs)	304.00	-			

*includes 14358 stock options which can be exercised by the legal heir of the deceased director Mr. Sandeep Kadam.

(F) Break up of employee stock option expenses:

Particulars	Year ended	Year ended			
	3/31/2026	3/31/2025			
Employee stock option expenses debited to statement of Profit and Loss	147.76	60.41			

52. In respect of the year ended 31st March 2026, the Board of Directors has proposed a final dividend of Rs. 1.25 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend would result in total cash outflow of Rs. 186.67 lakhs. (PY Dividend Rs 0.50 per Share and total cash outflow of Rs 70.30 lakhs)

53. The financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 20th May, 2026. The financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.

54. Previous year's figures have been reworked, regrouped. Rearranged and reclassified wherever necessary.

In terms of our report of even date attached

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

Pareen Shah
Partner
Mem. No. 125011

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Date: 20/05/2026

Place: Halol

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026

Place: Halol

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Krishna Defence and Allied Industries Limited** ("the Company"), and its associates which comprise the Consolidated Balance Sheet as at 31st March, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information other than the Consolidated Financial Statement and Auditor's Report thereon

The Company's Management and Board of Directors is responsible preparation the other information. The other information comprises the information included in the Management discussion and analysis, board's report including Annexure to Board's Report, Shareholder's information and corporate governance report, but does not include the financial statements and our auditor's report thereon. The Board's Report including Annexure to Board's Report, Corporate Governance Report and Shareholder's Information are expected to be made available to us after the date of this auditor's report. Any Material misstatement thereon pertaining to it, will be reported thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Management and 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 consolidated 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. 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error;

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Management and Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so;

The Board of Directors of the Company and of its associates are responsible for overseeing the company's financial reporting process. .

Auditor's Responsibilities for the Audit of Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls in relation to consolidated financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management and Board of director'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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditor. For the other entities included in the Consolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion;

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements;

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

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

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

Other Matters

- a) The Consolidated Financial Statements include total comprehensive income [comprising of profit/(loss) and other comprehensive income] of Rs 110.80 Lakhs for the year ended 31st March, 2026, as considered in the consolidated financial statement, of one associate, whose financial statements have not been audited by us. This financial information is unaudited and have been furnished to us by the management, and our opinion on the consolidated financial statement, insofar as it relates to the aforesaid associate is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Company.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except as mentioned in Note 2(h)(vi);
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2026 taken on record by the Management and Board of Directors of the company and its associate companies, none of the directors of the companies incorporated in India is disqualified as on 31st 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 consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A";
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclosed the impact of pending litigations on its financial position of the Company – Refer Note 38 to the Consolidated Financial Statements;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund by the Company;
 - iv.
 - i. The Management has represented that, to the best of its knowledge and belief, as disclosed in note no. 47(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. The Management has represented that, to the best of its knowledge and belief, as disclosed in note no. 47(vi) to the consolidated financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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
 - iii. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v. The Final Dividend proposed in the previous year, declared and paid by the Company during the year is in compliance with section 123 of the Act, as applicable.

The Interim dividend paid by the Company during the year in respect of the same declared for the current year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend

As stated in Note no. 50 to the consolidated financial statements, the Board of Directors of the Company have proposed final dividend for

the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except in respect of Inventory records maintained by the Company. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirement for record retention except in respect of Inventory records maintained by the Company.

With respect to comment on above for one associate of the Company whose audit has been carried out by us and have issued the audit report dated 20th May, 2026 is stated as under:

“Based on our examination, which includes test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended 31st March ,2026 which has a feature of recording audit trails (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software except in respect of Inventory records maintained by the Company. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirement for record retention except in respect of Inventory records maintained by the Company.”

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, CARO 2020 is not applicable to its one associate company and for the other associate whose audits under Section 143 of the Act has not been completed, the CARO report as applicable in respect of that associate entity is not available and consequently have not been provided to us as on the date of this audit report

Name of the Company	CIN	Nature of Relationship
Conceptia Software Technologies Private Limited	U72900KA2004PTC034151	Associate Company

In terms of our report of even date attached

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

Pareen Shah
Partner
Mem. No. 125011

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Date: 20/05/2026

Place: Halol

UDIN: 26125011ZTEANO6593

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls with reference to consolidated financial statements of **KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED** (“the Company”) and in respect of its Associates wherein such audit of internal financial controls with reference to consolidated financial statements was applicable and carried out by us and have been appropriately dealt with by us in making this report as on 31st March, 2026 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Management and Board of Directors of the Company and its associates company, which are companies incorporated in India are 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 internal financial controls with reference to financial statements of the Company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Company, its associates company, 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 the Institute of Chartered Accountants of India 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 Control 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 with reference to financial statements of the Company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements of the company and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and as described in the “Other matter” paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A Company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control with reference to consolidated financial statements 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act in so far as it relates to 1(one) associate incorporated in India, whose financial statements / financial information are unaudited and the other 1(one) associate were audit of internal financial controls with reference to the financial statements was not applicable, our opinion on the adequacy and operating effectiveness of the Internal Financial Controls with reference to consolidated financial statements of the company is not affected as the associates share of net profit/(loss) (including Other Comprehensive Income) and disclosures included in respect of these associates in these consolidated financial statements are not material to the company.

Our Opinion is not modified in respect of above matter.

For **CNK & Associates LLP**

Chartered Accountants

Firm Registration No. 101961W/W-100036

Pareen Shah

Partner

Membership No. 125011

Place: Halol

Date: 20th May, 2026

UDIN: 26125011WOPKVT9592

Consolidated Balance Sheet

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Consolidated Balance Sheet as at 31st March, 2026
All amounts are in lakhs unless otherwise stated

Sr No.	Particulars	Note No	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
ASSETS					
(1) Non-current assets					
	(a) Property, Plant and Equipment	4	3,375.63	2,196.81	1,462.38
	(b) Capital work-in-progress	5	303.83	164.73	3.22
	(c) Right of Use Asset	6	10.27	69.27	-
	(d) Financial Assets				
	(i) Investments	7	1,039.09	550.22	2.70
	(ii) Loans	8	-	-	215.60
	(iii) Other Financial Asset	9	7,687.20	548.72	642.48
	(e) Deferred tax Assets (Net)	24	63.49	7.70	3.98
	(f) Other non-current assets	10	302.39	143.15	64.48
			12781.91	3680.60	2394.84
(2) Current assets					
	(a) Inventories	11	1,631.24	7,242.07	3,248.24
	(b) Financial Assets				
	(i) Trade receivables	12	3,467.75	1,894.05	2,606.75
	(ii) Cash and cash equivalents	13	602.91	33.37	509.68
	(iii) Bank balances other than cash and cash equivalents	14	2,504.79	2,235.41	3,906.26
	(iv) Loans	15	0.67	2.32	3.89
	(v) Other financial assets	16	0.61	34.74	-
	(c) Other current assets	17	720.59	1,267.31	682.79
			8928.56	12709.28	10957.60
	Total Assets		21,710.47	16,389.88	13,352.44
EQUITY AND LIABILITIES					
Equity					
	(a) Equity Share capital	18	1,493.34	1,405.90	1,370.50
	(b) Other Equity	19	17,859.32	11,737.56	9,265.16
			19,352.66	13,143.46	10,635.66

LIABILITIES				
(1) Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	46.00	-	116.48
(ii) Lease Liability	21	2.66	42.53	-
(ii) Other Financial Liability	22	-	-	25.00
(b) Long-term provisions	23	72.19	34.76	34.22
(c) Deferred tax liability (Net)	24	-	-	-
		120.85	77.29	175.70
(2) Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	25	159.84	944.97	826.50
(ii) Lease Liability	21	8.40	32.40	
(iii) Trade payables	26			-
-Total outstanding dues of Micro enterprises and small enterprises		108.84	290.57	105.92
-Total outstanding dues other than Micro and small enterprises		556.77	511.72	1,218.18
(iv) Other Financial Liability	27	191.02	88.86	13.02
(b) Other current liabilities	28	473.97	1,112.58	213.09
(c) Short-term Provisions	29	617.94	63.86	54.27
(d) Current Tax Liability	29A	120.18	124.16	110.11
		2,236.96	3,169.13	2,541.08
Total Equity and Liabilities		21,710.47	16,389.88	13,352.44

In terms of our report of even date attached

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

Pareen Shah
Partner
Mem. No. 125011

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Date: 20/05/2026

Place: Halol

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026

Place: Halol

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Consolidated Statement of Profit and Loss For The Year Ended 31st March 2026
All amounts are in lakhs unless otherwise stated

Sr No.	Particulars	Note No.	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
(I)	INCOME			
	Revenue From Operations	30	24,478.22	18,961.38
	Other Income	31	326.84	287.81
	Total Income		24,805.06	19,249.19
(II)	EXPENSES			
	Cost of materials consumed	32	8,625.43	11,441.64
	Purchase of Stock-in-Trade	33	264.44	371.20
	Changes in Inventories of Finished goods, and work-in-process	34	3,671.34	(2,019.93)
	Employee benefits expense	35	2,032.40	1,686.18
	Finance costs	36	38.02	94.92
	Depreciation and amortization expense	4 & 6	410.33	275.34
	Other expenses	37	4,681.91	4,420.29
	Total expenses		19,723.86	16,269.62
(III)	Profit before tax (I-II)		5,081.20	2,979.57
(IV)	Tax expense:			
	(1) Current tax	40	1,345.38	772.85
	(2) Income Tax adjustments for the earlier years		(18.54)	6.07
	(3) Deferred tax		(57.75)	(2.22)
(V)	Profit After tax (III-IV)		3,812.12	2,202.87
(VI)	Share of Associate's Profit/(Loss)		319.43	22.65
(VII)	Profit After Tax and Share of Associate's profit/(Loss) (V+VI)		4,131.55	2,225.51
(VI)	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit plans		7.76	(5.98)
	(ii) Income tax relating to items that will not be reclassified to profit or loss			-
	- Remeasurements of the defined benefit plans		(1.95)	1.50
(VII)	Total Other Comprehensive Income		5.81	(4.47)
(VIII)	Share of Associate's Profit/(Loss) in Other Comprehensive Income		(5.79)	(0.05)

(IX)	Total Comprehensive Income for the period Share of Associate's Profit/(Loss) in Total Comprehensive Income (VII+VIII)		4,131.57	2,220.99
	Earnings per equity share			
	(1)Basic	39	28.12	15.89
	(2)Diluted		28.02	15.40

In terms of our report of even date attached

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

Pareen Shah
Partner
Mem. No. 125011

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Date: 20/05/2026

Place: Halol

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026

Place: Halol

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Consolidated Cash Flow Statement as at 31st March, 2026
All amounts are in lakhs unless otherwise stated

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items, prior period items and tax:	5,081.20	2,979.57
Adjustments for :		
Depreciation /amortization	410.33	275.34
Profit/Loss on sale of Property, Plant & equipments	(2.12)	(2.39)
Profit on sale of investment	(0.31)	-
Amount no longer payable written back	-	(4.69)
Bad Debts	-	75.71
Rent Income	(2.68)	(3.22)
Provision for doubtful debts and other deposits	39.76	(36.89)
Interest received	(309.13)	(239.33)
Stock compensation expense	147.76	60.41
Interest on Income Tax	3.04	11.25
Gain on cancellation of lease	(4.95)	-
Interest Expense	33.61	81.94
Property, Plant and Equipments Written Off	101.33	-
	416.65	218.13
Operating Profit before working capital changes	5,497.85	3,197.70
Adjustments for:		
(Increase)/Decrease in Trade receivables	(1,613.46)	673.88
(Increase)/Decrease in Inventories	5,610.83	(3,993.83)
(Increase)/Decrease in Loans and Advances	1.65	1.57
(Increase)/Decrease in Other Non Current Assets	(26.21)	(44.62)
(Increase)/Decrease in Other Current Assets	546.72	(584.53)
Increase/(Decrease) in Trade Payable	(136.69)	(517.12)
Increase/(Decrease) in Liabilities and Provisions	54.72	951.76
	4,437.56	(3,512.88)
Cash generated from Operations	9,935.41	(315.18)
Less : Direct taxes paid (Net of refund, if any)	(1330.82)	(776.12)
Net cash from Operating Activities (A)	8,604.59	(1,091.30)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property plant & Equipment's	(1,964.68)	(1,254.23)
Proceeds from Sale of Property plant & Equipment's	2.78	13.49
(Purchase)/Sale of investments	1.08	(49.92)
Investment in Associate	(176.00)	(475.00)
Loan to Associate	-	215.60
(Increase)/Decrease in Other bank balances	(7,380.44)	1,811.73
Rent Received	2.68	3.22
Interest received	343.26	204.59
Net Cash used in Investing Activities (B)	(9,171.31)	469.47

C CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds from Issue of Share capital	2004.46	296.70
Receipt of Long term borrowings(net)	48.35	-
Repayment of Long Term Borrowings	(0.64)	(116.48)
Increase/(Decrease) in Short term Borrowings	(786.83)	118.48
Interest paid	(28.19)	(71.61)
Dividend paid on Equity Shares	(74.54)	(70.25)
Repayment of lease Liability	(26.30)	(11.27)
Net cash used Financing Activities (C)	1,136.30	145.57
Net increase in cash and cash equivalents (A+B+C)	569.58	(476.26)
Cash and cash equivalents at the beginning of the year	33.42	509.68
Cash and cash equivalents at the end of the year	603.00	33.42
Components of Cash & Cash Equivalents		
Cash on hand	0.76	0.97
Balance with schedule banks		
In Current Account	602.15	32.41
Earmarked bank balances	0.09	0.04
Cash and Cash Equivalents	603.00	33.42

Notes:

- 1) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
- 2) In accordance with para 22 of Ind AS 7 - Statement of Cash Flows, cash flows from current borrowings have been reported on net basis since these being working capital facilities, the maturities are short.
- 3) During the year, there are no non cash transaction from investing and financing activities.

In terms of our report of even date attached

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Pareen Shah
Partner
Mem. No. 125011
Date: 20/05/2026
Place: Halol

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026
Place: Halol

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Consolidated Statement of changes in Equity for the year ended 31st March, 2026
All amounts are in lakhs unless otherwise stated

A Equity Share Capital

As at 31st March, 2026

Balance as at 01st April, 2025	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01st April, 2025	Changes in equity share capital during year	Balance as at 31st March, 2026
1,405.90	-	1,405.90	87.44	1,493.34

As at 31st March, 2025

Balance as at 01st April, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01st April, 2024	Changes in equity share capital during year	Balance as at 31st March, 2025
1,370.50	-	1,370.50	35.40	1,405.90

B Other Equity

As at 31st March, 2026

Particulars	Reserves & Surplus				Other items of Other Comprehensive Income	Total Equity
	Securities Premium	Money Received Against Share Warrants	Employee Stock Option Reserve	Retained Earning		
As at 1st April, 2025	6,136.14	653.60	60.41	4,891.93	(4.52)	11,737.56
(Loss)/Profit for the year	-	-	-	4,131.55	-	4,131.55
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	-	-	-	0.02	0.02
Dividend paid	-	-	-	(74.60)	-	(74.60)
Money Received Against Share Warrants during the year	-	1,960.80	-	-	-	1,960.80
Securities Premium Received on issue of equity shares	2,632.36	-	-	-	-	2,632.36
Reserve Created during the year	-	-	155.75	-	-	155.75
Reserve utilised during the year	-	-	(69.73)	-	-	(69.73)

Money Received Against Share Warrants used for issue of Equity Shares	-	(2,614.40)	-	-	-	(2,614.40)
Balance as at 31st March, 2026	8,768.50	-	146.43	8,948.88	(4.50)	17,859.32

As at 31st March, 2025

Particulars	Reserves & Surplus				Other items of Other Comprehensive Income	Total Equity
	Securities Premium	Money Received Against Share Warrants	Employee Stock Option Reserve	Retained Earning		
As at 1st April, 2024	5,750.94	777.50	-	2,736.71	-	9,265.16
(Loss)/Profit for the year	-	-	-	2,225.51	-	2,225.51
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	-	-	-	(4.52)	(4.52)
Dividend paid	-	-	-	(70.30)	-	(70.30)
Securities Premium Received on issue of equity shares	460.20	-	-	-	-	460.20
Securities premium utilised for meeting share issue expense	(75.00)	-	-	-	-	(75.00)
Reserve Created during the year	-	-	60.41	-	-	60.41
Money Received Against Share Warrants used for issue of Equity Shares	-	(123.90)	-	-	-	(123.90)
Balance as at 31st March, 2025	6,136.14	653.60	60.41	4,891.93	(4.52)	11,737.56

As at 1st April, 2024

Particulars	Reserves & Surplus				Other items of Other Comprehensive Income	Total Equity
	Securities Premium	Money Received Against Share Warrants	Employee Stock Option Reserve	Retained Earning		
As at 31st March, 2024	5,750.94	777.50	-	2,745.19	-	9,273.64
Opening adjustment due to adoption of Ind AS				(8.48)	-	(8.48)
Balance as at 1st April, 2024	5,750.94	777.50	-	2,736.71	-	9,265.16

In terms of our report of even date attached

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Pareen Shah
Partner
Mem. No. 125011
Date: 20/05/2026
Place: Halol

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026
Place: Halol

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Consolidated Ind AS financial statements

1- A Corporate Information

Krishna Defence and Allied Industries Limited (formerly known as Krishna Allied Industries Limited) is a listed public limited company, incorporated on 10th September, 2013. Company was incorporated as private limited company and later converted into unlisted public limited company on 07th December 2021. The Company was then listed on the SME platform of National Stock Exchange i.e. NSE Emerge and later on received principal approval for Listing of its equity shares on Capital Market Segment (Main Board) pursuant to Migration from SME Emerge platform (NSE) vide letter Ref: NSE/LIST/287, dated December 26, 2025 from National Stock Exchange of India Limited.

The Company is engaged in the manufacture, import, export, trading and supply of steel products and materials, defence equipment and systems, dairy and kitchen equipment, engineering products and allied industrial goods, catering to customers in India and overseas markets.

1- B Basis of Preparation

i. Compliance with Ind AS

These financial statements of the Company comprises, the balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (herein referred to as "financial statements"). These financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) prescribed under Section 133 of Companies Act, 2013, (the 'Act'). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements up to year ended 31st March, 2025 were prepared in accordance with the Accounting Standards notified under section 133 of the Act read together with paragraph 7 of the Companies (Accounts) Rules, 2021 ("Indian GAAP") and other relevant provisions of the Act as applicable. These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101- First time Adoption of Indian Accounting Standards. The transition to Ind AS has been carried out from the accounting principles generally accepted in India ("Indian GAAP") which is considered as the 'Previous GAAP' for purposes of Ind AS 101. An explanation of how the transition to Ind AS has affected the Company's financial position, financial performance and cashflows is provided in [Note 46](#) of the financial statement.

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

iii. Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

iv. Composition of Financial Statements

The financial statements are in accordance with Ind AS presentation. The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Changes in Equity
- Statement of Cash Flow
- Notes to Financial Statements

v. Key Accounting Judgments, Estimates and Assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Any change in these estimates and assumptions will generally be reflected in the financial statements in current period or prospectively, unless they are required to be treated retrospectively under relevant accounting standards.

1- C Principles of consolidation:

The consolidated statements consist of the company and its Associates – Waveoptix Defence Solutions Private Limited and Conceptia Software Technologies Private Limited

The Consolidated Financial Statements have been prepared on the following basis:

Investment and share of profit of associates has been consolidated as per the equity method as per Ind AS 28 – “Investments in Associates” specified under Section 133 of the Companies Act 2013 read with Companies (Accounts) Rules 2015 and relevant amendment rules issued thereafter.

Associates are entities over which the Group has significant influence but not control. Investments in associate is accounted for using the equity method of accounting. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date.

2 Material Accounting Policies

A Current versus 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 realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- 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
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities.

B Revenue Recognition:

Revenue is measured based on the identification of performance obligations in a contract and is recognised when or as those performance obligations are satisfied. Revenue towards satisfaction of performance obligation is measured at the amount of transaction price(net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered if any are net off variable consideration on account of various discounts, schemes, rebates offered by the company as the part of the contract. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. Revenue is recognised when the amount can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company, the costs incurred or to be incurred can be measured reliably.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for late delivery are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

C Other Income:

Interest income:

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the Effective Interest Rate (“EIR”) method on a time proportion basis taking into account the amount outstanding and the applicable effective interest rate, provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Other income is comprised primarily of exchange gain/loss on foreign currency transactions is accounted for an accrual basis for except where the receipt of income is uncertain in which case it is accounted for on receipt basis.

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

D Property, Plant and Equipment (PPE)

Freehold land is carried at historical cost. All other items of PPE are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, after deducting trade discounts and rebates, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any; The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment; Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment. Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss;

Subsequent Expenditure:

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. All other repairs and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

De-Recognition:

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when the asset is de-recognised;

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2024 measured as per the Previous GAAP and use that carrying value as the deemed cost (except to the extent of any adjustment permissible under other accounting standard) of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value:

Tangible assets, other than lease hold land, are depreciated on a pro-rata basis based on the written down value method, based on the estimated economic useful lives of the assets taken as per indicative prescribed year in schedule II of the Companies Act, 2013. Freehold land is not depreciated; Cost of Leasehold Asset is amortised over the tenure of lease agreement. In case where the cost of part of asset is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining assets, the useful life of that significant part has been determined separately.

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Capital Work-in-Progress:

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the applicable standards. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under "Other Non-Current Assets" and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

E Intangible Assets:

Recognition and measurement:

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.

Amortization:

Intangible assets are amortized over their useful life of the assets prescribed under the schedule II to the companies Act, 2013.

De-recognition of Intangible Assets:

Intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is de-recognized.

F Impairment of Non financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). The recoverable amount is higher of the assets or Cash-Generating Units (CGU's) fair value less costs of disposal and its value in use. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified;

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs;

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

G Inventories:

Inventories include raw material, packing materials, consumable stores, work in progress, and finished goods.

Inventories have been valued at cost or net realizable value, whichever is lower. Cost of inventories is determined on a First in First out basis (FIFO), after providing for obsolescence and other losses as considered necessary. In the case of raw materials and stock-in-trade, cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.. In the case of finished goods and work in progress, cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. 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.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

The comparison of cost and net realisable value is made on an item-by-basis.

H 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:

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Trade receivables that do not contain a significant financing component are measured at transaction price less any provisions for doubtful debts based on expected credit loss calculation. Provisions are made where there is evidence of a risk of non-payment, taking into account ageing, previous experience and general economic conditions. When a trade receivable is determined to be uncollectable it is written off, firstly against any provision available and then to the Statement of Profit and Loss.

Subsequent measurement:

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit and loss.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the statement of profit or loss

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment).

Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVTOCI) and equity instruments (measured at FVTPL) are recognized in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVTOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVTOCI that are recognized and accumulated in OCI are not reclassified to profit or loss on de-recognition.

Impairment of Financial assets

The Company assesses at each reporting date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 months expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

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 recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Statement of Assets & Liabilities. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

Financial Liabilities:

Initial recognition and Measurement

The Company's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs;

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

Financial Liability at Amortized Cost Method

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process;

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognized 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 recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counterparty

I Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise of 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; Bank Overdrafts are shown within borrowings in current liabilities in Balance sheet.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

J Cash Flows

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

K Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution of dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

L Foreign Currency Translation:

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Translation and Conversion:

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

M Employee benefits:

Employee benefits includes short term employee benefits, contribution to defined contribution schemes , contribution to defined benefit plan and Compensated absences.

Short-term Employee Benefits:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Contribution towards defined benefit contribution schemes:

Contribution towards provident fund is made to the regulatory authorities. Contributions to the above scheme are charged to the Statement of profit and loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions to be made.

Defined benefit Plan:

Gratuity plan:

The Company has a defined benefit gratuity plan.. Separate actuarial valuation is carried out for each plan using the projected unit credit method. . The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. Current service cost, Past-service costs are recognised immediately in Statement of profit or loss;

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end;

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period in which they arise.

N Employee Share Based Payment

Share-based compensation benefits are provided to employees via Employee Stock Option Plan 1. Employees of the Company receive remuneration in the form of share based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in Employee Stock Options Outstanding Account in equity, over the period in which the performance and/or service conditions are fulfilled, in Employee Benefit Expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

O Borrowing costs:

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred;

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

P Income taxes :

The tax expense comprises of current income tax and deferred tax.

Current income tax:

Income tax expense comprises of current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity/OCI, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted on the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax:

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilized. Deferred tax assets and liabilities are measured at the applicable tax rates.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

The carrying amount of deferred income 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 income tax asset to be utilised;

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Q Provisions and Contingent liabilities and contingent assets :

a) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement;

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost;

Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

b) Contingent Liabilities and Contingent assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements;

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

R Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period;

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

S Leases:

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

(A) Lease Liability

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

(B) Right-of-use assets

Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

(A) Lease Liability

Company measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications. Further Lease liabilities are premeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(B) Right-of-use assets

Subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability. Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset.

Impairment

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever, the terms of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

T Segment reporting:

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, evaluates the Company's performance and allocates the resources based on an analysis of various performance. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

U Events after Reporting Date

Where events occurring after the Balance Sheet date provide evidence of conditions which existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

3 Recent Pronouncement

Ministry of Corporate Affairs ("MCA") notifies new 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 notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, Ind AS 1 - Presentation of Financial Statements, Ind AS 7 - Statement of Cash Flows, Ind AS 107 - Financial Instruments: Disclosures and Ind AS 12, International Tax Reform – Pillar Two Model Rules. The company has reviewed the new pronouncements and based on its evaluation given necessary impact (including additional disclosures) as applicable.

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Consolidated Ind AS financial statements
All amounts are in lakhs unless otherwise stated

4 Property, Plant and Equipment

Particulars	Freehold Land	lease hold Land	Factory Building	Office Premises	Plant and Equipments	Furniture and Fixtures	Motor Vehicle	Office Equipments	Computer Equipments	Total
Gross carrying amount										
At 1st April, 2024	153.94	-	177.88	173.16	882.78	18.88	43.91	7.31	4.52	1,462.38
Additions	-	262.68	-	-	710.91	5.66	18.41	2.83	11.11	1,011.59
Disposals	-	-	-	-	-	-	18.34	-	-	18.34
As at 31st March, 2025	153.94	262.68	177.88	173.16	1,593.69	24.54	43.98	10.14	15.63	2,455.63
Additions	-	361.78	826.86	-	348.53	32.72	66.56	13.05	15.68	1,665.17
Disposals/Write Off	-	-	-	-	138.82	2.46	1.51	2.45	2.54	147.79
As at 31st March, 2026	153.94	624.46	1,004.74	173.16	1,803.39	54.80	109.02	20.73	28.77	3,973.02
										-
At 1st April, 2024	-	-	-	-	-	-	-	-	-	-
Depreciation charged	-	2.04	17.78	8.43	209.52	5.33	13.73	3.58	5.66	266.07
On Disposals	-	-	-	-	-	-	7.24	-	-	7.24
As at 31st March, 2025	-	2.04	17.78	8.43	209.52	5.33	6.49	3.58	5.66	258.83
Depreciation charged	-	6.33	44.45	8.02	286.25	9.29	19.40	5.93	9.40	389.07
On Disposals/Write off	-	-	-	-	45.55	0.97	0.71	1.39	1.89	50.51
As at 31st March, 2026	-	8.37	62.23	16.45	450.23	13.64	25.17	8.13	13.17	597.39

Net carrying amount:										
As at 31st March, 2026	153.94	616.09	942.51	156.70	1,353.16	41.15	83.85	12.61	15.60	3,375.63
As at 31st March, 2025	153.94	260.64	160.10	164.72	1,384.17	19.21	37.49	6.55	9.97	2,196.81
As at 01st April, 2024	153.94	-	177.88	173.16	882.78	18.88	43.91	7.31	4.52	1,462.38

(i) The Company has adopted Previous Generally Accepted Accounting Principles (GAAP) as the deemed cost as per the exemption under Ind AS 101. Accordingly, the company has set the Net Block as per Previous GAAP as on 1 April, 2024 as the Gross block under Ind AS.

(ii) Assets pledged as security :Exclusive charge of PNB Bank over Commercial Office located at Lower Parel, Mumbai. Exclusive charge of Axis Bank over Industrial Property 503/A, R S No 32/P located at Halol. Pari pasu charge of PNB Bank with Axis Bank on Industrial Shed No 121/8, 121/9, 121/20, 121/21, 121/22 GIDC Kalol, on Industrial Shed 121/23, 121/24 GIDC Kalol and Flat no. B-302, Shivam Residency Tower, Vadodara. These assets are subject to the terms and conditions of the respective financing and security documents executed with the lending banks.

(iii) Specific Vehicle is hypothecated as security against Vehicle Loan.

(iv) The Company has not revalued any of its Property, plant and equipment during the year.

(v) The Right of use asset is on account of two leasehold lands acquired by the company for the balance lease period of 78 years and 83 years and the lease premium for the same was paid in full at the inception of the lease. The leasehold land is carried at cost less accumulated amortization.

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED
CIN : L74900MH2013PLC248021
Notes forming part of the Consolidated Ind AS financial statements
All amounts are in lakhs unless otherwise stated
5 Capital Work-in-progress

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Opening Balance	164.73	3.22	3.22
Addition during the year	504.07	161.51	-
Capitalisation during the year	(360.25)	-	-
Written Off during the year	(4.72)		
Total	303.83	164.73	3.22

CWIP ageing schedule:

CWIP / Intangible Assets under development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
As at 31st March, 2026					
Projects in progress	303.83	-	-		303.83
Projects temporarily suspended					-
As at 31st March, 2025					
Projects in progress	161.51	3.22	-	-	164.73
Projects temporarily suspended	-	-	-	-	-
As on 1st April, 2024					
Projects in progress	3.22	-	-	-	3.22
Projects temporarily suspended	-	-	-	-	-

Note: There are no Capital Work in Progress for which completion is overdue or has exceeded its cost compare to its original plan.

6 Right of Use Asset

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Gross Block (Refer Note No . 35 E(b))			
Opening balance	78.54	-	-
Addition during the year		78.54	-
Disposal	59.09		
Closing balance	19.46	78.54	-

Depreciation Block			
Opening balance	9.27	-	-
Depreciation charged during the year	21.26	9.27	-
Disposal	21.34		
Closing balance	9.19	9.27	-
Net Block	10.27	69.27	-

Refer note 41(B) for the disclosures required as per Ind AS 116: Leases

Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(A) Investment at fair value through Other Comprehensive Income					
(a) Investment in Equity Shares- Unquoted (fully paid up)					
(i) Investment in Planys Technologies Private Limited			49.92	49.92	-
(C.Y. 120 equity shares of Rs 100 each fully paid up) (P.Y. 120 equity shares of Rs 100 each fully paid up) (1st April 2024: Nil)					
(B) Investment valued at Cost					
(a) Investment in Equity Shares of Associate Company- Unquoted (fully paid up)					
(i) Investment in Waveoptix Defence Solution Private Limited					
(C.Y. 5000 fully paid up equity shares of Rs 10 each) (P.Y. 5000 shares) (1st April, 2024: 2500 Shares)					
Opening Balance			475.25	0.25	0.25
Add: Investment acquired during the year			-	475.00	-
Add: Share in post acquisition profit (loss) of Associate			227.79	24.33	1.68
Add: Share in post acquisition other comprehensive income of Associate			(0.67)	(0.05)	
Closing Balance			702.37	499.53	1.93
(ii) Investment in Conceptia Software Technologies Private Limited					
(C.Y. 88,000 fully paid up equity shares of Rs 10 each) (P.Y. Nil shares) (1st April 2024: Nil Shares)					
Opening Balance					
Add: Investment acquired during the year			176.00	-	-
Add: Share in post acquisition profit (loss) of Associate			115.96	-	-
Add: Share in post acquisition other comprehensive income of Associate			(5.17)	-	
Closing Balance			286.80	-	-
(C) Investment at Fair Value through Profit and Loss Account (FVTPL)					
(a) Investment in Mutual Fund - Unquoted (At FVTPL)					
(i) Investment in units of UTI					
			-	0.77	0.77
(C.Y. Nil Units) (P.Y. 6,204.629 Units) (1st April 2024: 6,204.629 Units)					
Total			1,039.09	550.22	2.70
Aggregate amount of quoted investments			-	-	-
Aggregate market value of quoted investments			-	-	-
Aggregate amount of unquoted investments			1,039.09	550.22	2.70

Non- Current Loans					
Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good					
Loan to Related Party (Refer Note Below)			-	-	215.60
(i) WaveOptix Defence Solution Private Limited					-
Total			-	-	215.60

Note: The company had given loan to the Associate Company for business purpose. The company has charged the interest on above loan at a rate of 10% p.a. The company has received 2,500 Equity shares at price of Rs. 19,000 per shares on account of conversion of unsecured loan given to associates company as on 25th March ,2025 as per the approval of board resolution dated 08th November, 2023.

Other Non - Current Financial Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good (at Amortised cost)			
(a) Security Deposits	161.05	136.56	89.48
Less: Provisions	-	2.88	2.88
	161.05	133.68	86.60
(b) Other Balances: (Refer below note (i))			
(i) Bank Balances held as margin money against Guarantees	883.83	69.02	417.72
(ii) Fixed Deposit with Bank (Refer Below Note (i))	6,642.32	346.02	138.16
Total	7,687.20	548.72	642.48

Note (i): The company has given the fixed deposit amounting to Rs. 862.55 Lakhs (P.Y. Rs.129.87 Lakhs) (1st April 2024: Rs 138.16 Lakhs) as collateral security to the banks against the Fund based, Non fund based working capital facility availed from the Banks.

Other Non - Current Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good			
(a) Capital Advance	265.76	105.35	24.23
(b) Balances with government authorities	21.10	21.04	21.04
(c) Expenses paid in advance	15.53	16.76	19.22
Total	302.39	143.15	64.48

Inventories (At lower of cost and net realizable value)

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(a) Raw Materials	769.55	2,664.08	757.01
(b) Work-in-progress	463.30	3,913.62	2,287.53
(c) Finished goods (other than those acquired for trading)	263.19	396.56	-
(d) Stock-in-trade	-	3.98	65.42
(e) Stores, Spares and fuel	105.81	150.78	83.95
(f) Scrap	29.40	113.05	54.34
Total	1,631.24	7,242.07	3,248.24

Notes: Inventories amounting to Rs 1631.24 Lakhs (PY: Rs 7242.07 Lakhs) (1st April 2024: Rs 3248.24 Lakhs) have been pledged to secure borrowings of the Company. (Refer Note: 25)

Trade Receivables

Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good (at Amortised cost)					
Trade Receivables considered good - Unsecured			3,550.15	1,936.68	2,686.28
Less : Provision for Expected Credit Loss Allowance			(82.40)	(42.64)	(79.53)
Total			3,467.75	1,894.05	2,606.75

Ageing of Trade Receivables :

Particulars		Less than 6 Months	2-3 Years	More than 3 Years	Total
As at 31st March, 2026					
Undisputed					
- considered good		3,362.60	47.25	3.01	3,550.15
- which have significant increase in credit risk		-	-	-	-
- credit impaired		-	-	-	-
Disputed		-	-	-	-
- considered good		-	-	-	-
- which have significant increase in credit risk		-	-	-	-
- credit impaired		-	-	-	-
Total Trade Receivable		3,362.60	47.25	3.01	3,550.15
Less: Expected Credit Loss Allowance		(33.64)	(35.44)	(3.01)	(82.40)
Expected Credit Loss Allowances Rates		1%	75%	100%	
Total Trade Receivable		3,328.96	11.81	-	3,467.75

Particulars		Less than 6 Months	2-3 Years	More than 3 Years	Total
As at 31st March, 2025					
Undisputed					
- considered good		1,847.32	12.96	-	1,936.68
- which have significant increase in credit risk		-	-	-	-
- credit impaired		-	-	-	-
Disputed		-	-	-	-
- considered good		-	-	-	-
- which have significant increase in credit risk		-	-	-	-
- credit impaired		-	-	-	-
Total Trade Receivable		1,847.32	12.96	-	1,936.68
Less: Expected Credit Loss Allowance		(18.47)	(9.72)	-	(42.64)
Expected Credit Loss Allowances Rates		1%	75%		
Total Trade Receivable		1,828.84	3.24	-	1,894.05

Particulars	Less than 6 Months	6 Months - 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As on 1st April, 2024						
Undisputed						
- considered good	2,237.56	62.48	127.12	111.24	147.87	2,686.28
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Disputed						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Total Trade Receivable	2,237.56	62.48	127.12	111.24	147.87	2,686.28
Less: Expected Credit Loss Allowance	(21.96)	(3.12)	(6.36)	(11.12)	(36.97)	(79.53)
Expected Credit Loss Allowances Rates	1%	5%	5%	10%	25%	
Total Trade Receivable	2,215.60	59.36	120.77	100.12	110.90	2,606.75

Cash and cash equivalents						
Particulars				As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Balances with Banks						
In Current Accounts				602.15	32.41	6.78
					-	
Cash in Hand				0.76	0.97	1.87
					-	
Bank deposits with maturity for less than 3 months					-	501.03
Total				602.91	33.37	509.68

Other Bank balances						
Particulars				As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Other Balances (Refer below note (i))						
(i) Bank Balances held as margin money against Guarantees				153.51	637.23	230.33
(ii) Fixed Deposit with Bank (Refer below note (ii))				0.95	685.71	644.08
(iii) Fixed Deposit with Bank having maturity less than 12 months				2,350.23	912.43	3,031.85
(iv) Earmarked bank balances(Refer note iii)				0.09	0.04	-
Total				2,504.79	2,235.41	3,906.26

(i) Other Balances includes Bank deposits having maturity of less than 12 months.

(ii) The above Fixed deposits is given as collateral security to the banks against the Fund based, Non fund based working capital facility availed from the Banks.

(iii) These balances pertains to amount deposited in unclaimed dividend account which is earmarked for payment of dividend and cannot be used for any other purpose.

Loans - Current						
Particulars				As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good (at Amortised cost)						
Loans to employees				0.67	2.32	3.89
Total				0.67	2.32	3.89
Other Current Financial assets						
Particulars				As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good						
Interest receivable				0.61	34.74	-
Total				0.61	34.74	-
Other Current Assets						
Particulars				As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Unsecured, considered good						
Advance to suppliers (Refer below note)				475.79	840.95	591.35
Advances for Expense				18.30	6.74	0.95
Expenses paid in advance				134.05	83.87	49.09
Balances with government authorities				92.45	335.75	41.40
Total				720.59	1,267.31	682.79

Note:

This includes Advance for material given to White Gold Technologies LLP amounting to Rs.Nil (Rs. P.Y. 379.47 lakhs) (1st April 2024: Rs 227.77 lakhs) in which the director of the company is partner.

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Consolidated Ind AS financial statements
All amounts are in lakhs unless otherwise stated

18 Share Capital

(i) Share Capital

Particulars	Authorised Share Capital		Issued Share Capital	
	Equity Share Capital		Equity Share Capital	
	No. of Shares	Amount (Rs.in lakhs)	No. of Shares	Amount (Rs.in lakhs)
As at 1st April 2024	1,50,00,000	1,500.00	1,37,05,026	1,370.50
Increase /(decrease) during the year	-	-	3,54,000	35.40
As at 31st March 2025	1,50,00,000	1,500.00	1,40,59,026	1,405.90
Increase /(decrease) during the year			8,74,362	87.44
As at 31st March 2026	1,50,00,000	1,500.00	1,49,33,388	1,493.34

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2026		As at 31st March 2025		As at 1st April 2024	
	Nos.	₹	Nos.	₹	Nos.	₹
Number of shares outstanding as at the beginning of the financial year	1,40,59,026	1,406	1,37,05,026	1,370.50	1,37,05,026	1,370.50
Add / (Less): changes during the year by the Company	8,74,362	87.44	3,54,000	35.40	-	-
Number of shares outstanding as at the close of the financial year	1,49,33,388	1,493.34	1,40,59,026	1,405.90	1,37,05,026	1,370.50

Terms and Rights attached

The Company has only one class of equity share having a par value of ₹10 per share. In the event of liquidation of Companies, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. Each Shareholder of Equity share is entialed to one vote per share.

Details of shareholders holding more than 5% shares in the Company

Name of Shareholder				As at 31st March, 2026		As at 31st March 2025		As at 1st April 2024	
				No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding

Equity shares of Rs. 10 each fully paid

Ankur Shah				54,53,890	36.52%	52,53,890	37.37%	52,53,890	38.34%
Krish Industries Private Limited				8,40,000	5.62%	8,40,000	5.97%	8,40,000	6.13%
Pallavi Shah				17,35,710	11.62%	17,35,710	12.35%	16,33,710	11.92%

Shared held by promoters at the end of 31st March, 2026

Promoter's Name	As at 31st March, 2026			As at 31st March 2025			As at 1st April 2024		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Ankur Shah	54,53,890	36.52%	-0.85%	52,53,890	37.37%	-0.97%	52,53,890	38.34%	-7.56%

19 Other Equity

Particulars							As at 31st March, 2026	As at 31st March, 2025	As at 1st April, 2024
Securities Premium Account							8,768.50	6,136.14	5,750.94
Money Received Against Share Warrants							-	653.60	777.50
Employee Stock Option Reserve							146.43	60.41	-
Retained Earnings							8,944.38	4,887.41	2,736.71
Total							17,859.32	11,737.56	9,265.16

Particulars	As at 31st March, 2026	As at 31st March, 2025	As at 1st April, 2024
Securities Premium Account			
Opening balance	6,136.14	5,750.94	5,750.94
Add: Received on issue of Equity shares during the year	2,632.36	460.20	-
Less : Utilised for meeting share issue expenses ((Refer below Note No (i))	-	75.00	-
Closing Balance	8,768.50	6,136.14	5,750.94
Money Received Against Share Warrants			
Opening balance	653.60	777.50	777.50
Money Received Against Share Warrant during the year	1,960.80	-	
Money Received Against Share Warrant utilised for issue of share ((Refer below Note No (ii))	2,614.40	123.90	
Closing Balance	-	653.60	777.50
Employee Stock option Reseve			
Opening Balance	60.41	-	
Add: Reserve Created during the year (Refer Note No .50)	155.75	60.41	
Less : Reserve Utilised during the year	(69.73)	-	
Closing Balance	146.43	60.41	-
Retained Earnings			
Opening balance	4,887.41	2,736.71	2,745.19
Add: Net profit for the year	4,131.55	2,225.51	
Add/(Less): Remeasurement of the Net Defined benefit liability/asset, net of tax effect *	0.02	(4.52)	
Add/(Less): Impact of Ind AS 101 debited to retained earning on date of transition			(8.48)
Less : Dividend paid (refer note (iii))	(74.60)	(70.30)	
Closing balance	8,944.38	4,887.41	2,736.71
Grand Total	17,859.32	11,737.56	9,265.16

*This is item of other comprehensive income arising from remeasurement of defined benefit obligation net of income tax, which is directly recognised in retained earning.

Note

(i) Pursuant to Section 52 of the Companies Act , 2013 , Securities Premium account has been utilized against share issue expenses related to Issue management fees, professional fee and other expenses incurred amounting to Rs. 75.00 Lakhs related to the preferential issue of equity shares during the previous year ended 31st March 2025

(ii) During the year , the Company had converted the 8,60,000 Convertible Equity warrants into Equity Shares on receipt of balance amount of Rs 1960.80 Lakhs towards Share Warrants.

(iii) The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013. On 20th May 2025, final dividend of Rs 0.50 per share (Total dividend Rs. 74.60 lakhs) were proposed by the board of directors which is paid in FY 2025-26 after the approval of shareholders in General Meeting. (Total Dividend paid in P.Y. Rs 70.30 Lakhs)

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Consolidated Ind AS financial statements

All amounts are in lakhs unless otherwise stated

20 Borrowings

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(a) Term Loans			
- Secured			-
(i) From Others - Vehicle Loan (Refer below Note (i))	47.71		-
Total	47.71	-	-
Less: Current Maturities of long - term debts	1.70		
	46.00	-	-
Loans from directors (unsecured) (Refer below Note (ii))			116.48
Total	46.00	-	116.48

Note :

(i) Vehicle Loan is for a loan tenure of 4 years with a monthly instalment of Rs 0.49 Lakhs (including Interest). Rate of Interest is 9% p.a. Vehicle loans are secured by way of hypothecation of a specific vehicle.

(ii) The unsecured loan was interest free loan from director with a tenure of 2-3 years.

21 Lease Liability

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Opening Balance	74.93	-	-
Addition during the year		78.54	-
Finance Cost	5.14	7.66	-
Payment made during the year	(26.30)	(11.27)	-
Disposal	(42.70)	-	
Closing Balance	11.06	74.93	-
Current Liabilities	8.40	32.40	
Non current Liabilities	2.66	42.53	-

22 Other Non - Current Financial liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Security Deposits	-	-	25.00
Total	-	-	25.00

23 Long Term Provisions

Particulars		As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(a) Provision for employee benefits				
(i) Provision for Compensated absences (Refer Note- 41A)		22.82	14.71	11.73
(ii) Provision for Gratuity (Refer Note- 41A)		49.37	20.05	22.49
Total		72.19	34.76	34.22

24 Deferred tax Liabilities/ (Asset) (Net)

Particulars		As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Deferred Tax Liabilities in relation to:				
Related to Property Plant and Equipment		5.75	37.50	36.51
Total Deferred Tax Liabilities		5.75	37.50	36.51
Deferred Tax Assets in relation to:				
Allowances for Doubtful Debts and other deposits (ECL)		20.74	10.73	20.02
On Lease Liabilities		0.20	1.42	
On Remeasurement of Defined Benefit Plan		7.40	9.35	7.85
Amounts allowable for tax purpose on payment basis		40.91	23.69	12.62
Total Deferred Tax Assets		69.25	45.20	40.49
Net Deferred Tax Liabilities / (Asset) (Net)		(63.49)	(7.70)	(3.98)

Note (i) : Terms of Loans and Security details**Secured Loan from Bank-****Axis Bank:**

Facility Granted: Rs 5000 lakhs (Fund Based Rs 800 lakhs and Non-Fund Based Rs 4200 lakhs)

Rate of Interest: Repo rate + 2.75%

Security details:

The above facility is primarily secured by hypothecation charge on entire present and future current asset of the company and by way of first charge on the entire movable fixed assets of the company. Exclusive charge of Axis Bank over Industrial Property 503/A, R S No 32/P located at Halol as collateral security. Further, the Axis Bank has pari-pasu charge with PNB Bank on Industrial Shed No 121/8, 121/9, 121/20, 121/21, 121/22, 121/23, 121/24 GIDC Kalol and Flat no. B-302, Shivam Residency Tower, Vadodara as collateral security. The facility is further secured by way of lien on fixed deposits of original value of Rs.513.00 Lakhs. The facility is further secured by way of lien on LIC policy in name of Mr. Ankur Shah having surrender value of Rs. 62.00 Lakhs. The facility is further secured by way of personal guarantee of the Managing director Mr. Ankur Shah.

Punjab National Bank:

Facility Granted: Rs 1900 lakhs (Fund Based Rs 400 lakhs and Non-Fund Based Rs 1500 lakhs)

Rate of Interest: Repo rate + Mark up 2.65% + BSP 0.10%+Spread 0.50%.

Security details:

The Above facility is primarily secured by paripassu hypothecation charge on entire stock and book debts of the company and by way of exclusive charge over Commercial Office located at Lower Parel, Mumbai as collateral security and Also collaterally secured by way of paripassu charge with Axis Bank Limited on immovable properties situated at Industrial Shed No. 121/8, 121/9, 121/20, 121/21, 121/22, 121/23 & 121/24 GIDC Kalol and Flat no B-302, Shivam Residency Tower. Further , the facility is secured by Fixed deposit of original value Rs. 129.87 Lakhs and personal guarantee of the Managing director Mr. Ankur Shah.

As at 31st March, 2026						
Particulars		Opening Balance	Recognised in Retained Earnings	Recognised in OCI	Recognised in Profit & Loss	Closing Balance
Deferred Tax Liabilities in relation to:						
Related to Property Plant and Equipment		37.50	-	-	(31.75)	5.75
Total Deferred Tax Liabilities		37.50	-	-	(31.75)	5.75
Deferred Tax Assets in relation to:						
Allowances for Doubtful Debts and other deposits (ECL)		10.73	-	-	10.01	20.74
On Lease Liabilities		1.42	-	-	(1.22)	0.20
On Remeasurement of Defined Benefit Plan		9.35	-	(1.95)	-	7.40
Amounts allowable for tax purpose on payment basis		23.69	-	-	17.22	40.91
Total Deferred Tax Assets		45.20	-	(1.95)	26.00	69.25
Net Deferred Tax Liabilities / (Asset)		(7.70)	-	1.95	(57.75)	(63.49)

As at 31st March, 2025						
Particulars		Opening Balance	Recognised in Retained Earnings	Recognised in OCI	Recognised in Profit & Loss	Closing Balance
Deferred Tax Liabilities in relation to:						
Related to Property Plant and Equipment		36.51	-	-	1.00	37.50
Total Deferred Tax Liabilities		36.51	-	-	1.00	37.50
Deferred Tax Assets in relation to:						
Allowances for Doubtful Debts and other deposits (ECL)		20.02	-	-	(9.29)	10.73
On Lease Liabilities		-	-	-	1.42	1.42
On Remeasurement of Defined Benefit Plan		7.85	-	1.50	-	9.35
Amounts allowable for tax purpose on payment basis		12.62	-	-	11.07	23.69
Total Deferred Tax Assets		40.49	-	1.50	3.21	45.20
Net Deferred Tax Liabilities / (Asset)		(3.98)	-	(1.50)	(2.22)	(7.70)

As on 1st April, 2024						
Particulars		Opening Balance	Recognised in Retained Earnings	Recognised in OCI	Recognised in Profit & Loss	Closing Balance
Deferred Tax Liabilities in relation to:						

Related to Property Plant and Equipment	36.51	-	-	-	36.51
Total Deferred Tax Liabilities	36.51	-	-	-	36.51
Deferred Tax Assets in relation to:					
Allowances for Doubtful Debts and other deposits (ECL)	20.02	-	-	-	20.02
On Lease Liabilities	-	-	-	-	-
On Remeasurement of Defined Benefit Plan	-	7.85	-	-	7.85
Amounts allowable for tax purpose on payment basis	17.62	(5.00)	-	-	12.62
Total Deferred Tax Assets	37.63	2.85	-	-	40.49
Net Deferred Tax Liabilities / (Asset)	(1.13)	(2.85)	-	-	(3.98)

Borrowings

Particulars				As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(a) Loans repayable on demand				-		-
- Secured						
(i) From Banks (refer below note (i))				158.14	944.97	807.63
- Unsecured						
(i) Loans from directors				-	-	18.86
(b) Current Maturities of long-term debt- Vehicle Loan				1.70		
Total				159.84	944.97	826.50

26 Trade payables

Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Trade payables					
- Total outstanding dues of Micro & Small Enterprises			108.84	290.57	105.92
- Total outstanding dues other than Micro and small enterprises			556.77	511.72	1,218.18
Total			665.61	802.30	1,324.11

Ageing of Trade Payables:

Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31st March, 2026					
(i) MSME	108.84	-	-	-	108.84
(ii) Others	539.23	2.65	-	14.89	556.77
(iii) Disputed Dues - MSME					-
(iv) Disputed Dues - Others					-
Total Trade Payable	648.07	2.65	-	14.89	665.61

Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As at 31st March, 2025					
(i) MSME	290.57	-	-	-	290.57
(ii) Others	496.83	-	14.89	-	511.72
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total Trade Payable	787.41	-	14.89	-	802.30

Particulars	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
As on 1st April, 2024					
(i) MSME	105.92	-	-	-	105.92
(ii) Others	1,128.37	84.32	5.49	-	1,218.18
(iii) Disputed Dues - MSME	-	-	-	-	-

(iv) Disputed Dues - Others	-	-	-	-	-
Total Trade Payable	1,234.29	84.32	5.49	-	1,324.11

27 Other Current Financial liabilities

Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Interest accrued on borrowings			2.96	2.68	-
Unclaim Dividend			0.10	0.04	-
Security Deposits from dealers			-	-	0.25
Payable to Employees			117.19	72.57	
Payable for Expenses			70.76	13.57	12.77
Total			191.02	88.86	13.02

28 Other current liabilities

Particulars			As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Statutory dues payable			337.10	38.63	26.76
Advances From Customers			136.87	1,073.95	121.34
					-
Total			473.97	1,112.58	213.09

29 Short Term Provisions

Particulars		As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
(a) Provision for employee benefits				
(i) Provision for Compensated absences (Refer Note- 41A)		3.79	1.81	4.33
(ii) Provision for Bonus		42.45	37.12	27.56
(iii) Provision for Gratuity (Refer Note- 41A)		20.67	16.80	15.23
(iv) Provision for Commission to Non Executive Directors		52.85	-	-
(b) Provisions- Others				
(i) Provision for Warranties [Refer Note No- 48]		4.97	8.13	7.15
(iii) Provision for Late delivery Charges [Refer Note No- 48]		493.21	-	-
Total		617.94	63.86	54.27

29 A. Current Tax Liability

Particulars		As at 31st March, 2026	As at 31st March, 2025	As on 1st April, 2024
Provision for Income tax (Net of Taxes paid in advance)		120.18	124.16	110.11
Total		120.18	124.16	110.11

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Consolidated Ind AS financial statements

All amounts are in lakhs unless otherwise stated

30 Revenue From Operations

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
(a) Sale of products(Refer note 30.1)	23,043.02	18,418.09
(b) Other Operating revenue(Refer note 30.2)	1,435.20	1,068.52
Total	24,478.22	19,486.61

Refer note- 41D for disclosure as per Ind AS 115.

30.1 Sale of Products comprises of

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Sale of manufactured goods		
Defence Product	21,077.00	17,365.57
Dairy & Kitchen Equipment	1,612.54	794.63
	22,689.54	18,160.21
Sale of Traded goods		
Defence Product	230.40	233.73
Dairy & Kitchen Equipment	123.08	24.15
	353.48	257.88
Total Sale of Products	23,043.02	18,418.09

30.2 Other Operating Revenue comprises of

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
(i) Job Work Income	829.20	458.49
(ii) Scrap Sales	603.88	607.64
(iii) Export Incentives	2.12	2.39
Total - Other operating revenues	1,435.20	1,068.52

31 Other Income

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Interest Income (refer Note 31.1)	309.13	239.33
Rental Income measured at amortised cost	2.68	3.22
Net gain on foreign currency transactions	0.37	1.29
Profit on sale of Property, Plant and Equipments	2.12	2.39
Amount no longer payable written back	-	4.69
Gain on sale of investment measured at FVTPL	0.31	-
Reversal of Provision for doubtful debt & other deposits (ECL)	-	36.89
Insurance Claim Received	6.52	-
Gain on Cancellation of Lease	4.95	-
Miscellaneous Income	0.76	-
Total	326.84	287.81

31.1 Interest Income comprises of (measured at amortised cost)

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Interest on FD	309.13	204.93
Interest from Waveoptix Defence Solution Ltd	-	34.40
Total	309.13	239.33

32 Cost of materials consumed

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Raw Materials Consumption		
Opening Stock	2,664.08	757.01
Add: Purchases	6,730.90	13,348.70
	9,394.98	14,105.71
Less: Closing stock	769.55	2,664.08
Cost of Material consumed	8,625.43	11,441.64
Total	8,625.43	11,441.64

33 Purchase of Stock-in-Trade

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Purchase of traded goods	264.44	371.20
Total	264.44	371.20

34 Changes in inventories work-in-progress

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
(a) Inventories at the beginning of the year:		
Finished Goods	396.56	-
Work in Progress	3,913.62	2,287.53
Stock in Trade	3.98	65.42
Scrap	113.05	54.34
	4,427.22	2,407.29
(b) Inventories at the end of the year:		
Finished Goods	263.19	396.56
Work in Progress	463.30	3,913.62
Stock in Trade	-	3.98
Scrap	29.40	113.05
	755.88	4,427.22
Net Change in Inventories	3,671.34	(2,019.93)

35 Employee benefits expense

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Salaries, wages, bonus etc.	1,714.08	1,493.37
Remuneration to directors	28.83	25.74
Share based payment (refer Note 50)	147.76	60.41
Contributions to Provident and other funds	96.70	69.20
Staff welfare expenses	45.03	37.46
Total	2,032.40	1,686.18

36 Finance costs

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Interest Expense		
On Working capital loan	24.69	74.28
On Vehicle Loan	1.38	
Unwinding interest cost on Lease liability	5.14	7.66
Other borrowing costs	1.37	1.66
Interest on Statutory Dues	5.44	11.32
		-
Total	38.02	94.92

37 Other expenses

Particulars	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Store & Spares Consumed	364.12	212.37
Job Work & Labour Charges	1,825.03	2,329.18
Power & Fuel Expenses	531.94	367.81
Repairs & Maintenance - Plant & Machinery	32.37	10.76
- Building	10.51	2.48
- Others	79.75	7.57
Laboratory and Testing Expenses	67.18	56.48
Travelling and Conveyance	132.64	141.29
Legal & Professional Charges	348.45	191.80
Rates & Taxes	1.12	1.05
Rent Expenses (Refer Note No. 41B(i)(a))	64.36	82.16
Security Expenses	67.82	29.83
Vehicle Expenses	14.49	16.48
Insurance Expenses	15.79	11.74
CSR Expenses (Refer Note 43B)	33.00	15.58
Donation Expenses	0.42	-
Factory Expenses	29.98	9.17
Installation charges	16.43	21.26

Freight & Forwarding charges	430.27	436.25
Telephone & Internet Expenses	5.09	7.62
Bad Debts	-	75.71
Expected credit loss expenses (ECL)	39.76	-
Auditor's Remuneration (Refer Note 37.1)	8.79	6.63
Selling & Distribution Expenses		
a. Commission on sales	23.95	10.98
b. Advertisement	17.66	3.16
c. Sales Promotion Expenses	43.54	55.22
d. Tender fees	14.43	49.42
Property, Plant & Equipments Written Off	101.33	-
Bank Charges & Commission	66.72	66.73
Commission to Non Executive Director	52.85	-
Miscellaneous Expenses	242.12	201.59
Total	4,681.91	4,420.29

37.1 Note: Auditor's Remuneration

Payments to the auditors comprises:	For the Year Ended 31st March, 2026	For the Year Ended 31st March, 2025
Statutory Audit fees	7.5	5.00
Tax Audit	-	0.85
Other certification services	1.29	0.78
Total	8.79	6.63

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Consolidated Ind AS financial statements
All amounts are in lakhs unless otherwise stated

38 Additional information to the financial statements
Contingent liabilities and Capital commitments

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Contingent liabilities			
(a) Claims against the company not acknowledged as debt:			
(i) on account of Liquidated damages levied on the company	-	-	185.46
(ii) Disputed with Provident Fund Authorities	83.35	83.35	83.35
(iii) - Labour Laws - Claims from Employees / Contractual Personnel including ex-employees	-	-	Amount not ascertainable
(ii) Disputed with Custom Authority	11.47	11.47	11.47
(b) Bank Guarantees issued by bank on behalf of Company for which company has issued counter guarantee	3,165.27	4,733.14	1,840.70
(c) Corporate guarantee issued on behalf of associate	500.00	900.00	
(d) On account of other contingent claims			4.63
	3,760.09	5,727.96	2,125.61
Capital Commitments			
Estimated amount of Contracts to be executed on capital account and not provided for net of capital advance (Net of Advance CY Rs. 807. 91 Lakhs) (PY- Rs 105.35 Lakhs) (1st April 2024- Rs 666.90 Lakhs)	1,073.68	358.01	691.13

39 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity Share holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity share holders of the Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company

Particulars		As at March 31, 2026	As at March 31, 2025
Profit attributable to equity share holders of the Company for basic and diluted earnings per share		4,131.55	2,225.51
Weighted average number of shares -			
Shares Outstanding during the year (Nos.):		1,40,59,026	1,37,05,026
Add : Share issued during the year		8,74,362	3,54,000
		1,49,33,388	1,40,59,026

Weighted average number of shares for Basic EPS	1,46,92,717	1,40,06,653
Effect of potential conversion of equity share warrants outstanding	52,394	4,49,138
Weighted average number of shares for Diluted EPS	1,47,45,111	1,44,55,791
Face Value per share	10.00	10.00
Basic Earnings per share	28.12	15.89
Diluted Earnings per share	28.02	15.40

40 Tax Expense

Particulars		
	As at March 31, 2026	As at March 31, 2025
(a) Income tax expense		
Current tax		
Current tax on profits for the year	1,345.38	772.85
Income Tax adjustments for earlier years	(18.54)	6.07
	1,326.83	778.92
Deferred tax		
Deferred tax for the year*	(57.75)	(2.22)
		-
*excludes below tax impact on Other Comprehensive Income		
Total Income tax Expense	1,269.08	776.71
(b) Reconciliation of Effective tax rate on profit before tax		
Tax at the Indian tax rate	25.17%	25.17%
Profit before tax	5,081.20	2,979.57
Current tax as per enacted tax rate	1,278.84	749.90
Tax effect of :		
Expenditure for which deduction is not allowed under Income Tax Act	8.79	20.74
Others/ prior year tax adjustment	(18.54)	6.07
Income Tax Expense	1,269.08	776.71

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

**Notes forming part of the Consolidated Ind AS financial statements
All amounts are in lakhs unless otherwise stated****41 Disclosure under Indian Accounting Standards****(A) Employee Benefit Plans:****Defined benefit plan:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The following tables summaries the components of net benefit expense recognized in the Statement of profit and loss. The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March.

Reconciliation of opening and closing balances of the defined benefit obligation.

Particulars	As At 31st March, 2026	As At 31st March, 2025
Opening defined benefit obligation	161.27	140.65
Current service cost	18.48	15.99
Interest cost	10.37	9.60
Past Service Cost	23.43	
Actuarial loss / (gain)	(6.90)	7.42
Benefit paid	(6.78)	(12.39)
Closing projected benefit obligation	199.87	161.27

Reconciliation of opening and closing balances of Plan Asset.

Particulars	As At 31st March, 2026	As At 31st March, 2025
Opening Value of Plan Asset	124.43	102.94
Interest Income	8.47	7.44
Return on plan assets excluding amounts included in interest income	0.87	1.44
Contribution by Employer towards Plan Asset	-	25.00
Benefit paid	(3.92)	(12.39)
Closing Value of Plan Asset	129.84	124.43

Amount recognized in the balance sheet

Particulars	As At 31st March, 2026	As At 31st March, 2025
Present value of obligation	199.87	161.27
Fair value of plan assets	129.84	124.43
Net Liability	70.04	36.85
Amounts in the balance sheet	-	-
Provision for gratuity	70.04	36.85
Net Liability / (assets)	70.04	36.85

Expense recognized in the statement of profit and loss and Other Comprehensive Income

Particulars	As At 31st March, 2026	As At 31st March, 2025
Profit and Loss Account		
Current Service cost	18.48	15.99
Interest on defined benefit obligation	1.91	2.17
Past Service Cost*	23.43	-
Amounts recognized in Profit and Loss Account	43.81	18.15
Other Comprehensive Income		
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	-7.99	5.98
Due to experience adjustments	1.09	1.44
Return on plan assets excluding amounts included in interest income	-0.87	-1.44
Amounts recognized in Other Comprehensive (Income)/Expense	-7.76	5.98
Total	36.05	24.13

*The Government of India has notified the Implementation of Four New labour codes on 21st November 2025, by consolidating and rationalizing 29 existing labour laws. Further, based on management estimates and actuarial valuation obtained, the company has considered the impact of gratuity liability arising from the implementation of the New Labour Codes and accordingly the financial impact of the same has been recognized as an additional expense of Rs. 23.43 Lakhs in the consolidated statement of profit and loss for the Year ended March 31, 2026.

Bifurcation Of Liability

	As At 31st March, 2026	As At 31st March, 2025	As At 1st April, 2024
Current Liability Of Gratuity	-	-	-
Non Current Liability of Gratuity	49.37	20.05	22.49
Total	49.37	20.05	22.49

Particulars	FY 2025-26	FY 2024-25
Assumption used in accounting for the gratuity:	7.25%	6.70%
Expected return on plan assets (%)	7.25%	6.70%
Rate of Discounting	7.25%	6.70%
Rate of Salary Increase	7.00%	7.00%
Mortality Rate During Employment	As per Indian Assured Lives Mortality (2012-14) Table	As per Indian Assured Lives Mortality (2012-14) Table
Mortality Rate after Employment		

Notes

1. Discount Rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
2. Expected rate of return on plan assets: This is based on our expectation of the average long term rate of return expected on investment of the Fund during the estimated term of the obligations.
3. Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Expected Future Cashflows(Undiscounted)	As At 31st March, 2026	As At 31st March, 2025	As At 1st April, 2024
1st Following Year	24.52	12.87	14.57
2nd Following Year	19.21	17.64	11.01
3rd Following Year	26.22	15.07	15.16
4th Following Year	15.69	20.35	13.49
5th Following Year	13.35	11.36	17.92
Sum of Years 6 to 10 years	97.23	77.06	67.64

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 1st April, 2024
Projected Benefit Obligation on Current Assumptions	199.87	161.27	140.65
Delta Effect of +0.5 % Change in Rate of Discounting	193.08	155.30	135.49
Delta Effect of -0.5 % Change in Rate of Discounting	207.11	167.65	146.17
Delta Effect of +0.5 % Change in Rate of Salary Increase	206.31	167.18	145.83
Delta Effect of -0.5 % Change in Rate of Salary Increase	193.74	155.67	135.69
Delta Effect of +10 % Change in Withdrawal Rate	200.09	160.97	140.56
Delta Effect of -10 % Change in Withdrawal Rate	199.61	161.58	140.75

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Other long term Benefit:

The Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to , policy of maximum leave accumulation of company. The scheme is not funded.

Changes in the present value of the obligation in respect of leave encashment

Particulars	As At 31st March, 2026	As At 31st March, 2025
Obligation at the year beginning	16.52	16.06
(Gains) / losses on obligation	6.33	-0.61
Current service cost	3.54	1.90
Interest cost	1.05	1.00
Benefit paid	-1.98	-1.83
Past Service Cost	1.14	-
Obligation at the year end	26.61	16.52

Defined Contribution plans:

Amounts recognized as expense for the period towards contribution to the following funds:

Particulars		As At 31st March, 2026	As At 31st March, 2025	
Employers contribution to:				
-Provident Fund		41.91	40.90	
-Employee State Insurance		10.17	9.33	
Total		52.07	50.22	-

Recognition, measurement and disclosures related to Leases:

(i) As Lessee

(a) Short term Leases

The Company has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less), cancellable long-term leases and for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The expense relating to payments not included in the measurement of the lease liability for short term leases is ₹ 64.36 Lakhs. (P.Y. ₹. 82.16 Lakhs).

(b) Finance Leases:

The Right of Use (ROU) asset has been created on account of prepayments made by the company towards lease building.

(i) Lease liabilities are presented in the balance sheet is as follows-

Particulars	As At 31st March, 2026	As At 31st March, 2025	As At 1st April, 2024
Current maturities of lease liabilities	8.40	32.40	-
Non-current lease liabilities	2.66	42.53	-
Total	11.06	74.93	-

Following are the changes in Liability arising from financing activities

Particulars	As At 31st March, 2026	As At 31st March, 2025	
At the beginning of the year	74.93	-	
Addition during the year	-	78.54	
Derecognition	(42.70)	-	
Payment of lease liabilities	(26.30)	(11.27)	
Other Adjustment		-	
Interest Expenses	5.14	7.66	
At the end of the period	11.06	74.93	

Amount Recognized in the Statement of Profit & Loss

Particulars	As At 31st March, 2026	As At 31st March, 2025	
Interest on Lease Liabilities	5.14	7.66	-
Depreciation on Lease Asset	21.26	9.27	-

Amount Recognized in the Statement of Cash Flow

Particulars	As At 31st March, 2026	As At 31st March, 2025	
Total Cash out flow for leases	(26.30)	(11.27)	

(ii) As Lessor

Company has not given any asset on lease.

(C) Segment Reporting

Operating segments have been identified based on the internal reports regularly reviewed by the Chief Operating Decision Maker ("CODM") for the purpose of allocating resources and assessing performance, in accordance with Ind AS 108 – Operating Segments.

The Defence Products Segment constitutes the Company's principal business activity. The Dairy Products Segment represents a relatively small portion of the Company's operations and does not meet the quantitative thresholds prescribed under paragraph 13 of Ind AS 108 for separate reportable segment disclosure.

Accordingly, the Company has only one reportable operating segment, being the Defence Products Segment. Segment-wise information in respect of revenue, results, assets and liabilities has therefore not been presented separately, as the information for the sole reportable segment is the same as that disclosed in the financial results.

The CODM reviews the operating performance of the Company on a consolidated basis, and the segment information presented above appropriately reflects the manner in which the Company's business is managed.

Gross Revenue As per Geographical Location (Geographical segment information)

Particulars	Year ended 31st March 2026			
Domestic Sales	24,475.17			
Export Sales	3.05			
Total	24,478.22			

Information about major customers (Revenue from sales to any one particular customer which exceeds 10% of total revenues)

Aggregate sales to customers contributing sales exceeding 10% of total revenue for the year ended 31st March, 2026 was Rs. 14886.43 Lakhs and is derived from three customers. (PY Rs 10740.47 Lakhs from three customers)

(D) Disclosure on revenue pursuant to Ind AS 115 - Revenue from Contracts with Customers:

(i) Disaggregation of revenue

(a) Revenue from sale of products are recognised at a point in time. There are no further disaggregation of revenue with respect to this information.

(b) Revenue from sale of products is majorly from Domestic market i.e from sales within India. Disaggregation of revenue with respect to this information is given above in Note 41 (C).

(ii) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	FY 2025-26	FY 2024-25
Revenue as per Contracted price	24,040.27	17,181.50
Adjustments		
Less:- Discounts, rebates and Late Delivery Charges	997.25	525.23
Revenue from contract with Customers (excluding other operative Income)	23,043.02	16,656.27

(iii) Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	FY 2025-26	FY 2024-25
Trade receivables	3,467.75	1,894.05
Contract assets	-	-
Contract liabilities	-	-
Advance from Customers	136.87	1073.95

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Ind AS financial statements
All amounts are in lakhs unless otherwise stated

42 Related Party Disclosures

Details of related parties:

(A) Names of related parties and description of relationship:

Description of relationship	Names of related parties
Associate Enterprise	(a) Waveoptix Defence Solution Private Limited
	(b) Conceptia Software Technologies Private Limited
Key Management Personnel (KMP)	(a) Mr. Ankur Ashwin Shah, Managing Director
	(b) Late Mr. Sandeep Ramrao Kadam, Whole time Director (upto 27th March, 2026)
	(c) Mrs. Preyal Ankur Shah, Non-Executive Director and Chairperson (w.e.f. 11th January, 2022)
	(d) Mr. Jaykumar Toshniwal, Independent Director
	(e) Mr. Divyakant Ramniklal Zaveri, Independent Director
	(f) Mr. Anilkumar Dutta, Additional Director (w.e.f. 25th March, 2025)
	(g) Mr. Piyush Harjibhai Patel, Chief Financial Officer (upto 7th April, 2026)
	(h) Mr. Manish Shah, Chief Financial Officer (w.e.f. 11th April, 2026)
Relatives of KMP/Enterprise in which KMP / Relatives of KMP or Directors can exercise significant influence	(a) Krish Industries Private Limited (b) Krish Commodities (India) LLP (Formerly known as Krish Commodities Private Limited) (c) White Gold Technologies LLP (d) Ankur A Shah (HUF) (e) Ashwin N Shah (HUF) (f) Chetan Dharia

Details of related party transactions during the year ended 31 March, 2026 and balances outstanding as at 31 March, 2026:

(B) Transactions with Related parties:

Name of party	Nature of transaction	For the year ended March 31,2026	For the year ended March 31,2025
Ankur Ashwin Shah	Remuneration to Directors & KMP	120.00	120.00
Sandeep Kadam	Remuneration to Directors & KMP	46.67	44.26
Piyush Patel	Remuneration to Directors & KMP	28.83	25.74
Gunjan Bhagtani	Remuneration to Directors & KMP	7.69	5.55
Chetan Dharia	Salary to Relative of KMP	-	4.80
Divyakant Zaveri	Directors's sitting fees	5.30	3.80
Preyal Shah	Directors's sitting fees	3.85	3.05
Jaykumar Toshniwal	Directors's sitting fees	5.25	3.75
Anil Kumar Dutta	Directors's sitting fees	3.20	-
Ankur Ashwin Shah	Loan Taken	-	3.34
Ankur Ashwin Shah	Loan Repaid	-	138.68
Krish Commodities (India) LLP (Formerly known as Krish Commodities Private Limited)	Loan Repaid	-	5.51
Krish Commodities (India) LLP (Formerly known as Krish Commodities Private Limited)	Deposit Repaid	-	25.00
WaveOptix Defence Solution Private Limited (Received of 2,500 Equity Share @ Rs. 19,000 per share on account of conversion of loan in FY 2025-26)	Investment in equity shares of Associate	-	475.00
Conceptia Software Technologies Pvt.Ltd	Investment in equity shares of Associate	176.00	-
Krish Industries Pvt Ltd	Purchase	-	42.95
White Gold Technologies LLP	Purchase	-	247.32
WaveOptix Defence Solution Private Limited	Purchase	165.13	189.36
Conceptia Software Technologies Pvt.Ltd	Purchase	7.99	-
Krish Industries Pvt Ltd	Purchase of Capital Asset (Land and Building)	466.80	-
Ankur Ashwin Shah	Purchase of Capital Asset (Residential Flat- Shivam Residency)	43.64	-
	Purchase of Capital Asset (Residential Flat- Sharvan Green)	40.07	-
WaveOptix Defence Solution Private Limited	Sales	21.52	-
Krish Industries Pvt Ltd	Rent Expenses	7.20	28.80
White Gold Technologies LLP	Rent Income	2.68	3.22
WaveOptix Defence Solution Private Limited	Interest Income	-	34.40
WaveOptix Defence Solution Private Limited	Loans Given	-	316.09

WaveOptix Defence Solution Private Limited	Loan Received back	34.74	527.90
(Rs. 475.00 Lakhs is repaid by converting into 2,500 Equity Shares at Rs. 19,000 each in FY 2024-25)			
Krish Industries Pvt Ltd	Reimbursement of Electricity expenses	75.39	157.95
White Gold technologies LLP	Reimbursement of Electricity expenses	0.41	2.98
Ankur Ashwin Shah	Dividend Paid	27.27	26.27
Preyal Ankur Shah	Dividend Paid	1.68	1.68
Pallavi Ashwin Shah	Dividend Paid	8.68	8.68
Krish Commodities (India) LLP (Formerly known as Krish Commodities Private Limited)	Dividend Paid	2.94	2.94
Krish Industries Pvt Ltd	Dividend Paid	4.20	4.20
Ankur A Shah HUF*	Dividend Paid	0.00	0.00
Ashwin N Shah HUF*	Dividend Paid	0.00	0.00
Preyal Ankur Shah (2,52,000 equity share at a price of Rs. 140/- per share)	Equity Share Issued	-	352.80
Pallavi Ashwin Shah (1,02,000 equity share at a price of Rs. 140/- per share)	Equity Share Issued	-	142.80
Ankur Ashwin Shah (2,00,000 equity share at a price of Rs.304/- per share on 25/07/2025)	Equity Share Issued	456.00	-
Sandeep Ramrao Kadam (No of Option)#	ESOP Granted (No of Option)	-	19,144
Gunjan Bhagtani (No of Option)##	ESOP Granted (No of Option)	-	1,152

* Amount below one thousand

#Out of 19144 granted Share options, 1196 share options are exercised during FY 2025-26 and consequently 1196 equity shares are allotted at exercise price of Rs 304 per shares during FY 2025-26. (Previous Year- Nil share allotted)

##Out of 1152 granted Share options, 288 share options are exercised during FY 2025-26 and consequently 288 equity shares are allotted at exercise price of Rs 304 per shares during FY 2025-26. (Previous Year- Nil share allotted)

(C) Balance outstanding at year end:

Name of party	Nature of transaction	As At 31st March, 2026	As At 31st March, 2025
Ankur Ashwin Shah	Remuneration Payable	13.94	7.86
Sandeep Kadam	Remuneration Payable	3.89	2.07
Piyush Patel	Remuneration Payable	2.40	1.77
Gunjan Bhagtani	Remuneration Payable	0.64	0.53
WaveOptix Defence Solution Private Limited	Amount Payable	56.79	-
White Gold Technologies LLP	Advances given	-	379.43
Krish Industries Pvt Ltd	Advances given	49.71	30.78
WaveOptix Defence Solution Private Limited	Amount Receivable - Interest on Loans	-	34.74
Ankur Ashwin Shah	Upfront premium received against Convertible Equity Warrants issued during the year	-	152.00
Krish Industries Pvt Ltd - Rent Deposit Given	Security Deposits	-	10.00
WaveOptix Defence Solution Private Limited	Corporate Guarantee Given	500.00	900.00
Sandeep Ramrao Kadam (No of Option)	ESOP Granted (No of Option)	14,358	19,144
Gunjan Bhagtani (No of Option)	ESOP Granted (No of Option)	864	1,152

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Consolidated Ind AS financial statements
All amounts are in lakhs unless otherwise stated**43 Other Disclosures:****(A) Disclosures related to the Micro, Small and Medium Enterprises.**

Based on the information available with the company, the company has identified Micro, Small and Medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. The Company has made payments of dues to Micro, Small and Medium enterprises, generally within stipulated period of 45 days as prescribed under Micro, small and Medium Enterprises Development Act, 2006.

The details relating to Micro, Small and medium enterprise is disclosed as under :

Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	For the year ended 1st April, 2024
The principle amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;			
i) Principle Amount	108.84	290.57	105.92
ii) Interest Due thereon			
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	2.40	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and			
The 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 the Micro, Small and Medium Enterprises Development Act, 2006	-	-	-

Note: As a part of vendor registration process, Company obtains information from suppliers regarding their registration (if any) under Micro, Small and Medium Enterprises Development Act, 2006. The above information has been determined based on vendors identified by the Company and confirmed by the vendors, which has been relied upon by the auditors.

(B) Corporate Social Responsibility

Particulars	Year ended	Year ended	Year ended
	March 31, 2026	March 31, 2025	March 31, 2024
Amount required to be spent by the company during the year	33.00	15.58	8.60
Amount of expenditure incurred	33.00	15.58	8.60
Shortfall at the end of the year	-	-	-
Total of previous year shortfall	-	-	-
Reason for shortfall	-	-	-
Nature of activities	Refer note 1	Refer note 1	Refer note 1
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant AS	NA	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NA	NA	NA

Note 1: The Company has made CSR contribution to various eligible trusts for promotion of Health and Education.

KRISHNA DEFENCE AND ALLIED INDUSTRIES LIMITED

CIN : L74900MH2013PLC248021

Notes forming part of the Ind AS financial statements
All amounts are in lakhs unless otherwise stated

44 Financial instruments:

i) Fair value measurement hierarchy

Particulars	As at 31st March, 2026				As at 31st March, 2025				As at 1st April, 2024			
	Carrying amount	Level of input used in			Carrying amount	Level of input used in			Carrying amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets												
At Fair Value through Other Comprehensive Income (FVOCI)												
Investments in Equity Shares	49.92	-	-	49.92	49.92	-	-	49.92	-	-	-	-
At Fair Value through Profit and Loss Account (FVTPL)												
Investments in Mutual Funds	-	-	-	-	0.77	-	0.77	-	0.77	-	0.77	-
At Amortised cost												
Investments	989.17	-	-	-	499.53	-	-	-	1.93	-	-	-
Trade Receivables	3,467.75	-	-	-	1,894.05	-	-	-	2,606.75	-	-	-
Cash and cash equivalents	602.91	-	-	-	33.37	-	-	-	509.68	-	-	-
Bank balances other than above	2,504.79	-	-	-	2,235.41	-	-	-	3,906.26	-	-	-
Other financial assets	7,687.82	-	-	-	583.46	-	-	-	642.48	-	-	-
Loans	0.67	-	-	-	2.32	-	-	-	219.49	-	-	-
Total Financial assets	15,303.02	-	-	49.92	5,298.83	-	0.77	49.92	7,887.36	-	0.77	-
Financial liabilities												
Borrowings	205.85	-	-	-	944.97	-	-	-	942.98	-	-	-
Trade Payables	665.61	-	-	-	802.30	-	-	-	1,324.11	-	-	-
Lease Liability	11.06	-	-	-	74.93	-	-	-	-	-	-	-
Other Financial Liabilities	191.02	-	-	-	88.86	-	-	-	38.02	-	-	-
Total Financial liabilities	1,073.54	-	-	-	1,911.06	-	-	-	2,305.10	-	-	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market 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.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments.
- the fair value of the remaining financial instruments is determined using discounted analysis.

All of the resulting fair value estimates are included in level 1 or 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

The carrying amounts of trade receivables, electricity deposit, employee advances, cash and cash equivalents and other short term receivables, trade payables, borrowings, capital creditors and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

Notes forming part of the Consolidated Ind AS financial statements
All amounts are in lakhs unless otherwise stated

FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and short-term deposits that arise directly from its operations.

The Company has exposure to credit risk, liquidity risk and market risk arising from financial instruments.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities.

The Company monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from cus-

tomers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The reconciliation of ECL is as follows:

Particulars	As at 31st March, 2026 (₹)	As at 31st March, 2025 (₹)	As at 1st April, 2024 (₹)
Balance at the beginning of the year	42.64	79.53	10.19
Utilised during the year			
Provision made during the year	50.54	1.59	69.34
Provision reversed during the year	10.78	38.48	-
Balance at the end of the year	82.40	42.64	79.53

(Other than trade and other receivables, the Company has no other financial assets that are past due but not impaired.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's 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, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturities of financial liabilities

The tables herewith analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

Particular		Less than 1 year	More than 1 year	Total
As at 31st March, 2026				
Non-derivatives				
Trade payables		665.61		665.61
Lease Liability		8.40	2.66	11.06
Borrowing		205.85	-	205.85
Other Financial Liabilities		191.02		191.02
Total Non-derivative liabilities		1,070.88	2.66	1,073.54
As at 31st March, 2025				
Non-derivatives				
Trade payables		802.30		802.30
Lease Liability		32.40	42.53	74.93
Borrowing		944.97	-	944.97
Other Financial Liabilities		88.86		88.86
Total Non-derivative liabilities		1,868.53	42.53	1,911.06
As at 1st April, 2024				
Non-derivatives				
Borrowing		942.98	-	942.98
Lease Liability		-	-	-
Trade payables		1,324.11	-	1,324.11
Other Financial Liabilities		38.02	-	38.02
Total Non-derivative liabilities		2,305.10	-	2,305.10

CAPITAL MANAGEMENT

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimise returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximise the share holders value. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

The Company determines the amount of capital required on the basis of annual planning and budgeting and its plan for working capital and long-term borrowings. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.

The Capital Structure of the Company consists both debt and equity.

GEARING RATIO		As at 31st March, 2026 (₹)	As at 31st March, 2025 (₹)	As at 1st April, 2024 (₹)
Gross Debt (Long term and short term borrowings including current maturities)		205.85	944.97	942.98
Less: Cash and bank balances (excluding margin deposits)		602.91	33.37	509.68
Net Debt		-397.06	911.60	433.30
Total Equity		19,352.66	13,143.46	10,635.66
Net Debt to equity Ratio		-	0.07	0.04

Notes forming part of the Consolidated Ind AS financial statements
All amounts are in lakhs unless otherwise stated

46 Disclosure as required by Ind AS 101 first time adoption of Indian Accounting Standards
Transition to Ind AS

These are the Company's first Financial Statements prepared in accordance with Ind AS.

The accounting standards notified u/s 133 of the Companies Act, 2013 and the Accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended 31st March, 2026, the comparative information presented in these financial statements for the year ended 31st March, 2025 and in the preparation of an opening Ind AS balance sheet at 1st April, 2024 (The Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under paragraph 7 of the Companies (Accounts) Rules, 2021 ("Indian GAAP") and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied by the Company in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

"Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment (PPE) and Intangible Assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. Accordingly, the Company as elected to measure all of its PPE and Intangible Assets at their previous GAAP carrying value."

A.2 Ind AS Mandatory Exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2024 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

A.2.2 De-recognition of financial assets and liabilities

"Ind AS 101 requires a first time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS."

A.2.3 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

B. Reconciliations between previous GAAP and Ind AS

The following tables represent the reconciliations of Balance Sheet, Total Equity, Total Comprehensive Income, and Cash Flows from previous GAAP to Ind AS.

I. Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS as at 1st April, 2024

Particulars	Notes to First time adoption	Amount as per IGAAP * as on 31.03.2024	Effects of transition to Ind AS	Amount as per Ind AS as on 01.04.2024		
Non-current assets						
(a) Property, Plant and Equipment		1,462.38	-	1,462.38	-	
(b) Capital work-in-progress		3.22	-	3.22	-	
(c) Right of Use Asset		-	-	-	-	
(d) Financial Assets					-	
(i) Investments		2.7	-	2.7	-	
(ii) Loans		215.6		215.6		
(ii) Other Financial Asset		642.48		642.48		
(e) Long-term loans and advances		-	-	-	-	
(f) Deferred tax Assets (Net)	4	1.13	2.85	3.98	-	
(g) Other non-current assets		64.48	-	64.48	-	
			-			
Current Assets			-		-2,394.84	
(a) Inventories		3,248.24	-	3,248.24	-	
(b) Financial Assets					-	
(i) Trade receivables		2,606.75	-	2,606.75	-	
(ii) Cash and cash equivalents		509.68	-	509.68	-	
(iii) Bank balances other than cash and cash equivalents		3,906.26	-	3,906.26	-	
(iv) Other financial assets		3.89	-	3.89	-	
(c) Short term loans and Advances		-	-	-	-	
(d) Other current assets		682.79	-	682.79	-	
TOTAL ASSETS		13,349.59	2.85	13,352.44	-	
					-	
EQUITY AND LIABILITIES						
Equity					-	
(a) Equity share capital		1,370.50	-	1,370.50	-	
(b) Other equity	3	9,273.64	-8.48	9,265.16	-	
		10,644.14	-8.48	10,635.66	-	
Non-current liabilities						
(a) Financial Liabilities						
(i) Borrowings		116.48	-	116.48		
(ii) Lease Liability		-	-	-		
(ii) Other Financial Liability		25.00	-	25.00		
(b) Long-term provisions	2	29.33	4.88	34.22		
(c) Deferred tax liability (Net)		-	-	-		
(d) Other Non-current liabilities		-	-	-		
		170.81	4.88	175.70		
Current liabilities						
(a) Financial Liabilities						

(i) Borrowings		826.50	-	826.50
(ii) Lease Liability		-	-	-
(iii) Trade payables		-	-	-
-Total outstanding dues of Micro enterprises and small enterprises		105.92	-	105.92
-Total outstanding dues other than Micro and small enterprises		1,218.18	-	1,218.18
(iv) Other Financial Liability		13.02	-	13.02
(b) Other current liabilities		213.09	-	213.09
(c) Provisions	2	47.82	6.45	54.27
(d) Current Tax Liability		110.11	-	110.11
Total liabilities		2,534.64	6.45	2,541.08
TOTAL EQUITY AND LIABILITIES		13,349.59	2.85	13,352.44

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

II. Reconciliation of Balance Sheet as previously reported under IGAAP to Ind AS as at 31st March, 2025

Particulars	Notes to First time adoption	Amount as per IGAAP * as on 31.03.2025	Effects of transition to Ind AS	Amount as per Ind AS as on 01.04.2025
Non-current assets				
(a) Property, Plant and Equipment		2,196.81	-	2,196.81
(b) Capital work-in-progress		164.73	-	164.73
(c) Right of Use Asset	1	-	69.27	69.27
(d) Financial Assets				
(i) Investments		551.11	(0.89)	550.22
(ii) Loans		-	-	-
(ii) Other Financial Asset		548.72	-	548.72
(e) Deferred tax Assets (Net)	4	6.82	0.87	7.70
(f) Other non-current assets		143.15	-	143.15
Current Assets				
(a) Inventories		7,242.07	-	7,242.07
(b) Financial Assets				
(i) Trade receivables		1,894.05	-	1,894.05
(ii) Cash and cash equivalents		33.37	-	33.37
(iii) Bank balances other than cash and cash equivalents		2,235.41	-	2,235.41
(iv) Loans		2.32	-	2.32
(v) Other financial assets		34.74	-	34.74
(c) Other current assets		1,267.31	-	1,267.31
		16,320.62	69.25	16,389.88

II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital		1,405.90	-	1,405.90
(b) Other equity	3	11,741.04	(3.49)	11,737.56
		13,146.95	(3.49)	13,143.46
LIABILITIES				
Non current liabilities				
(a) Financial Liabilities				
(i) Borrowings		-	-	-
(ii) Lease Liability	1	-	42.53	42.53
(ii) Other Financial Liability		-	-	-
(b) Long-term provisions	2	38.68	(3.92)	34.76
(c) Deferred Tax liabilities		-	-	-
		38.68	38.61	77.29
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings		944.97	-	944.97
(ii) Lease Liability	1	-	32.40	32.40
(iii) Trade payables				
-Total outstanding dues of Micro enterprises and small enterprises		290.57	-	290.57
-Total outstanding dues other than Micro and small enterprises		511.72	-	511.72
(iv) Other Financial Liability		88.86	-	88.86
(b) Other current liabilities		1,112.58	-	1,112.58
(c) Provisions	2	62.13	1.73	63.86
(d) Current Tax Liabilities (Net)		124.16	-	124.16
Total liabilities		3,134.99	34.13	3,169.13
TOTAL EQUITY AND LIABILITIES		16,320.62	69.25	16,389.88

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

III. Reconciliation of Total Comprehensive Income for the year ended 31st March, 2025				
Particulars	Notes to First time adoption	Amount as per IGAAP * For the year ended 31st March, 2025	Effects of transition to Ind AS	Amount as per Ind AS For the year ended 31st March, 2025
Revenue From Operations		18,961.38	-	18,961.38
Other Income		287.81	-	287.81
Total Income		19,249.19	-	19,249.19
EXPENSES				
Cost of materials consumed		11,441.64	-	11,441.64
Purchase of Stock-in-Trade		371.20	-	371.20

Changes in Inventories of Finished goods, and work-in-process		(2,019.93)	-	(2,019.93)
Employee benefits expense	2	1,705.68	(19.50)	1,686.18
Finance costs	1	87.26	7.66	94.92
Depreciation and amortization expense	1	266.07	9.27	275.34
Other expenses	1	4,431.56	(11.27)	4,420.29
Total expenses		16,283.46	(13.84)	16,269.62
Profit before tax (I-II)		2,965.73	13.84	2,979.57
Tax expense:				
(1) Current tax		772.85	-	772.85
(2) Income Tax adjustments for the earlier years		6.07	-	6.07
(3) Deferred tax	4	(5.70)	3.48	(2.22)
Profit After tax (III-IV)		2,192.51	10.36	2,202.87
Share of Associate's Profit/(Loss)		23.49	(0.84)	22.65
Profit After Tax and Share of Associate's profit/(Loss) (V+VI)		2,216.00	9.52	2,225.51
Other Comprehensive Income	6			
A (i) Items that will not be reclassified to profit or loss				
- Remeasurements of the defined benefit plans		-	(5.98)	(5.98)
(ii) Income tax relating to items that will not be reclassified to profit or loss				
- Remeasurements of the defined benefit plans		-	1.50	1.50
			(4.47)	(4.47)
Share of Associate's Profit/(Loss) in Other Comprehensive Income			(0.05)	(0.05)
Total Comprehensive Income for the period Share of Associate's Profit/(Loss) in Total Comprehensive Income (VII+VIII)		2,216.00	4.99	2,220.99

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

IV. The Company does not have a significant impact on the Cash flow statement as on 31st March 2024.

V. Reconciliation of Equity as on 31st March 2025 and 1st April 2024

Net worth as per Previous GAAP	Note Reference	As at 31st March, 2025	As on 1st April, 2024
Net worth as per previous GAAP		13,146.95	10,644.14
Right of Use assets and lease liability	1	(5.66)	-
Impact of Employee Benefit provision	2	2.19	(11.33)
Impact of Deferred tax on above	4	0.87	2.85
Impact of conversion of associates		(0.89)	
Total Impact		(3.49)	(8.48)

Net worth as per Ind AS	13,143.46	10,635.66
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Notes to First time adoption

1. Right of Use Assets and Lease Liability

Effective 1st April 2024, the Company has adopted Indian Accounting Standards (Ind AS) 116 - "Leases" using the "Modified Retrospective Approach" where at the date of initial application, the Lease Liability is measured at the present value of remaining lease payments discounted at the incremental borrowing rate at the date of initial application and Right-of-use Asset has been recognised at an amount equal to the lease liability. Accordingly, the Company recognised Lease liabilities of Rs. 78.54 and corresponding Right-of-use Assets at an amount equal to the lease liability. Further, This results in decreases of profit by Rs. 5.66 Lakhs as of the 31st March 2025

2. Provision for Gratuity and Leave encashment

Under the previous GAAP, Gratuity is measured & recognised on actuarial valuation basis for all the employees except for some of the employee. Under Ind AS, Gratuity is now measured for all the employees of the company. The Gratuity have been recognized in retained earnings as at the date of transition and subsequently in the profit and loss for the year ended 31st March, 2025. This results in increase in profit by Rs. 2.81 lakhs as at 31st March, 2025 and decrease in the reserves by Rs. 9.66 Lakhs as at 1st April, 2024. Further, actuarial gains on remeasurement of the net defined benefit have been regrouped to Other Comprehensive Income (OCI) resulting in Decreases in profit by Rs. 4.47 lakhs as at 31st March, 2025.

Under the previous GAAP, leave encashment is measured based on actual valuation. Under Ind AS, Leave encashment is required to be measured through actuarial valuation as per requirement of Ind AS. The leave encashment have been recognized in retained earnings as at the date of transition and subsequently in the profit and loss for the year ended 31st March, 2025. This results decreases in profit by Rs. 0.62 Lakhs as at 31st March, 2025 and decrease in the reserves by Rs. 1.67 Lakhs as at 1st April, 2024.

3. Retained Earnings

Retained earnings as at 1st April, 2024 has been adjusted consequent to the above Ind AS adjustments.

4. Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

5. Actuarial Gain/ Loss

Under the previous GAAP, actuarial gains and losses were recognised in Statement of Profit and Loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit of liability / asset which is recognised in other Comprehensive Income. Consequently, the tax effect of the same has also been recognised in Other Comprehensive Income under Ind AS instead of Profit and Loss.

6. Other Comprehensive Income

Under Ind AS, all items of income and expense recognized in a period should be included in Statement of Profit and Loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in Statement of Profit and Loss but are shown in the Statement of Profit and Loss as "Other Comprehensive Income", includes remeasurement of Employee Benefit obligation and fair valuation of Equity Instruments through OCI and Income tax relating to these items. The concept did not exist under the previous GAAP.

Notes forming part of the Ind AS financial statements

All amounts are in lakhs unless otherwise stated

47 Other Statutory information's

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- ii. The Company does not have any transactions with companies struck off.
- iii. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv. The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- v. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: 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 to or on behalf of the Ultimate Beneficiaries.
- vi. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that The Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. The Company does not have any such transaction which is not recorded in the books of accounts and that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii. The company holds all the title deeds of immovable property in its name.
- ix. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- x. The company is not declared as willful defaulter by any bank or financial Institution or other lender.

48 Disclosure relating to Provision:

Provision for warranty

Warranty cost are provided based on a technical estimated of the costs required to be incurred for repairs, replacement, material cost, servicing based on past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

The movement in the above provisions are summarised below:

Particulars	31st March, 2026	31st March, 2025	31st March, 2024
Opening Balance	8.13	7.15	7.92
Add: Provision created during the year	0.78	1.20	1.13
Less: Provision reversed during the year	3.94	0.22	1.90
Total	4.97	8.13	7.15

Provision for Late Delivery Charges

Late Delivery Charges are provided based on a technical estimate of the completion period of the contract, levy of LD charges by the Customer as per terms of the contract based on past experience in respect of late delivery.

The movement in the above provisions are summarised below:

Particulars	31st March, 2026	31st March, 2025	31st March, 2024
Opening Balance	-	-	-
Add: Provision created during the year	1,489.89	525.23	27.61
Less: Provision utilised during the year	996.68	525.23	27.61

49 Share Based Payment:**Employee Stock Option Plan (ESOP)**

The share-based payment plan is an employee option plan. The options are equity settled options.

Pursuant to the approval by the shareholders in the annual general meeting of company held on 13th August, 2024, the board or any committee as may be authorised by the Board, was authorised to create and grant from time to time, in one or more tranches, "Employee Stock Option Plan 1" for not exceeding 3,00,000 equity shares for the benefit of the employee of the company. The resolution also accorded approval for the Board of Directors, to formulate the Scheme as per broad parameters outlined in the resolution. Pursuant to Scheme framed, the company has granted options to eligible employees of the company under plan. All Stock Options are time based and not linked to any performance. Each options entitle for one equity share. Additionally, the scheme received in-principle approval from the National Stock Exchange (NSE) as on 17th October 2024.

(A) Details of Equity- Settled Share-based payment transaction are as under:

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV
% of total options which are eligible to vest	25%	25%	25%	25%
No. of Options	15,839.00	15,839.00	15,839.00	15,839.00
Grant Date	11/11/2024	11/11/2024	11/11/2024	11/11/2024
Vesting date	11/10/2025	11/10/2026	11/10/2027	11/10/2028
Exercise price (Rs. per share)	304.00	304.00	304.00	304.00
Fair Value per Stock Option(Rs. per share)	429.85	491.14	547.76	575.17

(B) Fair Valuation

Weighted average fair value of options granted under the scheme are as follows:

Grant date	Option Value per unit granted
11/10/2025	429.85
11/10/2026	491.14
11/10/2027	547.76
11/10/2028	575.17

The Company follows fair value based method of accounting for determining compensation cost for its stock-based compensation scheme. The fair value of the options has been done by an independent firm of Actuarial Valuers on the date of grant using the Black-Scholes Merton Model

(C) The Key assumptions/factors in the Black-Scholes Merton Model for calculating fair value as on the date of grant:

Particulars	Assumptions/ Factors
Exercise Price per Option	304.00
Dividend Yield	7.00%
12 Months Price Volatility	82.27%
Risk- free Rate of Return	6.72%

(D) Movement of Options Granted :

Particulars	As at	As at	As at
	31st March 2026	31st March 2025	1st April 2024
	No. of Shares	No. of Shares	No. of Shares
Outstanding at the beginning of the year	58,764	-	-
Granted during the year	-	63,356	-

Vested during the year*	32,310	-	-
Exercised during the period	14,362	-	-
Options expired/ forfeited during the year (due to resignation etc) (unvested)	1,316	4,592	-
Options expired/ forfeited during the year (due to resignation etc) (vested)	-	-	-
Outstanding at the end of the year	43,086	58,764	-

(E) Details of stock option exercised :

Particulars	2025-26	2024-25
Options exercised	14,362	-
Exercised Price (Amount in Rs)	304.00	-
Options exercisable outstanding*	14,358	-
Exercise Price (Amount in Rs)	304.00	-

*includes 14,358 stock options which can be exercised by the legal heir of the deceased director Mr. Sandeep Kadam.

(F) Break up of employee stock option expenses:

Particulars	Year ended 3/31/2026	Year ended 3/31/2025
Employee stock option expenses debited to statement of Profit and Loss	147.76	60.41

50 (a) The details of associate which is included in the CFS of the Company and the Company's effective ownership therein is as under:

Name of the Company	Relationship	Country of Incorporation	Group's Proportion of Ownership Interest	
			31st March, 2026	31st March, 2025
Waveoptix Defence Solution Private Limited	Associate	India	40%	40%
Conceptia Software Technologies Private Limited	Associate	India	20%	-

(b) Information as per Schedule III of Section 129 of the Companies Act, 2013 is provided as under:

Particulars	Net Assets i.e Total Assets minus Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income	
	As a % of consolidated Net Assets	Amount	As a % of consolidated Net Assets	Amount	As a % of consolidated Net Assets	Amount
Krishna Defence And Allied Industries Limited	94.89%	18,363.49	92.27%	3,812.12	27324.14%	5.81
(Previous year)	96.20%	12,643.94	98.98%	2,202.87	98.90%	(4.47)

Subsidiaries:

1. Foreign : NA

2. Indian : NA

Associates:

(Investment as per equity method)

1. Indian:

Waveoptix Defence Solution Private Limited	3.63%	702.37	4.92%	203.47	-2916.20%	(0.62)
(Previous year)	3.80%	499.53	1.02%	22.65	1.10%	(0.05)

Conceptia Software Technologies Private Limited	1.48%	286.80	2.81%	115.96	-24307.94%	(5.17)
(Previous year)	-	-	-	-	-	-

2. Foreign: NA

For the year ended 31st March, 2026	100%	19,352.66	100%	4,131.55	100%	0.02
For the year ended 31st March, 2025	100%	13,143.46	100%	2,225.51	100%	(4.52)

- 50 In respect of the year ended 31st March 2026, the Board of Directors has proposed a final dividend of Rs. 1.25 per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend would result in total cash outflow of Rs. 186.67 lakhs. (PY Dividend Rs 0.50 per Share and total cash outflow of Rs 70.30 lakhs)
- 51 The financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 20th May, 2026. The financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.
- 52 Previous year's figures have been reworked, regrouped. Rearranged and reclassified wherever necessary.

In terms of our report of even date attached

CNK & Associates, LLP
Chartered Accountants
FRN. 101961W/W-100036

For and on behalf of Board Of Directors
Krishna Defence And Allied Industries Limited

Pareen Shah
Partner
Mem. No. 125011

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Date: 20/05/2026

Place: Halol

Gunjan Bhagtani
Company Secretary

Manish Shah
Chief Financial Officer

Date: 20/05/2026

Place: Halol

NOTICE

NOTICE is hereby given that **13th Annual General Meeting** of the Members of Krishna Defence and Allied Industries Limited will be held on **Wednesday, the 15th day of July, 2026 at 11:00 a.m.** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business,

ORDINARY BUSINESS:

ITEM NO. 1: ADOPTION OF THE AUDITED FINANCIAL STATEMENTS AS AT 31ST MARCH, 2026:

To consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statements) of the Company for the Financial year ended on March 31, 2026, together with the Report of the Board of Directors' and Auditors' and in this regard pass the following resolution as Ordinary Resolution:

"**RESOLVED THAT** the Audited Financial Statements of the Company (including Audited Consolidated Financial Statements) for the financial year ended on March 31, 2026, and the reports of the Board of Directors and Auditors' thereon laid before this meeting be and are hereby adopted."

ITEM NO. 2: RE-APPOINTMENT OF DIRECTOR:

To appoint a Director in place of Mrs. Preyal Ankur Shah (DIN: 06966962), who retires by rotation at this Annual General Meeting, in terms of section 152(6) of the Companies Act, 2013 and, being eligible, has offered herself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mrs. Preyal Ankur Shah (DIN: 06966962), who retires by rotation at this Annual General Meeting and being eligible has offered herself for reappointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

ITEM NO. 3: DECLARATION OF FINAL DIVIDEND:

To declare the Final Dividend of 12.5% of paid-up value per equity share for the year ended March 31, 2026

"Resolved that a final dividend of Rs. 1.25 per share on equity shares of the Company as recommended by the Board Directors of the Company for the Financial Year ended 31st March, 2026 is hereby declared and the same to paid to the eligible shareholders on the record date determined in accordance with applicable law.

SPECIAL BUSINESS:

ITEM NO. 4 – RATIFICATION OF REMUNERATION OF COST AUDITORS

To ratify the remuneration of the Cost Auditors for the financial year ending on 31st March, 2027, and in this regard to consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], the Cost Auditors appointed by the Board of Directors of the Company, based on the recommendation of the Audit Committee of the Board of Directors, to conduct the audit of the cost records of the Company for the financial year ended on 31st March, 2027, on the remuneration as mentioned herein be and is hereby ratified:

Name of the Cost Auditor	Products	Audit Fees (₹)
M/s. Zarna Thakkar & Co.	Products relating to Iron and Steel & other Machinery	1,20,000

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

ITEM NO. 5: APPOINTMENT OF SECRETARIAL AUDITORS:

Appointment of M/s. Prerna Bokil & Associates, Company Secretaries as

the Secretarial Auditor of the Company. To consider and if thought fit, to pass 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 ('the Act'), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ('SEBI Listing Regulations') and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s. Prerna Bokil & Associates, Company Secretaries as the Secretarial Auditor of the Company, to conduct Secretarial Audit of the Company and to furnish the Secretarial Audit Report, for a period of five (5) consecutive years, commencing from the Financial Year 2026- 2027 till Financial Year 2030-2031, at such remuneration including applicable taxes and out-of-pocket expenses, payable to them during their tenure as the Secretarial Auditors of the Company, as may be mutually agreed between the Board of Directors or any Committee of the Board and the Secretarial Auditors from time-to-time.

ITEM NO. 6 TO APPOINT CNK & ASSOCIATES AS STATUTORY AUDITORS OF THE COMPANY

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

"**RESOLVED THAT** pursuant to Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or reenactment thereof and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, CNK & Associates, Firm Registration No. 101961W/W-100036 ("CNK") be and are hereby appointed as the Statutory Auditors of the Company for the term of five consecutive years, who shall hold office from the conclusion of this 13th Annual General Meeting until the conclusion of the 18th Annual General Meeting of the Company for the FY 2030-31, at a remuneration as may be mutually decided by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof) and the Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.

ITEM NO. 7 RE-APPOINTMENT OF MR. ANKUR ASHWIN SHAH, MANAGING DIRECTOR

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

"**RESOLVED THAT** pursuant to the approval of Board and subject to provisions of Section 2(94), 196, 197, 198, 203 and other applicable provisions of if any, of the Companies Act, 2013 ("the Act") and rules made thereunder (including any statutory modifications or re-enactment(s) thereof for the time being) read with Schedule V of the Companies Act, 2013, Articles of Association of the Company and pursuant to the approval given by the Nomination & Remuneration Committee and Board of Directors, the consent of the shareholders be and is hereby accorded for re-appointment of Mr. Ankur Ashwin Shah having DIN: 01166537, as Managing Director of the Company, whose period of office shall not be liable to retire by rotation, for a period of 5 (five) Years w.e.f. April 01, 2026 as well as the payment of salary and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as detailed herein below with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Ankur Ashwin Shah."

"**RESOLVED FURTHER THAT** the remuneration payable to Mr. Ankur Ashwin Shah is fixed for a three (3) years of his term, thereafter which the Company shall seek fresh approval in line with Section 197 of Companies Act, 2013.

"**RESOLVED FURTHER THAT** the remuneration payable to Mr. Ankur Ashwin Shah, shall not exceed the overall ceiling of the total managerial remuneration as provided under Schedule V and Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

The details of remuneration payable to Mr. Ankur Ashwin Shah, and the terms and conditions of the appointment are given below:

I. Period:

For a period of 5 years from w.e.f April 01, 2026.

II. Remuneration:

Up to Rs. 10,00,000/- per month which is eligible revision from time to time within ceiling limits of Rs 17,50,000.

III. Perquisites:

The Managing Director shall be entitled to all the perquisites listed herein below in addition to the salary mentioned above;

- i. **Medical Re-imburement:** Reimbursement of medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges for self and for family.
- ii. **Leave Travel Concession:** For self and family every year incurred in accordance with the rules of the Company.
- iii. **Club Fees:** Fees of clubs, initial and annual subject to a maximum of three clubs.
- iv. **Provident Fund/Pension:** Contribution to Provident Fund and Pension Fund to the extent such contributions, either singly or put together are exempt under the Income Tax Act, 1961. Contribution to Pension Fund will be paid on basic salary and commission.
- v. **Gratuity:** Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act and to the extent not taxable under the Income Tax law.
- vi. **Use of Car with Driver:** The Company shall provide a car with driver for business and personal use. In addition, the Company shall also reimburse running and maintenance expenses of another car owned by, or leased/ rented to, the Managing Director for business and personal use.
- vii. **Telephone facility at residence:** Telephone facility shall be provided at the residence. All personal long distance calls shall be billed by the Company to the Managing Director.

IV. Duties:

Subject to the superintendence, direction, and control of the Board of Directors of the Company, the Managing Director shall be entrusted with substantial power of management and also such other duties and responsibilities as may be entrusted to him By the Board of Directors from time to time. The office of the Managing Director shall be at Mumbai or at such place as the Board of Directors may decide from time to time.

V. TERMINATION:

The Managing Director may be removed from his office for gross negligence, breach of duty or trust if a special Resolution to that effect is passed by the Company in its General Meeting. The Managing Director may resign from his office by giving 60 days' Notice to the Company.

VI. COMPENSATION:

In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Managing Director of the Company shall be entitled to receive compensation from the Company for loss of office to extent and subject to limitation as provided under Section 202 of the Companies Act, 2013.

VII. Other terms and conditions:

In the event of absence or inadequacy of profits in any financial year during the tenure of the CMD, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.

- a) "Family" means the spouse and dependent children of Mr. Ankur Ashwin Shah Leave with full pay and allowances shall be allowed as per the Company's rules.
- b) Reimbursement of entertainment expenses actually and properly incurred in the course of business of the Company shall be allowed.
- c) No sitting fees shall be paid to the Managing Director for attending the meetings of the Board of Directors or Committees thereof.
- d) The perquisites as listed in para (III) above shall be valued as per the Income Tax Rules, 1962, as may be applicable.

"RESOLVED FURTHER THAT the remuneration including all benefits, amenities and perquisites as set out in the said term & condition shall neverthe-

less be paid and allowed to Mr. Ankur Ashwin Shah, Managing Director as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof."

"RESOLVED FURTHER THAT in the aforesaid connection, any of the Directors of the Company or Company Secretary be and is hereby authorized to send intimation in the prescribed e-Form MGT-14, with the Ministry of Corporate Affairs (MCA), in e-mode, and to do all incidental matters as he/she may deem fit and proper to implement this resolution."

"RESOLVED FURTHER THAT a certified copy of this resolution, signed by any one of the Directors of the Company, be forwarded to the concerned authorities as and when required."

ITEM NO. 8 TO APPROVE CONTINUATION OF DIRECTORSHIP OF Mr. DIVYAKANT ZAVERI (DIN: 01382184), INDEPENDENT DIRECTOR IN TERMS OF REGULATION 17(1A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

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

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), each as amended, Mr. Divyakant Zaveri (DIN: 01382184), who is serving his first term as an Independent Director with effect from 23rd August 2021 until 22nd August 2026 and has attained the age of 75 years on 26th June 2023 whose approval for continuation was taken vide special resolution dated 28th September, 2022.

RESOLVED FURTHER THAT the approval of the members be and is hereby accorded to reappoint Mr. Divyakant Zaveri as an Independent Director of the Company for another term of five years as a Non-Executive, Independent Director of the Company for a period of 5 years commencing from 23rd August, 2026 to 22nd August, 2031.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board (which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid without being required to seek any further consent or approval of the members of Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

ITEM NO. 9 RE-APPOINTMENT OF MR. DIVYANKAT ZAVERI AS AN INDEPENDENT DIRECTOR (DIN:01382184)

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

"RESOLVED THAT pursuant to Section 149, 150, 152 read with Schedule IV of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Act, including any modification or re-enactment thereof, applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Divyakant Zaveri (DIN: 01382184), who holds office as an Independent Director up to 22nd August, 2026 and meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations be and is hereby re-appointed as an Independent Director of the Company, for a period of 5 (Five) years effective from 23rd August 2026 till 22nd August 2031, and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act read with the Rules made thereunder and Regulation 17(6) of the LODR Regulations, Mr. Divyakant Zaveri, be paid such commission as the Board may approve from time to time subject to overall limits prescribed from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board (which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of

aforsaid without being required to seek any further consent or approval of the members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

ITEM NO. 10 RE-APPOINTMENT OF MR. JAYKUMAR TOSHNIWAL AS AN INDEPENDENT DIRECTOR (DIN: 00609542)

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

"RESOLVED THAT pursuant to Section 149, 150, 152 read with Schedule IV of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Act, including any modification or re-enactment thereof, applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval and recommendation of the Nomination and Remuneration Committee and that of the Board, Mr. Jaykumar Toshniwal (DIN: 00609542), who holds office as an Independent Director upto 22nd August, 2026 and meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the LODR Regulations be and is hereby re-appointed as an Independent Director of the Company, for a period of 5 (Five) years effective from 23rd August 2026 till 22nd August 2031, and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197 and other applicable provisions of the Act read with the Rules made thereunder and Regulation 17(6) of the LODR Regulations, Mr. Jaykumar Toshniwal, be paid such commission as the Board may approve from time to time subject to overall limits prescribed from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board (which term shall include any Committee thereof for the time being exercising the powers conferred on the Board by this resolution) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid without being required to seek any further consent or approval of the members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

ITEM NO. 11 CHANGE IN OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Section 13 of the Companies Act, 2013 ("the Act") including any modification or re-enactment thereof and other applicable provisions thereof the Main Object clause of the Memorandum of Association of the Company be and is hereby altered and amended as follows:

"RESOLVED THAT, pursuant to provisions of Sections 4, 13 and 15 and other applicable provisions, if any, of the Companies Act, 2013, ("Act") including any statutory modifications or re-enactment thereof for the time being in force and rules made thereunder and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee or one or more Directors), the consent of the Shareholders of the Company be and is hereby accorded for alteration of the Objects Clause of the Memorandum of Association ("MOA") of the Company such that the existing Clause III (A) 1 of the MOA of the Company be altered by replacing and substituting the same with the following new clauses viz. Clause III (A) 1, 2, 3 and 4 as under;

- (1) To carry on the business of designing developing, engineering, manufacturing, integrating, testing, commissioning, validating, fabricating, erecting, installing, remodeling, delivering, assembling, repairing, refurbishing, upgrading, overhauling, hiring, supporting, distributing, marketing, buying, selling, importing, exporting and trading in all types Steel including Special Steel, Precision Components, Sub-Systems & Systems, machines used in Defense and Dairy sector including commissioning systems and projects including turn-key projects, special purpose project, comprising of Mechanical, Thermal, Electrical, Electronic, Software, Power Electronic parts required for Defense, Aerospace, Homeland-Security & Dairy and allied industry, by contact or non-contact method, with in-house or out-sourced facilities.
- (2) To carry on in or outside India business as importers, exporters,

marketers, distributors, wholesalers, retailers, traders, merchants, buyers, sellers, suppliers, manufacturers, indenters, packers, movers, promoters, advertisers, distributors, marketers, preservers, agents, sub-agents, representatives, commissions agents, brokers, and dealers of all types of Defense Equipment, Home-Land Security, Dairy Equipment, Farm equipment, Kitchen Equipment using stainless steel, alloys, aluminum, brass or any other metals, all products be whether in raw material, semi- finished or finished products and to carry on heat treatment of the metals, fabrication of stainless steel, rolling of steel and alloys steel section and do all such activities which are ancillary to the above mentioned products and activities.

- (3) To perform trade of special metals and alloys and manufacture them using special metals like Titanium, Molybdenum, Copper, Aluminum Bronze, Miraging Steel, HS Steel etc. perform complete project management from design to commissioning for various project requirements of the customer.
- (4) To manufacture, assemble, produce, process, repair, convert, import, export, buy, sell, supply, distribute, test, maintain and otherwise deal in arms, ammunition, weapons, weapon systems, defence equipment, explosives, military hardware, and allied products of all kinds and descriptions, including components, accessories, spares, and ancillaries thereof, for defence, paramilitary, homeland security, law enforcement and civilian applications, in accordance with and subject to the provisions of the Arms Act, 1959, the rules made thereunder, and other applicable laws, regulations, and permissions as may be applicable for the being in force and undertake research, design, development, engineering, testing, validation, prototyping, modernization, upgradation, refurbishment, and lifecycle support services in relation to arms, ammunition, defence systems, and security equipment, including collaboration, technology transfer, licensing, and joint ventures with domestic or international entities, subject to applicable laws and regulatory approvals.
- (5) To research, design, develop, engineer, prototype, test, validate, certify, manufacture, fabricate, assemble, integrate, commission, import, export, buy, sell, lease, license, distribute, supply, maintain, repair, overhaul, retrofit, modernize and otherwise deal in defence, aerospace, aeronautical, naval, marine, underwater, homeland security, dual-use and space systems, platforms, equipment, products and technologies of every kind and description, including but not limited to underwater and surface autonomous systems, unmanned and remotely operated vehicles, underwater domain awareness systems, sonar, sensors, anti-submarine and mine counter-measure systems, drones, unmanned aerial systems, loitering munitions, counter-drone systems, aerial platforms, aero engines and propulsion systems, aero engine components, avionics, payloads, missiles, rockets, torpedoes, radars, electronic warfare systems, robotics, artificial intelligence, autonomy, Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems, simulators, software and firmware; shipbuilding, ship repair, ship recycling, submarines, warships, naval and commercial vessels, offshore and subsea platforms, marine engineering systems, propulsion systems, shipyard infrastructure, marine equipment and allied ancillary products; and to provide associated design, consultancy, training, technology transfer, licensing, maintenance, repair, overhaul, lifecycle support, turnkey solutions, collaborations, joint ventures, strategic alliances, publicprivate partnerships and offset arrangements in relation thereto, subject to the provisions of the Arms Act, 1959, Aircraft Act, 1934, applicable aircraft and drone regulations, Merchant Shipping Act, 1958, Foreign Trade (Development and Regulation) Act, 1992, industrial licensing requirements, Defence Acquisition Procedure, and all other applicable laws, rules, regulations and approvals for the time being in force.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite e-forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

"RESOLVED FURTHER THAT a certified copy of this resolution, signed by any one of the Directors or the Company Secretary of the Company, be forwarded to the concerned authorities with a request to kindly act thereupon."

ITEM NO.12:- ALTERATION IN ANCILLARY OBJECTS OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force) (the "Act"); the provisions of the Memorandum of Association of the Company; and such other statutes, laws, rules, regulations, guidelines, circulars, directions, notifications and clarifications as applicable from time to time, and subject to such other consent(s) / permission(s) / sanction(s), if any, as may be required, consent of the members of the Company, be and is hereby accorded for the following change in Memorandum of Association of the Company.

RESOLVED FURTHER THAT Clause 16 of Memorandum of Association be substituted with To invest surplus funds of the Company, not immediately required for its business, in such shares, stocks, securities, mutual funds, units, bonds (including government and corporate bonds), debentures, any other financial instruments, instruments, or other investments of whatsoever nature (not being shares of this Company), in such manner as may from time to time be determined by the Board, and to vary, switch, realize or dispose of such investments as may be deemed fit.

ITEM NO.13:- ALTERATION IN ARTICLES OF ASSOCIATION OF THE COMPANY

To Consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof, for the time being in force) (the "Act"); the provisions of the Articles of Association of the Company; and such other statutes, laws, rules, regulations, guidelines, circulars, directions, notifications and clarifications as applicable from time to time, and subject to such other consent(s) / permission(s) / sanction(s), if any, as may be required, consent of the members of the Company, be and is hereby accorded for the following change in Articles of Association of the Company.

RESOLVED FURTHER THAT Clause 129(xiv) of Articles of Association be substituted with: Subject to the provisions of Section 180 of the Companies Act, 2013, to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof in or upon such shares, stocks, securities, mutual funds, units, bonds (including government and corporate bonds), debentures, instruments, or any other financial instruments of whatsoever nature (not being shares of this Company), and in such manner as may be thought fit, and from time to time to vary, realize, switch, or dispose of such investments as may be deemed appropriate.

ITEM NO. 14 PAYMENT OF COMMISSION TO NON-EXECUTIVE DIRECTORS OF THE COMPANY

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

"RESOLVED that pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force), Regulation 17 and other applicable regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any amendment thereto or modification thereof, approval of the members of the Company be and is hereby accorded for payment of remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) to the Non-Executive Directors including Independent Directors of the Company (i.e. Directors other than the Managing Director and/or Whole Time Directors) of such sum or sums and in such proportion/manner and upto such extent for each financial year commencing on or after 1st April, 2026 as the Board of Directors shall determine from time to time based on the recommendation of Nomination and Remuneration Committee within the overall maximum limit of 1% (one percent) per annum of the Net Profits of the Company for the relevant financial year computed in the manner as laid down in Section 198 and other applicable provisions of the Act and Rules made thereunder."

"RESOLVED FURTHER that the remuneration/compensation by way of profit related commission or otherwise as permissible (excluding Goods and Services Tax, if any, thereon) payable to the Non-Executive Director(s) shall be in addition to the sitting fees and other reimbursement of expenses payable to each of them for participation in the Board, Committee and other meetings ."

"RESOLVED FURTHER that the Board of Directors of the Company or Company Secretary be and is hereby authorised to do all such acts, deeds, mat-

ters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

ITEM NO. 15: TO AMEND / VARY CLAUSE 8.3 OF ESOP SCHEME

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

RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and Regulation 7 of SEBI (SBEB) Regulations, 2021 other applicable provisions, if any, of the Companies Act, 2013 read with the applicable Rules made thereunder, the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, to the extent applicable, and subject to such approvals, consents, permissions and sanctions as may be necessary, the consent of the members of the Company be and is hereby accorded for amendment to the terms of the existing Employee Stock Option Scheme of the Company ("ESOP Scheme"), specifically with respect to the vesting schedule applicable in the event of death or permanent incapacity of employee.

RESOLVED FURTHER THAT the existing provision in clause 8.3 (b) requiring exercise of vested & unvested stock options within a period of 90 (Ninety) days from the date of death or permanent incapacity of employee be and is hereby amended to 180 (One Hundred Eighty) days from such date, with effect from date of passing this resolution.

RESOLVED FURTHER THAT except as specifically modified hereinabove, all other terms and conditions of the ESOP Scheme shall remain unchanged and continue to be in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof authorized for administration of the ESOP Scheme) be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution, including filing of necessary forms, intimations and disclosures with regulatory authorities, stock exchanges and other authorities, as may be applicable."

ITEM NO. 16: TO AUTHORISE THE BOARD OF DIRECTORS FOR BORROWINGS

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

"RESOLVED THAT In suppression of earlier special resolution dated 28th September, 2022, and pursuant to provisions of Section 180(1) (c) and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed there under and the consent of the members be and is hereby accorded to the Board of Directors of the Company, to borrow money from time to time whether secured or unsecured for the business of the Company notwithstanding that such borrowings, together with money already borrowed (apart from temporary loans obtained if any, from the bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the total amount borrowed shall not at any time exceed the limit of Rs. 300.00 Crores (Rupees Three Hundred Crores only).

"RESOLVED FURTHER THAT all Directors of the Company or Chief Financial Officer or Company Secretary be and are hereby severally authorized to sign such forms/returns and various documents as may be required to be submitted to the Registrar of Companies or such other authorities and to do all the acts, deeds and things which may be necessary to give effect to the above said resolution."

ITEM NO. 17: TO APPOINT MR. HARSHADSINH MAHIDA (DIN: 11760208) AS A WHOLE TIME DIRECTOR

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

RESOLVED THAT pursuant to provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Harshadsinh Mahida (DIN: 11760208) who has been appointed as an Additional Director pursuant to Section 161 with applicable provisions, if any of the Companies Act, 2013, at the meeting of the Board of Directors held on 17th June, 2026 till ensuing annual general meeting of the Company, be and is hereby appointed as Whole Time Director of the Company with effect from appointed date i.e. 17th June, 2026.

RESOLVED FURTHER THAT pursuant to provisions of Section 2(94), 196, 197, 198, 203 and other applicable provisions if any, of the Companies Act, 2013 ("the Act") and rules made thereunder (including any statutory modifications or re-enactment(s) thereof for the time being) read with Schedule V of the Companies Act, 2013 and Articles of Association of the Company and as per the recommendation of Nomination and remuneration commit-

tee and approval of Board of Directors at their meeting held on 17th June, 2026 consent of the members of the Company be and is hereby accorded, to appoint and re-designate Mr. Harshadsinh Mahida (DIN: 11760208) as Whole-Time Director of the Company, for a period of 5 (Five) years with effect from 17th June, 2026 on the following terms and conditions:

[i] Salary: Up to Rs. 5,00,000/- (Rupees Five Lacs only) per month [excluding perquisites and other allowance, if any].

[ii] Perquisites (including ESOP) and other allowances:

Perquisites and other allowances shall also be allowed in addition to salary.

[iii] Contribution to provident fund as per the Provident Fund and Misc. Act, 1952.

[iv] Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

[v] Provision of car with driver for use on Company's business and telephone at residence will not be considered as perquisites/remuneration. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the individual appointee concerned.

RESOLVED FURTHER THAT wherein any financial year during the tenure of Whole-Time Director, the Company has no profits or its profits are inadequate, the Company shall pay to Mr. Harshadsinh Mahida, Whole-Time

Director, remuneration as prescribed in Schedule V of the Companies Act, 2013, subject to approvals, if any as may be required.

"RESOLVED FURTHER THAT the remuneration payable to Mr. Harshadsinh Mahida is fixed for a three (3) years of his term, thereafter which the Company shall seek fresh approval in line with Section 197 of Companies Act, 2013.

RESOLVED FURTHER THAT the remuneration including all benefits, amenities and perquisites as set out in the said draft letter of appointment shall nevertheless be paid and allowed Mr. Harshadsinh Mahida as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed there under and any other applicable provisions of the Act or any statutory modification or re-enactment thereof.

"RESOLVED FURTHER THAT Ms. Gunjan Bhagtani, Company Secretary of the Company, be and is hereby authorized to file necessary forms and returns with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to this resolution."

By Order of the Board of Directors

Krishna Defence and Allied Industries Limited

Place: Halol

Date: 17.06.2026

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

NOTES:

1. In compliance with circular issued by the Ministry of Corporate Affairs ("MCA Circulars") with regard to holding of Annual General Meetings through Video Conferencing / Other Audio Visual Means (VC/OAVM), provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations, the 13th AGM of the Company is being conducted through VC/ OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the 13th AGM shall be the Registered Office of the Company.
2. Bigshare Services Pvt. Ltd., will be providing facility for voting through remote e-voting, for participation in EGM through VC/OAVM facility and e-voting during the AGM.
3. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars and SEBI Circulars, 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, Attendance Slip and route map of the AGM are not annexed to this Notice. However, corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution/authorization letter to the Company on its registered email address to cs@krishnaallied.com or upload on the VC portal / e-Voting portal.
4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
5. The Explanatory Statement pursuant to Section 102(1) of the Act with respect to the Ordinary/Special Business to be transacted at the meeting set out in the Notice is annexed hereto.
6. The brief details of the persons seeking appointment/re-appointment as Directors as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is also annexed to this Notice.
7. In line with the aforesaid MCA Circulars and SEBI Circular dated May 13, 2022 the Notice of AGM ('Notice') is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Member may note that Notice will also be available on the Company's website at <https://krishnaallied.com/> website of the Stock Exchange i.e. NSE Limited at <https://www.nseindia.com/> and on the website of Bigshare Services Pvt Ltd., the e-voting agency at <https://ivote.bigshareonline.com> Any person who has acquired shares and become member of the Company after the dispatch of this Notice and holding shares as on the cutoff date may obtain electronic copy of Notice of AGM by sending a request to the Company or Company's RTA.
8. Record Date and Dividend: The Company has fixed the Record Date as Wednesday, July 08, 2026, for payment of dividend, subject to approval of Shareholders at the forthcoming 13th Annual General Meeting (AGM) scheduled to be held on Wednesday, July 15, 2026. The dividend of Rs 1.25 per equity share of ₹ 10 each (12.5%), if declared at the AGM, will be paid subject to deduction of tax at source ('TDS') as per the statutory timeline as under: To all the Beneficial Owners as per the list of beneficial owners to be furnished by the National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form as at the end of the day on Wednesday, July 08, 2026.
9. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in demat form are requested to update their Electronic Bank Mandate with their respective DPs. Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applicable to the dividend paid on shares held in electronic form and vice versa.
10. To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company has provided facility to the Members for remittance of dividend electronically through National Automated Clearing House (NACH). Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details, Folio Number along with an original cancelled cheque and Form ISR-1 to the Company's Share Registrar and Transfer Agent, Bigshare Services Pvt Ltd Members holding shares in electronic form are requested to provide the details to their respective Depository Participants. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant / Bankers' cheque / demand draft to such Members, through permissible mode.
11. Members are hereby informed that under the Act, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund ("the Fund") established by the Central Government. Further attention of the Members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more from the date of transfer to the Unpaid Dividend Account of the Company. In accordance with the aforesaid provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time.
12. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member as on the cut-off date i.e 8th day of July, 2026. A person, whose name is recorded in the register of members by the depositories as on the cut-off date, i.e. 8th day of July, 2026 only, shall be entitled to avail the facility of e-voting / Poll.
13. Members desirous of obtaining information/details about the accounts, are requested to write to the Company at least one week before the meeting, so that proper information can be made available at the time of meeting. The Members desirous of inspection of documents may write to the Company through E-mail and the same shall be sent to them electronically.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc with the Depository through their Depository Participant(s).
15. **Bigshare i-Vote E-Voting System**

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- i. The voting period begins on Sunday 12th day of July, 2026, at 09:00 a.m. and ends at 05:00 p.m Tuesday 14th day of July, 2026. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, July 08, 2026 may cast their vote electronically. The e-voting module shall be disabled by Bigshare 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.

- 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.
1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 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 URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website 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 i.e. BIGSHARE, 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 https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin 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. Click on BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 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 BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name BIGSHARE and you will be redirected to i-Vote 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 with all e-Voting Service Providers. Click on BIGSHARE and you will be re-directed to i-vote (E-voting 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**

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 22 55 33.
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- 48867000

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on "LOGIN" button under the 'INVESTOR LOGIN' section to Login on E-Voting Platform.
- Please enter you 'USER ID' (User id description is given below) and 'PASSWORD' which is shared separately on you register email id.
 - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
 - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
 - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on 'LOGIN' under 'INVESTOR LOGIN' tab and then Click on 'Forgot your password?'
- Enter "User ID" and "Registered email ID" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on 'Reset'.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under 'EVENTS' option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on "**VOTE NOW**" option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option "**IN FAVOUR**", "**NOT IN FAVOUR**" or "**ABSTAIN**" and click on "**SUBMIT VOTE**". A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on "**REGISTER**" under "**CUSTODIAN LOGIN**", to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with "**User id and password will be sent via email on your registered email id**".

NOTE: If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on 'LOGIN' under 'CUSTODIAN LOGIN' tab and further Click on 'Forgot your password?'
- Enter "User ID" and "Registered email ID" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on 'RESET'.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under “**DOCUMENTS**” option on custodian portal.
 - Click on “**DOCUMENT TYPE**” dropdown option and select document type power of attorney (POA).
 - Click on upload document “**CHOOSE FILE**” and upload power of attorney (POA) or board resolution for respective investor and click on “**UPLOAD**”.

Note: The power of attorney (POA) or board resolution has to be named as the “**InvestorID.pdf**” (Mention Demat account number as Investor ID.)

 - Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder’s other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions (‘FAQs’) and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 022-62638338.

4.Procedure for joining the AGM through VC/ OAVM:

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on “**VC/OAVM**” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-voting on the day of the AGM/ EGM are as under:-

- The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the AGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions (‘FAQs’) available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

16. Other Information:

- CS Prerna Bokil, Prerna Bokil & Associates (Membership No. FCS - 13539 & Certificate of Practice 28108) has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and e-Voting during the AGM in a fair and transparent manner.
- The Scrutinizer shall after the conclusion of e-Voting at the AGM, will first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-Voting and shall make, in two working days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by her in writing, who shall countersign the same and declare the result of the e-Voting forthwith.
- The results declared of e-Voting along with the report of the Scrutinizer shall be placed on the website of the Company at <https://www.krishnaallied.com> immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange i.e. NSE Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Pursuant to section 102 of the Companies Act, 2013 as required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the businesses mentioned under Item No. 4 to 17 of the accompanying Notice.

ITEM NO. 4 RATIFICATION OF REMUNERATION OF COST AUDITORS

In terms of the provisions of Section 148 of the Companies Act, 2013 and based on the recommendation of the Audit Committee, the Board of Directors had approved the appointment and remuneration of M/s. Zarna Thakar & Associates., as the Cost Auditors to carry out the audit of Cost Records for Products relating to Iron and Steel & other Machinery (collectively called as “Products”) respectively for the financial year ended on 31st March, 2027as per the following details.

Name of the Cost Auditor	Products	Audit Fees (₹)
M/s. Zarna Thakar & Associates	Products relating to Iron and Steel & other Machinery	1,20,000

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any amendment(s) or modification(s) thereof), the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution, as set out at Item No. 4 of the Notice, for ratification of the remuneration payable to the Cost Auditors of the Company for the financial year 2026-27.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of this Notice.

The Board recommends the resolution set out at Item No. 4 of the Notice for your approval and recommends said resolution to be considered as an ordinary resolution for members approval

ITEM NO. 5 APPOINTMENT OF SECRETARIAL AUDITORS:

Pursuant to the amended provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Companies Act, 2013 (‘Act’) and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors at their respective meetings held on May 20, 2026, have recommended and approved the appointment of M/s. Prerna Bokil & Associates, Peer Reviewed Firm of Company Secretaries in Practice (‘Secretarial Audit Firm’) as Secretarial Auditor of the Company, subject to approval of Members of the Company, on the following terms and conditions:

a) Term of appointment: 5 (Five) consecutive years commencing from Financial Year 2026-27 till Financial Year 2030-31

b) Proposed Fees: Such fee as maybe mutually agreed between / deter-

mined by the Board of Directors (as per the recommendations of the Audit Committee) in consultation with the Secretarial Auditor. The fees for services in the nature of certifications and other professional work will be in addition to the secretarial audit fee as above and will be agreed between / determined by the Board of Directors (as per the recommendations of the Audit Committee) in consultation with the Secretarial Auditor.

c) Basis of recommendations: The recommendations are based on evaluation and consideration of various factors such as industry experience, competency of the audit team, efficiency and quality in conduct of audit, independent assessment, etc.

d) Credentials: The Secretarial Audit Firm, established in the year 1987, is a reputed firm of Practicing Company Secretaries with a legacy of excellence spanning over three decades. Renowned for its commitment to quality and precision, the firm has been Peer Reviewed and Quality Reviewed by the Institute of Company Secretaries of India (ICSI), ensuring the highest standards in professional practices. The firm is focused on providing comprehensive professional services in corporate law, SEBI regulations, RBI regulations, etc, delivering strategic solutions to ensure regulatory adherence.

e) Consent and Eligibility: The Secretarial Audit Firm has consented to their appointment and have confirmed that their appointment, if made, would be pursuant to Regulation 24A of SEBI Listing Regulations and that they are not disqualified to be appointed as the Secretarial Auditors in terms of the provisions of SEBI Listing Regulations. The Secretarial Audit Firm holds a valid Peer Review Certificate issued by ICSI. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out in the Notice under Item No. 5 in relation to the appointment M/s. Prerna Bokil & Associates Secretarial Auditors of the Company, for approval by the Members of the Company.

ITEM NO. 6 TO APPOINT CNK & ASSOCIATES AS STATUTORY AUDITORS OF THE COMPANY

The members are informed that the first tenure of 5 years of the statutory auditors of the company is expiring and the firm being eligible for re-appointment has been recommended to the members for approval, the Audit Committee and the Board of Directors at their respective meetings held on May 20, 2026, have recommended and approved the appointment of M/s. CNK & Associates, Peer Reviewed Firm of Statutory Auditors ('Statutory Auditors) as Statutory Auditor of the Company, subject to approval of Members of the Company, on the following terms and conditions:

a) Term of appointment: 5 (Five) consecutive years commencing from Financial Year 2026-27 till Financial Year 2030-31.

b) Proposed Fees: Such fee as maybe mutually agreed between / determined by the Board of Directors (as per the recommendations of the Audit Committee) in consultation with the Statutory Auditor. Not exceeding Rs. 15,00,00 per Annum.

c) Basis of recommendations: The recommendations are based on evaluation and consideration of various factors such as industry experience, competency of the audit team, efficiency and quality in conduct of audit, independent assessment, etc.

d) Credentials: CNK & Associates LLP (CNK) is an all services firm specializing in providing a wide spectrum of professional services under one roof to leading domestic and multinational corporations, spread across virtually all sectors. Established in the year 1936, CNK is a third-generation firm, which caters to diverse businesses of all sizes, but with a specific emphasis on the MSME Sector. With a highly motivated team of top-notch professionals specializing in their respective areas of practice, we offer well-thought out and holistic strategies and solutions to even the most complex of problems faced by our clients – solutions delivered with a personalized touch and which are not only legally sound, but also practical.

e) Consent and Eligibility: The Statutory Audit Firm has consented to their appointment and have confirmed that their eligibility. The Statutory Audit Firm holds a valid Peer Review Certificate issued by ICAI.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out in the Notice under Item No. 5 in relation to the appointment M/s. CNK & Associates, as the Statutory Auditors of the Company, for approval by the Members of the Company.

ITEM NO. 7 RE-APPOINTMENT OF MR. ANKUR ASHWIN SHAH, MANAGING DIRECTOR

In accordance with provisions of Sections 196, 197, 198 and 203 read together with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on 14th February, 2026, subject to the approval of the Shareholders of the Company, re-appointed Mr. Ankur Ashwin Shah, as Managing Director of the Company for a period of 5 (five) years with effect from 01st April, 2026.

Mr. Ankur Ashwin Shah holds a degree of Bachelor of Engineering (Production) from University of Bombay and has an overall experience of 25 years in all kinds of Steel work including Smelting, Rolling, Drawing, Heat Treatment etc. He is involved in the overall Business Operations of the Company. Under his leadership, our company has been successful in expanding its diversified product portfolio and customer base.

Considering Managing Director's rich experience, subject matter expertise and immense contribution, the re-appointment and remuneration of Mr. Ankur Ashwin Shah as Managing Director of the Company was also approved by the Nomination and Remuneration Committee at its Meeting held on 14th February, 2026. Remuneration to Mr. Ankur Ashwin Shah as Managing Director the Company.

Accordingly, the Nomination and Remuneration Committee and the Board of Directors of the Company in their respective meetings held on 14th February, 2026 approved the terms and conditions of Mr. Ankur Ashwin Shah as Managing Director of the Company w.e.f. 01st April, 2026 for a period of 5 years at a remuneration up to ₹ 17,50,000/- (Rupees Seventeen Lakhs Fifty Thousand Only) per annum excluding other perquisites.

Directorships held in other Companies are:

1. Krish Industries Private Limited
2. Trivest Energy Private Limited
3. Trivest Global Private Limited

Mr. Ankur Ashwin Shah is a Member of Following Committees of Directors of any Company:

1. Audit Committee
2. Corporate Social Responsibility Committee
3. Stakeholders Relationship Committee

The draft agreement to be entered by the Company with Mr. Ankur Ashwin Shah, contain inter-alia, the following principal terms and conditions:

1. Duties and Powers

The Managing Director shall perform the duties and exercise the powers assigned to him or vested in him by the Board of Directors of the Company from time to time.

2. Period of Appointment

Five Years with effect from 01st April, 2026.

3. Mr. Ankur Ashwin Shah as Managing Director of the Company shall be entitled to remuneration and perquisites as mentioned hereunder:

Salary up to ₹ 17,50,000/- (Rupees Ten Lakh only) per month.

Perquisites and Allowances

In addition to salary, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, reimbursement of expenditure or allowances in respect of maintenance, utilities such as gas, electricity, furnishings and repairs of the house, medical reimbursement, medical insurance and leave travel concession for self and his family including dependents, personal accident insurance, club fees and such other perquisites, benefits and allowances in accordance with Rules of the Company. "Family" mentioned above means the spouse and dependent children of the Managing Director.

For the purpose of calculating the above ceilings, perquisites shall be evaluated as per Income Tax Rules, wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual costs.

Provision of car with driver for use for the Company's business and telephone facility at the Managing Director's residence, reimbursement of expenses including entertainment expenses will not be considered as perquisites.

Other Perquisites

- I. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
- II. Encashment of leave at the end of the tenure Compensation If before the expiry of the Agreement, the tenure of his office as Managing Director is determined, he shall be entitled to compensation for the loss of office subject to the provisions of Section 202 of the Companies Act, 2013.

Additional Information required under Section II, part II of Schedule V of the Companies Act, 2013:

I. General Information		
Nature of Industry	Engineering & Defence	
Date or expected date of commencement	10/09/2013	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
Financial performance based on given Indicators As per the Audited Financial Results for the year ended on 31.03.2026	Particulars	(₹ in Lakhs)
	Revenue from Operations	24478.22
	Profit(Loss) Before Tax	5081.20
	Profit(Loss) After Tax	3812.12
Foreign investments or collaborations, if any	Nil	
II. Information about the appointee		
Background details	<p>Mr. Ankur Ashwin Shah originally appointed on the board as first director on incorporation dated September 10, 2013 and he was designated as Managing Director w.e.f. April 01, 2015 for the period of 5 years and further re-designated as Managing Director for a term of 5 years w.e.f. April 01, 2021.</p> <p>Mr. Ankur Ashwin Shah holds a degree of Bachelor of Engineering (Production) from University of Bombay and has an overall experience of 25 years in all kinds of Steel work including Smelting, Rolling, Drawing, Heat Treatment etc. He is involved in the overall Business Operations of the Company. Under his leadership, our company has been successful in expanding its diversified product portfolio and customer base.</p>	
Past remuneration	Rs. 10,00,000 Per Month for FY 2025-26	
Job profile and his suitability	Managing Director of the Company	
Remuneration proposed	Rs. Up to 17,50,000 Per Month	
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed Remuneration of Mr. Ankur Ashwin Shah, who is a thorough Professional, possessing invaluable and rich knowledge, experience and insights complemented with vast experience in engineering sector, is comparable with Managing Directors of other Companies and is in parity with the Industry Standards for such a responsible position.	
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Mrs. Preyal Ankur Shah, Director & Chairperson of the Company is wife of Mr. Ankur Ashwin Shah.	
III. Other Information		
Reasons of loss or inadequate profits	The Company is still in the process of gaining experience and building a track record that would qualify the Company to implement large size mandates. There is a continuous improvement in the performance of the Company, and the Company will soon generate adequate profits.	
Steps taken or proposed to be taken for improvement	The Company has also undertaken a cost review with a view to optimize resources and control costs. The Company will continue to ideate solutions for improving mobility and is confident that these solutions will contribute significantly to the Company's revenues going forward. The Company's business outlook for the next FY remains promising. Growth will be contingent upon Government policies as the Company's business is intrinsically linked to Government policies and schemes.	
Expected increase in productivity and profits in measurable terms	With the above measures, both the turnover and profits of the Company are expected to increase 50 %	

None of the KMP or Directors other than Mr. Ankur Ashwin Shah and Mrs. Preyal Ankur Shah who is wife of Mr. Ankur Ashwin Shah are concerned or interested in this resolution.

The Board recommends the Special Resolution set out in the Notice under Item No. 7 in relation to the appointment Mr. Ankur Ashwin Shah as Managing Director of the Company, for approval by the Members of the Company.

ITEM NO. 8 TO APPROVE CONTINUATION OF DIRECTORSHIP OF Mr. DIVYAKANT ZAVERI (DIN: 01382184), INDEPENDENT DIRECTOR IN TERMS OF REGULATION 17(1A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

The Board of Directors had appointed Mr. Divyakant Zaveri as an Additional Director in the category of Non-Executive and Independent Director of the Company in their meeting held on 23.08.2021 and was further regularized by the shareholders in their meeting held on and again vide shareholder resolution dated 28th September, 2022 for continuation from June 28, 2023 to August 23, 2026 due to attaining 75 years on 28.06.2023. In terms of the appointment Mr. Divyakant Zaveri shall hold office for a term of 5 year from the date of appointment i.e. August 23, 2021 to August 23, 2026 and he shall not be liable to retire by rotation. The company wishes to re-appoint Mr. Divyakant Zaveri for another term of 5 (five) years with effect from 23rd August 2026 to 22nd August, 2031.

As Mr. Divyakant Zaveri is aged 77 years and Mr. Zaveri has attained the age of 75 years on 28.06.2023. In view of the provisions of Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements), (Amendment) Regulations, 2018, for the continuation of Mr. Divyakant Zaveri as a Non-Executive and Independent Director of the Company for another term of 5 years from 23rd August, 2026 to 22nd August, 2031 consent of the Members is required by way of a Special Resolution.

Except Mr. Divyakant Ramniklal Zaveri (the appointee), none of the other Directors or key managerial personnel of the Company or their relatives, are concerned or interested, financially or otherwise in this Resolution.

The Board recommends the Special Resolution set out in the Notice under Item No. 8 for approval by the Members of the Company.

ITEM NO. 9 RE-APPOINTMENT OF MR. DIVYAKANT ZAVERI AS AN INDEPENDENT DIRECTOR

Pursuant to the relevant provisions of sections 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Regulation 25(2A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") as amended, the Board of Directors re-appointed Mr. Mr. Divyakant Zaveri as an Additional Director (Independent) with effect from 20th May, 2026 to hold office up to the date of the next General Meeting of the Company or for a period of three months from the date of appointment by the Board of Directors, whichever is earlier. Mr. Divyakant Zaveri had given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Nomination and Remuneration Committee of the Board of Directors of the Company at its meeting held on 20th May, 2026 has recommended the appointment of Mr. Divyakant Zaveri as an Independent Director of the Company for a period of 5 (five) years from 23rd August, 2026 till 22nd August, 2031 in compliance with Section 149 read with Section 152 of the Companies Act, 2013.

Brief profile of Mr. Divyakant Zaveri is set-out below:

Mr. Zaveri has a Bachelor of Commerce (B.Com) from The Maharaja Sayajirao University of Baroda, 1970 and is a Chartered Accountant, Institute of Chartered Accountants of India, 1974 (Rank Holder). With over five decades of extensive experience in finance, CA Divyakant Zaveri is a seasoned expert in corporate finance, investment management, risk management, financial planning, taxation, and mergers and acquisitions. A highly accomplished Chartered Accountant, he has played critical roles in leading financial transformations and establishing robust governance frameworks for various organizations.

The Company has received requisite disclosures and declarations from Mr. Divyakant Zaveri required under the Act and the SEBI Listing Regulations. Mr. Divyakant Zaveri is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board of Directors of the Company, Mr. Mr. Divyakant Zaveri fulfils the conditions specified in the Act and the Rules thereunder and is independent of the Management. Further, Mr. Mr. Divyakant Zaveri is not debarred or disqualified from holding the office of Director pursuant to any order of the Securities and Exchange Board of India or any other such Authority.

The copy of the draft letter of appointment of the proposed appointee as an Independent Director would be available for inspection by the Members at the Registered Office of the Company. All relevant documents referred hereinabove would be open for inspection by the Members at the Registered Office of the Company during the office hours on all working days, except Saturdays, Sundays and all public holidays upto the date of the Annual General Meeting.

This statement may also be regarded as appropriate disclosure under the Act and SEBI Listing Regulations. The Board recommends the special resolution set out at item No. 9 of the Notice for your approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Mr. Divyakant Zaveri, is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out in the Notice under Item No. 9 for approval by the Members of the Company.

ITEM NO. 10 RE-APPOINTMENT OF MR. JAYKUMAR TOSHWIHAL AS AN INDEPENDENT DIRECTOR

Pursuant to the relevant provisions of sections 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Regulation 25(2A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") as amended, the Board of Directors re-appointed Mr. Jaykumar Toshniwal as an Additional Director (Independent) with effect from 20th May, 2026 to hold office up to the date of the next General Meeting of the Company or for a period of three months from the date of appointment by the Board of Directors, whichever is earlier. Mr. Jaykumar Toshniwal had given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Nomination and Remuneration Committee of the Board of Directors of the Company at its meeting held on 20th May, 2026 has recommended the appointment of Mr. Jaykumar Toshniwal as an Independent Director of the Company for a period of 5 (five) years from 23rd August, 2026 till 22nd August, 2031 in compliance with Section 149 read with Section 152 of the Companies Act, 2013.

Brief profile of Mr. Jaykumar Toshniwal is set-out below:

Mr. Toshniwal has a Master of Commerce, a Chartered Accountant and holds a Post Graduate Degree in Management from IIM, Ahmedabad. He is active in Indian capital markets since 35 years. He possesses rich experience in finance and capital markets.

The Company has received requisite disclosures and declarations from Mr. Jaykumar Toshniwal required under the Act and the SEBI Listing Regulations. Mr. Jaykumar Toshniwal is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board of Directors of the Company, Mr. Jaykumar Toshniwal fulfils the conditions specified in the Act and the Rules thereunder and is independent of the Management. Further, Mr. Jaykumar Toshniwal is not debarred or disqualified from holding the office of Director pursuant to any order

of the Securities and Exchange Board of India or any other such Authority.

The copy of the draft letter of appointment of the proposed appointee as an Independent Director would be available for inspection by the Members at the Registered Office of the Company. All relevant documents referred hereinabove would be open for inspection by the Members at the Registered Office of the Company during the office hours on all working days, except Saturdays, Sundays and all public holidays upto the date of the Annual General Meeting.

This statement may also be regarded as appropriate disclosure under the Act and SEBI Listing Regulations. The Board recommends the special resolution set out at item No. 10 of the Notice for your approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Jaykumar Toshniwal, is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out in the Notice under Item No. 10 for approval by the Members of the Company.

ITEM NO. 11 CHANGE IN OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

Your Board has to consider from time to time proposals for diversification into areas which would be profitable for the Company as part of diversification Plans. For this purpose, the object Clause of the Company, which is presently restricted in scope, requires to be comprehensive so as to cover a wide range of activities to enable your Company to consider embarking upon new projects and activities. The alteration in the Objects Clause of the Memorandum of Association as set out in the Resolution is to facilitate diversification. This will enable the company to enlarge the area of operations and carry on its business economically and efficiently and the proposed activities can be, under the existing circumstances, conveniently and advantageously combined with the present activities of the company. The "Main Object" clause of the Memorandum of Association of the Company is being amended by replacing existing clause with the following:

1. To carry on the business of designing developing, engineering, manufacturing, integrating, testing, commissioning, validating, fabricating, erecting, installing, remodeling, delivering, assembling, repairing, refurbishing, upgrading, overhauling, hiring, supporting, distributing, marketing, buying, selling, importing, exporting and trading in all types Steel including Special Steel, Precision Components, Sub-Systems & Systems, machines used in Defense and Dairy sector including commissioning systems and projects including turn-key projects, special purpose project, comprising of Mechanical, Thermal, Electrical, Electronic, Software, Power Electronic parts required for Defense, Aerospace, Homeland-Security & Dairy and allied industry, by contact or non-contact method, with in-house or out-sourced facilities.
2. To carry on in or outside India business as importers, exporters, marketers, distributors, wholesalers, retailers, traders, merchants, buyers, sellers, suppliers, manufacturers, indenters, packers, movers, promoters, advertisers, distributors, marketers, preservers, agents, sub-agents, representatives, commissions agents, brokers, and dealers of all types of Defense Equipment, Home-Land Security, Dairy Equipment, Farm equipment, Kitchen Equipment using stainless steel, alloys, aluminum, brass or any other metals, all products be whether in raw material, semi- finished or finished products and to carry on heat treatment of the metals, fabrication of stainless steel, rolling of steel and alloys steel section and do all such activities which are ancillary to the above mentioned products and activities.
3. To perform trade of special metals and alloys and manufacture them using special metals like Titanium, Molybdenum, Copper, Aluminum Bronze, Miraging Steel, HS Steel etc. perform complete project management from design to commissioning for various project requirements of the customer.
4. To manufacture, assemble, produce, process, repair, convert, import, export, buy, sell, supply, distribute, test, maintain and otherwise deal in arms, ammunition, weapons, weapon systems, defence equipment, explosives, military hardware, and allied products of all kinds and descriptions, including components, accessories, spares, and ancillaries thereof, for defence, paramilitary, homeland security, law enforcement and civilian applications, in accordance with and subject to the provisions of the Arms Act, 1959, the rules made thereunder, and other applicable laws, regulations, and permissions as may be applicable for the being in force and undertake research, design, development, engineering, testing, validation, prototyping, modernization, upgradation, refurbishment, and lifecycle

support services in relation to arms, ammunition, defence systems, and security equipment, including collaboration, technology transfer, licensing, and joint ventures with domestic or international entities, subject to applicable laws and regulatory approvals.

5. To research, design, develop, engineer, prototype, test, validate, certify, manufacture, fabricate, assemble, integrate, commission, import, export, buy, sell, lease, license, distribute, supply, maintain, repair, overhaul, retrofit, modernize and otherwise deal in defence, aerospace, aeronautical, naval, marine, underwater, homeland security, dual-use and space systems, platforms, equipment, products and technologies of every kind and description, including but not limited to underwater and surface autonomous systems, unmanned and remotely operated vehicles, underwater domain awareness systems, sonar, sensors, anti-submarine and mine counter-measure systems, drones, unmanned aerial systems, loitering munitions, counter-drone systems, aerial platforms, aero engines and propulsion systems, aero engine components, avionics, payloads, missiles, rockets, torpedoes, radars, electronic warfare systems, robotics, artificial intelligence, autonomy, Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) systems, simulators, software and firmware; shipbuilding, ship repair, ship recycling, submarines, warships, naval and commercial vessels, offshore and subsea platforms, marine engineering systems, propulsion systems, shipyard infrastructure, marine equipment and allied ancillary products; and to provide associated design, consultancy, training, technology transfer, licensing, maintenance, repair, overhaul, lifecycle support, turnkey solutions, collaborations, joint ventures, strategic alliances, public private partnerships and offset arrangements in relation thereto, subject to the provisions of the Arms Act, 1959, Aircraft Act, 1934, applicable aircraft and drone regulations, Merchant Shipping Act, 1958, Foreign Trade (Development and Regulation) Act, 1992, industrial licensing requirements, Defence Acquisition Procedure, and all other applicable laws, rules, regulations and approvals for the time being in force.

The Board at its meeting held on May 20, 2026 has approved alteration of the MOA of the Company and the Board now seeks Members' approval for the same.

The draft Copy of the Memorandum of Association of the Company is available for inspection at the registered office of the Company on 10.00 a.m. and 5.00 p.m. on all working days (except Saturdays, Sundays and Holidays).

The Amendment shall be effective upon the registration of the resolution with the Registrar of the Companies.

The proposed change of object clause requires the approval of shareholders through Special Resolution pursuant to the provisions of Section 13 of the Companies Act, 2013.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed resolution.

The Board recommends the Special Resolution set forth in Item No. 11 of the Notice for approval of the Members.

ITEM NO.12:- ALTERATION IN ANCILLARY OBJECTS OF MEMORANDUM OF ASSOCIATION OF THE COMPANY

The Members are informed that the Company proposes to substitute the existing Investment Clause forming part of the Ancillary (Incidental) Objects Clause of the Memorandum of Association ("MOA") of the Company. The current investment clause in the MOA is general in nature and does not comprehensively cover the various modes and avenues of investment that the Company may undertake in the course of its business operations. In order to provide greater clarity, flexibility, and alignment with evolving business practices and regulatory frameworks, it is proposed to replace the existing clause with a more detailed and elaborative provision.

The revised clause is intended, inter alia, to:

- Clearly set out the different forms and instruments in which the Company may invest its surplus funds;
- Enable the Company to undertake investments in a structured and transparent manner;
- Avoid any ambiguity in interpretation while dealing with investment-related matters;
- Bring the MOA in line with contemporary corporate and financial practices.

The proposed substitution does not result in any change to the main objects of the Company but merely enhances and clarifies the ancillary powers relating to investments. In terms of the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, the alteration of the Memorandum of Association requires approval of the Members by way of a Special Resolution.

The Board of Directors, at its meeting held on May 20, 2026, approved the proposed substitution of the said clause, subject to the approval of the A copy of the existing and the proposed revised Investment Clause of the MOA is available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the Annual General Meeting. None of the Directors, Key Managerial Personnel of the Company, or their relatives are in any way concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding, if any. The Board of Directors recommends the Special Resolution set out at Item No. 12 of the Notice for approval by the Members

ITEM NO.13:- ALTERATION IN ARTICLES OF ASSOCIATION OF THE COMPANY

The present investment-related provision in the AOA is general in nature and does not comprehensively cover the various modes and avenues through which the Company may invest its surplus funds. In order to provide greater clarity, flexibility, and alignment with evolving business practices, it is proposed to substitute the said Article with a more detailed provision.

The revised Article is intended, inter alia, to:

- Permit investment in a wider range of instruments and securities;
- Clearly define the scope and manner of deployment of surplus funds;
- Enable the Company to respond efficiently to diverse investment opportunities;
- Ensure better clarity and avoid ambiguity in interpretation of the Company's powers relating to investments.

The proposed alteration does not affect the core governance structure of the Company but merely enhances and clarifies the enabling provisions relating to investment of funds.

In terms of the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, alteration of the Articles of Association requires approval of the Members by way of a Special Resolution.

The Board of Directors, at its meeting held on May 20, 2026, approved the proposed substitution of the said Article, subject to the approval of the Members.

A copy of the existing Article and the proposed substituted Article of the AOA is available for inspection by the Members at the Registered Office of the Company during business hours on all working days up to the date of the Annual General Meeting.

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

The Board of Directors recommends the Special Resolution set out at Item No. 13 of the Notice for approval by the Members.

ITEM NO. 14 PAYMENT OF COMMISSION TO NON-EXECUTIVE DIRECTORS OF THE COMPANY

In view of the enhanced Corporate Governance requirements under the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") coupled with the growing operations of the Company, the role and responsibilities of the Board, particularly Independent Directors has become more arduous, requiring greater time commitments, attention and a higher level of oversight. Accordingly, Nomination and Remuneration Committee and the Board of Directors of the Company at their meetings held on Saturday, 11th April, 2026, respectively, approved and recommended for approval of the Members of the Company, remuneration by way of commission to the Non-Executive Directors of the Company. Regulation 17(6) of the Listing Regulations authorises the Board of Directors to recommend all fees and compensation, if any, paid to Non-Executive Directors, and the same would require approval of members in general meeting. The quantum of remuneration payable to all or some of the Non-Executive Directors shall be fixed and decided by the Board of Directors after considering the recommendations of the Nomination and Remuneration Committee, taking into consideration parameters such as attendance at Board and Committee meetings, contribution at or other than at meetings, etc. in

accordance with the directions given by the Board as prescribed under the Nomination and Remuneration Policy of the Company.

Considering the rich experience and expertise brought to the Board by the Non-Executive Directors, it is proposed that commission not exceeding 1% of the net profits of the Company be payable for Financial Year 2025-26 and onwards as may be decided by the Board, in terms of Section 197 of the Act, computed in accordance with the provisions of Section 198 of the Act or such other percentage as may be specified from time to time. The aforesaid remuneration is exclusive of the fees payable to the Non-Executive Directors for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

The Board recommends passing of this Special Resolution as set out at Item No. 14 of this notice, for your approval.

Except all the Non-Executive Directors of the Company to the extent of commission that may be received by them, including for the Financial Year 2025-26, None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives are concerned or interested either directly or indirectly, except to the extent of their respective shareholding in the Company, if any, in the Resolution mentioned at Item No. 14 of the Notice.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 14 of the Notice for approval by the Members.

ITEM NO. 15: TO VARY CLAUSE 8.3 OF ESOP – 1 SCHEME OF THE COMPANY

The Company had instituted the "ESOP -I" ("ESOP Scheme") with the approval of the shareholders for granting employee stock options to eligible employees/directors of the Company in accordance with the applicable provisions of the Companies Act, 2013 and applicable laws.

In order to provide enhanced flexibility and a reasonable time period to eligible employees for exercising vested stock options upon cessation/termination of employment, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on 20.05.2026, approved amendment to the terms of the ESOP Scheme with respect to the exercise period of vested and unvested options in the event of death or permanent incapacity of an employee options.

The existing provision under the ESOP Scheme provides that vested stock options are required to be exercised within 90 (Ninety) days from the date of death/permanent incapacity of employment. It is proposed to revise the said period to 180 (One Hundred Eighty) days from the date of death or permanent incapacity of employee Except for the aforesaid amendment, all other terms and conditions of the ESOP Scheme shall remain unchanged.

The proposed amendment is in the interest of the Company and its employees and is intended to provide adequate flexibility to employees holding vested options.

Accordingly, approval of the members is sought by way of Special Resolution as set out in the accompanying Notice.

Accordingly, the Board recommends the Resolution in the Item No. 15 of this Notice to be passed as a Special Resolution.

ITEM NO. 16: TO AUTHORISE THE BOARD OF DIRECTORS FOR BORROWINGS

Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot, except with the approval of the members by way of a Special Resolution, borrow monies where the amount to be borrowed, together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeds the aggregate of the paid-up share capital, free reserves and securities premium of the Company.

Accordingly, the approval of the members is being sought to authorise the Board of Directors of the Company to borrow, from time to time, such sums as may be required for the purposes of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company may exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company, provided that the total outstanding borrowings shall not exceed ₹ Rs. 300.00 Crores (Rupees Three Hundred Crores only) at any point in time.

The Board of Directors recommends the Special Resolution set out at Item No. 16 of the Notice for approval by the members.

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

ITEM NO. 17: APPOINTMENT OF MR. HARSHADSIKH MAHIDA (DIN: 11760208) AS WHOLE-TIME DIRECTOR

Mr. Harshadsinh Mahida has wide experience and expertise in Engineering Sector. His dedicated effort has helped to restructure the Company. Taking into consideration his commendable work and involvement in the day-to-day activities of the Company, the Board of Directors had in their meeting held on June 17, 2026 appointed Mr. Harshadsinh Mahida as an Additional Director till the conclusion of this AGM as approved by the Remuneration Committee at remuneration and upon such terms and conditions.

Considering his qualifications, experience, expertise and contribution towards the growth and management of the Company, the Board of Directors, at its meeting held on 17th June 2026, appointed as Additional Whole-Time Director of the Company for a period of 5 years commencing from 17th June, 2026, subject to the approval of the Members in the ensuing annual general meeting of the Company.

I. General Information		
Nature of Industry	Engineering	
Date or expected date of commencement	10/09/2013	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
Financial performance based on given Indicators As per the Audited Financial Results for the year ended on 31.03.2026	Particulars	(₹ in Lakhs)
	Revenue from Operations	24,478.22
	Profit(Loss) Before Tax	50,81.20
	Profit(Loss) After Tax	38,12.12
Foreign investments or collaborations, if any	Nil	
II. Information about the appointee		
Background details	Mr. Harshadsinh Mahida holds a degree of Bachelor of Engineering (Mechanical) and has an overall experience of more than 29 years. He is involved as a Sr.Manager-(Operation) in Defence Manufacturing Unit.	
Past remuneration	Rs. 1,57,000/- Per Month for FY 2025-26	
Job profile and his suitability	Whole Time Director of the Company	
Remuneration proposed	Rs. Up to 5,00,000 Per Month	
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed Remuneration of Mr. Harshadsinh Mahida, who is a thorough Professional, possessing invaluable and rich knowledge, experience and insights complemented with vast experience in engineering sector, is comparable with Executive Directors of other Companies and is in parity with the Industry Standards for such a responsible position.	
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	No relation exists with any director.	
III. Other Information		
Reasons of loss or inadequate profits	The Company is still in the process of gaining experience and building a track record that would qualify the Company to implement large size mandates. There is a continuous improvement in the performance of the Company, and the Company will soon generate adequate profits.	
Steps taken or proposed to be taken for improvement	The Company has also undertaken a cost review with a view to optimize resources and control costs. The Company will continue to ideate solutions for improving mobility and is confident that these solutions will contribute significantly to the Company's revenues going forward. The Company's business outlook for the next FY remains promising. Growth will be contingent upon Government policies as the Company's business is intrinsically linked to Government policies and schemes.	
Expected increase in productivity and profits in measurable terms	With the above measures, both the turnover and profits of the Company are expected to increase 50 %	

Place: Halol
Date:17.06. 2026

Preyal Ankur Shah
Non-Executive Director
DIN: 06966962

Ankur Ashwin Shah
Managing Director
DIN : 01166537

Particulars of the Directors seeking appointment / re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended and Secretarial Standards on the General Meeting

Name of Director	Mrs. Preyal Ankur Shah	Mr. Ankur Ashwin Shah	Mr. Divyakant Zaveri	Mr. Jaykumar Toshniwal	Mr. Harshadsinh Mahida
DIN	06966962	01166537	01382184	00609542	11760208
Date of Birth	12/10/1980	29-03- 1978	28-06- 1948	18-12- 1962	29-04-1974
Age	45	48	77	64	52
Nationality	Indian	Indian	Indian	Indian	Indian
Qualification	Bachelor of Commerce	Bachelor of Engineering	Chartered Accountant	Chartered Accountant	Bachelor of Engineering
Designation	Chairman & Non-Executive Director	Managing Director	Independent Director	Independent Director	Whole-Time Director
Date of Appointment on the Board	11-01-2022	01-04- 2021	23-08- 2021	23-08- 2021	17-06-2026
Relationship Between Director sinter se	Wife of Mr. Ankur Ashwin Shah (Managing Director of the Company)	Husband of Ms. Preyal Ankur Shah (Chairperson of the Company)	No Relationship	No Relationship	No Relationship
Expertise in Specific functional area	16 years	25 years	35 year	35 years	29 years
Other Board Member-ship*	-	Nil	Saptarishi Agro Industries Limited (b) Gujarat Containers Ltd	Nil	Nil
Committee Member-ship in other public companies	-	Nil	Audit Committee	Nil	Nil
Number of Shares held in the Company	3,36,000 Shares	54,53,890	Nil	Nil	Nil

Justification for appointment	Has an experience of around 15 years in the field of fashion designing and interpersonal skills. She currently assists our Company in administration related Activities.	He holds a degree of Bachelor of Engineering (Production) from University of Bombay. He was originally appointed on the board as first director on incorporation dated September 10, 2013. He was designated as Managing Director w.e.f April 01, 2015 for the period of 5 years and further re-designated as Managing Director for a term of 5 years w.e.f. April 01, 2021. He has an overall experience of 22 years in all kinds of Steel working including Smelting, Rolling, Drawing, Heat Treatment etc. He is currently involved in managing the overall business operations of the Company. Under his leadership, our Company has been successful in expanding its diversified product portfolio and customer base	He is a Commerce Graduate and a practicing Chartered Accountant and possesses intense and varied experience in the field of Accounts, Finance, Taxation and Corporate Management for more than three decades. He was appointed as Independent Director vide EGM held on September 02, 2021	He is a Master of Commerce, a Chartered Accountant and holds a Post Graduate Degree in Management from IIM, Ahmedabad. He is active in Indian capital markets since 35 years. He possesses rich experience in finance and capital markets. He was appointed as Independent Director vide EGM held on September 02, 2021	He holds a degree of Bachelor of Engineering (Mechanical) and has an overall experience of more than 29 years. He has managed multi-site operations including Pipes & Tooling, CNC shop, Machine shop, Maintenance, Production Planning & Control. He is involved in the Company as a Sr. Manager-(Operation) in Defence Manufacturing Unit.
Terms of appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	Non-Executive Directors are entitled to sitting fees for attending Board Meetings and Committee Meetings.	Payment of Remuneration in terms of Section 197 and 198 of the Companies Act, 2013.	Non-Executive Directors are entitled to sitting fees for attending Board Meetings and Committee Meetings.	Non-Executive Directors are entitled to sitting fees for attending Board Meetings and Committee Meetings.	Payment of Remuneration in terms of Section 197 and 198 of the Companies Act, 2013.
Number of Board Meetings attended	9	9	9	9	N.A.
Names of Companies along with listed entities in which person has resigned in the past three years	None	None	None	None	None

* Private Companies excluded



Corporate Office

Office No. 344, A To Z Industrial Estate, Lower
Parel (W), Mumbai – 400013, Maharashtra, India.

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