



2nd September 2025

Corporate Relations Department,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers
Dalal Street, Fort, Mumbai - 400 001
Scrip Code: 505242

Listing Department,
National Stock Exchange of India Limited
"Exchange Plaza", Bandra-Kurla Complex, Bandra
East, Mumbai 400 051.
Scrip Code: DYNAMATECH

Dear Sir/Madam,

Sub: Annual General Meeting - Annual Report 2024-25

This is to inform you that the 50th (Fiftieth) Annual General Meeting ('AGM') of the Company will be convened on Tuesday, the 30th September 2025, at 11:00 a.m. (IST), at JKM Plaza, Dynamatic Aerotropolis 55, KIADB Aerospace Park, Bangalore - 562149, in accordance, with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India (SEBI).

Pursuant to Regulation 34(1) and 34 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Notice of AGM and Annual Report of the Company along with the Business Responsibility and Sustainability Report for FY 2024-25, which is being sent in electronic mode to the Members.

Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members of the Company will remain closed from 24th September 2025 to 30th September 2025 (both dates inclusive) for the purpose of 50th AGM.

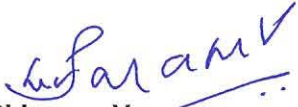
The Annual Report containing the Notice of AGM is also uploaded on the Company's website www.dynamatics.com.

We kindly request you to take this letter along with the enclosures on record.

Thanking you,

Yours faithfully,

For **Dynamatic Technologies Limited**


Shivaram V
Chief Legal Officer and Company Secretary
Membership No.: ACS 19173

Enclosure: as above

CC:

National Securities Depository Limited 301, 3rd Floor, Naman Chambers, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400 051	Central Depository Services (India) Limited Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai, Maharashtra - 400 013	Mrs. C Rajitha Cholleti, Kfin Technologies Limited Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana - 500 032
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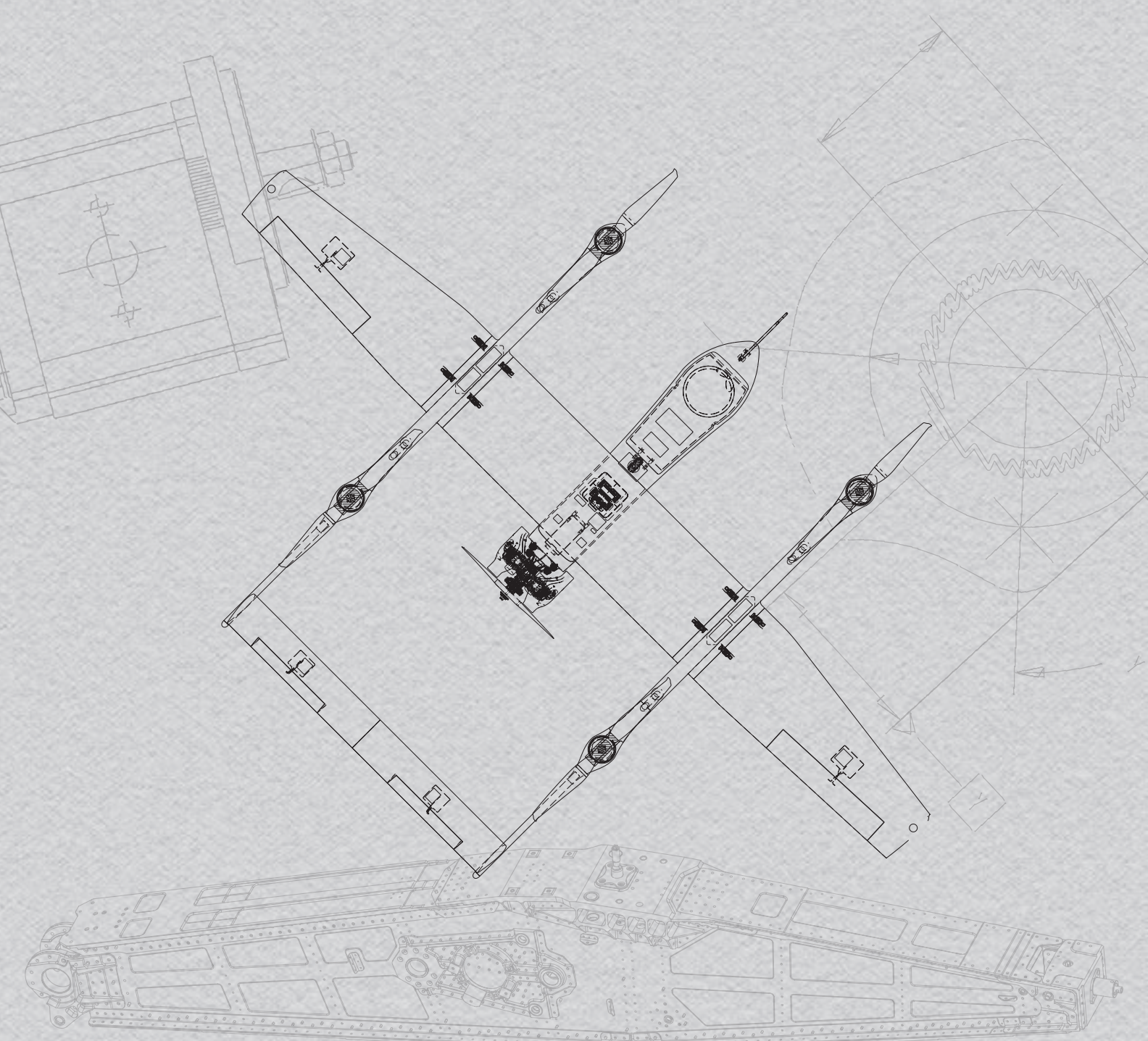
Registered Office
Dynamatic Technologies Limited
JKM Plaza Dynamatic Aerotropolis
55 KIADB Aerospace Park
Bangalore 562 149 India
Tel +91 80 2111 1223 +91 80 2204 0535

www.dynamatics.com

Corporate Identity Number: L72200KA1973PLC002308

ANNUAL REPORT

2024-25



DYNAMATIC TECHNOLOGIES LIMITED







The best way to predict the future is to create it.

- Peter Drucker

Dear Fellow Shareholder,

On behalf of the Board of Directors of Dynamic Technologies Limited and its subsidiaries, I take pleasure in presenting you with Audited Financial Statements for the year 2024-25.

During the year under review, your Company recorded Consolidated Net Revenue of ₹14,038 million with Consolidated EBITDA of ₹1,583 million & Profit After Tax of ₹430 million.

Aerospace: Driving Growth and Strategic Positioning

Our Aerospace division remained the engine of Dynamic's success, delivering strong revenues and industry-leading margins, thereby reinforcing its role as the cornerstone of our business. Even in the face of persistent global supply chain disruptions, shortage of critical materials, and delivery delays impacting major OEMs, our robust order book and deep customer trust have kept us firmly on course.

This year marks a transformative chapter in Dynamic Technologies' journey, as we achieved a pivotal leap in the deep industrialisation of the Airbus A220 program within India's rapidly growing aerospace ecosystem.



Industrialisation of A220 Door Jigs Laser Tracking & Calibration

The inauguration of our refurbished and precision-calibrated A220 door assembly jigs represents not just a facility upgrade, but a fundamental enhancement of our aerospace manufacturing architecture and significant value to the customer.



Inauguration of the A220 Doors Calibrated Jigs

This milestone was officially marked by Mr. Juergen Westermeier, Chief Procurement Officer at Airbus, and Mr. Thierry Cloutet, Head of Procurement for Airbus India & South Asia.



A220 Doors assembly line

These state-of-the-art jigs – engineered to micron-level tolerances, form the backbone for serial production of the A220's main passenger doors, service doors, cargo doors, and over-wing emergency exit doors. The jigs we have commissioned are therefore not only production assets but capital-intensive process



Signing of Letter of Award with Aequs



Signing of Letter of Award with Sansera



Signing of Letter of Award with Ferra Aerospace

enablers that will serve multiple build cycles and variants over the A220's program life.

A significant force multiplier in this program has been our strategic relationship with India's leading aerospace manufacturers - Aequs, Sansera and Ferra Aerospace. The success of this ecosystem validates India's capability to produce flight-critical aerostructures at a globally competitive benchmark.

Looking ahead, our A220 industrialisation program will serve as a reference model for future aerospace localisation in India -

integrating global OEM design authority with Indian manufacturing ingenuity. It reinforces our ongoing commitment to Atmanirbhar Bharat, ensuring that each shipset we deliver embodies precision, reliability, and engineering excellence.

Dynamic Technologies has secured a prestigious contract from Stelia Aeronautique Canada Inc., a subsidiary of Airbus Atlantic SAS, to produce the Escape Hatch Door for the Airbus A220 - strengthening India's role in the program's global supply chain. We began commercial production at our Bangalore facility a year ago.

We are proud to mark the delivery of our 50th shipset of A220 Escape Hatch Door to Mr. Cédric Gautier, CEO, Airbus Atlantic, and Mr. Frédéric Roumegoux, CPO, Airbus Atlantic. This milestone paves the way for deeper collaboration and future growth in global aerospace manufacturing.



Delivery of 50th Shipset of A220 Escape Hatch Door

Our partnership with Deutsche Aircraft of Germany to industrialize the Rear Fuselage for the next generation, fuel efficient D328eco® regional turboprop is well underway.

From the design floor to serial production, we have built complete capabilities - world class tooling, precision jigs, detail part manufacturing, and complex assembly - all at Dynamic Aerotropolis.



Inauguration of the Deutsche Aircraft D3280eco® Assembly Line

Mr. Tobias Gotthardt, State Secretary of the Bavarian State Ministry for Economic Affairs, Regional Development and Energy, and Mr. Nico Neumann, Co-CEO of Deutsche Aircraft officially inaugurated the assembly line.

As part of the Make in India initiative, Dynamatic Technologies is partnering with Dassault Aviation to manufacture and assemble aerostructures which include detail parts, toolings, assembly jigs and complex assemblies.



Delivery of First Shipset of Dassault Falcon 6x Rear Fuel Tank Assembly

Leveraging our precision engineering and world-class facilities, we delivered the first Rear Fuel Tank Assembly for the advanced Falcon 6X business jet ahead of schedule on 4th December 2024, in the presence of Mr. Bruno Coiffier, Mr. Dominique Stefani, Mr. Harvansh Batra and Dassault senior executives.

This milestone reinforces Dynamatic's position as a preferred global aerostructures supplier, strengthens Indo-French aerospace



Dassault Falcon 6x Rear Fuel Tank Assembly Line

collaboration, and showcases India's growing capability to deliver complex aircraft components to exacting international standards.

Strengthening India's Defence Capabilities

During the Covid period, Dynamatic Technologies had developed defence capacity for Bharat Electronics Limited (BEL). Presently, Dynamatic Technologies has successfully indigenised the complex Vertical Launch Unit (VLU) structure for the Indian Navy's LRSAM program, delivering two units that passed critical hang-fire tests. We are currently executing an order for eight more units, with deliveries starting August 2025. This project highlights our advanced engineering capabilities and commitment to strengthening India's indigenous defence manufacturing.



Vertical Launching Unit (VLU) structure (marked in red)



*Everything is produced by Knowledge. It rests on Knowledge.
The world is led by Knowledge. Knowledge is its cause.*

- Aitareya Upanishad, Chapter 3

Precision Engineering for Space Applications

Dynamatic-Oldland Aerospace® was awarded a contract by Thales Alenia Space France to manufacture a Vertical Hoisting Device for the SPACE INSPIRE spacecraft program. Precision-engineered systems like this, built from aerospace-grade materials with advanced mechanisms, expand our role in the global space industry and strengthen partnerships with leading international OEMs.



Delivery of Vertical Hoisting Device

The delivery of the Vertical Hoisting Device was handed over to Mr. Deepak Talwar, VP - Global Procurement for Engineering and for India and AMEWA, in presence of Thales Alenia Space senior executives Mr Roque Carmona, SVP Group - Chief Procurement Officer, Mr. Damien Romegoux, VP Mechanical Segment Global Procurement.

Hydraulics: Realignment for Long-Term Efficiency

Our Hydraulics segment enjoyed strong demand in India on the back of favourable monsoon and sustained investment in infrastructure. The government's significant increase in

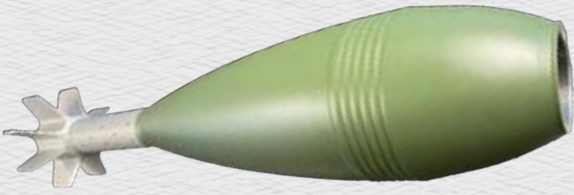


capital expenditure on urban development and transportation is expected to drive growth in construction activity and, in turn, demand for hydraulic systems.

During the year, we initiated a major operational realignment to strengthen our long-term competitiveness. With the war continuing in Ukraine and fracturing of our hydraulic supply chain in Europe, there was continuous disruption in production at our Swindon UK facility. Some of these changes appear to be permanent and pose a risk to our customers and shareholders. We are therefore strategically transferring select production lines to India as a protective measure. While this transition involves upfront costs and near-term operational impact, it is expected to unlock substantial savings and operational robustness from H2 FY26 onwards.

Metallurgy: Navigating European Slowdown, Pivoting to Defence

Our Metallurgy division continued to navigate a difficult European industrial environment marked by weak demand, high inflation, and elevated energy costs — all of which have weighed on revenues and margins. Industrial production in Germany remains well below pre-pandemic levels, impacting our customer base.



Completed 120mm Shell

Against this backdrop, we have accelerated diversification into aerospace and defence. We successfully developed a range of prototype defence products during FY25 and are now awaiting serial orders from Western European customers. While changes in policy have temporarily delayed off-take of Erla's shell production, the increasing defence allocation by Germany and the EU is encouraging local manufacturers to expand production - a trend we believe will create meaningful opportunities for us in the years ahead.

INDIA: Private Sector Ecosystem for Public-Private Partnership



Udayant Malhoutra showcasing the aerospace manufacturing to Shri Jitendra J Jadhav, Director General of ADA

We proudly hosted Shri Jitendra J Jadhav, Director General of the Aeronautical Development Agency (ADA), alongside leading innovators and manufacturers from India's private aerospace and defence sector. This engagement reaffirmed our shared mission to strengthen the nation's aerospace and defence capabilities through dynamic Public-Private Partnerships.

By driving innovation and fostering indigenous technologies, this collaboration is powering India's journey toward strategic self-reliance. Together, we are not only building an advanced aerospace ecosystem, but also shaping a stronger, secure, and self-reliant nation.



Indian Private Aerospace companies participated in the meeting

Looking Ahead

Across each of our business segments, Dynamatic Technologies has demonstrated the ability to adapt quickly, invest strategically, and deepen customer partnerships. The strategic decisions we have taken in industrialising future aerospace programs, optimising hydraulics manufacturing, and diversifying metallurgy into defence - place us in a strong position to capture growth opportunities while navigating global uncertainties.

Once again, I would like to express my gratitude for your continued support as we navigate through these challenging times. With our diversified business segments and strategic initiatives, I am confident that Dynamatic will prosper in the future.

I thank you for your continued support.

Sincerely,

Udayant Malhoutra
Chief Executive Officer & Managing Director

Dynauton Systems® - Revolutionizing Defence Operations

Dynauton Systems® is a next-generation Indian technology start-up and is wholly owned and housed within Dynamatic Technologies Limited. Dynauton focuses on the design and manufacture of advanced Unmanned Aerial Systems and critical subsystems such as gimbals, autopilots, radars, propulsion units, avionics, and integrated software solutions. The company is also developing cutting-edge anti-drone technologies including radio-frequency directional finders, drone detection radars, electro-optic systems, and loitering munitions.

With a highly experienced team drawn from premier Indian institutions and multinational organizations, Dynauton is dedicated to delivering world-class engineering and manufacturing excellence for unmanned systems in India. Our current focus is on expanding our UAV portfolio to enhance military operational capabilities and strategic intelligence, providing advanced surveillance and loitering munition solutions that empower armed forces to operate effectively in critical environments.



Dynauton Systems® Team at Dynamatic Aerotropolis

At Dynauton Systems®, we are driven by a singular purpose to design and manufacture advanced unmanned systems and defence technologies that redefine the national capability.

Over the past year, we have strengthened our position as a trusted partner in defense and strategic technology by delivering cutting-edge solutions across core domains.

Kaatil® - Loitering Munition

The Kaatil® Unmanned Aerial System (UAS) is a state-of-the-art loitering munition designed for precision strike capabilities. Engineered for mission-specific adaptability, the platform accommodates a diverse array of modular, rapidly interchangeable payloads and can be configured as an expendable aerial target for training and defensive applications.



Kavaa® - Surveillance

The Kavaa® platform is the product of sustained R&D and a strategic response to identified gaps between available technology and critical user requirements. Its design has been iteratively refined through comprehensive field trials to deliver unparalleled operational effectiveness with the use of advanced sensors including optical, IR and Lidar.



Cheel® - Long Range, High Endurance Surveillance

The Cheel® VTOL Surveillance Drone represents a paradigm of aerial reconnaissance, integrating Vertical Take-Off and Landing capability with state-of-the-art sensor technology. Purpose-built for demanding Intelligence, Surveillance, and Reconnaissance (ISR) missions, it serves as a force multiplier for a diverse spectrum of strategic military, civil security, and law enforcement applications.

Patang® - Surveillance

The Patang® Tethered UAS is a state-of-the-art platform designed to provide continuous, real-time operational oversight. Engineered for mission-specific adaptability, Patang® features a highly configurable, quick-swap payload capability, supporting a broad spectrum of surveillance sensors and tactical equipment.



Our vision is to be recognized this decade as a leading Indian technology company creating world-class products in uncrewed autonomous systems and industrial robotics. Our mission is to deliver reliable, high-performance solutions that bring value to our customers and shareholders, while ensuring responsible leadership in emerging technologies.

This mission is powered by the extraordinary capabilities of our team - seasoned experts from premier institutions including IITs and NITs, with 15–20 years of experience in aerospace, robotics, optronics, electronics, RF and satellite systems, and electronic warfare. Their dedication and ingenuity fuel our progress and keep us at the forefront of innovation.

KEY INDIGENOUS PRODUCTS

Unmanned Aerial Vehicle (UAV):

Fully in-house designed aircraft platform capable of long-endurance missions. The company undertakes aircraft design, structural analysis, part manufacturing (fuselage, tail, boom, wing), and system integration for its UAVs.

Autopilot (AP):

Proprietary autopilot system designed, manufactured, and tested by Dynauton. This includes schematic and Gerber design for avionics, PCB manufacturing, assembly, and dedicated software development and testing for robust flight control.

Remote Video Terminal (RVT):



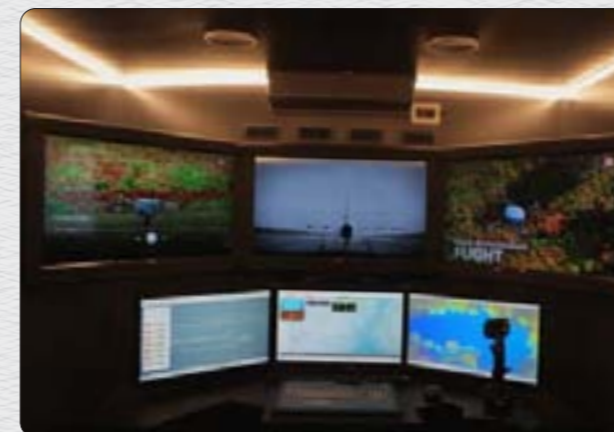
In-house designed terminal for streaming and processing video feeds from UAVs. Supports indigenous video processing and transmission techniques.

Battery Management System (BMS):

Custom-developed BMS to extend UAV endurance and operational safety. Handles battery charging, usage, and health monitoring.

Ground Control Station (GCS):

The GCS is fully engineered by Dynauton, including software for terrain mapping, artillery correction, Lidar integration, payload field-of-view mapping, military maps, and real-time control and analytics. Both hardware and software aspects are developed and integrated locally.



Gimbal and Video Processing Unit (GVPU):

Dynauton has built EO/MWIR/LRF gimbal payloads and video processing platforms. Modal analysis, design, manufacturing, payload integration, and optical test setups are conducted in-house. The system supports day and night cameras with ranges up to 20km, and provides real-time video enhancement and advanced analytics.



Power Distribution Unit (PDU):

Engineered and manufactured by Dynauton, the PDU ensures safe and efficient power management across UAV systems.



Ground Data Terminal (GDT):

Dynauton's GDT, including the shelter design and all subsystems, provides robust ground connectivity and uplink/downlink capabilities for communication with airborne platforms. Subsystem and mast testing, and DG integration are undertaken at Dynauton.



Cheel® with the Ground Data Terminal vehicle

SYSTEM OF AUTONOMOUS SYSTEMS





C O R P O R A T E S T R U C T U R E

BOARD OF DIRECTORS



Prof. Pradyumna Vyas
Independent Director
Chairman - Stakeholders Relationship Committee
Chairman - Nomination & Remuneration Committee
Chairman - Technology & Strategy Development Committee
Chairman - Finance Committee
Member - Audit Committee
Member - Risk Management Committee
Member - Corporate Social Responsibility Committee
Director - Dynamatic Manufacturing Limited
Director - JKM Eria Automotive Limited



Pierre de Bausset
Independent Director & Chairman
Chairman - Audit Committee
Chairman - Risk Management Committee
Member - Nomination & Remuneration Committee
Member - Technology & Strategy Development Committee
Member - Stakeholders' Relationship Committee
Member - Finance Committee
Director - Dynamatic Limited, UK
Director - Eisenwerk Eria GmbH, Germany



Gaitri Issar Kumar
Independent Director
Chairperson - Corporate Social Responsibility Committee
Member - Audit Committee
Member - Nomination & Remuneration Committee
Member - Risk Management Committee
Member - Finance Committee
Member - Technology and Strategy Development Committee



Udayant Malhoutra
CEO & Managing Director
Chairman - Share Transfer Committee
Member - Technology & Strategy Development Committee
Member - Stakeholders' Relationship Committee
Member - Finance Committee
Member - Risk Management Committee
Chairman - JKM Global Pte Ltd, Singapore
Chairman - Dynamatic Ltd, UK
Chairman - Yew Tree Investments Ltd, UK
Geschäftsführer - Eisenwerk Eria GmbH, Germany



Shivaram V
Chief Legal Officer and Company Secretary



Ajay Gururaj
Chief Commercial Officer



Dietmar Hahn
Non-Executive Director
Member - Technology & Strategy Development Committee
Executive Director - Eisenwerk Eria GmbH, Germany



Chalapathi P
Executive Director & Chief Financial Officer
Director - Dynamatic Manufacturing Limited
Director - JKM Eria Automotive Limited
Director - JKM Global Pte. Limited
Member - Corporate Social Responsibility Committee
Director - JKM Research Farm Limited



James Tucker
Non-Executive Director
Global COO - Dynamatic-Oldland Aerospace®
Member - Technology & Strategy Development Committee
Managing Director - Dynamatic Limited, UK
Director - Yew Tree Investments Limited, UK



Ravichander V
Chief Technology Officer
Director - Dynamatic Manufacturing Limited
Director - JKM Eria Automotive Limited
Director - JKM Research Farm Limited



Pramilla Malhoutra
Director - JKM Global Pte Limited
Director - Dynamatic Limited, UK
Director - JKM Eria Automotive Limited
Director - JKM Research Farm Limited



Jayagopal Gajendra
Head - Corporate Treasury



Srinivas M K
General Manager - Legal, Compliance & Secretarial



Enrico Fischer
Managing Director
Eisenwerk Eria GmbH



Junia Sebastian
Independent Director - Dynamatic Manufacturing Limited



Krishna Raj Rao
Head - Operations
Dynamatic Manufacturing Limited



Steve Hayes
Technical Director
Aerospace Division,
Dynamatic Limited, UK



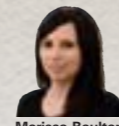
Darren Bancroft
Head - Operations
Aerospace Division,
Dynamatic Limited, UK



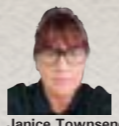
Lt Gen Sanjeev Madhok (Retd.)
PVSM, AVSM, VSM
Head - Defence Business,
Dynamatic Technologies Limited



Geoff Dore
CFO - UK
Director - Dynamatic Limited, UK
Director - Eisenwerk Eria GmbH, Germany



Marissa Boulton
Head - HR & IR
Hydraulics Division,
Dynamatic Limited, UK



Janice Townsend
HR Manager
Aerospace Division,
Dynamatic Limited, UK



Adam Joachim
Operations Manager
Hydraulics Division
Dynamatic Limited, UK



Darren Fisher
Head - Operations
Hydraulics Division
Dynamatic Limited, UK



Jay Prakash Singh
Senior General Manager
Systems Design



Sujee Teppal
Senior General Manager
Aeronautic Design

SENIOR MANAGEMENT

DIRECTORSHIPS AND AUDITOR DETAILS IN SUBSIDIARIES

DYNAMATIC LIMITED, UK

Chairman
Mr. Udayant Malhoutra
Director
Mr. Michael John Handley
Director
Mr. Geoff Dore
Director
Mrs. Pramilla Malhoutra

Director
Mr. Pierre de Bausset

Managing Director
Mr. James Tucker

Technical Director
Mr. Steve Hayes

Auditors
TC Group, UK

YEW TREE INVESTMENTS LIMITED, UK

Chairman
Mr. Udayant Malhoutra

Director
Mr. James Tucker

Auditors
TC Group, UK

EISENWERK ERLA GmbH, GERMANY

Chairman
Mr. Udayant Malhoutra

Executive Director
Mr. Dietmar Hahn

Director
Mr. Pierre de Bausset

Managing Director
Mr. Enrico Fischer

Director
Mr. Geoff Dore

Auditors
Deloitte GmbH, Germany

JKM GLOBAL PTE LIMITED, SINGAPORE

Chairman
Mr. Udayant Malhoutra

Director
Mrs. Pramilla Malhoutra

Director
Mr. Vinod Kumar C

Director
Mr. Chalapathi P

Auditors
IR Practice
Singapore

JKM ERLA AUTOMOTIVE LIMITED

Director
Prof. Pradyumna Vyas

Director
Mrs. Pramilla Malhoutra

Director
Mr. Chalapathi P

Director
Mr. Ravichander V

Auditors
Deloitte Haskins & Sells LLP
Chartered Accountants
Bangalore

DYNAMATIC MANUFACTURING LIMITED

Director
Prof. Pradyumna Vyas

Director
Ms. Junia Sebastian

Director
Mr. Chalapathi P

Director
Mr. Ravichander V

Auditors
Deloitte Haskins & Sells LLP
Chartered Accountants
Bangalore

JKM RESEARCH FARM LIMITED

Director
Mr. Chalapathi P

Director
Mr. Ravichander V

Director
Mrs. Pramilla Malhoutra

Auditors
Prasad & Kumar
Chartered Accountants
Bangalore

Your Company's Organisational Structure is based on a network of highly talented people who have been empowered to deliver results. A concerted effort has been made to remove hierarchy in everything we do.

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BUSINESS REVIEW REPORT

Dynamatic Limited, UK	
Eisenwerk Erla GmbH, Germany	
Dynamatic Manufacturing Limited, India	
JKM Research Farm Limited, India	

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Pierre de Bausset

Chairman of the Board and Independent Director

Prof. Pradyumna Vyas

Independent Director

Ms. Gaitri Issar Kumar

Independent Director

Mr. Dietmar Hahn

Non-Executive and Non-Independent Director

Mr. James Tucker

Non-Executive and Non-Independent Director

Mr. Udayant Malhoutra

Chief Executive Officer & Managing Director

Mr. Chalapathi P

Executive Director & Chief Financial Officer

KEY MANAGERIAL PERSONNEL

Mr. Udayant Malhoutra

Chief Executive Officer & Managing Director

Mr. Chalapathi P

Executive Director & Chief Financial Officer

Mr. Shivaram V

Chief Legal Officer & Company Secretary

AUDITORS

M/s. Deloitte Haskins & Sells LLP

(ICAI Firm Registration No. 117366W/W-100018)

Chartered Accountants, Bangalore

BANKERS

Axis Bank Limited

BMW Finance

Commerzbank AG

Deutsche Leasing

De Lage Landen

DMG Mori Finance

Export-Import Bank of India

Federal Bank Limited

Hypovereinsbank/ Unicredit

ICICI Bank Limited

IndusInd Bank Limited

Kotak Mahindra Bank Limited

Linde Leasing GmbH

Merca Leasing GmbH & Co. KG

Royal Bank of Scotland

Siemens Financial Services

Societe Generale

Targo Leasing

Volkswagen Leasing GmbH

REGISTERED & CORPORATE OFFICE

Dynamatic Technologies Limited

JKM Plaza, Dynamatic Aerotropolis,

55 KIADB Aerospace Park,

Bangalore - 562149

Tel : +91 80 2111 1223/ + 91 80 2204 0535

Fax : +91 80 2839 5823

Email : investor.relations@dynamatics.net

CIN : L72200KA1973PLC002308

Website : www.dynamatics.com

REGISTRAR & TRANSFER AGENTS

Kfin Technologies Limited

Selenium Tower B, Plot 31 & 32,

Financial District, Nanakramguda,

Serilingampally Mandal,

Hyderabad - 500 032, Telangana.

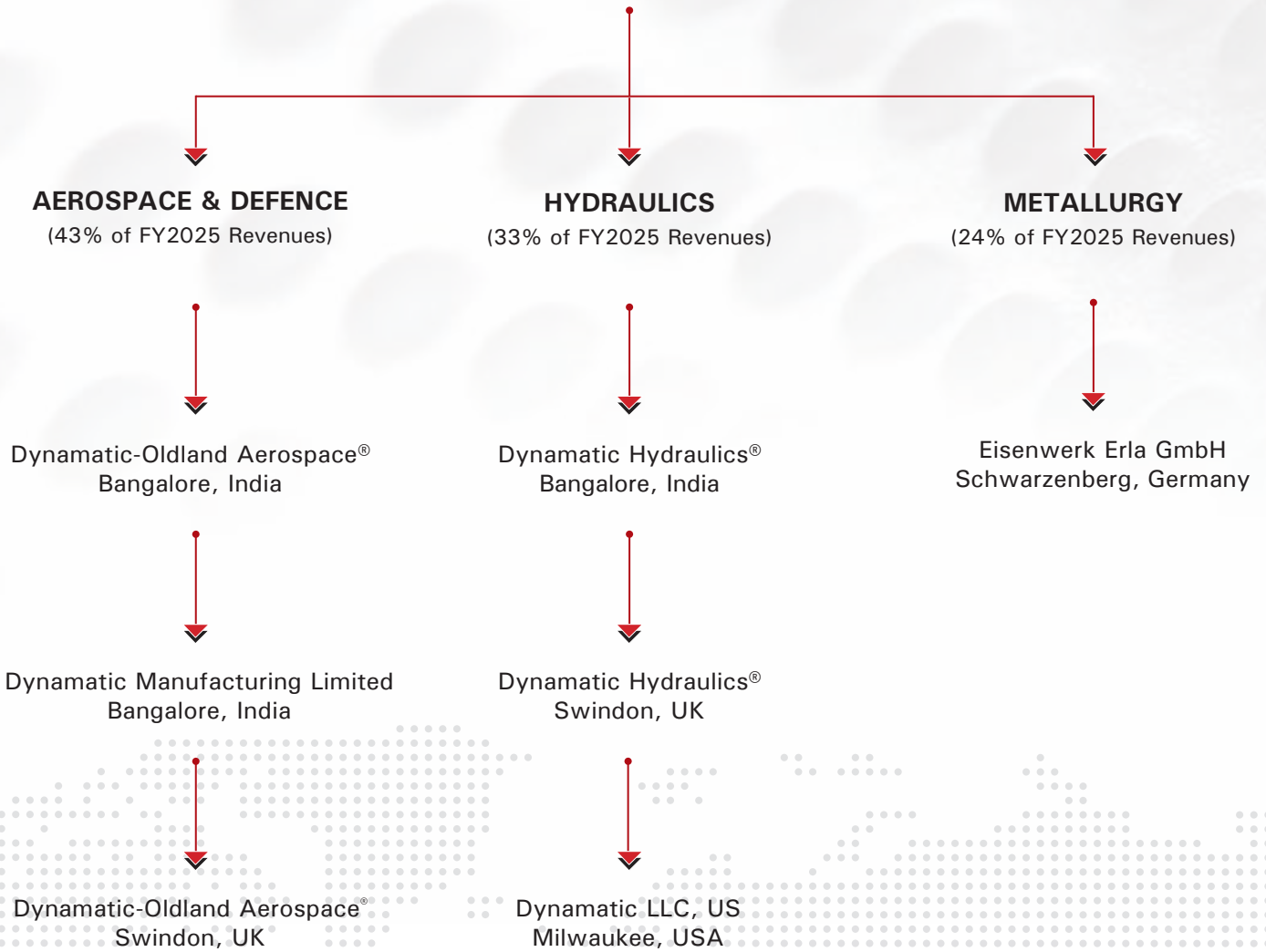
Toll free Number: 1-800-309-4001

Email: einward.ris@kfintech.com

Website: www.kfintech.com

ORGANISATION STRUCTURE

DYNAMATIC TECHNOLOGIES LIMITED INDIA



DIRECTORS' AND KMP PROFILE



Mr. Pierre de Bausset

Independent Director and Chairman

Mr. Pierre de Bausset has 39 years of broad international experience, in Europe, Asia and North America. His career in Corporate Finance covers Forex and Money Market, Asset Financing, Mergers and Acquisition and Investor Relations. As a governance expert, he has taken part in major Shareholder Transitions, Management Turnover, and Governance Enhancements on boards of Publicly Traded Companies, including in times of crisis; his experience spans Appointment & Induction of Key Talents, Stakeholder Advocacy, Mediation and Strategic Transactions Management.

He joined Airbus in 1989 and held various important Management Roles, including President and Managing Director of Airbus Group India and General Secretary of the Airbus. Prior to joining Airbus, he worked with Banque Indosuez, in Beijing and in Paris.

Besides, Pierre de Bausset acted as General Secretary of the Haut Comité du Gouvernement d'Entreprise, the Standard board for compliance of French Publicly Traded Companies with the country's Corporate Governance Code, through 2019. He is also an investor with an interest in tech companies.

He holds an MBA from I.N.S.E.A.D. and a Licence & Diplome Supérieur (Chinese language) from the Institut National des Langues et Civilisations Orientales (The National Institute of Oriental Languages and Civilizations) in Paris.

Mr Pierre de Bausset is a Knight of the Legion of Honor, a French government award for services to his country.



Prof. Pradyumna Vyas

Independent Director

Prof. Pradyumna Vyas is the current President-elect for the World Design Organisation, after having served as a Board Member for the last two terms. He is the Senior Advisor of Design Promotion and Innovation at Confederation of Indian Industry (CII). He was the former Director of National Institute of Design (NID), India's premier design institute. He was also a former Member Secretary - India Design Council (IDC).

Prof. Vyas acquired a Masters in Industrial Design from the Indian Institute of Technology, Bombay and was awarded an 'Honorary Master of Arts' degree in 2010 from the University for the Creative Arts in Farnham, United Kingdom.

With more than 36 years of professional and teaching experience in different spheres of design, Prof. Vyas had been associated with NID for 30 years, first as a faculty member and later on as the Director of the Institute (2009 - 2019).

Prof. Vyas has been at the helm of design affairs and his illustrious career has been marked with several national and international milestones and accolades. His contribution in the formation of India Design Council, 2009, was marked by Prof. Vyas being nominated as its first Member Secretary by the Ministry of Commerce & Industry, Government of India, a post he had retained until his retirement from NID in 2019. During his tenure as Director, NID received the status of Institute of National Importance by the Act of Parliament. He assisted the Government of India during the setting up four new NIDs across the length and breadth of the country. Through India Design Council, he launched India Design Mark in association with Japan Institute of Design Promotion (JDP) on the line of G-Mark.

He has been conferred with multiple awards in recognition for his contributions to design education and promotion, to name a few, World Education Congress, 2015, awarded him for his 'Outstanding Contribution to Education'; he was awarded a 'Lifetime Achievement Award' by Times Education Icons 2017 along with being a jury member for the special awards screening panel at Good Design Award (G- Mark) by the Japan Institute of Design Promotion, Japan consequently in 2012, 2013, 2014 and 2016.

In 2019, he has been awarded the honor of 'Good Design Fellow', by the Japan Institute of Design Promotion (JDP), Tokyo.

Prof. Vyas was appointed as a 'Distinguished Professor' of Shanghai Academy of Fine Arts, China, at the Shanghai Global design Summit, 2019.



Smt. Gaitri Issar Kumar, IFS

Independent Director

Smt. Gaitri Issar Kumar has had a distinguished career in the Indian Foreign Service - where she served from 1986 till her superannuation in June 2022.

Smt. Gaitri Issar Kumar was High Commissioner of India to the United Kingdom and before that Ambassador of India to the European Union, Belgium and Luxembourg. As envoy of India she focused on deepening India's political as well as trade and economic ties with these key players on the global stage.

She has also served as Deputy Chief of Mission at the Indian Embassy in Paris and Counsellor (Disarmament) at the Permanent Mission of India in Geneva. Her early diplomatic assignments were in Portugal and Nepal.

At the Ministry of External Affairs in New Delhi, she headed the Territorial Division concerned with bilateral relations with the US and Canada at a time of widening and deepening of bilateral cooperation across the sectors including in advanced technology and civil nuclear energy.

She has also served in key positions such as Additional Secretary to the President of India and Director (Finance) in the Ministry of External Affairs.

A graduate from Bangalore University where Smt. Gaitri studied History, Economics and Political Science, she holds a Master's Degree in Political Science and is proficient in German and Portuguese languages, with a working knowledge of French and Nepali.



Mr. Dietmar Hahn

Non-Executive and Non-Independent Director

Mr. Hahn has over two decades of rich experience in Operations, Sales and Development, having worked in leadership positions at Eisenwerk Erla GmbH. He is the Executive Director, Eisenwerk Erla GmbH, Germany.

He holds a Diploma for Foundry Engineer from the University of Freiberg, Germany and Certificate's in Product Liability law, Advance Product Quality Planning and Technics of failures mode and effects analyses.



Mr. James Tucker

Non-Executive and Non-Independent Director

Mr. James is the Global Chief Operating Officer for the Aerospace Division, is responsible for overseeing operations within Dynamatic Technologies Limited in Bangalore and Dynamatic Limited in the UK, located in Swindon and Bristol. He became a part of Dynamatic in 2006 when his family business was acquired by the company.

He also actively serves on the Board of both Dynamatic Technologies and Dynamatic Limited in the UK. Mr. James has worked in the Aerospace sector for over 35 years, covering various roles such as tool maker, CNC machine programmer and operator, quality engineer, shop floor manager, aircraft repair engineer, procurement, general manager, project management, sales and marketing, and Director.

Before joining Dynamatic Technologies Limited, James ran his family business, Oldland Aerospace, which grew from a small company to a successful business with long-term contracts supplying Tier 1 companies in the UK & USA. As part of Dynamatic Technologies, James has led major investment projects, including the deployment of advanced 5-axis machine tools and automated material handling systems at factories in the UK and India. His professional certifications include City and Guilds levels 1, 2, and 3, HNC CNC Programming & Mechanical Engineering, aircraft repairs training, quality & metrology, lean manufacturing, and being an audit signatory.



Dr. Udayant Malhoutra

Chief Executive Officer and Managing Director

Dr. Malhoutra is the CEO and Managing Director of Dynamatic Technologies Limited and has been associated with the Company for over three decades. He is credited with building and nurturing a world class management team and transforming the Company into a knowledge-based organisation with global operations.

He has served as the Chairman of the National Sector Skills Council for Strategic Manufacturing, and Chairman of the National Institute of Design, Amravathi. He is a member of CII National Council and has chaired the CII National Committees on Design and Technology. He has also served on the Board of Governors, IIT Kanpur, and is a past President, Fluid Power Society of India. He is an active member of the Young Presidents' Organization (YPO), having served as Chairman, India & South Asian Area and as a member of the International Board of Directors.

He has been conferred the degree of Doctor of Engineering & Technology (Honoris-Causa) from University of Engineering and Management, Kolkata, in recognition of his outstanding contribution in the field of Technology & Innovation and his dedicated service to the nation.



Mr. Chalapathi P

Executive Director and Chief Financial Officer

He is a Chartered Accountant and a Postgraduate in Commerce. He has been with Dynamatic since 2009 in various roles. Prior to joining Dynamatic, he was working with Interplex Electronics India Pvt. Ltd, Bangalore (US based manufacturing MNC owned by Blackstone).

His experience of 17 years spans over financial strategy & investment decisions, treasury management and banking relationships, driving change in the organisation, driving digitisation & adaption to technology, overseeing direct & indirect tax including transfer pricing enquiries, project costing, SEBI, FEMA, corporate governance, investor relations, audit committee matters, mergers & acquisitions and RBI matters. Prior to this role, he held significant positions and was responsible for Finance & Accounts, Controlling, Taxation, Audits, Project costing. With extensive experience in financial leadership, he brings a wealth of expertise in financial reporting, risk management, and strategic growth initiatives. He is a strong team player and is known for his approachability. He is a winner of CFONXT100 award for 3 consecutive years in 2015, 2016 & 2017 and winner of CFO100 for 2020.



Mr. Shivaram V

Chief Legal Officer and Company Secretary

Mr. Shivaram is a qualified Company Secretary and a Law Graduate with over twenty years of experience in Company Secretarial and Legal matters. He has worked across various industries including Power, Pharmaceutical, Plantations, and Manufacturing. He also holds Post Graduate Diploma in Business Administration from Symbiosis University, and a PG Diploma in Foreign Trade. His expertise encompasses Mergers and Acquisitions, Equity Issues, FEMA & SEBI Compliances, Corporate Governance, Compliance, Risk Management, Board Management, Contract Negotiation and Management, Litigation, Regulatory Affairs, Policy Development, Intellectual Property and Patent Strategy, Industrial Relations as well as settlement and trial strategies.

Prior to joining the Company, Mr. Shivaram held a senior position in the Secretarial and Legal department of a Tata Group Company. Before that, he served as the Company Secretary at one of the Manipal Group companies.

COMPANY OVERVIEW

Incorporated in 1973, Dynamatic Technologies Limited ('Dynamatic Technologies' or the 'Company') is a manufacturer of highly engineered, mission critical products for the Hydraulics, Aerospace and Metallurgy industries. With futuristic design, engineering and manufacturing facilities in Europe and India, Dynamatic Technologies serves customers across six continents.

The Company is one of the world's largest manufacturers of hydraulic gear pumps and has held the leadership position in hydraulic gear pumps market for over 45 years. Dynamatic Hydraulics has approximately 80% share of the Indian OEM tractor market and about 38% of the global tractor market. Dynamatic Technologies is a pioneer and leader, amongst the private sector, in both India and the UK, for the manufacture of precision flight critical, and complex airframe structures and aerospace components. It is a Tier-1 supplier to the global aerospace OEMs and primes such as Airbus, Boeing, Bell Helicopters, Dassault Aviation, Duetsche Aircraft GmbH, Thales, Hindustan Aeronautics Limited, and Bharat Electronics Limited. The Company also manufactures high precision, complex metallurgical ferrous for performance critical components such as turbochargers and exhaust manifolds and has advanced capabilities to support the OEM needs.

Dynamatic Technologies' facilities located in India (Bangalore & Coimbatore), United Kingdom (Swindon & Bristol) and Germany (Schwarzenberg), are Environmentally sensitive – Green, lean, clean and aligned to our vision of CARE. The Company is vertically integrated, with its own alloy-making, casting and forging capabilities as well as its own captive green energy sources.

HYDRAULICS

Dynamatic Hydraulics® is one of the world's largest manufacturers of Hydraulic gear pumps & valves in the world with three state-of-art manufacturing facilities located in India (Bangalore), one in UK (Swindon) and one in USA (Milwaukee). The Company has technology leadership in the hydraulics segment globally with the finest in-house engineering laboratories and rapid prototyping capabilities both in India and in the UK. Both India and the UK manufacturing facilities are ISO 9001: 2015 certified with Indian facilities also certified for Environmental Health & Safety based on ISO 14001: 2015 & ISO 45001: 2018. Indian facilities are all certified to Information Security Management System on ISO 27001: 2022.

INDIA

Dynamatic Hydraulics® India manufactures hydraulic gear pumps & geared motors and other hydraulic solutions. It is supported by experienced application engineering team, advanced research and development team and rapid prototyping capabilities offering lowest time to market for the fluid power industry.

Dynamatic has three manufacturing plants in Bangalore and produces nearly one million pumps every year. The heat treatment of gears is done in-house in sealed quench furnaces and has established metallurgy and metrology laboratories attached and a well-equipped validation & endurance testing facility.

Dynamatic supplies customers both Aluminium body pumps and Cast-iron body pumps depending upon the end application. The pumps produced are available in four frame sizes giving displacement from 1.23 cc/rev to 151 cc/rev. Pumps are also available in tandem configurations and company specialises in supplying units to special order instructions including multiple section pumps.

KEY CUSTOMERS WORLDWIDE

JOHN DEERE

JCB

TEREX

ALEXANDER DENNIS

MacDon





Dynamic Hydraulics® Leadership Team, India

The Company has the capability to build customized solutions for any application ranging from:

- Farm Mechanisation – Agricultural Tractors and Harvesters,
- Off-Highway Vehicles,
- Construction Equipment,
- Metal Cutting & Metal Forming,
- Material Handling and Mining Equipment.

These capabilities complimented by a robust production system has enabled us to achieve and sustain over 80% market share for pumps on agricultural tractors produced in India and 38% share of agricultural tractors produced globally.

Dynamic Hydraulics® India also designs and builds complete hydraulic solutions including axial piston pumps, specialized hitch control valves, distributor valves, distributor valves, rock shaft assemblies including 3-point linkages and a wide range of pressure and flow control valves including steering control valve for the agricultural tractors.

The company owns the IP rights of the pumps designed and the entire design and development process is managed on windchill platform. The engineering data is well protected in digital form.

Dynamic produces a wide range of custom-tailored hydraulic solutions extending from simple hydraulic pumping units to complex marine power packs and aircraft ground

support systems to turnkey Industrial installations. The company also supplies India’s Defence Forces with the hydraulic transmission system including steering control system, turret control system and brake actuating system for the battle tank.

Dynamic also manufactures very high flow scavenging lube oil pumps for off-highway vehicles and marine and offshore equipment for global OEMs, power steering units for agri and construction equipment and variable delivery axial piston pumps. The Company also designs and build customised hydraulics solutions extending from simple hydraulic pumping units to complex marine power packs and aircraft ground support systems to turnkey industrial installations.

KEY CUSTOMERS

M&M

ITL

JOHN DEERE

HAL

DLW

ESCORTS

SAME DEUTZ FAHR

JCB

CUMMINS

CNH

TAFE

WIRTEGEN

ACE

ATLAS

COCCO

MTPF

UNITED KINGDOM

Dynamic Hydraulics® facility in Swindon, UK, has over six decades of experience in the design and manufacture of gear pumps, gear motors and piston pumps. It supplies products to agricultural, construction and off-highway vehicle manufacturers in UK, Europe and the USA. The facility houses state-of-art product testing and validation including burst test, calibration test, high temperature tests and noise study.

The product portfolio includes aluminium body, hydraulic gear pumps & motors from low to very high-pressure ratings, integrated gear & piston pump packages designed for energy saving and overall equipment, heavy duty yet compact cast iron gear pumps, fan drive motors with integrated control valves and a wide range of valves for pressure and flow controls for use on integrated hydraulic packages.

The company has an extensive marketing network, with marketing sales and servicing branches in all key cities across the world.



METALLURGY



Dynamatic Technologies produces complex components for global customers at its plant in Germany. Cast iron alloys with high strength of component through to high-alloy materials that are resistant to wear, or high temperatures are used. In addition to special GJS alloys, Nihard, SiMO, and austenitic alloys are cast in the nodular cast iron and steel sectors. The foundry works with state-of-the-art technology to produce castings and is highly automated in mechanical processing. Highly motivated and trained employees work at the plant. Specialists in the field of design and foundry technology ensure the technological development of the company.

Eisenwerk Erla supplies the agricultural machinery sector, the truck industry, engines for shipbuilding and stationary applications, high-voltage technology, road construction vehicles, engines for sport and leisure and the automotive industry worldwide.

The company's 630-year history bears witness to its stable management and continuous development in the fields of engineering, technology and product development. The plant is one of the most modern foundries in Europe and is constantly involved in the latest machine and process developments. Only in this way is it possible to remain a reliable partner for international customers in the wide field of complex components made of modern materials.

The company is currently in the process of transformation from an automotive/foundry-focus to the aerospace business. Considering the various challenges viz.; supply chain crisis at OEMs; current inflation in Europe; steep and unpredictable increase in the cost of gas and electricity being faced by corporations across Europe, the company could finish successfully corporate restructuring measures through 'Protective Shield process by self-administration' under the applicable German Laws.

Notwithstanding the above, the economic environment should improve after a transformation process from the automotive sector into general industry, defence business and aerospace sector.

KEY CUSTOMERS

BMW, GERMANY AND AUSTRIA

MAN, GERMANY

ROTAX, AUSTRIA

AGCO- FENDT, GERMANY

ROLLS ROYCE, GERMANY AND USA

INNIO JENBACHER, AUSTRIA

VÖGELE, GERMANY

BORG WARNER TURBO EMISSION SYSTEMS

LIEBHERR GROUP, GERMANY

DAIMLER TRUCK, GERMANY

AUDI, GERMANY



AEROSPACE & DEFENCE

Dynamatic-Oldland Aerospace® (DOA) continues to be a leading player in the Indian private sector and the UK for the manufacture of Flight Critical Airframe Structures and High Precision Class 1 Parts. The company has large infrastructure to cater to the needs of OEMs like Airbus, Boeing, BELL Helicopters, Deutsche Aircraft, Dassault Aviation, Thales, Hindustan Aeronautics Limited, Bharat Electronics Limited, as a Tier-1 supplier.

The Company has built a strong continuous improvement culture with deployment of Advanced Product Quality Planning (APQP) and Production Part Approval Process (PPAP) which has been cross deployed from the Automotive Business. We are one of the first companies globally in Aerospace to adopt to this approach and has been appreciated by all the major OEMs including Boeing, Airbus, Bell Helicopters, Deutsche Aircraft, Dassault Aviation, and Thales.



Aero India 2025 - The Future of Aerospace Innovation

Dynamatic Technologies at Aero India 2025: Showcasing India's Aerospace Future

Dynamatic was delighted to welcome all delegates to Aero India 2025 as we collectively explore the future of aerospace innovation.

Inaugural day highlights from our Chalet:

- Hosted Hon. Civil Aviation Minister, Ram Mohan Naidu Kinjarapu, and MoCA Secretary Shri Vumlunmang Vualnam
- Showcased A220 Doors progress to Airbus South Asia President Rémi Maillard and Head of Procurement Thierry Cloutet
- Welcomed delegations from Airbus Defence & Space and German Consulate General Bangalore
- Engaged with Mr. Kondapalli Srinivas, Minister, Govt of Andhra Pradesh
- Presented indigenous innovations to Air Marshal Sanjiv Ghuratia, Lt. Gen. NS Raja Subramani, and Air Marshal Yalla Umesh

We remain committed to Make in India and to advancing homegrown aerospace and defence technologies.



Dynamatic Technologies awards Aequs for supply of complex Airbus A220 door components

Dynamatic Technologies Limited and Aequs Private Limited announced a new contract for the supply of complex structural parts for the Airbus A220 Door Program.

Under this five-year contract, awarded by Dynamatic, Aequs will manufacture and supply over 200 detailed components, leveraging its end-to-end capabilities in tool design, forgings, machining, and surface treatment.

This collaboration reinforces the strategic partnership between two key players in the global aerospace supply chain and highlights their shared commitment to delivering high-precision, quality components for next-generation aircraft programs.

"This is a significant milestone in our enduring partnership with Aequs, aligning with our commitment to deliver world-class aerospace assemblies. By leveraging Aequs' diversified capabilities for complex component manufacture, we are further strengthening India's aerospace ecosystem and advancing our ability to seamlessly meet global standards in precision, quality, and reliability. The synergy between our two organizations ensures that we continue to raise the bar in delivering cutting-edge aerostructures for Airbus' A220 program, marking a new chapter of collaborative innovation and value creation in the global supply chain."

-Udayant Malhoutra, CEO & Managing Director of Dynamatic Technologies

"This is a significant collaboration between Dynamatic Technologies and Aequs and we are honored for the confidence in our capabilities and commitment to quality

and on time delivery. We are proud to stand alongside a prominent aerostructures assembly manufacturer like Dynamatic Technologies as a long-term partner which reflects the increasing maturity of the Indian aerospace ecosystem and its presence in the global supply chain."

- Aravind Melligeri, Chairman & CEO, Aequs

Giving a significant push to the Government of India's 'Make in India' vision, Airbus had contracted Dynamatic Technologies in February this year for one of the largest Aerospace export orders to Indian companies for the manufacturing and assembly of its A220 Family aircraft doors. The contract included the manufacturing of detailed parts components creating downstream opportunities for other Indian suppliers.

Dynamatic Technologies is a demonstrated leader for the development of exacting airframe structures and precision aerospace components and partners with agencies of national importance as well as global aerospace majors. Aequs' proven capabilities deliver across the aerospace manufacturing value chain including forging, precision machining, surface treatment and aerostructure assembly and testing of components for global OEMs. Its operations are located at India's first precision manufacturing SEZ, the Belagavi Aerospace Cluster (BAC), which houses a vertically integrated aerospace ecosystem of co-located manufacturing facilities.

Its facilities in the USA and France complement the India operations in delivering to customer requirements more effectively. This partnership between Dynamatic Technologies and Aequs highlights the shared dedication to excellence and innovation in aerospace manufacturing by the two companies to build India's aerospace ecosystem.



Dassault Falcon 6X Milestone: Rear Fuel Tank Delivered Ahead of Schedule!

The first Rear Fuel Tank Assembly of the Dassault Falcon 6X was handed over to Bruno Coiffier on December 4, 2024, ahead of schedule!

It was a privilege to host Bruno Coiffier, Dominique Stefani, Harvansh Batra, Michel Bantegnie, Aravind Kumar Thotal, Vaitheeswaran Venkatasubramanian, Abhishek Sharma, Reynald Houillez, Vincent Derlon along with other executives from Dassault Aviation at the event.



Honoured to Host Union Minister Shri Rammohan Naidu Kinjarapu at Dynamatic Aerotropolis

Dynamatic Technologies Limited was honored to host our energetic and visionary Union Minister for Civil Aviation, Shri Rammohan Naidu Kinjarapu, alongside the Secretary of Civil Aviation, Shri Vumlunmang Vualnam, and esteemed dignitaries from the Ministry of Civil Aviation, Government of India (MoCA) at Dynamatic Aerotropolis. Key leaders from India’s top private aerospace companies and the Council of Scientific and Industrial Research – National Aerospace Laboratories (CSIR-NAL) contributed invaluable insights to our discussions on the Regional Transport Aircraft (RTA) initiative, paving the way for significant advancements in India’s aviation sector.



AWARDS AND ACCOLADES

For nearly four decades, the Quality Circle Forum of India (QCFI) has been a key driver of skill development across diverse sectors. Through education, training, awareness programs, hands-on demonstrations, and implementation support, QCFI promotes the adoption of quality concepts in manufacturing, maintenance, services, education, healthcare, rural development, and community initiatives. Teams from Dynamatic Technologies have consistently been at the forefront of every competition organized by QCFI at the chapter, national, and international levels. In 2024, our teams achieved remarkable success, winning several prestigious titles, as outlined below.

Dynamatic Triumphs at ICQCC-24 with Double Gold Awards for Kaizen Excellence!

Dynamatic Technologies Limited is delighted to announce a significant achievement at the 49th International Convention on Quality Control Circles (ICQCC-24), held on November 12, 2024. Organized by the Sri Lanka Association for the Advancement of Quality and Productivity (SLAAQP), this event highlighted our teams' exceptional efforts.



ICQCC-24 Highlights:

Theme: **BEYOND BOUNDARIES: A Quest for Quality, Productivity & Innovation**

Focus: Experience sharing and successful case studies presentation

Our teams, Spirit Mergers (Spirit A320 Re-Design) and Rising Stars (Machine Shop), presented their Kaizen improvement case studies and both secured "GOLD" Awards (1st Place)!

This remarkable accomplishment reflects our teams' dedication, hard work, and commitment to excellence. We extend our heartfelt congratulations to each team member for this outstanding success.

Celebrating Excellence: Highlights from the 33rd Chapter Convention on Quality Winners

Dynamatic Technologies Limited proudly celebrates the outstanding achievements of its teams at the 33rd Chapter Convention on Quality Concepts, organized by the Quality Circle Forum of India (QCFI) and hosted by the Bangalore Chapter on September 1, 2024.

Aligned with the theme "Investing in People, Building a Better Future", all eight teams from DOA - representing projects including Airbus A330, A220, Bell 407, Boeing, Spirit A321, and A320 RD - presented Kaizen and Pokayoke case studies and were honoured with Gold Awards.

Competing among 1,900 attendees and 475 case studies from 80 organizations, this recognition is a true reflection of our teams' dedication, innovation, and collaborative spirit.



DTL extends heartfelt congratulations to all participants and sincere thanks to the team leaders, facilitators, and coordinators who made this success possible.

CCQC-2024 – Bangalore Chapter

In September 2024, Dynamatic Manufacturing Limited (DML) secured the prestigious Gold Award at the Chapter Convention on Quality Concepts (CCQC) 2024 organized by the Quality Circle Forum of India (QCFI), Bangalore Chapter. Competing among 475 teams and over 1900 participants from more than 80 organizations, DML’s performance stood out under the theme “Investing in People, building a Better Future”. This achievement has also qualified DML to participate in NCQC 2024.

Continuing our winning streak, DML was awarded the First Prize in the English slogan competition held during CCQC 2024. The competition was based on the same theme, highlighting our team’s creativity and passion for quality initiatives.



NCQC-2024 – Gwalior

DML proudly participated its 1st Nationals in 38th National Convention on Quality Concepts (NCQC 2024), held from December 27–30, 2024 at IIITM, Gwalior. Our team’s outstanding performance earned the Excellence Award by competing from over 2,200 teams representing more than 610 organizations, qualifying us for the prestigious International Convention on Quality Control Circles (ICQCC) 2025, to be held in Taipei from November 3–6, 2025.



Quality Month-2024

Quality Month is an annual celebration of the world’s commitment to continual improvement systems. This celebration provides a platform to acknowledge the accomplishments of people and organizations making advancements and valuable contributions to quality in businesses, communities, and institutions worldwide.

Quality Month calls on people who are always seeking to improve quality and are eager to initiate new approaches by sharing their knowledge and submitting success stories that highlight the value of quality principles.

During World Quality Month in November 2024, Dynamic Technologies Limited (DTL) and Dynamic Manufacturing Limited (DML) organized a series of engaging activities to reinforce the importance of continuous improvement and employee empowerment. Initiatives included internal and supplier training on “Quality at Source – Human Factors & Continual Improvement,” as well as various competitions such as Best RCCA (Root Cause Corrective Action), poster design, rapid-fire quizzes, skits, and the Eye-Ball Technique (FOD checks). DML also conducted campus drama (street drama) performances to promote quality awareness. These events fostered a vibrant quality culture across both organizations. Winners were recognized and awarded, with the prestigious Quality Month Champion Trophy presented to the department or project team demonstrating the best overall performance throughout the month.



MEDICAL

Your Health is Our Concern – A Commitment to Diagnostic Excellence

Dynamatic Technologies is proud to highlight the achievements of our in-house Dynamatic Biosecurity Laboratory, established during the COVID-19 pandemic as a proactive initiative to ensure the health and safety of our employees. Since its inception, the lab has consistently supported not only our internal stakeholders but also served external clients with high-quality diagnostic services.

A State-of-the-Art Diagnostic Facility

Strategically located at No. 55, JKM Plaza, Dynamatic Aerotropolis, KIADB Aerospace Park, Bengaluru, the Dynamatic Biosecurity Laboratory is NABL-accredited (ISO 15189:2022), ensuring adherence to the highest international standards of quality and accuracy. You can rest assured of consistent quality delivery at all times. We actively participate in External Quality Assurance Schemes conducted by AIIMS-Delhi and CMC-Vellore to maintain consistent and reliable results, setting us apart from our competitors.



The facility encompasses across four major departments:

- Clinical Biochemistry
- Clinical Pathology
- Haematology
- Molecular Testing

Our infrastructure includes advanced, fully automated systems and is operated by a team of highly qualified microbiologists, research scientists, and certified laboratory technicians.

Excellence in COVID-19 Testing and Beyond

Our laboratory offers gold-standard RT-PCR testing for COVID-19 diagnosis, with sample collection managed onsite by trained professionals. We adhere to rigorous quality assurance protocols, ensuring reliable and timely results. Our services have since expanded to a comprehensive diagnostic portfolio covering routine and specialized tests across key medical disciplines.

Health Checks

For prompt intervention and health transformation, we provide corporates with complete health check programs that are integrated with clinical analytics. Employee health checks foster a culture of wellbeing by promoting the company's principles on the health and welfare of its employees. Additionally, it guarantees that workers receive the best treatment possible and have the knowledge they need to make decisions quickly

Health Check Model incorporates:

Hybrid Delivery

Home sampling clinical intervention diagnosis and consultations, off-site care, and on-site clinics.

Clinical Intervention

Prescription drugs, digital dashboards, clinical insights and reporting, and health analysis.

Customer Experience

Care coordination and handholding, a strong NPS feedback system, and a personalized communication plan according to the age, gender, and health status of the staff.

Non-Pathological services

Onsite Camps (PFT , ECG, Audiometry, Eye Chest, X Ray, Vertigo Test).

Vaccination ((Typhoid Hepatitis A, Hepatitis B, Tetanus (TT) etc.

Advanced Equipment and Technology

Dynamatic Biosecurity Laboratory is equipped with instruments from leading global manufacturers:

- BIORAD CFX 96 C1000 – Molecular Testing
- TOSOH – Immunoassays
- TRIVITRON Nanolab 200 – Biochemistry and Haematology
- DIASYS – Clinical Pathology

The lab strictly complies with Good Laboratory Practices (GLP) and is actively enrolled in national External Quality Assurance Schemes (EQAS) for benchmarking and continuous quality improvement.

Leadership and Team

The lab is led by Dr. Kumkum Kumari, Ph.D., a seasoned expert in Molecular Biotechnology, Microbiology, and Cell Biology. She is supported by a skilled team including MD Pathologists, MD Microbiologists, M.Tech professionals in Biotechnology, and DMLT-certified technicians. Together, they ensure seamless operations, from sample collection to result reporting.

Innovation and Research Development

Dynamic Medical is focused on developing next-generation in-vitro diagnostic (IVD) products under CDSCO-authorized R&D licenses, including:

1. HCV Rapid Antibody Test Kit
2. Viral RNA Isolation Kit
3. DNA Extraction Kit

These innovations reflect our dedication to transforming healthcare through precise, accessible, and high-quality diagnostic solutions. We are also pursuing licenses for HIV, Dengue, and Malaria IVD kits, further expanding our portfolio to address pressing global health challenges.

FY 2024–25 Highlights

- Clients Served: 15
- Diagnostic Camps Conducted: 17
- Individuals Diagnosed: 1695

Our team also underwent extensive training to ensure continued excellence in patient handling and diagnostics.

We are honoured to have received a letter of appreciation from HCL Healthcare Avitas Private Limited, recognizing our commitment to professionalism, hygiene, transparency, and quality.

Clients

We extend our sincere gratitude to our esteemed clients who placed their trust in our services: Brekkie food private limited, KDDL limited, Teva pharmaceuticals, Truffles, Orchids International School, HealthMeter Services Pvt Ltd, Kintetsu World Express (KWE), WeWork, Alstom, HDFC Life, AstraZeneca, Nestlé, and others.

Delivering Excellence in Patient Care

At Dynamic Biosecurity Laboratory, we remain steadfast in our mission to deliver accurate, timely, and accessible diagnostic services. Through continuous improvement, innovation, and patient-centric care, we strive to make a meaningful impact on public health and medical diagnostics.



ENGINEERING & DESIGN

Dynamatic Technologies is a knowledge-based organization, and Research & Development continues to be at the core of the company's growth strategy. The integrated engineering team at Dynamatic Technologies focuses on new product development and introduction, using the APQP (Advanced Product Quality Planning) process. It works closely with OEM customers to anticipate their future product needs.

The company's R&D personnel conceive, design, develop, and manufacture new proprietary hydraulic components and systems. They also work to improve existing products and production processes to align with the rapidly evolving industry landscape. Dynamatic Technologies believes that its strong commitment to R&D will enable it to remain a leading technology provider and a preferred partner to global OEMs.

The Company employs around 90 scientists and 650 engineers with expertise in Mechanical Engineering, Advanced Computer Aided Engineering, Materials & Metallurgical Engineering, Fluid Dynamics and Defence & Aerospace Research

The Research center in Bangalore, India, houses the Dynamatic Technologies Engineering, Research & Development Center, which is engaged in:

1. Design and Prototyping of new products
2. Improvement of existing designs
3. Continuous improvement of existing processes
4. Ongoing testing of products and materials

The Dynamatic Technologies Research & Development Center is fully electronic, utilizing state-of-the-art parametric 3D design software and knowledge-based expert systems. The Center has been a Recognized In-House R&D Unit, certified by the Department of Scientific and Industrial Research (DSIR), Government of India, since 2001.

The world-class design center, capable of complete product and system design, possesses advanced capabilities in structural, thermal, and dynamic engineering for design validation, analysis, and optimization.

The centre aims to provide its clients with a competitive advantage by reducing development cycle times and accelerating time-to-market. It strategically combines mechanical engineering expertise with deep software application knowledge to deliver world-class engineering services to companies worldwide-offering optimal, high-quality, and cost-effective design solutions.

The Dynamatic Technologies Engineering Laboratory in Swindon, UK, possesses advanced design knowledge

for the mobile hydraulics sector and has comprehensive product testing and validation capabilities.

The Dynamatic-Oldland Aerospace® (DOA) Research & Development is engaged in state-of-the-art 3D designs using software such as CATIA V5, Unigraphics NX, and Mastercam for their design and development activities meeting global OEM standards. The company has been successful in bringing value addition in reducing cycle time, concession reduction, technology absorption, indigenisation of technological products, and developing special manufacturing processes.

A notable achievement includes the indigenisation of the Foldable Strut for HAL ALH DHRUV Helicopter. This mechanism facilitates the opening and closing of helicopter doors in rugged environmental conditions. DOA is the sole supplier of this product to HAL (Hindustan Aeronautics Limited). The sub-assembly incorporates specialized aerospace alloys and undergoes rigorous manufacturing and testing processes compliant with aerospace standards, securing CEMILAC approval for series production. Furthermore, the DOA team has obtained a patent for the development of the foldable strut, underscoring their innovation and technical expertise in aerospace engineering.

Development of Complex Machined Beams and Frames for Bharat Electronics Limited: Designed and developed a high-precision solution for complex machined beams, along with a test rig for high-pressure leak and pressure testing. This engagement marks a key milestone for Dynamatic's DOA in supporting the Make in India initiative and the indigenisation efforts undertaken by Indian companies.

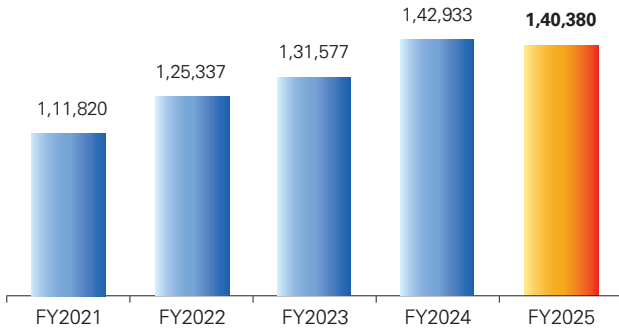
Airbus A330 Flap Track Beam NC Drilling: Designed and developed a state-of-the-art machining fixture-a support frame-for NC drilling of flap track beams, aimed at reducing non-conformances. The deployment of this support frame has significantly improved accuracy and enhanced production deliveries.

Design & Development of A320 Flap Track Beam: Over 8,000 A320 flap track beams have been supplied to Airbus through Spirit AeroSystems over the past several years. Airbus has re-designed the A320 flap track beam to reduce the number of components in the assembly and shorten the production cycle time. This new design is already in series production and has been implemented in over 1,000 aircraft. In collaboration with Airbus, DOA has been actively involved in the development of a single, monolithic beam by incorporating the latest machining technologies. The DOA team has played a key role in developing the tooling and assembly processes for this new flap track beam.

CONSOLIDATED FINANCIAL HIGHLIGHTS

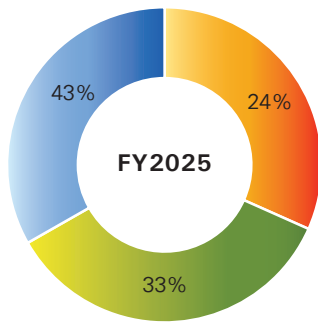
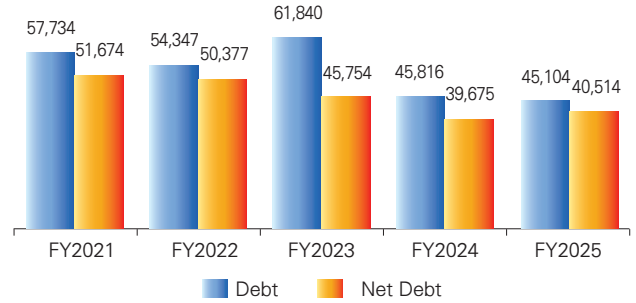
REVENUE BREAK UP

(INR in Lakhs)

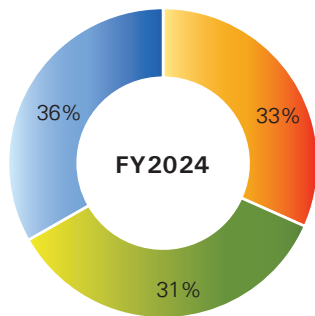
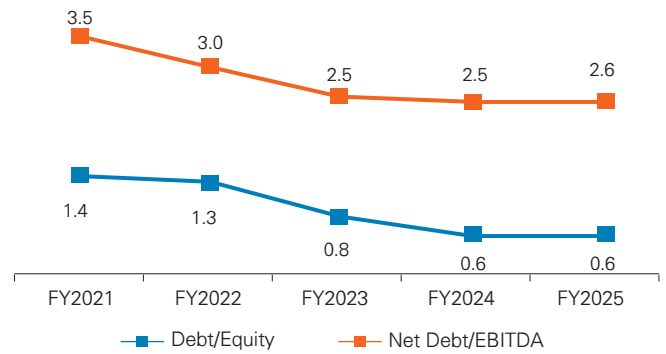


DEBT & LEVERAGE RATIOS

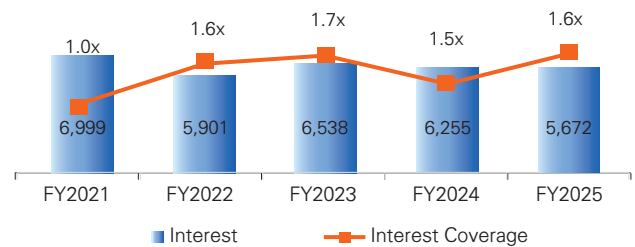
(INR in Lakhs)



Metallurgy Hydraulics Aerospace & Defence



Metallurgy Hydraulics Aerospace & Defence



DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: JKM Plaza, Dynamatic Aerotropolis
55, KIADB Aerospace Park, Bangalore 562149, India
Corporate Identity Number: L72200KA1973PLC002308
Phone Number: +91 80 2111 1223 / +91 80 2204 0535
Email ID: investor.relations@dynamatics.net; **website:** www.dynamatics.com



NOTICE CALLING THE 50TH ANNUAL GENERAL MEETING

Notice is hereby given that the **50th (Fiftieth) Annual General Meeting ('AGM')** of the Members of Dynamatic Technologies Limited (the 'Company') will be held on **Tuesday, the 30th (Thirtieth) day of September 2025 (Two Thousand and Twenty-Five) at 11:00 (Eleven) AM IST**, at the registered office of the company situated at JKM Plaza, Dynamatic Aerotropolis 55, KIADB Aerospace Park, Bangalore 562 149, India, to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Financial Statements for the Financial Year ended 31st March 2025:

- to receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2025, together with the Reports of the Board of Directors and Auditor's thereon.
- to receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2025, together with the Report of the Auditor's thereon.

2. Appointment of Mr. Dietmar Hahn (DIN: 06414463) as Director liable to retire by rotation:

To appoint a director in place of **Mr. Dietmar Hahn (DIN: 06414463)**, who retires by rotation and being eligible, offers himself for re-appointment.

3. Confirmation of Interim Dividend as the Final Dividend:

To confirm the interim dividend of Rs. 2/- (20%) per equity share of face value Rs. 10/- each, already paid to the shareholders whose names appeared in the Register of Members as on 29th November 2024 (Record Date), as the final dividend for the financial year ended 31st March 2025.

SPECIAL BUSINESS:

4. Appointment of 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 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] M/s. Ratish Tagde and Associates (CP No. 22018), Practicing Company Secretary, be and is hereby appointed as Secretarial Auditor of the Company for conducting Secretarial Audit and issue the Secretarial

Compliance Report for a term of 5 (five) consecutive years from Financial Year 1st April 2025 to 31st March 2030, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditor."

"RESOLVED FURTHER THAT any of the Directors and Mr. Shivaram V, Chief Legal Officer and Company Secretary of the Company, be and are hereby authorised to do all necessary acts and deeds to give effect to this resolution, including but not limited to filing e-forms with Ministry of Corporate Affairs."

"RESOLVED FURTHER THAT any of the Directors and Mr. Shivaram V, Chief Legal Officer and Company Secretary of the Company be and are hereby authorised to issue certified extract of this resolution."

5. Ratification of Cost Auditor's Remuneration:

To consider and, if thought fit, to pass the following Resolution as an **ORDINARY RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], read with the Companies (Audit and Auditors) Rules, 2014, as amended to date, the Company hereby ratifies the remuneration of Rs. 6,00,000/-, plus applicable taxes thereon and reimbursement of out-of-pocket expenses at actuals, payable to M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065), who have been appointed as Cost Auditor by the Board of Directors of the Company, to conduct audit of the cost records of the company for the financial year ending 31st March 2026.

By Order of the Board of Directors

Shivaram V

Chief Legal Officer and
Company Secretary

Membership No. ACS 19173

Date: 27th May 2025

Place: Bangalore

Registered Office:

Dynamatic Technologies Limited

JKM Plaza, Dynamatic Aerotropolis
55, KIADB Aerospace Park, Bangalore 562 149, India

Email ID: investor.relations@dynamatics.net

Website: www.dynamatics.com

CIN: L72200KA1973PLC002308

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY SO APPOINTED NEED NOT BE A MEMBER OR MEMBERS, AS THE CASE MAY BE, OF THE COMPANY.

Proxies in order to be effective must be duly filled, stamped, signed and should be deposited at the Company's Registered office not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of companies, societies, partnership firms etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy form is annexed to this notice. A proxy form duly filled signed, and stamped is valid only for this Annual General Meeting including any adjournment thereof. The proxy holder shall prove his identity at the time of attending the meeting.

2. A member is entitled to inspect the proxies lodged with the Company at any time during the business hours on all working days, except the date of AGM. The required statutory registers will be made available at the AGM venue for inspection by the members.
3. Members/Proxies/Representatives are requested to bring their attendance slip annexed herewith duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No for attending the meeting.
4. The route map showing directions to reach the venue of the Annual General Meeting is annexed to the Annual Report.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names as per the Register of Members of the Company as on cut-off date will be entitled to vote.
6. A Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, ("the Act") in respect of special businesses setting out material facts in respect of item No. 4 & 5 (special business) is annexed hereto. Additional information pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings ("SS-2") issued by The Institute of Company Secretaries of India in respect of the Director seeking re-appointment at this AGM is furnished as Annexure to this Notice.
7. The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 24th September 2025 to Tuesday, 30th September 2025 for the purpose of 50th AGM of the Company.
8. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed dividend

account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, on the website of the Company's Registrar and Transfer Agents, Kfin Technologies Limited ("kfin"). It may be noted that any service request can be processed only after the folio is KYC Compliant.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participant with whom they are maintaining their demat account.

9. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 01, 2020, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode).
10. Members are requested to address all correspondence, including dividend-related matters, to RTA, KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032, Unit: Dynamatic Technologies Limited, JKM Plaza, Dynamatic Aerotropolis 55, KIADB Aerospace Park, Bangalore, Karnataka 562149.
11. The members are encouraged to furnish / update their PAN, KYC details including contact details & bank account details, Nomination and specimen signature with the RTA / the Company in specified forms. The SEBI has mandated members holding shares in physical mode to furnish their PAN, KYC details including contact details & bank account details, Nomination and specimen signature with the RTA/the Company.

Please note that unless the above details are updated with the RTA/the Company, Members would not be able to receive any correspondence(s)/information/intimation from the RTA/the Company.

Please note that it is also mandatory to link PAN with Aadhar number. Investors who are yet to link the PAN with Aadhar number are requested to complete the same. Securities held in physical folios which have no PAN registered/have invalid PAN registered/no PAN linked with their Aadhar numbers in the records of the RTA/Company shall be considered inoperative/inactive/ incomplete. The formats for nomination and updation of KYC details in accordance with the SEBI circular are available on the Company's website at <https://www.dynamatics.com/Investors/Shareholder-Information/>.

Effective January 01, 2022, Grievance Redressal / Service Requests can be availed with the RTA only after the required documents / complete data as mandated are furnished for physical folios.

The duly filled-in Forms along with supporting documents may be sent to the RTA at their address: Kfin Technologies Limited, Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500

032. Members may submit the duly filled complete set of scanned documents with e-sign* through e-mail. Please note that documents received only from the registered e-mail address of the shareholders will be considered. The documents received from e-mail address of brokers and third parties will not be entertained. Alternatively, Members may upload the documents on the website of the RTA.

*e-Sign is an integrated service which facilitates issuing a Digital Signature Certificate and performing signing of requested data by e-sign user. You may approach any of the empanelled e-sign Service providers available on <https://cca.gov.in/> for the purpose of obtaining e-sign

12. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective DP, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, KFin Technologies Limited at einward.ris@kfintech.com or by registering with the first holder PAN at <https://kprism.kfintech.com/signup>, to receive copies of the Integrated Annual Report 2024-25 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the report and update of bank account details for the receipt of dividend.

Members who are desirous of obtaining hard copy of the Annual Report should send a request to the Company's email ID viz., investor.relations@dynamics.net clearly mentioning their Folio number/ DP ID and Client ID.

A copy of the Notice of this AGM along with integrated Annual Report for the FY 2024-25 is available on the website of the Company at www.dynamics.com, website of the stock exchanges where the shares of the Company are listed i.e., BSE Limited and NSE Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFin at <https://evoting.kfintech.com/>.

13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email 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., to their Depository Participant in case the shares are held in electronic form and to Registrar and Transfer Agent (Kfin)/ Company, in case the shares are held in physical form in prescribed Form ISR-1 along with the original cancelled cheque bearing the name of the Member and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021.
14. Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. pursuant to Section 113 of the Companies Act, 2013 together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail id: csratishtagde@gmail.com with a copy of email id: - evoting@kfintech.com.

The scanned image of the above-mentioned documents should be in naming format "Corporate Name EVENT NO."

15. Transfer of Unclaimed/ Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) consecutive years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/Claimants whose shares and unclaimed dividend have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with applicable requisite fee. The Member/ Claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

It is in Members' interest to claim any un-encashed dividends and in the future, opt for Electronic Clearing Service (ECS), so that dividends paid by the Company are credited to Members' account on time.

Members are requested to contact the Company's Registrar and Share Transfer Agent to claim the unclaimed/ unpaid dividends thereon at the following address:

Kfin Technologies Ltd.
Unit: Dynamic Technologies Limited
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad - 500 032, Telangana.

16. Updation of Members' Details:

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act requires the Company/ Registrar and Share Transfer Agent to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. The forms for updating of PAN, KYC and Bank details viz. Forms ISR-1, ISR-2 and ISR-3 are available on our website at <https://dynamics.com/Investors/Shareholder-Information/>. Members holding shares in physical form are requested to submit the filled in form to the Company or to its Registrar and Share Transfer Agent. Members holding shares in electronic form are requested to submit the details to their respective Depository Participant

17. Nomination Facility: As per the provisions of Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

18. Members, who have not yet exchanged their shares of Dynamic Hydraulics Limited, with the Share Certificates of Dynamic Technologies Limited, are requested to surrender their Share Certificate(s) for exchange. Such Members are requested to contact the Company's Registrar and Share Transfer Agent– Kfin, in this regard.
19. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password" or "Physical User Reset Password" option available on <https://evoting.kfintech.com/> to reset the password.
20. SEBI has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to this, post exhausting the option to resolve their grievance with the Company's Registrar & Transfer Agent ('Registrar' or 'RTA')/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's Website at <https://dynamics.com/Investors/Shareholder-Information/>.
21. In case of any grievances connected with facility for e-voting, please contact:
- Mrs. C Rajitha Cholleti,
Vice-President,
Contact No. 1800 309 4001, at
Kfin Technologies Ltd.
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032, Telangana.
22. The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date being Tuesday, 23rd September 2025.
23. The Company has appointed Mr. Ratish Tagde (FCS Membership No. 6162, Certificate of Practice No. 22018), Proprietor, Ratish Tagde & Associates, Practicing Company Secretaries as the Scrutinizer and Mr. Pramod S.M. (FCS Membership No. 7834 and Certificate of Practice No.13784), Partner, BMP & Co., LLP, Practicing Company Secretaries as an alternate scrutinizer to Mr. Ratish Tagde to scrutinize the voting process and remote e-voting process (electronically or otherwise) in a fair and transparent manner.
24. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of 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 authorised by him in writing, who shall countersign the same.
25. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the results of the voting. The results declared along with the Scrutinizer's Report(s) will be available on the website of the Company www.dynamics.com and Kfin website <https://evoting.kfintech.com/> and the communication will be sent to BSE Limited and the National Stock Exchange of India Limited.
26. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and all other relevant documents as referred in the notice will be available for inspection by the members during the Annual General Meeting of the Company.
27. Subject to the receipt of requisite number of votes, the resolutions forming part of the Notice of AGM shall be deemed to be passed on Tuesday, 30th September 2025.
28. PROCEDURE FOR REMOTE E-VOTING:
- I. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by Kfin, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
 - II. However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020, on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.
 - III. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
 - IV. The remote e-Voting period commences from 09:00 A.M. (IST) on Saturday, 27th September 2025 and ends at 05:00 P.M. (IST) on Monday, 29th September 2025.
 - V. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@kfintech.com. However, if he/ she is already registered with Kfin for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote.
 - VI. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as

of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting for Individual shareholders holding securities in demat mode."





VII. The details of the process and manner for remote e-Voting is explained herein below:

Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access to Kfin e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of Member	Login Method
Individual Members holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on the company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing Internet-based Demat Account Statement ("IDeAS") facility Users: <ol style="list-style-type: none"> i. Visit the e-services website of NSDL https://eservices.nsdl.com either on a personal computer or on a mobile. ii. On the e-services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. Thereafter enter the existing user id and password. iii. After successful authentication, Members will be able to see e-voting services under 'Value Added Services'. Please click on "Access to e-voting" under e-voting services, after which the e-voting page will be displayed. iv. Click on company name i.e. 'Dynamatic Technologies Limited' or ESP i.e. KFin. v. Members will be re-directed to KFin's website for casting their vote during the remote e-voting period. 3. Those not registered under IDeAS: <ol style="list-style-type: none"> i. Visit https://eservices.nsdl.com for registering. ii. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii. Visit the e-voting website of NSDL https://www.evoting.nsdl.com. iv. 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. v. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen. vi. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page. vii. Click on company name i.e Dynamatic Technologies Limited or ESP name i.e KFin after which the Member will be redirected to ESP website for casting their vote during the remote e-voting period.
	<p>viii. Members can also download the NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 20px;">   </div>

Individual Members holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Electronic Access To Securities Information (“Easi/ Easiest”) facility:</p> <ol style="list-style-type: none"> Visit https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com. Click on New System Myeasi. Login to Myeasi option under quick login. Login with the registered user ID and password. Members will be able to view the e-voting Menu. The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication. <p>2. User not registered for Easi/ Easiest</p> <ol style="list-style-type: none"> Visit https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration or https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration for registering. Proceed to complete registration using the DP ID, Client ID (BO ID), etc. After successful registration, please follow the steps given in point no. 1 above to cast your vote. <p>3. Alternatively, by directly accessing the e-voting website of CDSL</p> <ol style="list-style-type: none"> Visit www.cdslindia.com. Provide demat account number and PAN. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat Account. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. ‘Dynamic Technologies Limited’ or select KFin. Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.
Individual Members login through their demat accounts / website of DPs	<ol style="list-style-type: none"> Members can also login using the login credentials of their demat account through their DPs registered with the Depositories for e-voting facility. Once logged-in, Members will be able to view e-voting option. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature. Click on options available against company name or ‘KFin’. Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-62343625, 022-62343626, 022-62343259

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose email IDs are registered with the Company/ Depository Participants, will receive an email from Kfin which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- Launch internet browser by typing the URL: <https://evoting.kfintech.com>
- Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Kfin for e-voting, you can use your existing User ID and password for casting the vote.
- After entering these details appropriately, click on “LOGIN”.
- You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- V. You need to login again with the new credentials.
- VI. On successful login, the system will prompt you to select the "EVEN" i.e., Dynamatic Technologies Limited- AGM" and click on "Submit"
- VII. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- VIII. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- IX. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- X. You may then cast your vote by selecting an appropriate option and click on "Submit".
- XI. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- XII. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id csratishtagde@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Even No."

OTHER INSTRUCTIONS:

- I. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (Kfin Website) or contact at evoting@kfintech.com or call Kfintech's toll free No. 1-800-309-4001 for any further clarifications.
- II. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, 23rd

September 2025, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

- 29. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

Procedure for Registration of email and Mobile: securities in physical mode

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, all holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: <https://ris.kfintech.com/clientservices/isc/default.aspx>

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

- a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFIN Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032

- c) **Through electronic mode with e-sign by following the link:** <https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

ANNEXURE TO THE NOTICE

Director seeking appointment/re-appointment as required under Regulation 36(3) of SEBI (LODR) Regulation, 2015 and applicable Secretarial Standards:

Name of Directors	Mr. Dietmar Hahn
DIN	06414463
Designation	Non-Executive & Non-Independent Director
Date of Birth /Age	12th February 1958
Date of first Appointment on the Board	8 th November 2012
Qualifications	Diploma for Foundry Engineers from the University of Freiberg, Germany, and Certificates in Product Liability Law, Advance Product Quality Planning, and Techniques of Failure Mode and Effect Analysis
Relationship between Directors, Manager & KMP	None
Expertise in specific functional area	Mr. Hahn has more than two decades of rich experience in Operations, Sales and Development.
Directorships held in Public Companies	NIL
Names of the listed entities from which the person has resigned in the past three years	NIL
Memberships / Chairmanships of Committees of other Companies	NIL
No. of shares held in the Company	NIL
Terms and conditions of Re-appointment	Proposed to be re-appointed as Non-Executive Non-Independent Director, liable to retire by rotation.
Last drawn remuneration	NIL
Number of meetings of the board attended during the year	Forms part of Corporate Governance Report
Brief resume of the director	Forms part of the Annual Report

For other details such as number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the corporate governance report which is a part of this Annual Report.

Explanatory Statement:

(Pursuant to Section 102 (1) of the Companies Act, 2013)

Item No. 4

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Third Amendment Regulations dated December 12, 2024, and Regulation 24A (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed entity shall undertake Secretarial Audit by a Secretarial Auditor who shall be a peer reviewed company secretary. The Company may appoint an individual as Secretarial Auditor for not more than one term of five consecutive years or a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years.

It is proposed to appoint M/s. Ratish Tagde and Associates (CP No. 22018), Practicing Company Secretary, as Secretarial Auditor of the Company for an Audit period of five consecutive years commencing from FY2025-26 till FY2029-30, at a remuneration not exceeding 6,00,000/- p.a. (Rupees Six Lakhs only), excluding applicable GST and out-of-pocket expenses incurred during the course of the Secretarial Audit, payable for the financial year 2025-26, and subject to revision in subsequent years, as may be mutually agreed upon, between the Board of Directors of the Company and the Secretarial Auditor.

Ratish Tagde, a Company Secretary in Practice, established his practice in 2002 and is based in Mumbai. He is a Fellow Member of the Institute of Company Secretaries of India (ICSI) and has been in practice for over two decades in the areas of corporate laws, SEBI/securities market regulations, FEMA, FDI/ODI, RBI matters etc. He holds a valid Peer Review Certificate issued by ICSI. The practice unit is also Quality Reviewed by ICSI, ensuring the highest standards of professional practice and conduct.

M/s. Ratish Tagde and Associates have consented to their appointment as Secretarial Auditor and has confirmed that their appointment will be in accordance with Section 204 of Companies Act, 2015 read with SEBI (LODR) Regulations, 2015.

Based on the approval of the Audit Committee, the Board recommends the Resolution at Item No. 4 of the accompanying Notice for approval by the Members of the Company by way of an Ordinary Resolution.

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 Resolution set out at Item No. 4 of the Notice.

Item No. 5

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company is required to maintain Cost Audit records and have the same audited by a Cost Accountant in practice.


Based on the recommendations of the Audit Committee, the Board of Directors at its meeting held on 27th May 2025, appointed M/s. Rao, Murthy & Associates, as Cost Auditor for conducting the Cost Audit for the Financial Year ending 31st March 2026, at a remuneration of Rs. 6,00,000/- plus applicable service tax and reimbursement of out-of-pocket expenses at actual.

Rule 14 of Companies (Audit and Auditors) Rules, 2014 as amended, requires that the remuneration payable to the Cost Auditor be ratified by the Members. Hence, the resolution at Item No. 5 of the Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 5 of the Notice, for approval of Members.

By Order of the Board of Directors



Shivaram V

Chief Legal Officer and
Company Secretary

Date: 27th May 2025

Place: Bangalore

Membership No. ACS 19173

Registered Office:

Dynamatic Technologies Limited

JKM Plaza, Dynamatic Aerotropolis
55, KIADB Aerospace Park, Bangalore 562 149, India

Email ID: investor.relations@dynamatics.net

Website: www.dynamatics.com

CIN: L72200KA1973PLC002308



DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: JKM Plaza, Dynamatic Aerotropolis
55, KIADB Aerospace Park, Bangalore 562149, India
Corporate Identity Number: L72200KA1973PLC002308
Phone Number: +91 80 2111 1223 / +91 80 2204 0535
Email ID: investor.relations@dynamatics.net; **website:** www.dynamatics.com

ATTENDANCE SLIP

Name:.....ClientID* :.....

Folio No.:..... DP ID* :..... No. of shares held:

*applicable for investors holding share in electronic form.

I hereby record my presence at the **50th Annual General Meeting** of the Company, scheduled at JKM Plaza, Dynamatic Aerotropolis 55, KIADB Aerospace Park, Bangalore 562 149, India, on Tuesday, the 30th (Thirtieth) day of September 2025 (Two Thousand and Twenty-Five) at 11.00 AM

Signature of the Member / Proxy

- i. Member/proxy holders wishing to attend the meeting must bring the attendance slip to the meeting and handover at the entrance duly signed.
- ii. Members/proxy holders desiring to attend the meeting are requested to bring their copy of the Annual Report for reference at the Meeting.
- iii. Member/proxy holders are also requested to bring their identity cards along with the attendance /proxy forms.

Form No.MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration Rules, 2014)]

GENERAL INFORMATION:

Name the member/s:

Registered address:

E-mail ID:

Folio No/ Client ID:.....

DP ID:

I/We, being the member(s) of shares of the above-named company, hereby appoint

1. Name:

Address:

E-mail ID: Signature:

or failing him

2. Name:.....

Address:

E-mail ID: Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 50th Annual General Meeting of the company, to be held at JKM Plaza, Dynamatic Aerotropolis 55, KIADB Aerospace Park, Bangalore 562 149, India, on Tuesday, the 30th (Thirtieth) day of September 2025 (Two Thousand and Twenty-Five) at 11.00 AM, and at any adjournment thereof in respect of such resolutions as are indicated below.

Signed this..... day of.....2025

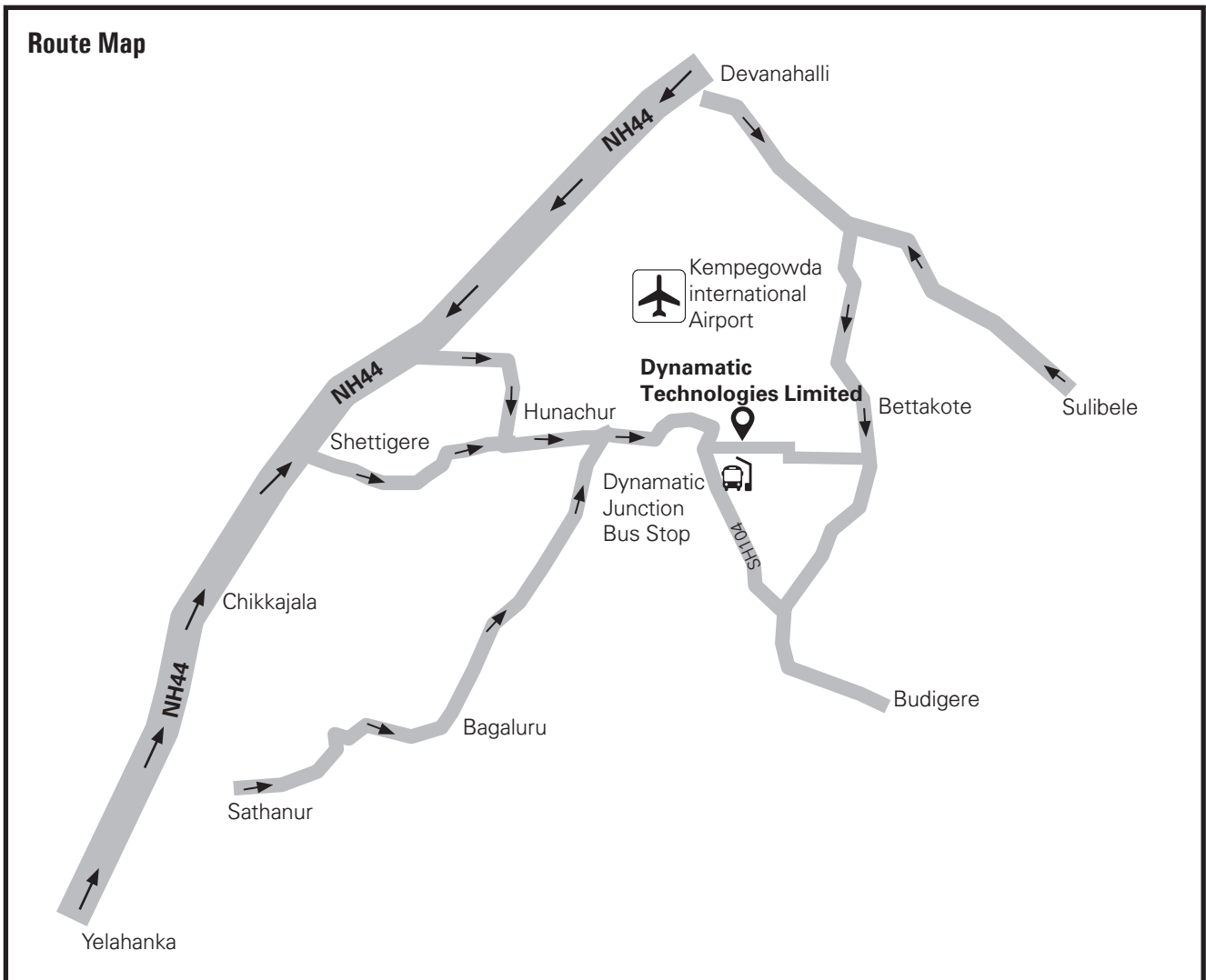
Signature of shareholder:

Signature of Proxy holder(s):



Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the meeting.



**Scan the QR code
to open directions in
Google Maps**

DYNAMATIC TECHNOLOGIES LIMITED

Registered Office: JKM Plaza, Dynamatic Aerotropolis
55, KIADB Aerospace Park, Bangalore 562 149, India

Phone Number: +91 80 2111 1223 / +91 80 2204 0535

Corporate Identity Number: L72200KA1973PLC002308

Email ID: investor.relations@dynamics.net website: www.dynamics.com

BOARD'S REPORT TO SHAREHOLDERS



BOARD'S REPORT TO SHAREHOLDERS

Your directors are pleased to present herewith the 50th (Fiftieth) Annual Report of Dynamatic Technologies Limited (the 'Company') along with the Audited Financial Statements for the financial year ended 31st March 2025.

FINANCIAL RESULTS:

The Financial Results of the Company for the year ended 31st March 2025, were as follows:

(Rs in Lakhs)

Particulars	Consolidated		Standalone	
	Year Ended 31 March 2025	Year Ended 31 March 2024	Year Ended 31 March 2025	Year Ended 31 March 2024
Revenue from Operations	1,40,380	1,42,933	63,918	58,186
Less: Cost of material and changes in inventories	65,359	66,815	31,811	27,785
Less: Employee benefit expenses	31,997	30,167	10,346	8,492
Less: Other Expenses	27,192	30,010	11,173	10,805
EBITDA	15,832	15,941	10,588	11,104
<i>EBITDA Margin</i>	<i>11.28%</i>	<i>11.15%</i>	<i>16.56%</i>	<i>19.08%</i>
Add: Other Income	2,280	4,282	1,661	1,830
Less: Finance Charges	5,672	6,255	4,269	5,026
Less: Depreciation and Amortisation Expenses	6,929	6,636	2,549	2,410
Profit before tax & Exceptional items	5,511	7,332	5,431	5,498
Profit before tax margin	3.93%	5.13%	8.50%	9.45%
Add: Exceptional items	-	6,231	-	5,132
Less: Tax expenses	1,207	1,382	365	1,181
Profit after tax	4,304	12,181	5,066	9,449
Profit after tax margin	3.07%	8.52%	7.93%	16.24%
Add: Other Comprehensive Income/(Losses)	1,147	1211	(271)	427
Total comprehensive income, carried to Balance Sheet	5,451	13,392	4,795	9,876

COMPANY PERFORMANCE:

The Consolidated net sales for FY2025 were Rs. 1,40,380 lakhs, decreased by 1.8% as compared to Rs. 1,42,933 lakhs in FY2024. Consolidated EBITDA for FY2025 was reported as Rs. 15,832 lakhs as compared to Rs. 15,941 lakhs in FY2024. EBITDA margin for the year under review was 11.28% compared to 11.15% in FY2024.

The Aerospace segment reported a growth of 19.2% y-o-y in FY2025 driven by execution of commercial order book. This segment is positioned for continued momentum, supported by steady progress on key programs and new projects industrialization as per the schedule. Recent budgetary support for domestic defence procurement further positions us to capitalize on emerging opportunities in aerospace and defence modernization across the globe. However, supply chain constraints may persist to continue due to global geopolitical uncertainties.

The Hydraulics segment witnessed a year-over-year growth of 2.2%. However, performance in H2 was impacted by reduced construction activity and softer demand across key geographies, along with a less favorable sales mix. Margins were adversely affected due to negative margins in UK operations, primarily driven by partial charge-offs related to

redundancies as part of the ongoing rationalization of product lines between the Swindon and Bangalore facilities. While the segment faced challenges due to muted construction demand, strong agricultural demand supported by a favorable monsoon and the government's continued infrastructure push are expected to drive revenue growth in India. Margin improvement is also anticipated in the coming quarters, upon completion of the product line rationalization between India and the UK.

The Metallurgy segment has shown a y-o-y decline of 28.9% in FY2025 as the German economy remained in recession mainly due to a negative contribution from net trade and a slowdown in household consumption leading to lower demand. Factors contributing to the downturn included high energy costs, global competition coupled with geopolitical uncertainties, and declining industrial output.

SEGMENT PERFORMANCE:

AEROSPACE & DEFENCE: The Aerospace & Defence segment recorded a revenue of Rs. 60,785 lakhs compared to Rs. 51,009 lakhs in FY2024. Segment EBITDA for the year was Rs. 15,783 lakhs, reported alongside Rs. 13,094 lakhs in FY2024.

In FY2025, our aerospace segment was undeniably the engine of our success, driving both top-line growth and strong profitability. This division not only held its dominant position but also deepened its strategic value to our operations, consistently delivering excellent margins. A defining moment was the inauguration of the Rear Fuselage Assembly Line for the D328eco® turboprop in Bangalore, a crucial step in our partnership with Deutsche Aircraft. This milestone signals our successful shift from concept to serial manufacturing, showcasing our advanced aerospace capabilities and reinforcing our strong commitment to the “Make in India” initiative. This ongoing collaboration has significantly enhanced our supply chain resilience, putting us in an excellent position to capture the burgeoning opportunities in regional aviation, directly supporting India’s broader connectivity and sustainability ambitions. Even in the face of ongoing global supply chain disruptions and commodity price pressures, our aerospace business sustained its strong performance by rigorously industrializing secured programs, thereby ensuring the scalability and efficiency needed to fulfill demanding customer schedules.

The A220 doors program is rapidly progressing. We’ve positioned all sub-assembly and main-assembly jigs and fixtures on the shop floor, and pre-production activities are officially underway with our fully trained team. Parts are now arriving to support assembly, a key step in our ramp-up. We also swiftly added 30,000 sq. ft. of floor space in just three months. The program remains on track with clear visibility and strong momentum. First-Article Inspection is anticipated to begin this September.

A strong order book and continued revenues from large Global OEMs like Airbus A330, Airbus A220, Dassault new work FAI and Deutsche Aircraft alongside focus on increasing business on detailed parts at Dynamatic Manufacturing Limited (DML) is expected to ramp up the revenues in the coming years.

HYDRAULICS: The Hydraulics segment recorded a revenue of Rs. 45,804 lakhs compared to Rs. 44,834 lakhs in FY2024. Segment EBITDA for the year was Rs. 2,415 lakhs, reported alongside Rs. 3,771 lakhs in FY2024.

The Hydraulics segment maintains its position as a world leader in gear pump manufacturing, with operations split between Bangalore, India, and Swindon, UK. Facing a rapid and seemingly irreversible decline in European supply chain reliability over recent quarters, we’ve made a strategic decision to transfer production from our UK facility to India, with only select strategic lines remaining in the UK. This changeover, while currently impacting our operations and incurring significant transition costs, is projected to deliver substantial savings in H2 FY26 and establish a more robust, long-term business structure.

Government policy continues to play a pivotal role in driving the sector forward. Supportive measures, including reduced import duties, subsidies for agricultural equipment, and simplified credit disbursement schemes, have enhanced affordability and accessibility for farmers. The construction equipment industry remains integral to India’s broader economic development plans and is expected to play a critical role in enabling infrastructure-led growth.

METALLURGY: The Metallurgy segment recorded a revenue of Rs. 33,483 lakhs compared to same period last year Rs. 47,081 lakhs. Segment EBITDA was Rs. 1,004 lakhs compared to Rs. 2,467 lakhs in FY2024.

The Metallurgy division encountered ongoing challenges due to subdued industrial demand, especially in Europe, coupled with inflationary pressures and elevated energy costs. These factors contributed to a decline in revenues and margins for the year.

US political shifts are changing the game for Ukraine war funding and have temporarily delayed offtake of Erla’s shell production. Meanwhile, with potential reductions in American aid, Germany and EU are stepping up, accelerating their own defence spending to ensure security, encouraging German companies to increase defence production.

Going forward, the segment performance will be majorly driven by availability of raw material, input commodity prices and cost of financing to end customers. Focus on high margin product mix, rationalization of low margin products alongside development of aerospace castings and forgings in the future is expected to drive the business growth in the coming years.

STATE OF THE COMPANY’S AFFAIRS:

Over the years, Dynamatic Technologies has created its own brand image and has found its niche presence in the industry. Dynamatic Technologies supplies products to the world’s renowned Original Equipment Manufacturers (OEM’s) such as Airbus, Boeing, Bell Helicopters, Deutsche Aircraft, Dassault Aviation, Daimler, BMW, Macdon, JCB, John Deere and Mahindra & Mahindra.

The Company is focused on expanding the size of business with existing customers and expanding its customer base with addition of new customers. With a strong business foundation, technological excellence and industry recognition for products, we are confident of creating utmost value for all our stakeholders.

DIVIDEND:

Pursuant to the approval of the Board of Directors on 13th November 2024, the Company paid an interim dividend of Rs. 2 per equity share of face value Rs. 10 each, to shareholders whose names appeared in the Register of Members as on 29th November 2024, the record date fixed for this purpose. However, the Board did not recommend any final dividend, as the Company aims to conserve cash for future growth. Accordingly, the total dividend for the financial year ended 31st March 2025 stands at Rs. 2 per equity share of face value Rs.10 each.

DIVIDEND DISTRIBUTION POLICY:

In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), the Dividend Distribution Policy duly approved by the Board is available on the website of the Company under the ‘Investors’ section at <https://www.dynamatics.com>

SHARE CAPITAL:

As of 31st March 2025, the Company had an authorized share capital of Rs. 2,500 lakhs, divided into 2,00,00,000 equity shares of Rs. 10/- each and Rs. 500 lakhs divided into 5,00,000 redeemable cumulative preference shares of Rs. 100/- each.

The Issued, subscribed and paid-up Equity Share Capital of the Company as of 31st March 2025 was 679.14 lakhs, comprising 67,91,443 equity shares of Rs. 10/- each.

TRANSFER TO RESERVES:

The movements in reserves and surplus/retained earnings are available in the Statement of Changes in Equity, which forms part of the financial statements.

CAPITAL EXPENDITURE:

During the year under review, the Company incurred capital expenditure of Rs. 5,860 lakhs for physical infrastructure and Rs. 850 lakhs for procurement of intangible assets. Significant investments have been made in building infrastructure, data security, information systems, and design and development activities, for the future benefits of the Company.

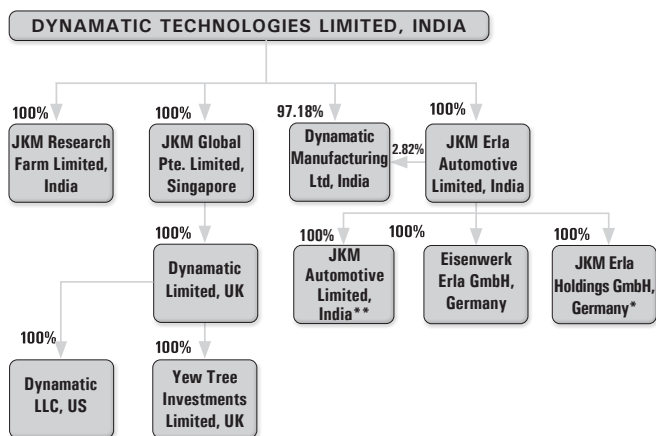
CONSOLIDATED FINANCIAL STATEMENTS:

The Consolidated Financial Statements of the Company and its subsidiaries are prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'). The Audited Consolidated Financial Statements together with the Auditor's Report thereon form part of this Integrated Annual Report.

The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the SEBI Listing Regulations. The Policy, as approved by the Board is uploaded on the Company's website at <https://www.dynamics.com>.

SUBSIDIARIES:

The Company has ten subsidiaries. There are no associate or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries. The structure of Dynamic Technologies Limited and its subsidiaries as on 31st March 2025, is appended hereunder:



* JKM Erla Holdings GmbH, Germany, ceased to exist with effect from 30th September 2024, pursuant to the court order dated 16th September 2024.

** JKM Automotive Limited filed an application for strike-off, as it was unable to achieve its intended objectives and has not generated any income since its incorporation.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in **Form No. AOC-1** is attached to the financial statements of the Company.

INDIAN SUBSIDIARIES:

Dynamic Manufacturing Limited, India (DML) is a wholly owned subsidiary of the Company. DML serves as a Centre of Excellence for detail parts and is engaged in the engineering, manufacturing, and delivery of components for various aircraft parts. Its capabilities include fabrication, precision machining, sheet metal work, forming technology, stretch forming, rubber press operations, Amada CNC bending, AWS-certified welding (American Welding Society), special processes, heat treatment, and aerospace fabrication.

JKM Research Farm Limited, India (JRFL) is a wholly owned subsidiary of the Company. It continues to be the Research & Development facilitator to the Company. It supports the Hydraulics & Dynauton Division of Dynamic Technologies Limited (DTL) in the areas of design concept, functional prototype testing, and technical information.

JKM Erla Automotive Limited, India (JEAL) continues to be a wholly owned subsidiary of the Company and is a non-operating company.

JKM Automotive Limited (JAL) a wholly owned subsidiary of JEAL, is a non-operating company. JAL has filed an application for strike-off, as it was unable to achieve its intended objectives and has not generated any income since its incorporation. As of the date of this report, the application is pending with the Ministry of Corporate Affairs (MCA).

OVERSEAS WHOLLY OWNED SUBSIDIARIES:

JKM Global Pte. Limited, Singapore, continues to be an investment hub for overseas businesses.

Dynamic Limited, Swindon, UK, (DLUK) is a wholly owned subsidiary and held through JKM Global Pte. Limited, Singapore.

Dynamic Hydraulics®, a division of DLUK located in Swindon, UK, produces high performance engineered hydraulic products. The plant has over 50 years of experience in gear pump design and manufactures and caters to agriculture, construction, and off-highway vehicle manufacturers. Products include combined variable and fixed displacement pump packages, temperature-controlled fan drive systems and fixed displacement pumps in aluminium and cast iron with a range of additional integrated valve options.

Dynamic-Oldland Aerospace®, a division of Dynamic Limited UK, is located in Swindon, and is a leader in Aeronautical Precision Engineering and is currently manufacturing and supplying high precision and complex machined components for most of the Airbus family of aircraft.

Yew Tree Investments Limited, Bristol, UK is a wholly owned subsidiary of Dynamic Limited, UK.

Originally Yew Tree Investments Limited and Dynamic Limited were the subsidiaries of JKM Global Pte. Limited. Post-merger, DLUK has both its Hydraulics and Aerospace units in Swindon.

Dynamic LLC, US is a subsidiary of Dynamic Limited, UK.

JKM Erla Holdings GmbH, Germany (JKM Erla) was engaged in the business of setting up automotive component processing manufacturing units. JEAL owned 100% share holdings in JKM Erla, which in turn held 100% share holdings in Eisenwerk Erla GmbH, Germany upto 31st July 2023. As a result of corporate restructuring measures implemented by Eisenwerk Erla, the 100% shareholdings of Eisenwerk previously held by JKM Erla was assigned to JEAL, effective August 1, 2023.

As an outcome of the corporate restructuring measures JKM Erla ceased to exist with effect from 30th September 2024, pursuant to the court order dated 16th September 2024.

Eisenwerk Erla GmbH, Germany (Eisenwerk) it has been in business for over 630 years and is a preferred supplier to leading global OEMs including Audi, BMW and Volkswagen. The manufacturing capabilities of this subsidiary include high precision machining of complex metallurgical products for automotive engines and turbochargers.

As part of the group's strategy, the Company's wholly owned step-down subsidiary, Eisenwerk Erla GmbH, Germany (EEG) had undertaken corporate restructuring measures which were approved in August 2023. As a result, the 100% shareholdings of Eisenwerk previously held by JKM Erla were assigned to JEAL, effective August 1, 2023. Eisenwerk is currently in the process of transformation from automotive/foundry-focus to the aerospace business.

PERFORMANCE OF SUBSIDIARIES:

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. **AOC - 1** is attached to the financial statements of the Company as **Annexure-1**.

There are no associate or joint venture companies within the meaning of Section 2(6) of the Act. There has been no material change in the nature of the business of the subsidiaries.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company (<https://www.dynamics.com>).

DIRECTORS' RESPONSIBILITY STATEMENT:

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory, cost and secretarial auditors and external agencies, including audit of internal controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2024-25.

Accordingly, pursuant to Sections 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, for the Financial Year ended 31st March 2025, the applicable accounting standards have been followed and there are no material departures;

- ii. they have selected such accounting policies and have 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;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts for the Financial Year ended 31st March 2025, on a going concern basis;
- v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS:

Your directors have devised proper systems and processes for complying with the requirements of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Inductions, Re-appointments, Retirements & Resignations:

The shareholders approved the appointment of Mr. Chalapathi P (DIN: 08087615) as an Executive Director to hold office for a term of three years w.e.f. 13th November 2024, till 12th November 2027.

Mr. P S Ramesh (DIN: 05205364), retired as Executive Director & COO – Hydraulics on 13th November 2024, after completing his term of appointment. The Board places on record its appreciation for the contributions and guidance made by Mr. P S Ramesh, during his stint with the Company as Executive Director & COO – Hydraulics.

Dr. Ajay Kumar (DIN: 01975789), resigned as an Independent Director on 15th May 2025, owing to his appointment as Chairman of the Union Public Service Commission, pursuant to the order of the Hon'ble President of India, thereby assuming a constitutional responsibility of national importance. Dr. Ajay Kumar has confirmed that there are no other material reasons for his resignation other than those stated above. The Board places on record its appreciation for the contributions and guidance made by Dr. Ajay Kumar, during his stint with the Company as an Independent Director.

During the year under review, the company did not have any pecuniary relationship or transactions with any of its directors, other than payment of remuneration/incentive to the Executive Directors and sitting fees to Non-Executive Directors and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/ Committees of the Company.

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164 of the Companies Act, 2013.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March 2025, are:

- Mr. Udayant Malhoutra, CEO & Managing Director
- Mr. Chalapathi P, Executive Director & Chief Financial Officer
- Mr. Shivaram V, Chief Legal Officer & Company Secretary

Declaration by Independent Directors:

All the Independent Directors of the Company have given declarations to the Company under Section 149(7) of the Act, that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

In the opinion of the Board, they fulfil the conditions of independence as specified in the Act as well as the Rules made thereunder and the Listing Regulations and are independent of the management.

BOARD MEETINGS:

Four meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

COMMITTEES OF BOARD OF DIRECTORS:

The Board has eight committees:

1. Audit Committee,
2. Nomination and Remuneration Committee,
3. Stakeholders' Relationship Committee,
4. Risk Management Committee
5. Technology & Strategy Development Committee,
6. Finance Committee,
7. Corporate Social Responsibility Committee and
8. Independent Directors' Committee.

Details of all the Committees of Board of Directors as per the Secretarial Standard - 1, as issued by the Institute of Company Secretaries of India have been disclosed in the Corporate Governance Report. The Board has accepted the recommendations made by the Committees of Board of Directors during the year under review, with no instances where recommendations of the Audit Committee were not accepted by the Board.

REMUNERATION POLICY:

The remuneration philosophy at Dynamatic Technologies centers on fostering a culture of leadership built on trust. The company aims to offer opportunities that reinforce its performance-driven culture. Adhering to globally accepted governance practices, the remuneration policy is designed to attract, motivate, and retain talent while enhancing productivity. This policy creates a supportive work environment, encourages personal growth and teamwork, and provides competitive remuneration packages. Additionally, the policy is market-responsive, tailored to attract and retain quality talent, and leverage performance across different business sectors.

Members can download the complete remuneration policy on the Company's website www.dynamatics.com in Investors Desk section.

DIVERSITY IN THE BOARD:

In line with the core strategy, the Company understands the importance of maintaining board diversity. Ensuring optimal mix of varied perspectives, skills, expertise, industry experience, age gender, race, ethnicity, and cultural background is critical to foster innovation and helps us to retain our competitive advantage. The Board has adopted the policy on appointment, continuation and cessation of Directors which sets out the approach to diversity in the composition of the Board. The Company has an optimum mix of executive and non-executive independent directors and woman director.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

Dynamatic Technologies ensures high corporate governance through appropriate induction and ongoing training for all directors. Each new independent director participates in an induction program designed to provide a comprehensive understanding of the company's businesses, markets, and regulatory environment. This program also familiarizes directors with management and operations, helping them understand their roles and responsibilities to contribute significantly to the company's growth. Directors have full opportunities to interact with senior management and receive all necessary documents to enhance their understanding and effectiveness. Dynamatic Technologies firmly believes that a well-informed and familiarized Board can significantly contribute to effectively discharging its role of trusteeship, thereby fulfilling stakeholders' expectations. To achieve this, directors are continuously updated on corporate and industry developments, including regulatory and economic changes, enabling them to make well-informed and timely decisions.

During the year, the Board members visited Industrial Training Institute (ITI) campus, Devanahalli, Bangalore, as a part of familiarization program organized for the directors, key managerial personnel and invitees. The visit was aimed to showcase the company's initiatives to promote education as a part of its corporate social responsibility mission.

Further, a special visit was arranged for all the Directors to the Dynamatic Manufacturing Limited (DML) facility located in Peenya, Bangalore, providing them with first hand exposure to the Company's manufacturing and

product development operations. The Directors toured DML's advanced manufacturing unit, gaining insights into the various processes involved in producing detailed parts for aerospace assemblies, the control systems in place, and the overall scale of operations. Each Director spent approximately four hours at the facility during this visit.

The details of the familiarisation programme are uploaded under the Investors Desk section on the Company's corporate website www.dynamics.com.

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

In terms of the provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, the Nomination and Remuneration Committee (NRC) has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- a. Qualifications** – A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age, and gender. This process ensures that the Board has an appropriate blend of functional and industry expertise. When recommending the appointment of a Director, the NRC considers how the individual's functional and domain expertise will contribute to the overall skill mix of the Board.
- b. Positive Attributes** - Apart from the duties of Directors as prescribed in the Companies Act, 2013, the Directors are expected to demonstrate high standards of ethical behavior, communication skills, and independent judgment. They are also expected to abide by the respective Code of Conduct applicable to them.
- c. Independence** - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS:

The Board of Directors has conducted an annual evaluation of its own performance, board committees, and individual directors in accordance with the provisions of the Act and SEBI Listing Regulations. This evaluation was guided by criteria and frameworks adopted by the Board. Input from all directors was considered, focusing on factors like board composition, processes, information and functioning, risk management and strategy, corporate social responsibility, organizational performance and structure, and effectiveness of board processes, among others.

The performance of committees was evaluated by the board with inputs from committee members, focusing on criteria such as committee composition and effectiveness of meetings. In a separate meeting of independent directors, the performance of non-independent directors, the Board as a whole, and the Chairman was evaluated, incorporating views from both executive and non-executive directors. The Nomination and Remuneration Committee, along with the Board, reviewed individual director performance, considering

factors like preparedness, contribution to meetings, interpersonal skills, and strategic input. The subsequent board meeting further discussed the performance of the Board, committees, and individual directors. Evaluation of Independent Directors was conducted by the entire Board, excluding the director under evaluation.

The Annual Performance Evaluation is conducted in a paperless manner, with documents securely uploaded and accessed electronically. This approach has led to significant benefits, including paper conservation, reduced cycle time for the evaluation process, and enhanced confidentiality of information.

INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY:

The Board has implemented policies and procedures to ensure the orderly and efficient conduct of its business, encompassing adherence to the Company's policies, safeguarding its assets, and preventing and detecting frauds and errors. Additionally, measures are in place to ensure the accuracy and completeness of accounting records and the timely preparation of reliable financial disclosures.

The Company has implemented adequate systems for internal control, tailored to its size and complexity. These systems ensure the safeguarding and protection of all assets, as well as the proper authorization, recording, and reporting of transactions. Furthermore, the Company has established checks and balances to verify the accuracy and reliability of accounting data. All related processes are thoroughly documented, and steps are taken to ensure compliance with internal control systems. Clear delineation of roles and responsibilities among stakeholders involved in the process further reinforces the effectiveness of these controls.

The Internal Auditors conduct independent evaluations of internal controls and concurrently audit a majority of transactions in terms of value. To ensure the independence of the audit and compliance functions, they report directly to the Audit Committee of the Board. Additionally, a CEO & CFO Certificate, included in the Corporate Governance Report, confirms the existence and effectiveness of internal controls and underscores their responsibility to report deficiencies to the Audit Committee and rectify them. Throughout the year, these controls were thoroughly tested, and no material weaknesses in design or operation were reported.

REPORTING OF FRAUDS:

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act.

QUALIFICATIONS IN AUDIT REPORTS:

Explanations or comments made by the Board on every qualification, reservation or adverse remark or disclaimer made:

- a. by the Statutory Auditor in their report:** The report issued by M/s. Deloitte Haskins & Sells LLP, (ICAI Firm Registration No. 117366W/W-100018) Statutory Auditors for financial year 2024-25 does not contain any qualifications or adverse remarks.

b. by the Company Secretary in Practice in his Secretarial Audit Report: Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Ratish Tagde & Associates, Company Secretary in practice, was appointed to undertake the Secretarial Audit for financial year 2024-25. The Report of the Secretarial Auditor along with the certificate of non-disqualification of Directors for the year ended March 31, 2025, is annexed to the Directors' Report as **Annexure 2**. The report issued by Secretarial Auditor for financial year 2024-25 does not contain any qualifications or adverse remarks.

The auditors above mentioned have used appropriate disclaimers to limit the scope of their audit to the documents provided by the management and explanations/representations made by the management.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

a) Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividends, if not claimed for a consecutive period of seven (7) years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to the Investor Education and Protection Fund ('IEPF').

Further, all the shares in respect of which dividend has remained unclaimed for seven (7) consecutive years or more from the date of transfer to unpaid dividend account, shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of shares. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in newspapers and details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at <https://dynamics.com/>

The details pertaining to the transfers is forming part of the Corporate Governance Report which is annexed to this report.

b) Transfer of Shares to IEPF:

As required under Section 124(6) of the Act, Equity Shares in respect of which dividend has not been claimed by the members for seven consecutive years or more have already been transferred by the Company to the IEPF Authority. Details of shares transferred is available on the website of IEPF as well as the Company.

Members who have a claim on the dividend and shares may claim the same from the IEPF Authority by sending the request letter along with the requisite documents to Kfin Technologies Limited and thereafter file an online application in the prescribed e-Form IEPF-5 upon

receiving the entitlement letter from the Company. The e-Form IEPF-5 is available on the website of the IEPF Authority www.iepf.gov.in. No claims shall lie against the Company in respect of the dividend / shares so transferred. Members / claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

c) DEMAT Suspense Account Unclaimed Shares:

As on 31st March 2025, there are 11 members, holding 851 Equity Shares of Rs.10/- each, lying in the escrow account due to non-availability of their correct particulars. A detailed note in this regard is provided in the Corporate Governance Section under "Suspense Account for the unclaimed shares". The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

RELATED PARTY TRANSACTIONS:

The Company has formulated a Policy on Related Party Transactions in accordance with the Act and the SEBI Listing Regulations including any amendments thereto for identifying, reviewing, approving and monitoring of Related Party Transactions ('RPTs'). The said Policy is available on the Company's website at www.dynamics.com

All RPTs are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is obtained on periodic basis for the transactions which are planned/repetitive in nature. A statement giving details of all RPTs entered pursuant to omnibus approval so granted is placed before the Audit Committee on a quarterly basis for its review. All the RPTs under Ind AS-24 have been disclosed in Note no. 48 to the Standalone Financial Statements forming part of this Integrated Annual Report.

The RPTs entered into during the year under review were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act read with the rules framed thereunder and the SEBI Listing Regulations. Further, the Company did not enter into any contracts or arrangements with related parties in terms of Section 188(1) of the Act and no material related party transactions were entered into during the year under review. Accordingly, the disclosure of RPTs as required under Section 134(3)(h) of the Act in Form No. AOC-2 is not applicable to the Company for FY 2024-25 and hence does not form part of this Integrated Annual Report.

In terms of Regulation 23 of the SEBI Listing Regulations, the Company submits details of RPTs as per the prescribed format to the stock exchanges on a half-yearly basis.

CORPORATE GOVERNANCE AND CERTIFICATE:

In terms of Regulation 34(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Corporate Governance Report, Management Discussion & Analysis Report, and the Auditors' Certificate regarding Compliance to Corporate Governance requirements form part of this report. M/s. Ratish Tagde & Associates, Company Secretary in Practice, had conducted the Corporate Governance audit for the year under review. A certificate from M/s. Ratish Tagde & Associates, regarding compliance of conditions of Corporate Governance as stipulated under SEBI Listing Regulations is presented in a separate section forming part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Management Discussion and Analysis Report is presented in a separate section forming part of this Annual Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT:

In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility & Sustainability Report (BRSR) is presented in a separate section and is an integral part of this Integrated Annual Report.

AUDITORS:

Statutory Auditors:

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Deloitte Haskins & Sells LLP, (ICAI Firm Registration No. 117366W/W-100018), were appointed as Statutory Auditors of the Company for a term of 5 years, to hold office from the conclusion of 49th Annual General Meeting held on September 5, 2024 until the conclusion of 54th Annual General Meeting to be held in 2029.

The Auditor's Report for the financial year 2025 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the Financial Statements in this Annual Report.

Cost Auditors:

During the year under review, in accordance with Section 148(1) of the Act, the Company has maintained the accounts and cost records, as specified by the Central Government.

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Rao, Murthy & Associates, Cost Accountants (Firm Registration No. 000065) as Cost Auditors to audit the cost accounts of the Company for the FY2025-26 under section 148 of the Act. M/s. Rao, Murthy & Associates have confirmed that their appointment is within the limits of section 141(3)(g) of the Act and have also certified that they are free from any disqualifications specified under section 141(3) and proviso to section 148(3) read with section 141(4) of the Act. The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company. As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s. Rao, Murthy & Associates, Cost Auditors is included in the Notice convening the Annual General Meeting.

Internal Auditors:

The Internal Audit function is responsible for assisting the Audit Committee & Risk Management Committee on an independent basis with a full status of the risk assessments and management. M/s. KPMG Assurance & Consulting Services LLP was appointed as Internal Auditors of the Company to undertake Internal Audit for the FY2026.

Secretarial Auditor:

Pursuant to the provisions of section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Ratish Tagde & Associates, Company Secretary in practice to undertake the Secretarial Audit of the Company for Financial Year ended March 31, 2025. The Secretarial Audit Report for the financial year ended March 31, 2025, as required under Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations are appended as **Annexure 2** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, as per Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and SEBI (LODR) read with SEBI (LODR) (Third Amendment) Regulations, 2024 the Board has recommended to appoint M/s. Ratish Tagde & Associates, Company Secretary in practice as the Secretarial Auditors of the Company for the term of 5 (five) consecutive years i.e. from Financial Year April 1, 2025 to March 31, 2030.

As per regulation 24(1) of SEBI Listing Regulations, the Company is required to annex the Secretarial Audit report of its material unlisted subsidiary to its Annual Report. JKM Erla Automotive Limited (JEAL) has been identified as Material Unlisted Subsidiary of the Company for FY2025 and accordingly Secretarial Audit Report of JEAL is annexed as **Annexure - 2A**.

Tax Auditors:

M/s. BVS & Associates, Chartered Accountants Firm, are the Tax Auditors of the Company.

RISK MANAGEMENT POLICY:

The Company has a Risk Management Policy and constituted a Risk Management Committee as required under Listing Regulations. The Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans, risk reporting and carries out other related activities as per the Listing Regulations. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to enterprise risk management.

The details and the process of Risk Management as implemented in the Company are provided as part of Management's Discussion and Analysis which forms part of this Report.

The said policy has been uploaded on Company's website (<https://dynamics.com/Investors/Shareholder-Information/>).

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this Annual Report.

DEPOSITS:

During the year under review, the Company has neither accepted nor renewed any deposits from the public and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

In line with Section 135 of the Companies Act, 2013 read with applicable rules made thereunder, Corporate Social Responsibility (CSR) Committee has been constituted for the purposes of recommending and monitoring the CSR initiatives of the Company.

The Board, based on the recommendation of the CSR Committee, has formulated and adopted a CSR Policy, in line with Section 135 of the Companies Act, 2013 read with the applicable rules made thereunder, which is available on the website of the Company at (<https://dynamatics.com/Investors/Shareholder-Information/>).

The CSR objectives are designed to serve societal, local and national goals in the locations we operate, create a significant and sustained impact on local communities and provide opportunities for our employees to contribute to these efforts through volunteering.

The Annual Report on the CSR initiatives undertaken by the Company as per the Companies (Corporate Social Responsibilities Policy) Rules, 2014 (as amended) including the reasons for not utilising the complete amount for CSR as approved by the CSR Committee, is annexed as **Annexure 3**. The details relating to the composition of the CSR Committee is provided in the Corporate Governance Report, forming part of the Annual Report.

ANNUAL RETURN:

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the Annual Return for FY 2024-25 is uploaded on the website of the Company and the same is available at www.dynamatics.com

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE:

Your Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. As required under law, the Company has constituted an Internal Committee for conducting inquiry into the sexual harassment complaints at the workplace and for taking such actions as stipulated under the said act.

Any complaint pertaining to sexual harassment is diligently reviewed, investigated and treated with great sensitivity. The Internal Committee members have been trained in handling and resolving complaints and have also designed an online POSH e-learning awareness module, for its employees. During the financial year 2025, there were no complaints received on sexual Harassment.

As a proactive step towards promoting awareness and understanding of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, Dynamic Technologies organizes training sessions conducted by legal experts specifically tailored for women employees. These sessions aim to educate employees about their rights and the procedures for reporting and addressing instances of sexual harassment.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM:

The Company has adopted a Vigil Mechanism Policy through which all stakeholders including Directors and employees may report unethical behaviour, malpractices, actual or suspected fraud, wrongful conduct, and violation of the Company's code of conduct without fear of reprisal. Details of complaints received, and the action taken are reviewed by the Audit Committee.

During the year under review, the Company / Committee has not received any such complaint. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time.

This Policy provides for adequate safeguards against victimization of employees who avail of this mechanism. The Policy also provides for direct access to the Chairman of the Audit Committee to best manage such events and to enable integrity of information. It is affirmed that no personnel of the Company will be denied access to the Audit Committee. The policy on vigil mechanism may be accessed on the Company's website (<https://dynamatics.com/Investors/Shareholder-Information/>).

PARTICULARS OF REMUNERATION OF DIRECTORS, KMP AND EMPLOYEES:

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is attached which forms part of this report. Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure - 4**, which forms part of this report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

The information relating to conservation of energy, technology absorption, Research & Development and Foreign Currency is appended as **Annexure - 5**.

OTHER DISCLOSURES:

Events Subsequent to the Date of the Financial Statements:

There have been no material changes / commitments affecting the financial performance of the Company which occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

Change in the Nature of Business, if any:

The Company continues to focus on its key business segments and looks for selective growth / expansion opportunities. There was no change in the nature of business during the year under review. State of the affairs of the Company and future plan of action and outlook is discussed in this report.

Significant & Material Orders Passed by the Regulators:

During the year under review, no significant / material orders were passed by the regulators or the Courts or the Tribunals impacting the going concern status and the Company's operations in future.

Partnerships and Collaborations:

Dynamatic Technologies has forged significant partnerships with esteemed academic and defense research institutions to advance indigenous product development for India's defense and paramilitary sectors, aligning with the vision of Atmanirbhar Bharat, as advocated by our Prime Minister.

A Memorandum of Understanding (MOU) was inked with the Indian Institute of Technology (IIT) Kanpur, focusing on the design and development of unmanned solutions tailored for surveillance and reconnaissance applications. This collaboration harnesses the cutting-edge expertise of IIT Kanpur to drive innovation in unmanned systems, addressing critical defense and security needs.

In addition, an agreement was established with the Central Scientific Instruments Organisation (CSIO) to facilitate the design and development of advanced optical sensors and payloads. Leveraging CSIO's specialized capabilities, this partnership aims to bolster Dynamatic Technologies' capabilities in delivering state-of-the-art optical solutions for defense applications.

Through these strategic partnerships, Dynamatic Technologies is at the forefront of fostering indigenous innovation and technology development, contributing to the nation's self-reliance aspirations in defense and security domains.

Credit Rating:

During the year under review, the Company's debt facilities were rated by India Ratings and Research. The instrument wise ratings are as below:

Instrument Type	Rating / Outlook
Term loan	IND A / Stable
Fund / Non-fund based working capital limit	IND A / Stable / IND A1

Listing with Stock Exchanges:

The Company confirms that it has paid the Annual Listing Fees for the year FY2025 to NSE (DYNAMATECH) and BSE (505242) where the Company's Shares are listed.

Promoters:

The list of the promoters is disclosed for the purpose of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Mr. Udayant Malhoutra is the promoter of the Company within the definition of 'Promoter' for the purpose of regulations 2(1) (s) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Details of the promoter group are appended as under:

No. Name of the entity / person:

1. JKM Holdings Private Limited
2. Udayant Malhoutra and Company Private Limited
3. JKM Offshore India Private Limited
4. Christine Hoden (India) Private Limited
5. Greenerth Biotechnologies Limited
6. Mrs. Barota Malhoutra
7. Primella Sanitary Products Private Limited
8. Vita Private Limited
9. Wavell Investments Private Limited

GREEN INITIATIVES:

In alignment with its commitment to green initiatives and sustainable practices, Dynamatic Technologies has taken a proactive step by opting for electronic distribution of the Notice of the 50th Annual General Meeting (AGM) of the Company, along with the Annual Report for the fiscal year 2024-25. This initiative involves sending electronic copies of these documents to all members whose email addresses are registered with the Company or Depository Participants.

By transitioning to electronic communication for AGM notices and annual reports, Dynamatic Technologies aims to minimize paper usage and reduce its environmental footprint. This eco-friendly approach not only supports the company's sustainability goals but also reflects its dedication to responsible corporate citizenship.

APPRECIATION:

The Board of Directors extends its heartfelt gratitude to the employees, customers, vendors, investors, and communities associated with Dynamatic Technologies for their unwavering cooperation and invaluable support throughout the year. Their dedication and partnership have been instrumental in the company's achievements and successes.

Furthermore, the Board expresses gratitude to the Government of India, Government of Karnataka, and various State governments, as well as government departments and agencies, for their collaboration and support.

The contributions of every member of the Dynamatic family are deeply appreciated and valued, reflecting the collective effort and commitment towards the company's mission and goals.

Finally, the Board acknowledges and thanks all the company's customers for their continued trust and patronage. Their support has been pivotal in shaping Dynamatic's journey and success.

For and on behalf of the Board of Directors



UDAYANT MALHOUTRA
CEO & Managing Director
DIN : 00053714



CHALAPATHI P
Executive Director & CFO
DIN : 08087615

Place: Bengaluru

Date: 27th May 2025

Annexure 1

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/ associate companies/ joint ventures

Rs in Lakhs

Sr No	Name of the Subsidiary	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities [excl. (2) & (3)]	Investments		% of Holding	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (incl. dividend tax)	
						Long-term	Current							
1		2	3	4	5	6	7	8	9	10	11	12	13	14
Foreign Subsidiaries (Reporting currency reference mentioned against each Subsidiary)														
1	Dynamatic Limited UK	9,285	13,087	58,881	36,509	805	-	805	100%	40,050	1,046	194	852	-
2	Yew Tree Investments Ltd,UK	0.11	2,359	2,615	257	-	-	-	100%	-	86	27	58	-
3	Dynamatic US, LLC	-	(1,246)	(1,246)	-	-	-	-	100%	48	(149)	-	(149)	-
4	Eisenwerk Erla GmbH	1,482	8,739	20,565	10,344	-	-	-	100%	32,822	(251)	(76)	(175)	-
5	JKM Global Pte Limited, Singapore	13,181	775	22,391	8,435	13,938	-	13,938	100%	-	11	1	10	-
Indian Subsidiaries														
6	JKM Erla Automotive Limited	10,792	1,629	12,504	83	12,503	-	12,503	100%	-	(73)	-	(73)	-
7	JKM Automotive Limited	1	(1)	-	-	-	-	-	100%	-	-	-	-	-
8	Dynamatic Manufacturing Limited	3,800	(1,073)	7,732	5,005	33	-	33	100%	6,634	(157)	-	(157)	-
9	JKM Research Farm Limited	500	2,156	2,673	17	-	-	-	100%	-	26	8	18	-

Details of reporting currency and the rate used for converting.

Reporting Currency Reference	For Conversion		
	Currency	Average Rate (in ₹)	Closing Rate (in ₹)
a	GBP	108.34	110.66
b	SGD	63.19	63.71
c	USD	84.67	85.51
d	EURO	90.86	92.61



UDAYANT MALHOULTRA
Chief Executive Officer &
Managing Director
DIN : 00053714



CHALAPATHI P
Executive Director & CFO
DIN : 08087615



SHIVARAM V
Chief Legal Officer & Company
Secretary

Place: Bengaluru

Date: 27th May 2025

Names of subsidiaries which are yet to commence operations: JKM Erla Automotive Limited and JKM Automotive Limited. However, JKM Automotive Limited filed an application for strike-off, as it was unable to achieve its intended objectives and has not generated any income since its incorporation.

Names of subsidiaries which have been liquidated or sold during the year: JKM Erla Holdings GmbH, Germany, ceased to exist with effect from 30th September 2024, pursuant to the court order dated 16th September 2024.

ANNEXURE – 2
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025.

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014].

To,
The Members of
Dynamic Technologies Limited
CIN: L72200KA1973PLC002308
JKM Plaza, Dynamic Aerotropolis,
55 KIADB, Aerospace Park,
Bangalore 562149

I have conducted the secretarial audit compliance of applicable statutory provisions and the adherence to good corporate practices by Dynamic Technologies Limited (“the Company”). Secretarial Audit was conducted through online/offline inspections/verification of documents in manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon. Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended 31st March 2025, complied with the statutory provisions listed hereunder and also that the Company has adopted a proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March 2025, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made hereunder.
3. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder.
4. 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.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a) SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) SEBI (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 - e) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
 - f) SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015.
 - g) The Securities and Exchange Board of India (Employee Stock Option Scheme and employee Stock Purchase Scheme) Guidelines, 1999.
 - h) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

I have also examined compliance with the applicable clauses of the following Secretarial Standards issued by the Institute of Company Secretaries of India:

- a) Meetings of the Board of Directors (SS-1); and
- b) General Meetings (SS-2)
- c) Dividends (SS-3)
- d) Report of Board of Director (SS-4)

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

I have relied on the representations made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The major head/groups of Acts, Laws and Regulations as applicable to the Company are:

- i. Industrial Laws.
- ii. Labour Laws.
- iii. Environmental and prevention of pollution Laws.
- iv. Tax Laws.
- v. Economic and Commercial Laws.
- vi. Legal Metrology Act, 2009 and
- vii. Shops and Establishment Act.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, the meetings were held in compliance with the applicable provisions. There is 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.

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

For Ratish Tagde & Associates.
(Company Secretaries)



Mr. Ratish Tagde
(Proprietor)

CP.NO. 22018

FCS NO. 6162

UDIN: F006162G000454601

Place: Mumbai

Date: 27th May 2025

To,
The Members of
Dynamatic Technologies Limited
CIN: L72200KA1973PLC002308
JKM Plaza, Dynamatic Aerotropolis
55 KIADB, Aerospace Park,
Bangalore 562149

My Secretarial Audit Report date is to be read along with this letter. I have conducted the Secretarial Audit relying on the information and records made available to me.

1. Maintenance of secretarial record, devise 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 are the responsibilities of the management of the Company. My responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on audit.
2. I 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 virtual basis and on test basis to ensure the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ratish Tagde & Associates.

(Company Secretaries)



Mr. Ratish Tagde

(Proprietor)

CP.NO. 22018

FCS NO. 6162

UDIN: F006162G000454601

Place: Mumbai

Date: 27th May 2025

ANNEXURE - 2A

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

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

To,
The Members,
JKM Erla Automotive Limited
CIN: U35122KA2011PLC056973
C/o. Dynamatic Hydraulics, Plot No.1A/1,
1st Main Road, 2nd Phase, 1st Stage,
Peenya Industrial Estate, Bangalore - 560058, Karnataka, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JKM Erla Automotive Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us with 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 March 31, 2025 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 March 31, 2025, according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iii. 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;
- iv. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder: to the extent of its applicability to an unlisted Company;
- v. The Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992('SEBI Act'): to the extent applicable;
- vi. The Company has identified the following laws as specifically applicable to the Company:
 1. Factories Act, 1948 & the Central Rules or concerned State Rules, made thereunder
 2. Environment (Protection) Act, 1986
 3. The Water (Prevention and Control of Pollution) Act, 1974 & Central Rules/ Concerned State Rules
 4. The Air (Prevention and Control of Pollution) Act, 1981 & Central Rules/ Concerned State Rules
 5. Hazardous Wastes (Management and Handling) Rules, 1989
 6. Manufacture, Storage, and Import of Hazardous Chemicals Rules, 1989
 7. The Contract Labour (Regulation and Abolition) Act, 1970 & its Central Rules/ Concerned State Rules
 8. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, FPF Schemes
 9. The Employees' State Insurance Act, 1948 & its Central Rules/ Concerned State Rules
 10. The Minimum Wages Act, 1948 & its Central Rules/ Concerned State Rules/ Notification of Minimum Wages applicable to various class of industries/ Trade
 11. The Payment of Wages Act, 1936 & its Central Rules/ Concerned State Rules if any
 12. The Payment of Bonus Act, 1965 & its Central Rules/ Concerned State Rules if any
 13. The Payment of Gratuity Act & its Central Rules/ Concerned State Rules if any
 14. The Maternity Benefit Act, 1961 & its Rules
 15. The Employee's Compensation Act, 1923
 16. The Industrial Employment (Standing Orders) Act, 1946 & its Rules

17. The Industrial Dispute Act, 1947
18. The Trade Marks Act, 1999
19. Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015: - to the extent applicable to an unlisted Company which is a subsidiary of a listed Company.
- iii. SEBI (Prohibition of Insider Trading) Regulations, 2015: - to the extent applicable to an unlisted Company which is a subsidiary of a listed Company.

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

We further report that: -

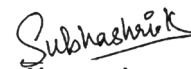
- The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent out in compliance with the provisions of Secretarial Standards, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- We further report that based on review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and
- As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that: -

- i. The Company in its Board Meeting held on 08th August, 2024 approved the borrowing from holding Company, Dynamatic Technologies Limited upto a maximum amount of Rs.75,00,000/- (Rupees Seventy Five Lakhs only).
- ii. The Company in its Board Meeting held on 06th February, 2025, approved the borrowing from holding Company, Dynamatic Technologies Limited upto a maximum amount of Rs.10,00,000/- (Rupees Ten Lakhs only).

There are no other specific events/actions in pursuance to the above referred laws, rules, regulations, guidelines etc., having a major bearing on the Company's Affairs.

For BMP & Co. LLP
(Company Secretaries)



Subhashri K
Partner

Membership No: A62771

CP No: 27534

PR No.: 6387/2025

UDIN: A062771G000564745

Date: 26th May, 2025

Place: Bengaluru

This report to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
JKM Erla Automotive Limited
CIN: U35122KA2011PLC056973
C/o. Dynamatic Hydraulics, Plot No.1A/1,
1st Main Road, 2nd Phase, 1st Stage,
Peenya Industrial Estate, Bangalore - 560058, Karnataka, India

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For BMP & Co. LLP
(Company Secretaries)



Subhashri K
Partner

Membership No: A62771

CP No: 27534

PR No.: 6387/2025

UDIN: A062771G000564745

Date: 26th May, 2025

Place: Bengaluru

ANNEXURE – 3
ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

Dynamic CSR Policy has identified programs such as - Promoting Education, Ensuring Environmental Sustainability and Promoting Healthcare.

Having identified the CSR Policy and Programs, our mission is to deploy our CSR team and concerned employees to participate in our CSR initiatives in a structured manner. Our objectives are to embed CSR in the overall strategy of the Company and implement CSR activities which build trust with stakeholders and create long term sustainability value with measurable outcome.

Through our CSR Programme we have been equipping the underserved communities with the amenities they need, empower the rural youth with technical / shop floor skills and knowledge.

Apart from the above, as a part of Promoting Education, Ensuring Environmental Sustainability and Promoting Healthcare, the company has identified the following programmes for the forthcoming Financial Year:

- Special education and employment enhancing vocation skills especially among children, women, and the differently abled and livelihood enhancement projects.
- Ecological balance, protection of flora and fauna, animal, welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air, and water.
- Preventive healthcare and sanitation, including contribution to the Swach Bharat Drive of the Central Government for the promotion of sanitation and making available safe drinking water

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation Nature Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Gaitri Issar Kumar	Chairperson	1	1
2	Mr. Pradyumna Vyas	Member	1	1
3	Mr. P.S Ramesh *	Member	1	1
4	Mr. Chalapathi P**	Member	1	-

*Mr. P.S Ramesh retired on 13th November 2024.

** Mr. Chalapathi P was inducted on 13th November 2024.

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.

The CSR policy of the Company is available on the Company’s website www.dynamics.com. (<https://www.dynamics.com/Investors/Shareholder-Information/>)

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 (attach the report).: Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No	Particulars	Amount (in Rs. Lakhs)
a	Average net profit of the Company as per sub-section (5) of section 135.	4,489
b	Two percent of average net profit of the company as per sub-section (5) of section 135.	89.78
c	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
d	Amount required to be set off for the financial year, if any.	2.86
e	Total CSR obligation for the financial year (b+c-d)	86.92

6. a) Amount spent on CSR projects (both Ongoing Project and other than ongoing projects)

Sl. No	Name of Project	Items from the list of activities in Sch VII to the Act.	Local (Yes / No)	Amount spent for the project	Mode of Implementation
1	Promoting Education	Education	Yes	8.90	Direct
2	Ensuring Environmental Sustainability	Environment	Yes	33.90	Direct
3	Preventive Health care and Sanitisation	Health care	Yes	48.10	Direct

All the above CSR activities were done in Karnataka - Bengaluru through direct mode.

- 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)]: **Rs. 90.90 Lakhs**
- e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (in Rs)	Amount Unspent (in Rs. Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
42.90	48	28/04/2025	Nil	Nil	Nil

- f) Excess amount for set off, if any

SI.No	Particular	Amount (in Rs. Lakhs)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	89.78
(ii)	Total amount spent for the Financial Year	90.90
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.12
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years*	3.98

*The total amount spent during the year towards CSR is Rs. 90.90 Lakhs as against obligation of Rs 86.92 Lakhs (Refer Table 5 above). The excess amount to be set off in the succeeding financial years is Rs. 3.98 Lakhs (Rs. 90.90 Lakhs - Rs 86.92 Lakhs).

7. Details of Unspent CSR amount for the preceding three financial years: **Nil**
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Yes**

Sl. No.	Short particulars of the property or asset (s) including complete address and location of the property	Pin code of the property or assets	Date of creation	Amount of CSR amount spent (in Rs)	Details of entity/ authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	Construction of Bus Station at Dynamic Junction	562149	January 2025	1,10,120/-	NA	KIADB Aerospace Park, Bangalore	KIADB Aerospace Park Bangalore
2	Provided 15 KVA Diesel Generator along with accessories	562149	January 2025	3,56,000/-	NA	Police Station, Bagalur	Bagalur Colony, BEML Layout, Razack Palya, Bengaluru, Karnataka
3	Police Chowki along with Patrolling Car, KIADB Aerospace Park, Bagalur police station.	562149	March 2025	48,00,000/-*	NA	Police Station, Bagalur	Bagalur Colony, BEML Layout, Razack Palya, Bengaluru, Karnataka

*This project is currently under progress

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

With reference to 6 (e) of Annual CSR report, Rs. 48 Lakhs is transferred to unspent account towards the multi-year ongoing projects as approved by the CSR committee and in accordance with the rules under section 135 of Companies Act by MCA. Amount has been set aside as per the terms of two of the projects taken up in the year. Below are the details of unspent amount details –

- Ensuring Environmental Sustainability - Rs. 10 Lakhs
- Promoting Healthcare & Safety - Rs. 38 Lakhs

The amount thus set aside will be spent as per MCA guidelines.

ANNEXURE 4

DETAILS OF REMUNERATION (CTC) OF KEY MANAGERIAL PERSONNEL AND OTHER DIRECTORS:

1. Details / Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration of the Employees of the Company (Ratio) for the financial year 2023-24 and the percentage increase in remuneration of Directors and Key Managerial Personnel (KMP) (%) during the Financial Year 2024 -25:

SI No	Name & Designation	Category	FY 2023-24	FY 2024-25	Increase / (Decrease)	Ratio	% Increase / (Decrease)
1	Mr. Udayant Malhoutra, CEO & Managing Director	Director & KMP	1,21,99,080	1,44,00,000	22,00,920	1:20	18.04%
2	Mr. P S Ramesh, Executive Director & COO Hydraulics	Director & KMP	1,17,25,985	72,80,610	NA	NA	NA
3	Mr. Chalapathi, Executive Director & CFO	Director & KMP	1,02,32,728	1,20,00,000	17,67,272	1:16	17.27%
4	Mr. Shivaram V, Chief Legal Officer & Company Secretary	KMP	50,11,631	78,00,000	27,88,369	1:11	55.64%

Note

- Employers contribution to provident fund is included in CTC of FY 2023-24 & FY 2024-25
- The Director & KMP in Serial No 2 retired on 13th November 2024 and the remuneration stated above is excluding final settlement payment towards leave encashment and gratuity.

Name of the Director	Sitting Fees (Rs.)
Ms. Gaitri Issar Kumar	16,00,000
Mr. Pradyumna Vyas	20,00,000
Mr. Pierre de Bausset	19,00,000
Dr. Ajay Kumar*	12,00,000

*Mr. Ajay Kumar resigned on 15th May 2025.

- The percentage increase in the median remuneration of employees in this financial year: 4.7%
- The number of permanent employees on the rolls of company as on 31st March 2025: 869
- Average percentile increase 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:

The average percentage increase in the salaries of employees other than the managerial personnel is 11.85 %

Average percentage increase in the managerial remuneration: 24.62%

- Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.
- Details of the employees drawing remuneration of Rs. 8.50 lakhs per month or Rs. 1.20 crores per annum:

Name	Designation	Grade	Monthly CTC	Performance Linked Pay - Monthly	Total Monthly CTC
Udayant Malhoutra	CEO & MD	C1	12,00,000	-	12,00,000
Chalapathi P	ED & CFO	C3	9,50,000	50,000	10,00,000
V Ravichander	CTO	C3	9,50,000	50,000	10,00,000

ANNEXURE - 5

Details on Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

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

A. Conservation of Energy

All our facilities in India and abroad are built with the environment in mind and the processes are designed for efficiency in usage of resources, energy conservation and to ensure that no waste is transmitted into the environment. The industrial complexes are highly energy efficient and completely non-polluting. This has been made systematic and quantifiable through the implementation of ISO 14001.

1) The steps taken or impact on conservation of energy

The Company has implemented a water balance system to optimize usage, resulting in a savings of 12,480 KL of water and reducing costs by Rs. 12,48,000.

2) The steps taken by the Company for utilizing alternate sources of energy

The Company has partnered with a private firm for rooftop solar, utilizing 7,25,000 kWh of solar power for its operations and saving Rs. 21,75,000 in energy costs. This initiative supports its efforts to reduce carbon footprint and promote sustainability.

3) The capital investment on energy conservation equipment: Nil

4) The Company has installed EV charges for vehicles in the campus. Thus, it is in the process of reducing the carbon footprint by going green.

B. Technology Absorption

1) The efforts made towards technology absorption.

Research & Development plays a vital role in developing and implementing new technologies to enhance our operational efficiency. Dynamatic Hydraulics designs and builds bespoke geared products for farm mechanization, construction, forestry, mining, material handling, and industrial machines. Most products are developed using simulations of actual operating conditions, followed by extensive user trials. The company uses advanced software like Creo-III, SolidWorks, Ansys, and AMESim, with rapid prototyping and validation labs in India and the UK. The company is engaged in state-of-the-art 3D

designs using software such as CATIA V5, Unigraphics NX, and Mastercam for their design and development activities meeting global OEM standards. Holding several patents, the R&D team in both countries comprises experts in application engineering, product design and validation, process design, material science, and integrated system design. Engineering teams collaborate closely with leading government and private research institutes in India, the UK, and the US, including DSIO, IIT Kanpur, IISc, Bath University, and MSOE. Aerospace and Hydraulics units in India and the UK, along with Automotive units in India and Germany, work together to develop solutions and enhance synergy across the group.

The Company's Research & Development is overseen by the Board-level Technology & Strategy Development Committee, which guides R&D strategy and addresses key technology issues. The Committee regularly reviews and updates required skills, competencies, structure, and processes to ensure R&D initiatives support the Company's sustained long-term growth.

2) Some of the benefits derived are product improvement, cost reduction, new product development or import substitution.

R&D and innovation remain integral to the Company's growth, profitability, sustainability, and contribution to nation-building. The Dynamatic Science Lab, formed by consolidating research and technology functions, enhances value by leveraging skills and expertise to create new business opportunities.

3) Imported technology (imported during the last three years reckoned from the beginning of the financial year) Dynamatic Technologies has in-house design and engineering teams in India, the UK, and Germany, leveraging their expertise to develop world-class products and solutions globally. We focus on import substitution and Make in India initiatives rather than importing technologies. Our efforts have been recognized by the Prime Minister and honored with several indigenization awards.

4) Expenditure incurred on Research and Development

(Rs. in Lakhs)

Particulars	31 st March 2025	31 st March 2024
a. Capital	725	103
b. Revenue	670	711
Total	1,395	814

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of foreign exchange earnings and outgo are as follows:

(Rs. in Lakhs)

Particulars	31 st March, 2025	31 st March, 2024
a. Total Foreign Exchange Earned		
Sales of goods and service	33,137	31,697
Interest Income earned	765	554
Foreign Exchange Earned	33,902	32,251
b. Total Foreign Exchange Used	13,783	25,368
Import of materials, components, stores & spares, etc	11,051	8,628
Foreign Travels	255	297
Capital Expenditure	-	427
Lease Rent	395	436
Finance Cost	89	531
Term Loan repayment	-	8,198
Inter-company loan provided	-	6,766
Investment	1,993	-
Others, if any	-	85

Place: Bengaluru

Date: 27th May 2025



UDAYANT MALHOUTRA
CEO & Managing Director
DIN : 00053714



CHALAPATHI P
Executive Director & CFO
DIN : 08087615

CEO / CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the
Financial Year ended 31st March 2025)

To,
The Board of Directors
Dynamatic Technologies Limited

We, Udayant Malhoutra, Chief Executive Officer & Managing Director and Chalapathi P, Executive Director & Chief Financial Officer of Dynamatic Technologies Limited have reviewed the Financial Statements for the financial year ended 31st March 2025, and we hereby certify and confirm to the best of our knowledge and belief the following:

- The Financial Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- The Financial Statements together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;
- There are no transactions entered in to by the Company during the year ended 31st March 2025, which are fraudulent, illegal or violative of Company's Code of Conduct;
- We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same;
- There have been no significant changes in the above mentioned internal controls over financial reporting during the Financial Year 2024-25.

Place: Bengaluru
Date: 27th May 2025


UDAYANT MALHOUTRA
CEO & Managing Director
DIN : 00053714


CHALAPATHI P
Executive Director & CFO
DIN : 08087615

Declaration by the CEO under Regulation 26(3) of the SEBI (Listing Obligation and disclosure requirements) Regulation, 2015 regarding adherence to the Code of Conduct

Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board members and the senior management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the financial year ended March 31, 2025.

Place: Bengaluru
Date: 27th May 2025


Udayant Malhoutra
CEO & Managing Director
DIN : 00053714

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR FY2025

BUSINESS OVERVIEW:

Incorporated in 1973, Dynamatic Technologies Limited ('Dynamatic Technologies' or the 'Company') is a manufacturer of highly engineered, mission critical products for the Aerospace, Hydraulics and Metallurgy industries. With futuristic design, engineering and manufacturing facilities in Europe and India, Dynamatic Technologies serves customers across six continents.

The Company is one of the world's largest manufacturers of hydraulic gear pumps and automotive turbochargers, having held the leadership position in the hydraulic gear pumps market for 50 years. Dynamatic Hydraulics commands approximately 80% of the Indian OEM tractor market and about 38% of the global tractor market. Dynamatic Technologies is a pioneer and leader in the private sector, both in India and the UK, in the manufacture of precision flight-critical and complex airframe structures and aerospace components. It serves as a Tier-1 supplier to global aerospace OEMs and primes such as Airbus, Boeing, Bell Helicopters, Dassault Aviation, Deutsche Aircraft, Hindustan Aeronautics Limited, Bharat Electronics Limited and Spirit Aerosystems. The Company also produces high-precision, complex metallurgical ferrous components for performance-critical applications like turbochargers and exhaust manifolds, with advanced design and development capabilities to meet OEM needs.

Dynamatic Technologies' facilities located in India (Bengaluru & Coimbatore), United Kingdom (Bristol & Swindon) and Germany (Schwarzenberg), are environmentally sensitive - green, lean, clean and aligned to our vision of CARE. The Company is vertically integrated, with its own alloy-making and casting capabilities as well as its own captive green energy sources.

Dynamatic Technologies operates in three business segments: Hydraulics, Aerospace & Defence and Metallurgy.

Hydraulics: Dynamatic Technologies is one of the largest manufacturers of hydraulic gear products in the world, with state-of-the-art manufacturing facilities in India, the United Kingdom, and Milwaukee, USA. This business unit designs and manufactures hydraulic gear pumps in both aluminum and cast iron, available in multiple frame sizes. The product range includes high-efficiency gear pumps, low noise pumps, high-pressure pumps, axial piston pumps, low torque high-speed hydraulic motors, plunger hand pumps, hitch control valves, rock shaft assemblies, power steering valves, and mobile control valves for global OEMs.

The business unit also manufactures bespoke, high-flow scavenging pumps, lube oil pumps, and water pumps for high-horsepower engines, which are used in off-highway vehicles, marine, and offshore equipment. Additionally, the Company designs and builds customized hydraulic solutions, from simple hydraulic pumping units to complex marine power packs, aircraft ground support systems, and turnkey industrial installations.

Equipped with advanced innovation and development centers in Bengaluru (India) and Swindon (UK), Dynamatic Technologies holds several patents and has a wealth of

experience in application engineering and rapid prototyping capabilities. This allows Dynamatic Hydraulics to develop bespoke solutions for OEMs efficiently and effectively.

Aerospace & Defence: Dynamatic-Oldland Aerospace® (DOA) is a pioneer and leader in the Indian private sector for the manufacture of high-precision airframe and aerospace components. The Company boasts best-in-class infrastructure to meet the needs of global OEMs such as Airbus, Boeing, Bell Helicopters, Dassault Aviation, and Deutsche Aircraft. Domestically, it collaborates with defense sector PSUs like HAL and BEL.

The major products of the Aerospace & Defence segment include control surfaces such as wings, ailerons, and wing flaps, fuselages, doors, and other key flight-critical airframe structures like flap track beams. Over time, the Aerospace division has developed excellent capabilities in automated robotic machining and the production of five-axis components in aluminium, steel, and titanium. Additionally, the Company has expertise in advanced tooling capabilities.

Metallurgy: The Metallurgy division supplies highly complex parts to customers worldwide, producing intricate iron castings in sophisticated alloys for various industries. Operating one of the most modern foundries in Europe, the company develops and manufactures components used globally. By leveraging a high level of specialist education and the strategic advantages of its location, the company creates significant added value for its international customers.

RESEARCH & DEVELOPMENT

With three design laboratories spanning India and Europe, Dynamatic Technologies stands as a leading private R&D organization, boasting numerous inventions and patents. The Company has established a robust Intellectual Property (IP) strategy aimed at constructing an effective portfolio for future monetization, collaboration, and risk mitigation, with a keen focus on emerging technologies.

The Company holds various patents across countries such as India, the USA, the UK, Germany, and other European nations. In addition to these patents, the Company has registered 39 trademarks and has applied for multiple others in various jurisdictions including India, the USA, the UK, and other European countries. Dynamatic Technologies boasts a talented workforce comprising over 90 scientists and 650 engineers and technicians.

These experts bring their skills in Product Design and Validation, Simulation, Application Engineering, Mechanical Engineering, Advanced Computer-Aided Engineering, Computer-Aided Manufacture, Materials & Metallurgical Engineering, Fluid Dynamics, and Defence & Aerospace Research. The state-of-the-art JKM Science Center serves as a hub, integrating Design Engineering, Development, Prototyping, Metallurgical, and Manufacturing Infrastructure. This cohesive setup empowers the Company to comprehensively address the diverse needs of its global clientele.

The Dynamatic Hydraulics Research Laboratory in Swindon, UK, has advanced design knowledge, focused on the Mobile Hydraulics, best-in-class engineering capabilities

and intellectual property with several patented products and designs. This facility provides testing and validation of new products for various OEM customers. Dynamic Technologies integrated engineering organisation focuses on new product development, new product introduction with the overlaid APQP process works closely with its OEM customers anticipating their future product needs.

GLOBAL MACROECONOMIC SCENARIO

In 2024, the global economy navigated a complex environment shaped by economic conditions, geopolitical dynamics, and policy changes. According to the International Monetary Fund (IMF), global GDP grew by 3.3%, with emerging markets, particularly in Asia, outpacing advanced economies in growth. Despite challenges such as the ongoing Russia-Ukraine conflict, trade tensions among major economies, and persistent supply chain disruptions, the global economy demonstrated resilience. Furthermore, investment decisions across sectors were increasingly influenced by shifting climate policies and regulatory frameworks.

The U.S. economy showed positive momentum, with a real GDP growth rate of 2.8%, supported by a stable labour market and moderating inflation. However, the Eurozone grew at a modest 0.9%, with Germany experiencing slight contraction. In contrast, emerging markets saw more robust growth, with China's economy expanding by 5.0%, driven by government measures and a stabilizing real estate market.

Global inflation, although still a concern, is gradually improving. It is forecasted to reach 5.7% in 2024, down from 6.7% in 2023. While inflation in advanced economies is expected to ease towards target levels by late 2025, emerging markets are anticipated to experience a slower, but steady, decline. Central banks globally are expected to maintain stable interest rates until mid-2025, after which they may begin easing policies in response to economic conditions.

OUTLOOK

The global economy is projected to maintain steady growth in the coming years, with GDP expected to rise by 2.8% in both 2025 and 3% in 2026, supported by strong performances from the U.S. and major emerging markets. Advanced economies will likely experience stable growth, with projections of 1.4% in 2025 and 1.5% in 2026. The U.S. is expected to see growth peak at 1.8% in 2025 before tapering off to 1.7% by 2026, largely due to changes in the labor market and slowing consumer spending.

Global inflation is anticipated to continue its downward trajectory, reaching 4.2% in 2025 and 3.5% by 2026. However, some regions may continue to face inflationary challenges, resulting in monetary policy divergence. While many central banks will reach their inflation targets by mid-2025, some will maintain tighter measures to manage persistent price pressures. The transition to cleaner energy presents both opportunities and challenges, particularly for resource-dependent economies, while the increasing frequency of extreme weather events poses a threat to agricultural productivity and broader economic stability.

(Source: IMF - World Economic Outlook)

INDIAN ECONOMY

India's economic trajectory remains robust and promising, supported by strong domestic demand, strategic reforms, and a growing influx of foreign investments. As the world's fifth-largest economy, India achieved a growth rate of 6.5% in FY2024-25, following an impressive 9.2% growth in the previous financial year. This sustained growth reflects the resilience of the country's economic fundamentals, driven by favourable policy support, a dynamic services sector, and increasing domestic consumption.

The government's focus on infrastructure, both physical and digital, along with reforms such as 'Make in India' and the Production-Linked Incentive (PLI) scheme, continues to drive the country's economic growth. The services sector is poised to maintain strong momentum, with an anticipated growth rate of 7.2%, supported by growth in key segments like financial services, real estate, professional services, and public administration. Additionally, India's ranking as the fifth-largest economy globally by nominal GDP and the third largest by purchasing power parity (PPP) highlights its growing economic significance.

Inflation in India remains under control, with the Consumer Price Index (CPI) expected to stabilize at around 5.6% by the end of FY2024-25. The Reserve Bank of India (RBI) continues to maintain a balanced approach, supporting economic growth while managing inflation through a stable policy repo rate of 6.5%. India's per capita Net National Income (NNI) saw a healthy increase of 6.08%, rising from Rs 98,374 in FY2022-23 to Rs. 1,04,550 in FY2023-24, contributing to enhanced household consumption across both urban and rural sectors.

OUTLOOK

India's growth outlook remains positive, with GDP expansion projected to range between 6.2% and 6.3% in FY2025-26. The country's ambitious goals of becoming the world's third-largest economy by 2030, driven by infrastructure investment, private capital expenditure, and financial services expansion, are well within reach. India's demographic advantage, coupled with aggressive policy measures and a strong consumer base, further strengthens its long-term growth prospects.

The government's continued focus on capital spending, fiscal discipline, and enhancing business and consumer confidence will foster an environment conducive to investment and consumption growth. Programs such as Make in India 2.0, Ease of Doing Business reforms, and the PLI scheme are expected to boost manufacturing, exports, and infrastructure, positioning India as a global manufacturing hub.

Moreover, India's commitment to infrastructure development, coupled with adaptive monetary policies and rural consumption support, is expected to drive sustainable economic growth in the coming years. By 2027-28, India aims to achieve a \$5 trillion economy, with a vision to reach \$30 trillion by 2047.

(Source: PIB, MoSPI, Economic Survey)

INDUSTRY OVERVIEW AND SEGMENT DISCUSSION:

HYDRAULICS:

Dynamatic Hydraulics® stands as one of the global leaders in hydraulic geared products manufacturing, boasting cutting-edge facilities in India, the UK, and the USA. The extensive product line encompasses a diverse array of solutions, including hydraulic gear pumps in aluminium and cast iron, axial piston pumps, motors, valves, and complete hydraulic systems. With a commitment to bespoke design tailored to each application, they cater to both domestic and international markets, offering unparalleled versatility and reliability. This comprehensive approach, coupled with a dedication to innovation and quality, solidifies Dynamatic Hydraulics® as a premier provider in the hydraulic industry, serving a multitude of sectors worldwide.

INDUSTRY OVERVIEW AND OUTLOOK:

FARM MECHANISATION:

The Indian agricultural machinery market continues to demonstrate consistent expansion, with its size estimated at USD 18.15 billion in 2025 and projected to reach USD 27.29 billion by 2030, representing a CAGR of 8.5%. This upward trajectory is primarily driven by the increasing need to improve farm productivity and operational efficiency in response to rising agricultural output and evolving cultivation practices.

A key enabler of this trend is the persistent shortage of agricultural labour, prompted by the migration of rural workers to urban centres and the growth of alternative employment opportunities in allied sectors. Government schemes such as the National Rural Employment Guarantee Act (NREGA) have also contributed to reducing the seasonal workforce availability in key agrarian states, especially during critical phases such as sowing and transplantation. Consequently, demand for mechanised solutions has accelerated, particularly in regions like Punjab and Haryana.

India maintains its global leadership in tractor manufacturing, with this segment accounting for a significant share of the country's agricultural machinery market. Tractor sales recorded a 28.6% increase between 2020 and 2023, supported by improved financing accessibility, greater affordability, and rising awareness of mechanisation benefits. The expansion of rural banking networks and microfinance institutions has further facilitated access to credit for machinery procurement.

Government policy continues to play a pivotal role in driving the sector forward. Supportive measures, including reduced import duties, subsidies for agricultural equipment, and simplified credit disbursement schemes, have enhanced affordability and accessibility for farmers. At the same time, increased rural income-stemming from improved crop yields-has enabled higher spending on mechanised tools and equipment.

Despite these advancements, the overall penetration of tractors and related machinery remains moderate, suggesting strong potential for future growth. Additionally, the rise of contract farming is expected to accelerate the adoption of advanced farming technologies by enabling access to shared resources, technical training, and financial support through agri-enterprise partnerships.

As farming becomes increasingly time-sensitive and yield-focused, mechanisation will continue to serve as a catalyst for transformation in Indian agriculture. Supported by structural shifts and policy enablers, the agricultural machinery industry is expected to maintain its growth momentum over the coming years.

<https://www.imarcgroup.com/farm-agricultural-equipments-industry-india>
<http://mordorintelligence.com/industry-reports/india-agricultural-machinery-market>

CONSTRUCTION AND MATERIAL HANDLING:

The Indian construction equipment market is positioned for long-term growth, with its size estimated at USD 7.91 billion in 2025 and projected to reach USD 11.78 billion by 2030, translating to a CAGR of 8.3%. This expansion is being driven by sustained government investments in infrastructure, rapid urbanisation, and the increasing requirement for mechanisation in large-scale development projects.

Government infrastructure initiatives such as Bharatmala and Sagarmala, along with ongoing developments in airport construction, railway corridors, and affordable housing under the Pradhan Mantri Awaas Yojana, are expected to stimulate demand for a broad range of equipment-including backhoe loaders, excavators, and wheeled loaders. These developments continue to support the sector's medium-to-long-term growth trajectory.

However, the Indian Mining and Construction Equipment (MCE) industry recorded a subdued performance during the first eleven months of FY2025, with growth moderating to approximately 3%, down from 26% in FY2024. This deceleration was primarily due to the general elections, which delayed project awards and execution, as well as prolonged monsoon conditions that impacted on-ground construction progress. Export performance also moderated, with growth of 7% in FY2025 compared to a 49% increase in the previous fiscal.

Within the domestic segment, earthmoving equipment retained its position as the dominant category, registering 5% year-on-year growth. In contrast, most other sub-segments reported volume declines. Overall industry volumes for FY2025 are expected to show limited expansion, with projected growth in the range of 2–3%. Notably, concrete and road construction equipment exports recorded a strong uptick, increasing by 133% and 122%, respectively.

Looking forward to FY2026, the industry is expected to register moderate growth of 2–5%. However, certain headwinds persist. Challenges related to liquidity constraints, rising financing costs, and upward revisions in equipment pricing-driven by compliance with new emission norms and enhanced safety standards-may limit short-term demand. Price hikes in the range of 12–15% are anticipated, which could temporarily impact purchase decisions.

Despite near-term pressures, the medium-term outlook remains constructive, supported by the government's continued focus on infrastructure expansion and favourable trends in commodity markets. The construction equipment industry remains integral to India's broader economic development plans and is expected to play a critical role in enabling infrastructure-led growth.

Dynamatic Technologies designs and manufactures pumps and motors for construction equipment applications. While the company currently holds a limited share in this segment, it views the space as a strategic growth opportunity. Continued investments in product development and market expansion are aimed at strengthening the Company's presence in this evolving sector.

<https://www.mordorintelligence.com/industry-reports/india-construction-equipment-market>
http://timesofindia.indiatimes.com/articleshow/118385432.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst
<https://infra.tractorjunction.com/en/news/construction-equipment-industry-growth-in-fy2025>

SEGMENT OVERVIEW:

Dynamatic Hydraulics manufactures high precision hydraulic products and solutions for tractors, construction equipment, material handling and machine tool industries. The Company has three state-of-art manufacturing facilities at Bengaluru for geared products- pumps and motors, Integrated Hydraulic solutions like hitch control valves, rockshaft assemblies and power units for defence applications. This manufacturing facility is supported by a very advanced design, R&D center and a rapid prototyping laboratory.

Dynamatic Hydraulics commands approximately 80% of the Indian OEM tractor market and about 38% of the global tractor market. It also designs and builds complete hydraulic solutions including hydraulic hitch control valve with draft control and complete rockshaft assembly for the agricultural tractors.

The Indian agricultural machinery market continues to demonstrate consistent expansion, with its size estimated at USD 18.15 billion in 2025 and projected to reach USD 27.29 billion by 2030, representing a CAGR of 8.5%. This upward trajectory is primarily driven by the increasing need to improve farm productivity and operational efficiency in response to rising agricultural output and evolving cultivation practices.

The Indian construction equipment market is positioned for long-term growth, with its size estimated at USD 7.91 billion in 2025 and projected to reach USD 11.78 billion by 2030, translating to a CAGR of 8.3%. This expansion is being driven by sustained government investments in infrastructure, rapid urbanisation, and the increasing requirement for mechanisation in large-scale development projects.

Furthermore, with given growth potential in the construction equipment sector, Dynamatic is investing in the development of high pressure, heavy-duty cast iron pumps to cater to the construction equipment sector. These products are in various stages of development and testing, which will cater to the global OEMs. Some of these products will undergo production phase in coming years, with supplies to global OEMs and aftermarket.

Operational Performance

(Rs in lakhs)

Particulars	FY2025	FY2024	Change (%)
Revenue	45,804	44,834	2.16%
EBITDA	2,415	3,771	(35.96)%
Margin %	5.3%	8.4%	

The revenues for this segment increased to Rs. 45,804 lakhs compared to Rs. 44,834 lakhs in the same period last year. EBITDA for FY2025 was Rs. 2,415 lakhs and Rs. 3,771 lakhs during last year. This segment reported an increase in topline

FY2025 due to upward trajectory primarily driven by the increasing need to improve farm productivity and operational efficiency in response to rising agricultural output and evolving cultivation practices.

AWARDS & ACCOLADES:

Dynamatic Hydraulics® has successfully completed the 2nd surveillance audits by ULDQS India, to ISO: 9001-2015 for Quality Management System, ISO:14001-2015 for Environmental Management System and ISO 45001-2018 for occupational health and safety management systems.

The store facility was shifted from existing stores to Unit 2 facility as a central store and same has been reflected and considered in ISO audit and certified.

Dynamatic Hydraulics® received a number of awards, listed below, at the National and State level in the FY2024-25. This is due to our relentless pursuit of excellence in everything we do.

Jan'2025: 17th National Poka Yoke Competition, won silver award for "Elimination of wrong mounting in welding operation" on Hand pump reservoir.

Successfully implemented 9 stages cutting in cycle to reduce chips generation in the gear pumps.

AEROSPACE & DEFENCE:

INDUSTRY OVERVIEW AND OUTLOOK:

DEFENCE AEROSPACE:

India's Aerospace and Defence (A&D) sector is undergoing a strategic shift, propelled by modernisation initiatives, enhanced capital outlays, and increased private sector participation. The domestic market is expected to expand from USD 19.81 billion in 2025 to USD 26.32 billion by 2030, reflecting a CAGR of 5.84%. This growth is underpinned by the government's strong policy push, rising defence exports, and an expanding industrial base.

The Ministry of Defence has set an ambitious target to achieve an annual turnover of USD 36.1 billion (INR 3 lakh crore) in defence manufacturing and services, along with annual defence exports of USD 6.02 billion (INR 50,000 crore) by FY2028-29. In FY2025-26, the defence budget allocation rose by 9.5% YoY to INR 6.81 lakh crore (USD 78.7 billion), with INR 1.80 lakh crore (USD 20.8 billion) earmarked for capital expenditure – encompassing procurement of advanced military platforms such as aircraft, warships, and armoured vehicles.

The sector continues to benefit from increasing focus on indigenisation. Programmes such as the Arjun Main Battle Tank (MBT), T-90 Bhisma upgrades, Future Infantry Combat Vehicle (FICV), HAL's Light Combat Helicopter (LCH), and advanced UAV procurements are contributing to the growth momentum. The Indian Air Force is also seeing renewed investment in indigenous platforms, with the LCA Tejas programme and expanded UAV development forming critical components of its future force structure.

The Maintenance, Repair, and Overhaul (MRO) segment is gaining traction in response to the growing need for reliable and cost-effective maintenance of the defence fleet. India is developing specialised MRO infrastructure supported by the adoption of digital technologies to enhance fleet readiness and reduce reliance on overseas service providers. Companies are increasingly adopting digital solutions to optimise MRO

operations and extend aircraft lifecycles, thereby improving availability and cost efficiency.

Defence spending worldwide reached USD 2.4 trillion in 2023, reflecting heightened geopolitical risks and growing demand for unmanned aerial systems, cyber-defence, and ISTAR (Intelligence, Surveillance, Target Acquisition, and Reconnaissance) capabilities. The global appetite for drone technologies, particularly in military and strategic roles, is rising sharply.

India is positioning itself to integrate into global value chains through its expanding manufacturing base, favourable policy environment, and emphasis on self-reliance under initiatives such as 'Make in India' and the Strategic Partnership model.

India's growing engineering capabilities, competitive manufacturing costs, and commitment to building indigenous capacity are shaping its emergence as a critical player in global aerospace and defence supply chains.

<https://www.statista.com/markets/407/topic/939/aerospace-defense-manufacturing/#overview>
<https://www2.deloitte.com/us/en/insights/industry/aerospace-defense/aerospace-and-defense-industry-outlook.html>
<https://www.mordorintelligence.com/industry-reports/india-aviation-defense-and-space-market>

COMMERCIAL AEROSPACE:

The commercial aerospace sector continued its recovery trajectory in FY2025, supported by sustained growth in passenger traffic, policy tailwinds, and infrastructure development. According to ICRA, India's aviation industry is expected to register a revenue growth of 10–15% in FY2025, following a 15–20% increase in FY2024. While passenger volumes have rebounded strongly, earnings recovery remains gradual due to the sector's high fixed-cost structure.

India's civil aviation market remains one of the fastest-growing globally. Key demand drivers include a growing middle-class population, a rising share of working-age individuals, and improved regional connectivity. During the April–December 2024 period, total passenger traffic stood at 196.91 million, comprising 140.11 million domestic and 56.8 million international passengers-reflecting year-on-year growth of 8.1% and 13.5%, respectively. For the full fiscal year FY2024, Indian airports handled 306.79 million domestic and 69.64 million international passengers, underscoring the sector's growth momentum.

This surge in air traffic is mirrored in aircraft movement, which has risen at a CAGR of 3.85% from FY2017 to FY2024, reaching 2.67 million movements in FY2024. The long-term aircraft demand is estimated to exceed 2,200 by 2042. In line with rising passenger volumes, domestic capacity, measured in Available Seat Kilometers (ASK), reached 162,289 million kms, while demand, measured in Revenue Passenger Kilometers (RPK), touched 148,251 million kms in FY2024.

The Maintenance, Repair, and Overhaul (MRO) segment presents a significant growth opportunity. The Indian MRO market, which stood at approximately USD 800 million in 2018, is projected to surpass USD 2.4 billion by 2028. Policy initiatives announced under the Union Budget 2024–25-such as the standardization of IGST on aircraft parts to 5% and extended re-import timelines for repaired components-are expected to accelerate domestic MRO expansion. Industry forecasts indicate that domestic MRO revenues could triple by FY2028.

Air freight remains a priority growth area, with cargo volumes during April–December 2024 reaching 2.79 million metric tonnes. Of this, 1.05 million tonnes were domestic freight and 1.74 million tonnes were international. Between FY2016 and FY2024, domestic and international cargo volumes expanded at a CAGR of 3.0% and 2.7%, respectively. The government aims to enhance perishable cargo connectivity by introducing 133 new dedicated cargo routes, targeting a 30% increase in cargo flight operations.

Infrastructure investment continues to anchor the sector's long-term growth. As of 2023, India had 148 operational airports, with plans to scale this to 220 by 2025. The Airports Authority of India (AAI), along with private developers, has earmarked a capital investment of Rs. 98,000 crore (USD 12 billion) over the next five years. Additionally, the government has allocated USD 1.83 billion for airport infrastructure and aviation navigation system development through 2026.

Policy reforms have further supported the sector's growth. The government has permitted 100% Foreign Direct Investment (FDI) in scheduled air transport services-up to 49% under the automatic route and beyond that via government approval. For Non-Resident Indians (NRIs), 100% FDI is allowed under the automatic route, enabling enhanced private sector participation and capital inflows.

Collectively, these trends and policy measures position India as a key market in the global aviation landscape, underpinned by strong domestic demand, infrastructure augmentation, and a conducive regulatory environment.

<https://www.investindia.gov.in/sector/civil-aviation>
<https://www.ibef.org/industry/indian-aviation>

SEGMENT OVERVIEW:

Dynamatic-Oldland Aerospace®, India, is a pioneer and a recognized leader in the Indian private sector for the development of complex aero-structures and manufacturer of aircraft parts and accessories. The Company is also vertically integrated to manufacture machined and sheet metal components, with soft and hard tooling, assembly jig manufacturing along with comprehensive engineering capabilities. The Aerospace & Defence Division has the largest infrastructure in the Indian private sector for the manufacture of complex aero structures. QMS is AS9100 approved, NADCAP approved for heat treatment, spot welding, non-destructive testing and metrology, the Company is also approved by major OEMs like Airbus, Boeing, Bell Helicopters, Deutsche Aircraft and Dassault Aviation. Further, it also caters to domestic requirements from major OEMs like Bharat Electronics Limited (BEL) & Hindustan Aeronautics Limited (HAL).

The Company's modern and state-of-the-art manufacturing facilities in India and the UK deliver high value to its customers, by seamless integration of highly skilled workforce for assemblies and sheet metal detail parts requiring artisanal capabilities and low cost of capital for manufacturing at the UK. The Company launched 'DOET – Dynamatic Operational Excellence and Transformation' prevailing way to DTL 2.0 as the language of change for sustainable growth and increased value to the customers and shareholders.

The Company has delivered over 8,200 aircraft sets of Single Aisle Flap Track Beams till date and has successfully completed the A320 re-design of the Flap Track Beam with a Monolithic structure working closely with Spirit Aero

Systems. Dynamatic Technologies is a Tier-1 Global Single Source manufacturer of Airbus A330 Flap Track Beams, the long-range aircraft variant. The Company is the largest single source manufacturer of the flap track beams in the world for Airbus. The Company is focused on developing capabilities in doors and large aero-structural assemblies and systems.

Operational Performance (Rs in lakhs)

Particulars	FY2025	FY2024	Change (%)
Revenue	60,785	51,009	19.17%
EBITDA	15,783	13,094	20.54%
Margin %	26.0%	25.7%	

During the FY2025, the Aerospace & Defence segment recorded a revenue of Rs. 60,785 lakhs compared to Rs. 51,009 lakhs in FY2024. Segment EBITDA for the year was Rs.15,783 lakhs, reported alongside Rs. 13,094 lakhs in FY2024. The Aerospace segment reported a growth of 19.2 % y-o-y driven by resilient performance of air transport industry. Commercial deliveries and ramp-up of parts for F-15EX Eagle and Escape Hatch Doors for Airbus A220 aircraft has contributed to top line and new business opportunities. A strong order book by major aircraft producers will drive both defence and commercial demand once global supply chain issues are resolved.

India's growing engineering capabilities, competitive manufacturing costs, and commitment to building indigenous capacity are shaping its emergence as a critical player in global aerospace and defence supply chains. India's Aerospace and Defence (A&D) sector is undergoing a strategic shift, propelled by modernisation initiatives, enhanced capital outlays, and increased private sector participation. The domestic market is expected to expand from USD 19.81 billion in 2025 to USD 26.32 billion by 2030, reflecting a CAGR of 5.84%. This growth is underpinned by the government's strong policy push, rising defence exports, and an expanding industrial base.

AWARDS & ACCOLADES:

In FY2024-25, Dynamatic Technologies Limited received industry wide recognition and won a few major awards:

- SEP 2024: One team from DML presented Improvement case study secured the prestigious Gold Award at the Chapter Convention on Quality Concepts (CCQC) 2024 organized by the Quality Circle Forum of India (QCFI). The same team was awarded the First Prize in the English Slogan Competition held during CCQC 2024.
- DEC 2024: DML participated its 1st Nationals in 38th National Convention on Quality Concepts (NCQC 2024) & earned the Excellence Award.

Dynauton Systems® - Revolutionizing Defence Operations

Dynauton Systems® is a next-generation Indian technology start-up and is wholly owned and housed within Dynamatic Technologies Limited. Dynauton focuses on the design and manufacture of advanced Unmanned Aerial Systems and critical subsystems such as gimbals, autopilots, radars, propulsion units, avionics, and integrated software solutions. The company is also developing cutting-edge anti-drone technologies including radio-frequency directional finders, drone detection radars, electro-optic systems, and loitering munitions.

With a highly experienced team drawn from premier Indian institutions and multinational organizations, Dynauton is dedicated to delivering world-class engineering and manufacturing excellence for unmanned systems in India. Our current focus is on expanding our UAV portfolio to enhance military operational capabilities and strategic intelligence, providing advanced surveillance and loitering munition solutions that empower armed forces to operate effectively in critical environments

Over the past year, we have strengthened our position as a trusted partner in defense and strategic technology by delivering cutting-edge solutions across core domains.

METALLURGY:

INDUSTRY OVERVIEW AND OUTLOOK

Germany's economy continued to face a period of stagnation in FY2024, shaped by elevated energy costs, evolving global trade dynamics, and broad macroeconomic uncertainty. Despite these challenges, the conclusion of national elections and the outlook for fiscal reforms under the new government have created a cautiously optimistic environment, with expectations of targeted measures to revitalise domestic industry.

The German automotive sector remains a key contributor to the national economy, accounting for nearly 6% of the country's GDP. However, structural headwinds have intensified, including high input costs, a deceleration in electric vehicle (EV) adoption, and weakening global demand. According to the German Automobile Association (VDA), Germany produced approximately 4.1 million passenger vehicles in 2024, a level consistent with the previous year but still 12% below pre-pandemic output in 2019. The combination of supply chain pressures, subdued consumer sentiment, and rising global competition-particularly from China and potential U.S. trade measures-has impacted production volumes and overall sector performance.

The industry is undergoing a period of transformation, marked by declining new vehicle sales, rising labour and energy costs, and a slow transition to EV platforms. These trends have triggered wider sectoral challenges, with implications for OEMs and Tier-1 suppliers across the value chain. Mass layoffs announced by some manufacturers reflect the extent of the pressures facing the industry. Nonetheless, Germany continues to maintain a deep manufacturing ecosystem, supported by engineering expertise, an innovation-led Mittelstand base, and a highly skilled workforce.

Despite the broader slowdown in the German automotive sector, long-term prospects are expected to be shaped by re-industrialisation efforts, enhanced capital deployment frameworks, and a push for innovation-led growth. The evolving policy direction in Germany, including a shift from fiscal conservatism towards strategic investments in core industries, is likely to play a key role in supporting industrial resilience. Dynamatic Technologies remains focused on aligning its operations with these long-term shifts while navigating short-term volatility in the external environment.

Dynamatic Technologies' German subsidiary, Eisenwerk Erla GmbH (EEL), remains aligned with the broader industry shift towards high-margin, technology-intensive segments. The company has taken strategic steps to transition from its

traditional automotive and foundry operations to focus more deeply on the aerospace domain. This realignment supports the Group's objective of building a diversified portfolio anchored on performance-critical components and scalable platforms.

<https://www.bbc.com/news/articles/cz6pzwj6qq7o>
<https://www.weforum.org/stories/2025/03/germany-s-economic-crossroads-could-lead-it-to-thrive-in-the-re-industrial-era/>
<https://www.dw.com/en/in-2025-german-auto-industry-faces-make-or-break-year/a-71148148>

SEGMENT OVERVIEW:

Eisenwerk Erla GmbH, Germany (EEL), a subsidiary of Dynamatic Technologies, is a preferred supplier of complicated and sophisticated castings to leading global OEMs. The company's most important customers in this segment are AGCO-FENDT, BMW, Rolls Royce, MAN, LIEBHERR, Vögele, Borg Warner Turbo Emission Systems, Daimler Truck, Continental Aerospace Technologies and Rotax.

Eisenwerk Erla is expanding its production of castings for agricultural and road construction vehicles as well as for stationary and sports engines, which are part of the newly developing business model. With its long history and major investments, the company has become one of the best developed iron foundries in Europe. The Erla ironworks produces extremely complicated iron and steel castings in the most difficult materials. The high level of research and development expertise ensures the plant's continued development as a modern foundry. EEL continues to offer access to the latest technologies and global markets, which sets us apart from our competitors in this industry. The company's processing facilities are fully automated and utilise the latest technological innovations. This is the basis for high competitiveness and the opportunity to build on this expertise.

Operational Performance

(Rs in lakhs)

Particulars	FY2025	FY2024	Change (%)
Revenue	33,483	47,081	-28.89%
EBITDA	1,004	2,467	-59.55%
Margin %	3.0%	5.2%	

The revenue for this segment was Rs. 33,483 lakhs compared to same period last year Rs. 47,081 lakhs. Segment EBITDA was Rs. 1,004 lakhs compared to Rs. 2,467 lakhs in FY2024. The decrease in top line was owing to the combination of supply chain pressures, subdued consumer sentiment, and rising global competition-particularly from China and potential U.S. trade measures-that impacted production volumes and overall sector performance. The segment profitability decreased because of inflation scenario in energy, material cost, and rising labour cost alongside a slow transition to EV platforms.

In FY2025, the entire industry in Germany was severely affected by continuing inflation and instability in Europe, the ongoing Russia-Ukraine conflict and developments in energy and material costs. German SMEs are particularly hard hit in this regard and are generally unable to pass on the sharp rise in costs in full to the end customer.

EEL is expanding the machining shop, the automation of cutting and grinding process in the foundry and also implementing its transition plan to build up a further line of business for the manufacture of components for aircraft applications at the EEL site in addition to the existing production.

TECHNOLOGY & QUALITY:

Dynamatic Technologies being a Tier-1 supplier for OEMs has continuously invested in technology to make the business more cost effective and world class. The Company's best practices include implementing lean manufacturing and continuous improvement programs. Dynamatic Technologies has also launched QSP – Quality, Safety & Productivity and DOET – Dynamatic Operational Excellence and Transformation, as its new business initiative to emphasise these aspects to the customer.

The Company has state-of-the-art inspection equipments like CMM and laser tracker, and high accuracy 5-axis machines which are one of the largest giga milling machines in the country. This giga milling machine is equipped with a special probing software system complying to Industry 4.0.

Dynamatic Technologies continues to maintain skill and competency of its direct and indirect work force using a software called CATI (Competency Assessment & Training Identification). The software is designed to map each of the employees' skill level and training needs and enables the management to provide employee development programs that are necessary for the business growth and sustainability.

The Company has also established an in-house Skill Development Center to train and mentor new recruits. Having adopted a Government ITI under PPP, Dynamatic Technologies provides training to the students, preparing them to serve in any Aerospace and Defence industry in order to make the 'Make In India' drive a great success.

During FY2023, Airbus Group awarded the Global Sustainability Award to the company as a recognition of the services in delivering the products during Pandemic and post-pandemic period.

During FY2024, Boeing Defence awarded the Company with 'Global Supplier of the year award as a recognition of its services in delivering the products with highest on time delivery and quality performance.

Dynamatic-Oldland Aerospace®, UK is a demonstrated leader in the development of exacting airframe structures and precision aerospace components. It has a unique state-of-the-art facility at Swindon, possessing complex 5 axis with robotic machining capabilities for the manufacture of aerospace components and tooling. Dynamatic-Oldland Aerospace®, UK specializes in reverse engineering, re-engineering, fixture design and manufacturing. This division is a certified supplier to Airbus UK, GKN Aerospace Europe & USA, Spirit Aero Systems, Boeing, Magellan Aerospace, GE Aviation Systems and Leonardo. It is compliant with AS 9100 Rev D standards.

In addition, Dynamatic Technologies maintains accreditation for Environmental Management System (EMS) certification under ISO14001, Occupational Health and Safety Management System (OHSAS) certification under ISO45001,

Information Security Management System certification under ISO/IEC 27001 and NABL-Competence of Testing & Calibration Lab accreditation to ISO/IEC17025.

Dynamatic Technologies offers its customers a comprehensive solution of high complex, highly skilled multi-axis machining from the UK and high value added, highly skilled sheet metal detail parts alongside assembly from India. This provides customers with offset credits and best value from two cost models.

ANALYSIS OF KEY RATIOS:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios.

An analysis of key ratios for the period under review is as follows:

(Rs in Lakhs)

Particulars	FY2025	FY2024	Change %	Comments
EBITDA	15,832	15,941	-0.68%	Previous year net profit consists of exceptional income INR 6,231 lakhs, hence margins were high as compared to current year
EBITDA Margins	11.3%	11.2%		
Net Profit	4,304	12,181	-64.67%	
Net Profit Margins	3.1%	8.5%		

Particulars	FY2025	FY2024	Change %	Comments
Debt Equity	0.80	0.88	-9.1%	Changes are not material
Current Ratio	1.28	1.31	-2.0%	
Interest Coverage Ratio	1.57	1.49	5.5%	

Particulars	FY2025	FY2024	Change %	Comments
Return of Net worth	6%	18%	-67.1%	Previous year net profit consists of exceptional income INR 6,231 lakhs, hence margins were high as compared to current year
Return on Assets	3%	8%	-66.3%	
Return on Capital Employed	7%	12%	-44.2%	

Particulars	FY2025	FY2024	Change %
Creditors Turnover	3.1	3.2	-2%
Debtors Turnover	4.8	5.1	-7%
Inventory Turnover	2.0	2.2	-9%

Borrowings:

(Rs in Lakhs)

Particulars	FY2025	FY2024	Change (%)
Long term borrowings	17,524	19,319	-31.6%
Short term Borrowings	27,580	26,497	30.0%
Total	45,104	45,816	-1.5%
Lease Liability	12,021	12,693	-5.3%
Total	57,125	58,509	-2.4%

FINANCIAL CONDITION:

Share Capital

(Rs in Lakhs)

Particulars	FY2025	FY2024	Change (%)
Share Capital	679	679	-
Reserves & Surplus	71,071	66,095	8%

As of 31st March 2025, the Company has an authorized share capital of Rs 2,500 lakhs, divided into 2,00,00,000 equity shares of Rs10/- each and Rs 500 lakhs divided into 5,00,000 redeemable cumulative preference shares of Rs 100/- each. The Company's issued, subscribed and paid-up equity share capital is Rs 679 lakhs.

The Reserves and Surplus were Rs. 71,071 as on 31st March 2025, an increase amounting to Rs. 4,976 lakhs compared to 31st March 2024.

The change is attributable to:

(Rs in Lakhs)

Particulars	FY2025
Profit for the year	4,304
Other Comprehensive Income/ (Loss)	(323)
Credit balance arising on consolidation	1,470
Net Comprehensive Income for the year	5,451
Dividend Distribution	(475)
Total	4,976

Fixed Assets:

(Rs in Lakhs)

Particulars	FY2025	FY2024	Change (%)
Property plant and equipment	58,541	57,292	2.2%
Right-of-use assets	9,172	10,034	-8.6%
Capital work in progress	1,816	515	252.6%
Goodwill	9,802	9,397	4.3%
Other Intangible assets	2,568	2,434	5.5%
Intangible Assets Under Development	1,071	483	121.7%
Total	82,970	80,155	

CAPITAL EXPENDITURE

During the year under review, the Company incurred capital expenditure of Rs. 5,860 lakhs for physical infrastructure and

Rs. 850 lakhs for procurement of intangible assets. Significant investments have been made in building infrastructure, data security, information systems, and design and development activities, for the future benefits of the Company.

INVENTORIES:

The inventories of the Company mainly comprise of raw materials of Rs. 15,942 lakhs. Work in progress of Rs. 14,127 lakhs finished goods of Rs. 3,113 lakhs and stores and spares of Rs. 1,480 lakhs.

OPPORTUNITIES & THREATS:

Aerospace and Defence Sector Growth:

The Indian Aerospace and Defence sector is undergoing a transformative phase, with significant modernization and indigenization efforts spearheaded by the Ministry of Defence. The focus is on reducing dependence on foreign imports, with the three services collectively driving the 'Make in India' initiative. The Government's strategic push towards indigenous manufacturing and research and development is evident in the defence policy framework, which emphasizes local value addition in future procurements. The Indian Government has actively identified the Aerospace and Defence sector as a strategic focus area within the 'Aatmanirbhar Bharat' programme, driving the establishment of indigenous manufacturing capabilities. This initiative is bolstered by significant investments in research and development, with the defence policy framework undergoing transformative shifts since 2020.

The Union Budget for FY2025-26 allocates INR 681,210 crore (~USD 78.8 billion) for defence, reflecting a 10% increase compared to the previous year. Capital budget allocation for R&D has seen a 13% rise, further strengthening India's defence capabilities. While the sector's growth prospects remain strong, challenges such as global geopolitical tensions and supply chain disruptions continue to pose risks, requiring ongoing innovation and adaptation.

Focus on Civil Aviation:

India's civil aviation sector continues to experience rapid growth, driven by a rising middle class and increasing disposable income, with the country set to become the third-largest aviation market. The demand for air travel is expected to push the number of aircraft in operation to over 2,200 by 2042. The MRO industry, growing from US\$ 800 million in 2018 to an expected US\$ 2.4 billion by 2028, will benefit from incentives introduced in the Union Budget 2024-25, including a 5% uniform IGST on aircraft parts. The government's focus on infrastructure, including the privatization of 25 airports under the National Monetization Pipeline and investments of US\$ 25 billion by 2027, will further enhance capacity. In FY2024, domestic passenger traffic grew by 13.5%, and international traffic by 22.3%, while freight traffic also saw steady growth. However, challenges such as geopolitical risks, fluctuating fuel prices, and regulatory complexities remain. Increased competition in the MRO sector and the need for infrastructure upgrades to meet growing demand also pose potential threats. Despite these challenges, the aviation sector remains well-positioned to capitalize on its growth potential through strategic investments and favourable government policies.

Support from Government and Industry:

Infrastructure investments in India are projected to increase to Rs. 111 lakh crores (approximately USD 1.4 trillion) during FY2020-25, providing a significant boost to demand for capital goods. In Budget 2024-25, the capital investment outlay for infrastructure was enhanced to Rs 11.1 lakh crores (USD 122 billion), constituting 3.4% of the GDP. The National Capital Goods Policy continues to play a crucial role in fostering industrial growth, aiming to elevate industrial production to USD 100 billion. The policy also focuses on promoting technology, skill development, exports, and the establishment of common facility centers to strengthen the industrial ecosystem.

India remains a key market for global aerospace manufacturers such as Boeing and Airbus, which view the country as a strategic hub for manufacturing and exports. With the high demand for aircraft, India's strategic location, engineering capabilities, and competitive labor costs, both Boeing and Airbus are increasingly collaborating with Indian suppliers and SMEs to build a robust aerospace ecosystem. Boeing's India supply chain now exports about Rs10,000 crore (\$1.25 billion) in aircraft components annually and Airbus currently sources over Rs1 billion worth of parts from India – a figure it plans to double before 2030. Major international collaborations are also underway in aviation infrastructure and skill development. These concerted efforts by the government and industry are enhancing capacity, self-reliance and export potential in India's capital goods and aviation ecosystem, bolstering future growth.

Growing demand for agricultural machinery and equipment:

The demand for agricultural machinery in India has been steadily rising, driven by the government's focus on farm mechanization and technological advancements in the sector. As part of the Union Budget 2024-25, the government allocated significant funds to support the mechanization of agriculture, including increased subsidies for farm equipment and the expansion of custom hiring centers and farm machinery banks. These initiatives have made modern machinery more accessible to small-scale farmers, significantly enhancing productivity and reducing labor costs. India's position as a major manufacturer of farm equipment, including tractors, harvesters, and tillers, further supports the growth of this sector. Additionally, the Make in India initiative continues to encourage domestic production and innovation, fostering a robust market for agricultural machinery. The rising adoption of precision farming techniques, including drones and automated systems, is also contributing to the growing demand for specialized equipment, aligning with India's broader goals of improving agricultural efficiency and sustainability. With the ongoing push for farm mechanization, the agricultural machinery sector is poised for sustained growth, supported by both government policies and increasing private sector investments.

Investment in R&D:

The Indian government has significantly ramped up its investment in research and development (R&D) to drive innovation, develop new technologies, and position the country as a global hub for manufacturing and technological excellence. Under the Union Budget 2024-25, the government allocated substantial funds to support R&D initiatives

across various sectors, with a particular focus on emerging technologies such as artificial intelligence (AI), quantum computing, and renewable energy. One key initiative, the National Research Foundation, aims to support research across universities and research institutions, facilitating the development of cutting-edge technologies and promoting private sector involvement in innovation. Additionally, the government has introduced a Rs1 lakh crore financing pool to facilitate private sector participation in R&D, addressing the current imbalance where the public sector contributes 64% of national R&D expenditure.

These initiatives are designed to foster the development of indigenous technologies and reduce dependency on imports, thereby creating a competitive manufacturing ecosystem. India is not only fostering innovation but also accelerating the country's journey towards becoming a global leader in manufacturing and technological innovation. These investments are expected to generate high-value jobs, promote sustainable industrial growth, and bolster India's standing in the global market.

Diverse Product Portfolio and End Market Segments:

Dynamatic Technologies has a diverse product portfolio that spans across three key business segments: Hydraulics, Aerospace, and Metallurgy. This diversified approach ensures that the Company's performance remains relatively stable and not reliant on any single industry segment. Dynamatic Technologies continues to remain dedicated to advancing its technological and manufacturing capacities, particularly in its aerospace division. The company is poised to benefit from an expanded aerospace order book and anticipates that the growing demand in the Aerospace and Hydraulics sector will significantly enhance its overall performance.

Dynamatic Technologies faces several challenges that could impact its diversified operations across Hydraulics, Aerospace, and Metallurgy. In the Hydraulics segment, while the company maintains a strong market position, global supply chain disruptions and fluctuating raw material costs may affect production timelines and margins. Additionally, the Metallurgy division is undergoing a strategic transformation, focusing on higher-margin aerospace and defence sectors. This shift may result in short-term revenue pressures as the division exits less profitable automotive markets. In the Aerospace sector, despite a robust order book, potential delays in the delivery of critical components, due to supply chain issues, could affect project timelines and revenue recognition. Furthermore, geopolitical tensions and regional security concerns may impact defence contracts and international collaborations. These factors necessitate agile risk management strategies to mitigate potential adverse effects on the company's performance.

Regulatory changes:

With regulatory environments tightening, particularly around environmental and safety standards, manufacturing complexities and costs are on the rise. Dynamatic Technologies leverages its extensive R&D capabilities and diverse product offerings to adapt and thrive under these new regulations. Government investments in infrastructure and the agricultural sector further amplify Dynamatic's ability to capitalize on emerging opportunities, thereby reinforcing its market position.

RISKS & CONCERNS:

Global Economic Uncertainty:

Growth is expected to slow in 2025 as the effects of trade tensions and tighter monetary conditions start to weigh on business investment and household spending. Rising tariffs on key imports are adding to price pressures, with inflation proving more persistent than anticipated, particularly in services. Although wage growth has remained strong, signs of easing in the labor market are emerging. The Federal Reserve is expected to maintain a cautious stance, with policy rates likely to hold steady through most of 2025, as they balance moderating growth against lingering inflation concerns. Dynamatic Technologies faces significant risks from these uncertainties, which could adversely affect its operational and financial performance.

Intense Competitive Landscape:

The business environment in which the Company operates is highly competitive, characterized by rapid technological advancements and continuous innovation. The industry demands agility and resilience, as competition remains intense across all segments. It is common practice among OEMs to maintain a diversified supplier base, and exclusive contracts are generally not preferred. Consequently, any inability to meet customer expectations-whether related to cost, product specifications, or timely delivery-can adversely impact the Company's business performance, financial condition, and operational results. At Dynamatic Technologies, we place strong emphasis on nurturing long-standing relationships with our customers. We remain deeply engaged with them, offering high-quality products at competitive prices, while proactively adapting to their evolving needs to ensure we remain a trusted and valuable partner.

Technological Evolution:

Despite the positive developments, the global aerospace and defence industry is not immune to challenges. The increasing use of digital technologies has heightened cyberattack vulnerabilities. The industry strongly emphasises enhancing cybersecurity measures to protect sensitive data and maintain operational integrity. To stay competitive in the industry, it is crucial for the Company to continuously update its technological expertise. Additionally, protecting sensitive data is essential for maintaining its operational integrity.

Foreign Currency Fluctuations:

Dynamatic Technologies operates across several geographies and is therefore subject to foreign exchange fluctuations that may influence its financial performance. To address this, the company employs a structured hedging policy complemented by natural hedges arising from its global operations. Continuous monitoring of currency movements enables timely tactical adjustments. Additionally, efforts to align revenues and costs in matching currencies help reduce the impact of translation differences, thereby ensuring greater stability in financial outcomes.

RISK MANAGEMENT:

Effective risk management is fundamental to the business activities of the group. While we remain committed to increasing shareholder value by developing and growing our business within our board-determined risk appetite, we are mindful of achieving this objective in line with the interests of all stakeholders.

The Company emphasizes on achieving the corporate strategic objectives by following best practices in Risk Management. It has formulated a risk management policy and has in place a mechanism to inform the Board Members through risk management committee about risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework.

Our policy is based on the following principles:

- The Board of Directors, Risk Management Committee and Management are responsible for monitoring internal risk management
- Effective risk management and internal monitoring will reduce the likelihood of errors, wrong decisions and surprises due to unforeseen circumstances.
- In order to thrive, an enterprise must take risks. The Management Board is responsible for determining the limits of what is acceptable (referred to as 'risk appetite').
- Line managers are responsible for the implementation of risk management for the processes for which they are responsible.

This mechanism is implemented as an integral part of our business processes across the Dynamatic Group Companies and includes recording, monitoring, and controlling internal enterprise business risks and appropriate actions are immediately taken to mitigate such risks.

QUALITY MANAGEMENT SYSTEM (QMS)

Dynamatic Technologies is always focused on achieving international quality standards for its products and services. In pursuit of this goal, Dynamatic Technologies has established a comprehensive QMS which encompasses all aspects of the business with a focus on establishing a quality assurance ecosystem that is designed to consistently deliver quality products and superior service.

To achieve product quality assurance, the Company focuses on excellence in-house production processes while ensuring that sub-tiers consistently produce components as per specifications.

Aerospace:

During FY2025, your Company has successfully completed the surveillance and re-certification audits to ISO: 14001:2015 standard for its Environmental Management System, Information Security Management System (ISO/IEC 27001:2022) and Occupational Health and Safety Management System (OHSAS) certification to ISO45001:2018. Your Company's QMS which is compliant to ISO: 9001 and AS9100 standards since 2006, has evolved and matured and is highly system driven and was audited by DQS and Novostar, India with ZERO major non-conformances.

Dynamatic Technologies is NADCAP accredited (accreditation for special processes in the aerospace and defence industry) for special processes like heat treatment, spot welding, non-destructive testing, measurement & inspection, and chemical conversion.

Hydraulics: Dynamatic Hydraulics® has successfully completed the re-certification audits by UL DQS India, to ISO: 9001 specifications for Quality Management System and also to ISO:14001 specifications for its Environmental

Management System. The Company has also successfully completed ISO 45001 AUDIT for occupational health and safety management systems OHSAS. Certification to ISO 27001:2022 is also completed satisfactorily.

Metallurgy: In the FY2025, Dynamatic Technologies successfully confirmed again the level of AS9100 standards at the Eisenwerk Erla GmbH plant. The company successfully completed the recertification process in November 2024

The Dynamatic Quality Management System (DQMS) addresses the quality requirements set out by the global OEM's. DQMS utilizes some of the best tools such as 5S, 8D, FMEA, APQP, Ishikawa, Business Process Re-engineering, Overall Equipment Effectiveness, Root Cause Analysis, Six Sigma, Statistical Process Control, Total Productive Maintenance, Visual Control, Learning-by-Doing and Employee Participation Program (EPP).

Lean Management concepts together with quality tools are being used on the shop floor by management to increase the overall equipment effectiveness (OEE) of the operations. This is achieved by reducing rejections, set-ups, cycle time and through effective material management. The EPP has resulted in the participation of employees in innovative activities and their contributions have resulted in continual improvements to work and work processes.

INFORMATION SECURITY MANAGEMENT SYSTEM (ISMS):

Dynamatic Technologies Limited has a robust ISO/IEC 27001-certified Information Security Management System (ISMS), initially certified in 2018 and recertified in 2022 for Dynamatic-Oldland Aerospace and Dynamatic Manufacturing Limited. The ISMS secures critical business information, meets global cybersecurity standards, and aligns with customer requirements from Airbus, Boeing, Bell, and HAL.

In FY2025, the company completed all internal and customer ISMS audits, conducted a Cyber Security Gap Assessment, and implemented yearly VAPT to identify and resolve vulnerabilities. The upgraded data center with virtual servers has enhanced performance and reliability. Immutable backups and advanced email security protect against ransomware and sophisticated attacks. AI/ML-based Next-Gen Antivirus and Firewalls with IPS/IDS ensure comprehensive endpoint and network protection.

The SAP infrastructure is now cloud-based for secure remote access. Encryption, secure file transfers, and continuous employee training reinforce data protection. Separate virtual servers are maintained for each customer, and IP rights are strictly protected. Dynamatic Technologies continuously strengthens its cybersecurity posture to meet evolving threats and customer expectations.

DIGITAL TRANSFORMATION: Dynamatic Technologies extended its SAP implementation to Human Resources & Payroll, enabling digital transformation and standardizing HR processes across India. SuccessFactors was integrated with Microsoft 365 Active Directory for single sign-on (SSO). Power BI dashboards for Revenue, Procurement, Inventory, and HR Costing were developed and seamlessly integrated with SAP for enhanced MIS reporting.

In FY2025, Salesforce CRM was implemented, improving customer relationships, data management, sales productivity, and collaboration. AI tools were also introduced to automate

repetitive tasks and accelerate data processing, freeing up resources for higher-value work. Ongoing automation and continuous improvement projects aim to boost operational and cost efficiencies across the group.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Internal controls and systems serve multiple needs in any organisation. Well-designed internal control systems lay down the framework for day-to-day operations and provide guidelines for employees and most importantly, provide a certain level of security against the risks. The primary responsibility for the development and maintenance of internal control rests with an organization's management. Internal control evaluation involves everything management does to control the organization in the effort to achieve its objectives. Your Company's control system and procedures are regularly reviewed for relevance and effectiveness.

SUPPLY CHAIN MANAGEMENT (SCM) AND PRODUCTIVITY:

Dynamatic Technologies supply chain has a vision to provide flexible, sustainable and an efficient services and products lines delivered at right quality, right quantity, right place and on time to the Customers. Supply Chain evolves in each of the processes through continuous improvement and innovations thereby providing competitive advantage in the entire cycle of Operations.

At Dynamatic Technologies there is a continuous emphasis on digitisation of key processes thereby reducing dependencies and efforts in performing repetitive activities. Flexibility, reliability, compliance, and cost efficiency are the key drivers for our Supply Chain Management practices. In the process of achieving a matured supply chain the skillsets at each individual levels are being enhanced by providing opportunities to an individual to lead and meet or exceed business objectives. During the year, focus was laid on stabilisation of operations within the S/4 HANA ERP Systems developed.

- Supply Chain has supported multiple work transfers from Customer into your Company.
- Identified and enabled suppliers enhancing their scope of activities in the pursuit of achieving end to end supply chain for new projects, helping to reduce internal logistics and enhancing efficiency.
- Indigenisation of some outsourced activities for new projects done to reduce lead time and cost.
- Alternate sourcing strategy adopted to mitigate risks of higher cost, uncertainty and delays in the delivery for some of the critical time bound projects.
- Enhancements deployed in ERP system in pursuit of digitisation of the processes.
- New opportunities being explored by adopting AI based software to increase efficiency.
- Standardisation of some processes being implemented across divisions, benchmarking best practices internally to improve efficiency and productivity.
- Inventory optimisation by effective scheduling of delivery and collaboration with suppliers.
- Supply chains are designing processes to adopt a proactive approach to foreseeable challenges.

- Speed to market management tools like Just in Time (JIT) manufacturing and distribution, vendor managed inventory (VMI) of detail parts and efficient customer response.
- Improving quality and productivity within operational areas such as warehousing, logistics, inventory management and packaging
- Value Addition & Value Engineering (VAVE) involvement with suppliers to drive the cost down
- Supplier rating linked scheduling
- Supplier audits and onsite training
- Integrated customer services cell

The Company's initiatives to leverage information technology in supply chain activities have resulted in improved efficiency through real-time information exchanges and processing. Dynamatic-Oldland Aerospace® has a 3-Tier approach – Strategic, Tactical and Operational to ensure that the Supply Chain Management is operating efficiently and generating highest level of customer satisfaction at optimum cost. These measures have helped your Company improve cost and efficiency in a year, which was otherwise faced with global macroeconomic challenges.

ENVIRONMENT:

Dynamatic Technologies Limited is committed to sustainable industrial practices through a robust Environmental Management System (EMS), reflecting our responsibility towards the environment and the communities we serve. Key initiatives include:

- 100% Compliance & Periodic Review: We ensure full compliance with all applicable environmental laws and regulations through regular monitoring and systematic reviews of legal requirements, keeping our operations aligned with evolving statutory obligations.
- Rainwater Harvesting: Our rainwater harvesting system is designed to collect rainwater from surrounding areas, helping recharge local groundwater resources and reduce dependence on external water supplies.
- Adoption of environmentally friendly processes to minimize pollution and reduce ecological impact.
- Solar Energy Utilization through rooftop solar panel installations, contributing to renewable energy use and carbon footprint reduction.
- Continuous efforts in reducing water consumption through process optimization and conservation techniques.
- Zero Non-Conformances: Achievement of Zero Non-Conformance in all external audits related to EMS(ISO14001), reflecting our commitment to excellence and continuous improvement.
- Tree Plantation Across the Campus: Extensive tree plantation drives across our campuses have enhanced local biodiversity, improved air quality, and contributed to carbon sequestration efforts.
- Paper Recycling Initiatives: Implementation of paper recycling practices has helped reduce waste sent to landfills, conserve natural resources, and lower the company's overall environmental footprint.

Dynamatic Technologies jointly worked with “Karnataka gramodyoga” to recycle the paper waste stored at premises for long time and benefited to the organization in terms of paper envelopes, paper carry bags.

- Retrofit Installation to DG Sets: Retrofitting diesel generators with emission control devices has significantly reduced air pollution, supporting cleaner operations and improved environmental performance.
- Elimination of Single-Use Plastics: Single-use plastic bottles are one of the largest contributors to global plastic pollution. By eliminating them, Dynamatic Technologies Limited significantly reduced its waste generation. A strict policy to eliminate single-use plastics has been implemented across all facilities, reducing plastic waste and promoting eco-friendly alternatives.
- Reducing dependence on Fossil fuel: By promoting EV usage, Dynamatic Technologies Limited is helping to decrease reliance on fossil fuels like petroleum. The shift to electric transportation contributes to energy diversification and helps reduce the global demand for oil, which is a major contributor to environmental degradation, including air and water pollution.

SAFETY AND HEALTH:

Dynamatic Technologies places the highest priority on employee safety and regulatory compliance. A detailed corporate safety manual, integral to new employee induction, clearly outlines the responsibilities of both management and staff. Regular safety training sessions are conducted by trained safety officers and divisional HR teams to reinforce safe practices. An external audit on industrial safety, health, and welfare, conducted last year, confirmed the effectiveness and resilience of the company's systems.

To achieve a zero-incident environment, the company has implemented stringent safety protocols, preventive training, and on-site fool-proofing systems. These efforts are further strengthened by adopting advanced engineering standards in design and execution, significantly reducing workplace risks. The company also offers health benefits such as periodic check-ups and structured awareness programs, consistently applied across all locations to ensure a safe and motivated workforce.

On the shop floor, targeted safety campaigns promote the use of personal protective equipment (PPE). Dynamatic has successfully integrated EMS and OHSAS standards into a unified EHS Management System, eliminating duplication and streamlining compliance efforts. All facilities are ISO 14001 and ISO 45001 certified for environmental and occupational health and safety standards.

In response to the COVID-19 pandemic, the company introduced ongoing preventive measures including in-house testing and tracking. A NABL-certified (ISO 15189:2012) and ICMR-approved molecular testing lab has been established, equipped with modern infrastructure and staffed by experienced microbiologists, research scientists, and lab technicians. This lab supports employees, stakeholders, and industry partners.

National safety week was celebrated with various initiatives to promote safety awareness both at work and beyond. The safety committee continues to organize regular sessions and implement proactive safety measures across the organization.

INDUSTRIAL RELATIONS:

Dynamatic Technologies remains committed to fostering a harmonious and inclusive work environment where employees are inspired to contribute towards shared goals. This commitment extends beyond offering competitive perks and benefits, encompassing equal opportunities for professional growth and skill development for all employees.

The company is committed to improving day-to-day work life for the employees through safe work practices, the use of personal protective equipment on the shop floor and continuously educating the workforce through training programmes and demonstrations. The management team also works towards implementing industry best practices for safety and productivity across locations. On-site health care facilities, health and accident insurance coverage, medical feedback from experts, and support in maintaining special health requirements form part of the initiatives undertaken by the company.

The company wishes to put on record its appreciation of the cooperation extended and efforts made by all employees.

In line with our commitment to employee health and well-being, we have established partnerships with two nearby hospitals in the Peenya area to provide prompt medical assistance and support during emergencies. Additionally, employees can now avail themselves of a minimal discount on personal visits to these partnered hospitals. We have introduced Group Medical Claim Insurance for all employees and families. As part of our ongoing health initiatives, annual health check-ups are conducted regularly to ensure early detection and prevention of health issues.

Dynamatic Technologies has further strengthened its digital HR infrastructure by enhancing the implementation of SAP HR modules to digitise and safely protect employee data and to manage employee's attendance & leave availed data on real time basis in the system. The HR SAP system covers all the modules from hiring to retiring. The employee data is safely protected in servers and in cloud.

Reward and recognition of Employees: long term service award process to the workmen is continued. Those who have completed 15 years of continuous service have been rewarded with a Titan watch and those who have completed 25 years of continuous service have been rewarded with a gold coin with D Logo.

Employee Engagement: DTL celebrated Family Day, conducted indoor and outdoor sports activities, cultural functions, and felicitation of retiring employees. DTL celebrated Women's Day on International Women's Day. Ayudha Pooja during Dasara festival and Laxmi Pooja on Diwali. Celebrated Kannada Rajyotsava on 1st Nov 2024 and National Safety week in March 2024.

Dynamatic Technologies has provided recreational centre to the employee refreshment at Hydraulics Unit 1 and 2 with facility for playing carrom, chess and table tennis to engage employees during breaks.

A two-day outbound program was successfully conducted for managerial personnel and senior leadership outside of Bangalore. The primary objective of the program was to share key updates on the company's developments, strategic progress, and future direction. This initiative was designed to foster transparency in organizational activities and to cultivate a sense of ownership and alignment among employees.

By engaging leadership in open dialogue and collaborative sessions, the program aimed to strengthen commitment, enhance understanding of business goals, and reinforce a shared vision for the company's growth.

Provided on site safety training to all the employees across the Units.

The number of people employed as on 31st March 2025 was 869. Industrial Relations were satisfactory during the year.

The Company wishes to put on record its appreciation of the co-operation extended and efforts made by all employees.

WORK CULTURE:

Human Resources (HR) at Dynamatic Technologies continued to play a pivotal role in managing, guiding, and motivating the company's workforce, and as a strategic partner, the function is aligned with the business needs. The company is always proud of its workforce, which is mature, involved, and identifies itself with the company's mission. The company is constantly focused on creating a conducive work environment through constant bilateral communication with the aim of achieving mutual growth. The company has put in place an HR development framework to ensure employees' career progression and greater connection with the vision and mission of the company. This framework rides on multiple programmes and opportunities for individual training and development, skill upgrade schemes, a congenial atmosphere for labour-management relationships, and equal opportunities. HR policies, practices, and the work environment are constantly reviewed to make them current, inclusive, and enjoyable. The company also strives towards acquiring, developing, managing, and retaining the best talent in the market as we focus on optimising workforce productivity and achieving growth for all.

The focus of the HR team is to promote the recognition of merit and hard work across the work force. They also work towards improving transparency and trust across the organisation. HR teams work towards inculcating dynamic vision and values through training, sharing, inspiring, and celebrating to promote a sense of belonging amongst all the employees of the company.

Highlights for the Year:

The celebration of Women's Day was truly special, with all women employees being warmly greeted by the CEO & MD and CTO. The event highlighted and honoured the strength and resilience of women in balancing both their professional and personal lives with ease. It was a heartfelt tribute to their ability to manage work and home effortlessly. A small token of appreciation was given away to all the women employees.

International Yoga Day was celebrated with a special session organized for employees, promoting wellness, mindfulness, and a healthy work-life balance. The event featured guided yoga and breathing exercises suitable for all levels, encouraging relaxation and rejuvenation. It was a refreshing break that fostered a sense of calm, unity, and overall well-being among the teams. Thereafter, in view of the overwhelming response, yoga sessions are being arranged on a weekly basis for all employees, for one hour virtually.

The 77th India's Independence Day was celebrated by hoisting the country's flag and thereafter, we visited the local government school. School bags and other school essentials were distributed to the children.

JKM Football Tournament, a two-day event conducted in August consisted of 48 teams bringing together players from different departments to compete in a spirited and energetic atmosphere. The tournament showcased exceptional talent, teamwork, and sportsmanship across multiple matches. With intense competition and enthusiastic support, it turned into a

memorable event celebrating the passion for the game.

Ayudha Pooja was traditionally celebrated during Navaratri in the month of October, recognizing the importance of maintaining tools and instruments that are used in operations.

Kannada Rajyotsava was celebrated by hoisting the Karnataka Flag and honouring the state.

Lakshmi Pooja was celebrated in the month of November during Deepavali, and Sankranti was celebrated in the month of January.

Dynafest was organised on Nov 22, 2024, where more than 7000 guests, which included employees, and their families were present, making the event a grand success. Stalls showcasing the prototypes of the products manufactured in the Company were proudly displayed by the employees. Children enjoyed various activities and games. They were also recognized for their academic excellence by the MD. GEM awards were presented to employees in recognition of their outstanding performance and valuable contributions to the organization. Also, employees completing 15 and 25 years of service, were given Service Awards. The event closed with a grand cultural program by the employees. Employees and their families enjoyed grand lunch at the company's premises.

Christmas was celebrated by emphasizing the "Joy of Giving". Grocery, home needs, essentials, blankets, clothes etc were collected by all employees of DOA and presented to a local Old Age Home.

54th National Safety Day on 4th March was an occasion for emphasizing the paramount importance of prioritizing safety across workplaces, communities, and organizations. It serves as a potent reminder of the need to prevent accidents, injuries, and fatalities, reinforcing the value of human life and well-being. The same was highlighted to all the employees.

The Competency Assessment and Training Identification (CATI) software being used by the HR department captures the training provided to each employee. The total number of hours of training imparted is duly captured, and the effectiveness of such training is evaluated.

SAFE HARBOUR STATEMENT

Statements in this Management Discussion and Analysis contains "forward looking statements" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Dynamatic Technologies' future business developments and economic performance. While these forward-looking statements indicate the Company's assessment and future expectations concerning the development of business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from expectations. These factors include, but are not limited to, general market, macro-economic, governmental, and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with the Company, legislative developments, and other key factors that could affect the business and financial performance. Dynamatic Technologies undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with the Company, legislative developments, and other key factors that could affect the business and financial performance. Dynamatic Technologies undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.

RISK MANAGEMENT REPORT

The following section discusses various dimensions of our risk management. The risk-related information outlined in this section is not exhaustive and is for information purposes only. The discussion may contain statements, which may be forward looking in nature. Our business model is subject to uncertainties that could cause actual results to differ materially from those reflected in the forward looking statements. Readers are advised to refer to the detailed discussion of risk factors and related disclosures in our regulatory filings and exercise their own judgment in assessing risks associated with the Company.

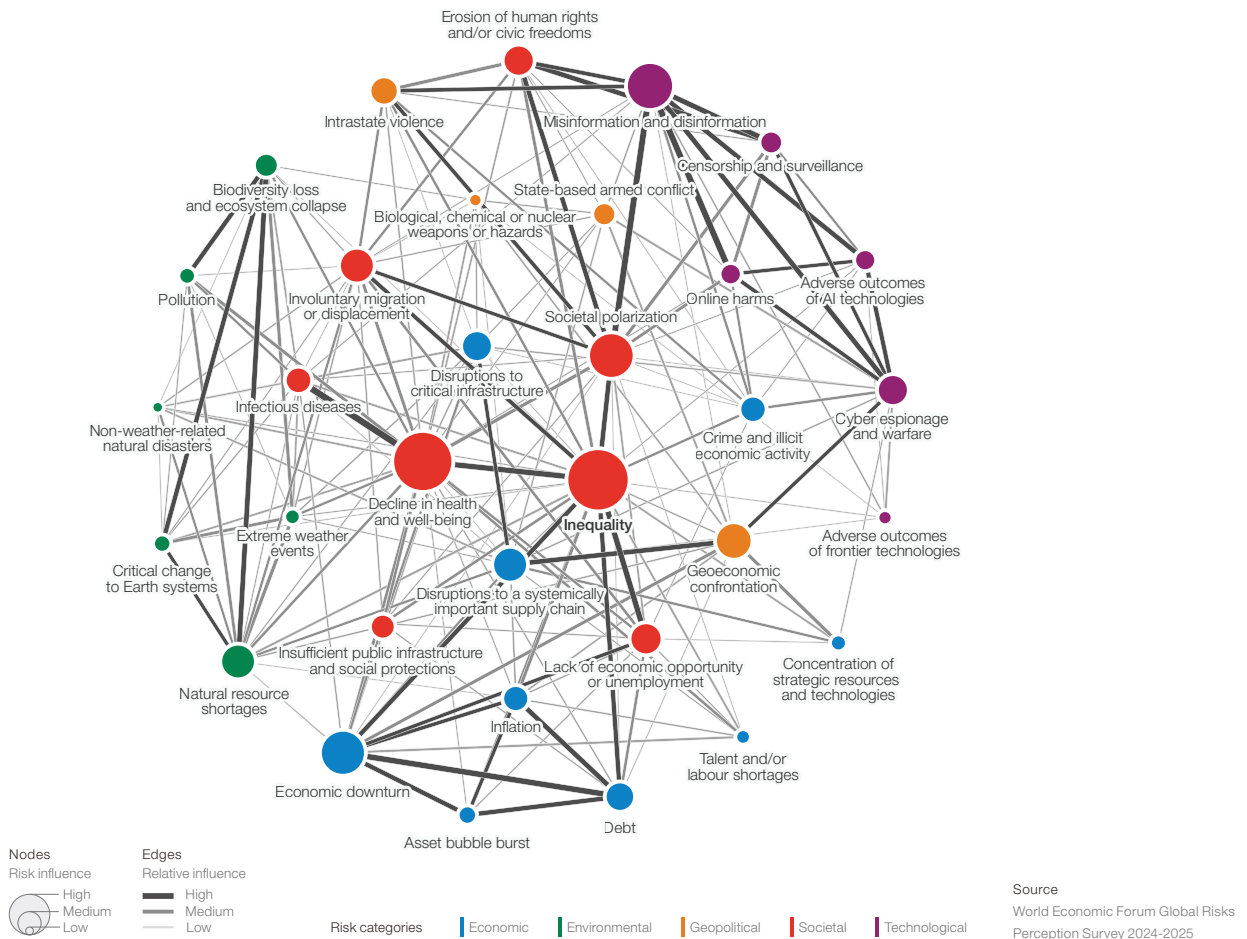
Overview

Risk management is a continuous process that is accomplished throughout the life cycle of a Company. It is an organized methodology for continuously identifying and measuring the unknowns; developing mitigation options; selecting, planning, and implementing appropriate risk mitigations; and tracking the implementation to ensure successful risk reduction. Effective risk management depends on risk management planning; early identification and analysis of risks; early implementation of corrective actions; continuous monitoring and reassessment; and communication, documentation, and coordination

The Company has a well-defined Risk Management Policy which has been developed after taking cognizance of the relevant statutory guidelines, Company internal guidelines, empirical evidences and stakeholder feedback. Dynamic Technologies believes that Risk Management is the culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects within the Company environment. Our business plans articulate the key business objectives of the Company through a set of specific goals that have to be achieved in the short-term and strategic goals aimed at achieving our aspirations in the medium term. Several risks can impact the achievement of a business objective. Similarly, a single risk can impact the achievement of several business objectives. Our risk management practices seek to sustain and enhance the long-term competitive advantage of the Company. Our core values and ethics provide the platform for our risk management practices.

The risk scenarios for businesses are changing. As per the World Economic Forum’s Global Risks Report 2025, the following are the major risks identified:

Global risks landscape: an interconnections map



Allianz Risk Barometer 2025: Top concerns around the world

[View all country, regional, and industry risk data here](#)

The graphics show the top three risks in selected countries and whether each risk is considered to be more or less important than 12 months ago or is in the same position.



Australia

- 1 Cyber ↑
 - 2 Changes in legislation ↑
 - 3 Natural catastrophes ↓
- Cyber is the top business concern, while changes in legislation, climate change (#9) and the impact of new technologies (#8) are all risers in the top 10 risks.



Brazil

- 1 Cyber ↑
 - 2 Climate change ↓
 - 3 Natural catastrophes ↑
- Cyber is the new top concern. Natural catastrophes, and fire (#5) rank higher year-on-year, while market developments (#6), and power blackouts (#9) are both new entries in the top 10 risks.



Canada

- 1 Business interruption ↑
 - 2 Natural catastrophes ↑
 - 3 Cyber ↓
- In the top 10 risks, climate change (#4) ranks higher, while changes in legislation (#5), macroeconomic developments (#8), and new technologies (#9) are all new entries.



China

- 1 Business interruption ↑
 - 2 Changes in legislation ↓
 - 3 Market developments ↑
- Business interruption is the new top risk. Product recalls (#8), and power blackouts (#9) are new entries in the top 10.



Colombia

- 1 Cyber ↑
 - 2 Business interruption ↑
 - 3 Natural catastrophes ↓
- Cyber is the new top risk concern. In the top 10 risks, changes in legislation (#8) and new technologies (#10) are new entries.



France

- 1 Cyber ↑
 - 2 Business interruption ↑
 - 2 Natural catastrophes ↑
- In the top 10 risks, political risks and violence climbs to a high of #4, while market developments (#8), insolvency (#9), and environmental risks (#10) are all new entries.



Germany

- 1 Cyber ↑
 - 2 Business interruption ↑
 - 3 Natural catastrophes ↑
- In the top 10 risks, fire climbs to #5, while political risks and violence is up to #6. Market developments (#9), and power blackouts (#10) are new entries.



India

- 1 Cyber ↑
 - 2 Business interruption ↑
 - 3 Climate change ↑
- Cyber is the top peril for the eighth year in a row. In the top 10 risks, climate change, and changes in legislation (#5) rank higher. Environmental risks (#7), and energy crisis (#10) are new entries.



Italy

- 1 Cyber ↑
 - 2 Natural catastrophes ↑
 - 3 Business interruption ↓
- Changes in legislation (#6), power blackouts (#8), new technologies (#9), and fire (#10) are all new entries in the top 10 risk rankings.



Japan

- 1 Natural catastrophes ↑
 - 2 Cyber ↓
 - 3 Business interruption ↑
- Natural catastrophes is the new top risk concern. Fire (#6), changes in legislation (#6), and environmental risks (#9) are all risers, while new technologies (#8) is a new entry in the top 10.



Nigeria

- 1 Cyber ↑
 - 2 Macroeconomic developments ↓
 - 3 Changes in legislation ↓
- Power blackouts is a new entry in the top 10 risks at #4, while business interruption (#5) is also up year-on-year.



Singapore

- 1 Business interruption ↑
 - 2 Cyber ↑
 - 3 Changes in legislation ↑
- Changes in legislation climbs three places in the ranking year-on-year, while political risks and violence is up to #9.



South Africa

- 1 Cyber ↑
 - 2 Business interruption ↑
 - 3 Natural catastrophes ↑
- Cyber is the new top risk. Shortage of skilled workforce (#9) and macroeconomic developments (#10) are new entries in the top 10.



Spain

- 1 Fire ↑
 - 2 Natural catastrophes ↑
 - 3 Business interruption ↓
- Fire, and natural catastrophes are the new joint top risks. Changes in legislation (#5) and political risks and violence (#8) rank higher year-on-year.



UK

- 1 Cyber ↑
 - 2 Business interruption ↑
 - 3 Changes in legislation ↑
- Changes in legislation is up to #3. Political risks and violence rises to #4. Risk impact of new technologies is up to #5.



USA

- 1 Cyber ↑
 - 2 Natural catastrophes ↑
 - 3 Business interruption ↓
- Changes in legislation (#4), market developments (#5), and the risk impact of new technologies (#6) are the other risk risers in the top 10 corporate concerns.

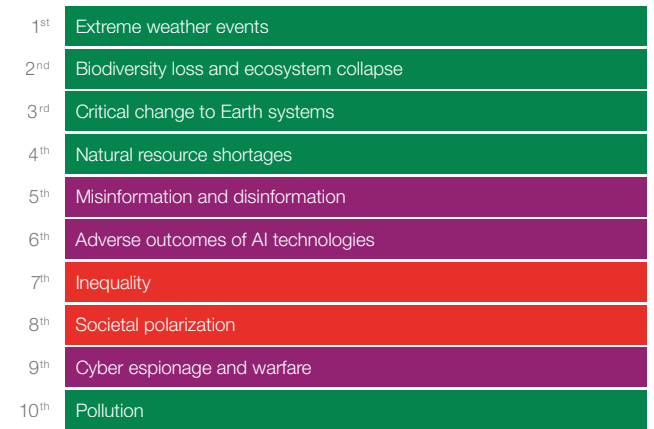
(Source: Allianz Risk report)

The ranking of top 10 major risks considering the short term (2 years) and long term (10 Years) prospective is as under.

Short term (2 years)



Long term (10 years)



Source

World Economic Forum Global Risks Perception Survey 2024-2025

Risk categories

Economic

Environmental

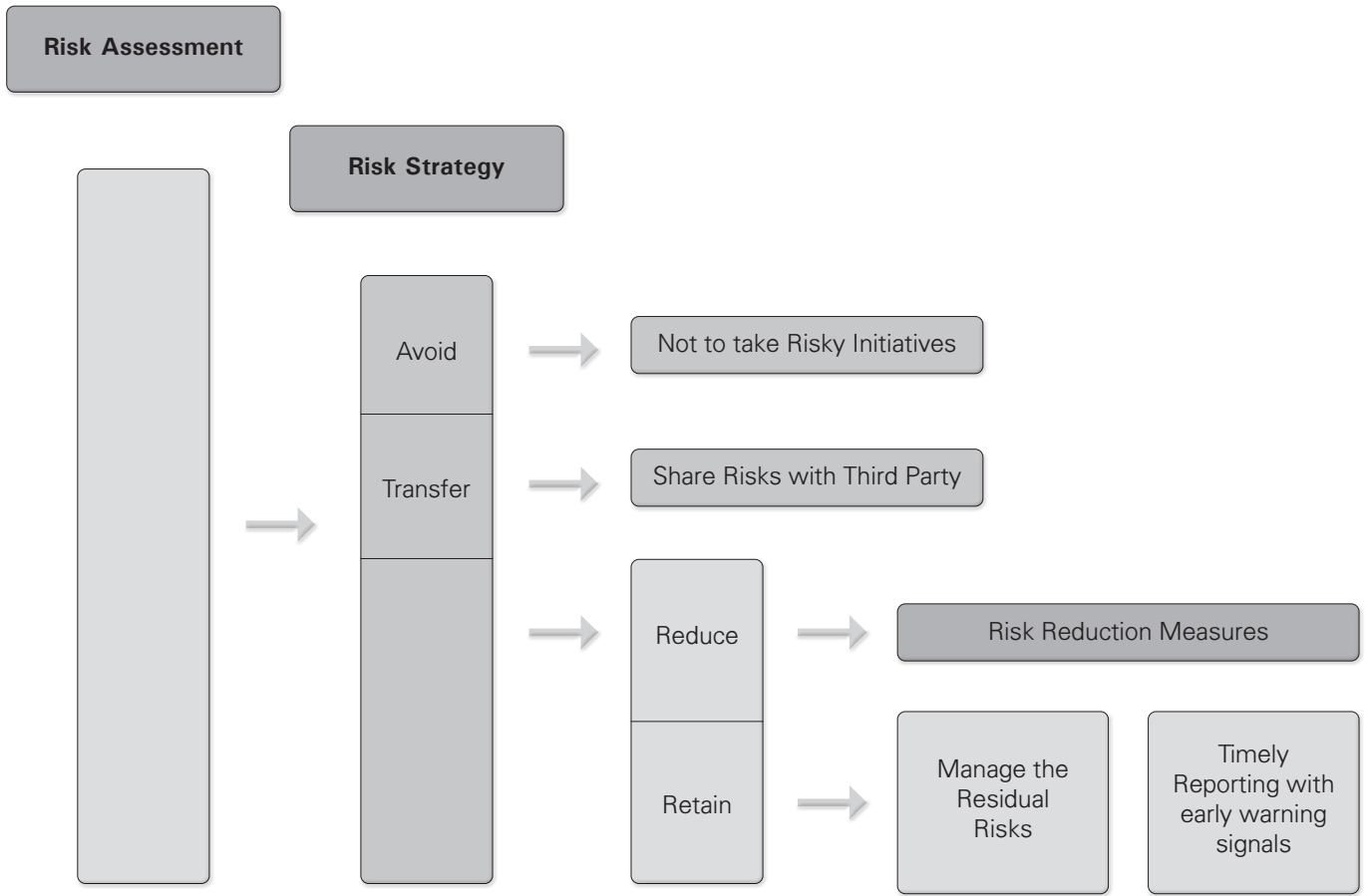
Geopolitical

Societal

Technological

Dynamatic Technologies Limited Risk Management Framework

The Following framework shall be used for the implementation of the Risk Strategy

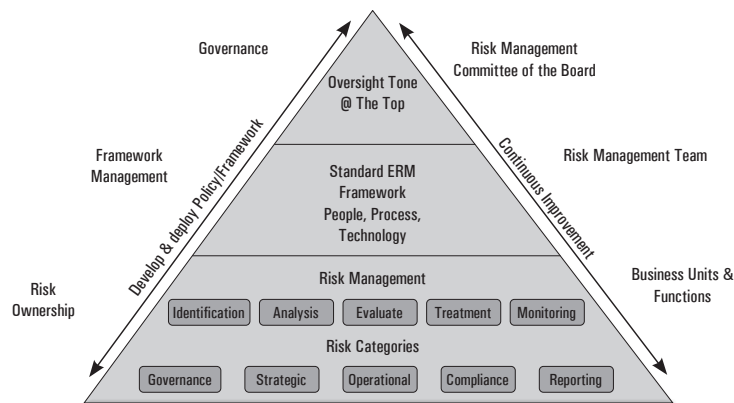


Key Business Objectives

We have a business planning process, and we quarterly review the business objectives of the Company. The corporate performance is measured, monitored and managed on an ongoing basis. The focus of risk management is to assess risks to the achievement of these business objectives and to deploy mitigation measures. This is done through periodic review meetings of the Risk Management Committee.

Risk categories

The risk landscape in the current business environment is changing dynamically with the dimensions of Cyber security, Information Security & Business Continuity and Data Privacy figuring prominently in the risk charts of most organizations. To effectively mitigate these risks, we have deployed a risk management framework which helps proactively identify, prioritize and mitigate risks. The framework is based on principles laid out in the four globally recognized standards.



The following broad categories of risks to the business objectives have been considered in our risk management framework:

Strategic: An organization implements strategies in order to reach their goals. Each strategy has related risks that must be managed in order to meet these goals. Risks to the successful execution of the Company's articulated strategies. These originate from the choices we make on markets, business mix, resources and delivery models that can potentially impact our competitive advantage in the medium and long-term.

Operational: Risks inherent to business operations including those relating to quality, delivery, cost competition.

Compliance: Risks emanating out of the policies and procedures. This also includes regulatory compliances covering various federal, state, local and foreign laws relating to various aspects of the business operations are complex and non-compliances can result in substantial fines, sanctions etc.

Governance: The current corporate governance models usually cater to the financial sector. Thus, current corporate governance principles haven't proved to be reliable during serious financial crises, We feel that there is a need to place a heavier focus on identifying, monitoring and managing catastrophic risks, irrespective of the chance of such risks actually occurring. This also includes the reputational risk.

Reporting: We encourage employees to report risk concerns to managers, who would communicate and coordinate information to be addressed by the appropriate parties.

Key Risk Management Practices

The key risk management practices include those relating to identifying key risks to our business objectives, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring, and integration with strategy and business planning.

Risk identification and impact assessment: Risk register and internal audit findings also provide inputs for risk identification and assessment. Risk survey of executives across units, functions and subsidiaries is conducted on an annual basis to seek inputs on key risks. Operational risks are assessed primarily on three dimensions, namely, strength of underlying controls, compliance to policies and procedures and business process effectiveness.

Risk Evaluation: Risk evaluation is carried out to decide the significance of risks to the Company.

Risk Reporting and Disclosure: Risks to the achievement of key business objectives through the maintenance of Risk register are reported and discussed with the Risk Council and Committee.

Risk mitigation and monitoring: Risk mitigation is done based on risk score which is based on risk impact and risk probability. Risk are transferred, treated or tolerated based on Risk scores.

Integration with strategy and business planning: Identified risks to the business objectives in the near term, medium-term and long-term are used as one of the key inputs for the development of strategy and annual business plan. Key strategic initiatives are identified to mitigate specific risks.

Risk Management Highlights for the Year

This year has brought a completely different perspective to the risk management and we as an organization have endeavored to remain abreast with these highly volatile risk scenarios.

Our robust and dynamic Risk Management processes have continued to improve during this fiscal year with the key focus being on consolidations and harmonization within the group thereby increasing the synergies at the group level.

Management remained closely involved in important risk management initiatives, which have focused particularly on preserving appropriate levels of liquidity and capital, and effectively managing the risk portfolios.

With the advent of the current scenarios, we are working towards strengthening our risk transfer and looking at a more robust framework in view of the emerging risks in the industry.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT



SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Company	L72200KA1973PLC002308
2	Name of the Company	Dynamatic Technologies Limited
3	Year of Incorporation	1973
4	Registered office address	JKM Plaza, Dynamatic Aerotropolis, 55, KIADB Aerospace Park, Bangalore 562149
5	Corporate office address	JKM Plaza, Dynamatic Aerotropolis, 55, KIADB Aerospace Park, Bangalore 562149
6	E-mail id	Investors.relations@dynamatics.net
7	Telephone	+91 80 2111 1223/ +91 80 2204 0535
8	Website	www.dynamatics.com
9	Financial year for which reporting is being done	1 st April 2024 to 31 st March 2025
10	Name of the Stock Exchange(s) where shares are listed	Bombay Stock Exchange Limited National Stock Exchange of India Limited
11	Paid-up capital	INR 6,79,14,430
12	Name and contact details of the person who may be contacted incase of any queries on the BRSR report	1. DIN Number (if applicable): NA 2. Name: Mr. Shivaram V 3. Designation: Chief Legal Officer & Company Secretary 4. Telephone number: + 91 80 2111 1223/ +91 80 2204 0535 5. E-mail Id: investor.relations@dynamatics.net
13	Reporting Boundary	The disclosures under this report are made on standalone basis.
14	Name of assurance provider	NA
15	Type of assurance obtained	NA

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing and Engineering Services	Aerospace, Hydraulics and Security applications.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Boeing P8 Power & Mission Cabinets, Bell 407 Helicopter cabins, Airbus Flap Track Beams for A318, A319, A320, A321 & A330 family of aircrafts and Aircraft doors for A220.	3030	48.14%
2.	Hydraulic Gear Pumps, Motors Rock Shaft Assembly, Hitch Control Valves, Lube Oil & Water Pumps	2813	51.38%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5	6	11
International	3	5	8

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	PAN - India
International (No. of Countries)	DTL exports to countries across Asia, Europe, and US

b. What is the contribution of exports as a percentage of the total turnover of the entity : 51.84%

c. A brief on types of customers

As part of its diverse operations, Dynamatic Technologies Limited (DTL) caters to a wide spectrum of domestic and international customers across its Aerospace and Hydraulics segments.

Aerospace:

Dynamatic-Oldland Aerospace® (DOA) is a pioneer and leader in the Indian private sector for the manufacture of high precision airframe and aerospace components. The Company has best in class infrastructure for catering to the needs of global OEMs such as Airbus, Boeing, Bell Helicopters, Dassault Aviation, Deutsche Aircraft, and Thales. Domestically, the Company is working with the defence sector PSU's such as HAL and BEL. The major products of the Aerospace & Defence segment are control surfaces such as wing, ailerons and wing flaps, fuselages, doors and other key flight critical airframe structures such as flap track beams. Over the period, the Aerospace division has developed excellent capabilities in automated robotic machining, five axis components in aluminium, steel, and titanium. The Company has also expertise in tooling capabilities.

Hydraulics:

The Dynamatic Hydraulics® facility has over 50 years of experience in the design and manufacture of gear pumps and supplies products to Agricultural, Construction and Off-Highway vehicle manufacturers. It designs and manufactures hydraulic gear pumps in both aluminium and cast iron, available in multiple frame sizes. The product range includes high-efficiency gear pumps, low noise pumps, high-pressure pumps, axial piston pumps, low torque high-speed hydraulic motors, plunger hand pumps, hitch control valves, rock shaft assemblies, power steering valves, and mobile control valves for global OEMs. The business unit also manufactures bespoke, high-flow scavenging pumps, lube oil pumps, and water pumps for high-horsepower engines, which are used in off-highway vehicles, marine, and offshore equipment. Additionally, the Company designs and builds customized hydraulic solutions, from simple hydraulic pumping units to complex marine power packs, aircraft ground support systems, and turnkey industrial installations. The key customers include global OEMs such as Mahindra & Mahindra, John Deere, JCB, Tafe, Cummins, Alexander Dennis, Macdon, ACE.

IV. Employees

20. Details as on March 31, 2025

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	560	505	90.18%	55	9.82%
2.	Other than Permanent (E)	17	14	82.35%	3	17.65%
3.	Total employees (D + E)	577	519	89.95%	58	10.05%
WORKERS						
4.	Permanent (F)	309	306	99.03%	3	0.97%
5.	Other than Permanent (G)	804	781	97.14%	23	2.86%
6.	Total workers (F + G)	1113	1087	97.66%	26	2.34%

b. Differently abled Employees and workers:

Sl. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	4	2	50%	2	50%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D + E)	4	2	50%	2	50%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	1	0	0%	1	100%
6.	Total differently abled workers (F + G)	1	0	0%	1	100%

21. Participation/inclusion/representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel	3	0	0%

22. Turnover rate for permanent employees and workers

Particulars	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15%	38%	11%	25%	39%	26%	44%	50%	45%
Permanent Workers	3%	29%	3%	31%	0%	31%	24%	22%	24%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23.(a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of Holding/Subsidiary/ Associate Companies/Joint Venture (A)	Indicate whether Holding/ Subsidiary/ Associate/Joint Venture	% Of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of listed entity? (Yes/No)
1	JKM Erla Automotive Limited	Subsidiary	99.99%	No
2	JKM Research Farm Limited	Subsidiary	99.99%	No
3	JKM Global Pte Limited, Singapore	Subsidiary	100.00%	No
4	Dynamatic Manufacturing Limited	Subsidiary	99.99%	No
5	Dynamatic Limited, UK	Subsidiary	100.00%	No
6	Yew Tree Investments Limited, UK	Subsidiary	100.00%	No
7	Dynamatic US, LLC	Subsidiary	100.00%	No
8	JKM Erla Holding GmbH, Germany*	Subsidiary	100.00%	No
9	Eisenwerk Erla GmbH, Germany	Subsidiary	100.00%	No
10	JKM Automotive Limited**	Subsidiary	100.00%	No

Note:

*JKM Erla Holdings GmbH, Germany, ceased to exist with effect from 30th September 2024, pursuant to the court order dated 16th September 2024.

** JKM Automotive Limited filed an application for strike-off, as it was unable to achieve its intended objectives and has not generated any income since its incorporation.

VI. CSR Details

24.

- i. Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes
- ii. Turnover (in Rs.)** – 63,918 Lakhs
- iii. Net worth (in Rs.)** – 64,364 Lakhs

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	0	0	-	0	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	0	0	-	0	0	-
Value Chain Partners	Yes	0	0	-	0	0	-
Other (please specify)	-	-	-	-	-	-	-

- 1) The policies governing the Company, including the grievance redressal mechanism, are available on the Company's website at: <https://www.dynamics.com/Investors/Shareholder-Information/>
- 2) The company has appointed Kfintech, SEBI registered Registrar & Transfer Agents to provide share registration and related services to shareholders and investors. During FY 2024-25, there were no investor complaints pending for resolution at the end of the year.
- 3) The grievance redressal mechanism consists of immediate reporting manager, representatives of recognized Union, Dedicated Industrial Relations Managers and HR Business Partners at each factory locations.
- 4) Escalation mechanisms are defined in individual client contracts and addressed as per DTL quality policy.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, as per the following format

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Stakeholder engagement	Opportunity	Stakeholder engagement is a key opportunity for the company, enabling the company to align with stakeholder expectations, drive innovation, and improve environmental and social outcomes. By engaging transparently with clients, employees, suppliers, and regulators, DTL can enhance trust, ensure regulatory compliance, and strengthen its position as a responsible and reliable global partner.	-	Positive

2	Carbon reduction	Opportunity	Carbon reduction presents an opportunity for companies to improve resource efficiency, lower emissions, and align with global climate goals. At DTL, renewable energy already forms a significant part of its energy mix, supporting the adoption of low-carbon technologies. This reduces long-term operational costs, enhances supply chain credibility, and prepares the business for future regulatory and market shifts related to climate action.	-	Positive
3	Operations environment	Opportunity	Improving operational environmental performance offers DTL the opportunity to conserve resources, reduce waste, and lower costs. The use of solar power across facilities further supports energy efficiency and emissions reduction. These efforts also mitigate regulatory risks, enhance process efficiency, and reinforce DTL's commitment to sustainable and responsible manufacturing.	-	Positive
4.	Products Solutions and Services	Opportunity	Developing sustainable products and solutions drives innovation, boosts customer satisfaction, and strengthens differentiation in global markets. By incorporating energy efficiency, resource conservation, and climate-conscious design, DTL can deliver long-term value, minimize lifecycle impacts, and effectively meet the evolving expectations of investors, customers, and the market.	-	Positive

5.	Human Rights & labour	Risk	Human and labour rights risks can emerge when safe working conditions are not adequately maintained across its operations and global supply chain. Such lapses may lead to legal penalties, reputational damage, lower ESG ratings and operational disruptions. Given the company's presence in sectors like aerospace and automotive manufacturing, where labour standards and safety are critical, proactive management of these risks is essential to safeguard stakeholder trust and ensure sustainable growth.	DTL enforces a strong Whistleblower Policy and Vigil Mechanism to safeguard ethical conduct and labour rights. Complaints related to misconduct or policy breaches are handled confidentially, with outcomes reviewed quarterly by the Audit Committee and Board. This ensures accountability, swift action, and reinforces the company's commitment to safe and fair working conditions.	Negative
6	Health and Safety	Risk	Managing health and safety is a core business responsibility for DTL. Failure to identify and control workplace hazards through proper risk assessments can lead to accidents, regulatory non-compliance, and reputational damage. These risks not only disrupt operations but also compromise employee well-being and erode stakeholder trust.	DTL addresses health and safety risks through a structured approach outlined in its Risk Management Policy. This includes systematic risk identification, categorisation, description, estimation and the use of a risk matrix to assess impact and likelihood. A dedicated Risk Management Committee oversees this process, ensuring that appropriate controls are in place to protect employees, maintain regulatory compliance, and uphold stakeholder confidence.	Negative
7	Diversity and Inclusion	Opportunity	The company is powered by the diverse perspectives, skill sets and life experiences of their employees. To tap into the full potential of human diversity, the company looks at diversity and create an inclusive working culture underpinned by a fundamental sense of belonging, fairness and equity, enabling people to bring their 'full self' to work and achieve operational efficiency	-	Positive

8.	Data privacy and Cyber security	Risk	Data privacy and cybersecurity pose potential challenges for DTL as digital reliance grows across operations and supply chains. Inadequate safeguards may lead to data breaches, loss of stakeholder trust, and compliance issues. Strengthening cybersecurity frameworks helps protect sensitive information, ensure operational continuity, and maintain customer and partner confidence.	To mitigate cybersecurity risks, DTL has implemented a robust information security management system aligned with ISO 27001 standards. This includes regular risk assessments, firewalls, intrusion detection systems, and endpoint protection	Negative
9	Environmental Footprint – Water management	Risk	Water scarcity poses a risk to DTL by potentially disrupting manufacturing operations, inadequate water management can lead to increased operational costs, regulatory challenges, and reputational concerns. Proactive water conservation and reuse measures are essential to ensure long-term business continuity and environmental compliance.	To mitigate water-related risks, DTL promotes employee awareness on water conservation, implements rainwater harvesting systems, and encourages the recycling and reuse of wastewater across its facilities. Additionally, the Company adopts efficient water usage practices on campuses and monitors consumption to ensure sustainable and responsible water management.	Negative
10	Social Responsibility – Alignment with local communities	Risk	Misalignment with local community interests can lead to reputational damage, operational disruptions, and social unrest. For DTL, maintaining strong community relationships is essential to ensure business continuity, build trust, and support long-term value creation through local employment, skill development, and active engagement in community well-being.	To mitigate risks related to community engagement, DTL focuses on implementing strong local relationships through job creation, skill development initiatives, and active involvement in community welfare. The Company also supports local relief efforts during crises, maintains transparent communication, and ensures timely tax contributions, reinforcing its role as a responsible corporate citizen.	Negative
11	Corporate & sustainability governance	Opportunity	Addressing sustainability & governance is an opportunity to move ahead in the sustainability maturity model with cost saving and benefits as it demands responsible corporate behavior	-	Positive

12	Responsible sourcing	Risk	As inadequate oversight across the supply chain can lead to environmental violations, human rights concerns, and safety issues. Such lapses may result in regulatory non-compliance, reputational damage, and supply disruptions, impacting operational continuity and stakeholder confidence in the Company's ethical standards.	Established detailed frameworks (including supplier's Code of Conduct) along with processes to evaluate the supplier's adherence to DTL's supplier Code of Conduct and ESG requirements and supporting the suppliers to further enhance their ESG performance to move towards creating a sustainable supply chain base.	Negative
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SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
POLICY AND MANAGEMENT PROCESSES									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web link of the policies, if available	https://dynamatics.com/Investors/Shareholder-Information/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

4. Name the national and international codes/ certifications/ labels/ standards	<ul style="list-style-type: none"> - ISO 9001 - GRI standards - UNGC principles - United Nations SDGs 	<ul style="list-style-type: none"> -GRI standards - United Nations SDGs 	<ul style="list-style-type: none"> - ISO 45001 - GRI standards - UNGC principles - United Nations SDGs 	<ul style="list-style-type: none"> - GRI standards - UNGC principles - United Nations SDGs 	<ul style="list-style-type: none"> - GRI standards - United Nations SDGs 	<ul style="list-style-type: none"> - ISO 14000 - Science Based Targets initiative (SBTi) GRI standards - UNGC principles - United Nations SDGs 	<ul style="list-style-type: none"> - GRI standards - United Nations SDGs 	<ul style="list-style-type: none"> - GRI standards - United Nations SDGs 	<ul style="list-style-type: none"> - ISO 27001 - GRI standards - United Nations SDGs
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	The Company is committed to reducing emissions and waste, increasing the use of renewable energy, enhancing product responsibility, ensuring occupational health and safety, advancing diversity, equity, and inclusion, fostering a sustainable supply chain, attaining ISO 27001 certification across all plants, providing comprehensive ethics and compliance training, and deploying a robust ESG data management system.								
6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.	Long term Sustainability Goals/ Targets have been identified and the action plan for achieving the same is tracked on a year-on-year basis. Performance of such principles is also reviewed periodically by the Senior Management. Action plans include ongoing implementation of an ESG data management system to enhance reporting and transparency across operations. DTL has initiated sourcing of renewable energy and working towards reducing energy consumption through effective energy management practices, contributing to its commitment to reduce environmental impact.								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).	<p>Dynamatic Technologies Limited is committed to building a sustainable and socially responsible business that aligns with evolving global expectations. Our ESG roadmap focuses on strengthening governance, cultivating a diverse and inclusive workforce, and minimizing the environmental footprint of our operations.</p> <p>To support this commitment, DTL has implemented a comprehensive ESG policy that ensures alignment with applicable local, national, and international regulations. The company has constituted dedicated CSR and Risk Management Committees at the Board level to guide strategic decision-making and oversee the achievement of defined sustainability targets.</p> <p>Key focus areas include reducing emissions, adopting eco-efficient practices, minimizing waste, and expanding community development programs. While challenges such as regulatory changes, resource efficiency, and stakeholder expectations require continuous attention, the Company remains focused on meeting its targets through structured action plans and continuous improvement.</p> <p>Through these initiatives, DTL aims to strengthen its long-term resilience, uphold the highest standards of governance, and contribute meaningfully to the communities in which it operates.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy.	<p>Name: Mr. Udayant Malhoutra,</p> <p>Designation: CEO & Managing Director</p> <p>DIN: 00053714</p>								
9. Does the entity have a specified committee of the board/ director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	Yes, Corporate Social Responsibility Committee (CSR Committee). For composition of CSR Committee, please refer Corporate Governance Report which forms part of this Annual Report.								

10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies & follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually by the board								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly by the board								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency: No

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/ No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the principles and core elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible

PRINCIPLE 1- BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training audits impact	% of persons in respective category covered by the awareness programmes*
Board of Directors	4	Code of Conduct, ESG, ethics and governance, legal and regulatory updates	100%
Key Managerial Personnel (KMP)	4	Code of Conduct, Anti-Bribery and Anti-Corruption, Prevention of Sexual Harassment at Workplace, Integrity Straight Talks, Integrity e-learning, Anti-trust	100%
Employees other than BoD and KMPs	41	Code of Conduct, Anti-Bribery and Anti-Corruption, Prevention of Sexual Harassment at Workplace, Integrity Straight Talks, Integrity E-learning, Antitrust, conflict of interest	100%
Workers	24	Code of Conduct, Anti-Bribery and Anti-Corruption, Prevention of Sexual Harassment at Workplace, Integrity Straight Talks, Integrity e-learning, Anti-trust	100%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Monetary					
Penalty/ Fine	NA	Nil	Nil	NA	No
Settlement	NA	Nil	Nil	NA	No
Compounding fee	NA	Nil	Nil	NA	No
Non-monetary					
Imprisonment	NA	Nil		NA	No
Punishment	NA	Nil		NA	No

3. **Of the instances disclosed in Question 2 above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of regulatory/ enforcement agencies/ judicial institutions
NONE	NA
NONE	NA

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

The company promotes a strong culture of ethics, integrity, and transparency through its Code of Conduct for Board of Directors and Senior Management Personnel. This Code reflects the company's commitment to conducting its operations in compliance with applicable laws and the highest standards of ethical behaviour.

The code, formulated in accordance with SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015, outlines expectations around responsible conduct and explicitly addresses situations that could lead to conflicts of interest or unethical practices. Key provisions include:

- Prohibition of accepting bribes, kickbacks, or any form of improper payment in the course of business
- Guidelines on avoiding situations where personal interests could interfere with professional duties
- Restrictions on accepting gifts intended to influence business decisions or create a perception of bias
- Standards to ensure fair dealings with suppliers, customers, and other stakeholders.

Through these provisions, the company upholds a robust framework for preventing bribery and corruption across all levels of leadership and governance.

Weblink: <https://www.dynamics.com/Investors/Shareholder-Information>

5. **Number of Directors/KMPs/employees against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2024-25	FY 2023-24
Directors	NA	NA
KMPs	NA	NA
Employees	NA	NA
Workers	NA	NA

6. Details of complaints about conflict of interest.

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	NA	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	NA	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

NA

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

No. of days of accounts payables	FY 2024-25	FY 2023-24
	164	138

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of sales	a. Sales to dealers / distributors as % of total sales	7.57%	8.23%
	b. Number of dealers / distributors to whom sales are made	48	48
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	54.4%	49.8%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	10.28%	12.39%
	b. Sales (Sales to related parties / Total Sales)	1.06%	3.61%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	78%	90%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil

2. Does the entity have processes in place to avoid / manage conflicts of interest involving members of the Board? (Yes / No) If yes, provide details of the same.

Yes. The company has established a well-defined process to identify, avoid, and manage conflicts of interest involving members of the Board. The Code of Conduct, which applies to all Directors, includes specific provisions on the principles of Conflict of Interest.

To uphold the highest standards of transparency and integrity, the Code requires all Directors to disclose any potential conflicts arising from personal, social, professional, financial, political, or other interests, relationships, or activities that could reasonably be perceived to conflict with the company's interests, affect their judgment, or create an appearance of impropriety.

Additionally, the annual affirmation of compliance with the Code of Conduct reinforces the company's ongoing commitment to ethical governance and responsible leadership.

PRINCIPLE 2 - BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

DTL has been investing in building green campuses. All of this, along with greater use of renewable energy has helped DTL bring down its carbon footprint

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impact
R&D	0	0	
Capex	0	0	

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes. Responsible sourcing has been a key area of focus for the company, supported by well-defined policies and structured programs aimed at strengthening performance and fostering long-term partnerships within the supply chain.

The company collaborates closely with its Business Associates to build strong supplier relationships, ensure consistent adherence to quality standards, and promote a responsible and efficient supply chain. All engagements with Business Associates are governed by the company's Supply Chain Policy, which outlines expectations around ethical conduct, safety, environmental compliance, and adherence to applicable laws and regulations.

As part of the supplier selection and contract award process, the company evaluates Business Associates' alignment with its supply chain management principles. This includes their commitment to environmental responsibility, human rights, occupational safety, and ethical business practices.

Compliance with labour laws and related principles is a mandatory requirement for qualification. Additionally, supplier evaluation covers work methods, service performance, and technical capabilities, while safety assessments are integrated into both the qualification and online vendor registration processes.

- b. If yes, what percentage of inputs were sourced sustainably?**

100%

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

(a) Plastics (including packaging):

Damaged product packaging is reclaimed at the depots and returned to the respective factories for repacking. Further, the expired products are sent for incineration to an authorized agency in accordance with the Hazardous Waste Management Rules, 2016 ('herein referred to as the Rules')

(b) E-waste:

A pan India based agency authorised by the Pollution Control Board is selected to ensure safe disposal of e-waste with minimal environmental impact

(c) Hazardous waste:

Hazardous waste is categorised as per the Rules and is sent to the authorised end users for utilising the same and converting it into useful products. The remaining hazardous waste is sent for proper disposal at the Pollution Control Board's authorised facilities.

(d) Other waste:

Non-hazardous waste

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes. Plastic waste generated from end products is disposed off under EPR with the help of an agency authorised by the Central Pollution Control Board (CPCB).

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Nil	Nil	Nil	Nil	Nil	Nil

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
No	No	No

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
NIL	NIL	NIL

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Type of Waste	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed (Metric Tonnes)	Re-Used	Recycled	Safely Disposed (Metric Tonnes)
Plastics (including packaging)	NA	NA	NA	NA	NA	NA
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste (used oil & battery)	NA	NA	NA	NA	NA	NA
Other waste (wood)	NA	NA	NA	NA	NA	NA

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	NA

PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Employees											
Male	505	505	100%	505	100%	0	0%	505	0	0	0%
Female	55	55	100%	55	100%	55	100%	0	100%	55	100%
Total	560	560	100%	560	100%	55	9.82%	505	90.18%	55	9.82%
Other than Permanent employees											
Male	14	14	100%	14	100%	0	0%	14	100%	0	0%
Female	3	3	100%	3	100%	3	100%	0	0%	3	100%
Total	17	17	100%	17	100%	3	17.65%	14	82.35%	3	17.65%

b. Details of measures for the well-being of workers:

Category	Total (A)	% of Workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	306	306	100%	306	100%	0	0%	306	100%	0	0%
Female	3	3	100%	3	100%	3	100%	0	0%	0	0%
Total	309	309	100%	309	100%	3	0.97%	306	99.03%	0	0%
Other than Permanent Workers											
Male	781	781	100%	781	100%	0	0%	781	100%	0	0%
Female	23	23	100%	23	100%	23	100%	0	0%	0	0%
Total	804	804	100%	804	100%	23	2.86%	781	97.14%	0	0%

c. Spend on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the Company	1.38%	1.40%

2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered (as a % of total employee)	No. of workers covered (as a % of total workers)	Deducted & deposited with the authority (Yes/No/N.A)	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted and deposited with the authority (Yes/No/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI*	8.21%	0%	Yes	6%	0%	Yes

*As per the ESI regulation, 100% of the eligible employees have been covered under the benefits.

3. Accessibility of workplaces

Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

DTL's facilities are accessible to differently abled employees with lifts, ramps, and wheelchair provision.

5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	Nil	Nil	Nil	Nil
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Particulars	Yes/No (if yes, then give details of mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

Yes, the Company has implemented an open-door approach for every employee, regardless of their position. The Company offers various platforms to its employees for sharing their grievances and concerns, including Ethics Speak Up, HR Helpdesk and e-mails to their supervisors. Further, the Company follows the 'DTL Code of Conduct', encouraging employees to raise concerns about bribery and corruption, harassment and human rights issues, and insider trading, among others.

7. Membership of employees in association(s) or unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	560	0	0%	429	0	0%
Male	505	0	0%	385	0	0%
Female	55	0	0%	44	0	0%
Total Permanent Workers	309	309	100%	318	318	100%
Male	306	306	100%	314	314	100%
Female	3	3	100%	4	4	100%

8. Details of training given to employees and workers

Category	FY 2024-25					FY 2023-24				
	Total (A)	On health & safety/wellness measures		On skill upgradation		Total (D)	On health and safety measures/wellness		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
Employees										
Male	505	468	92.67%	468	92.67%	385	385	100%	385	100%
Female	55	48	87.27%	48	87.27%	44	44	100%	44	100%
Total	560	516	92.14%	516	92.14%	429	429	100%	429	100%
Workers										
Male	306	199	65.03%	67	21.90%	314	274	87.26%	274	87.26%
Female	3	3	100%	0	0%	4	4	100%	4	100%
Total	309	202	65.37%	67	21.68%	318	278	87.42%	278	87.42%

Note: Only permanent employees/workers included

9. Details of performance and career development reviews of employees and workers

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	%(D/C)
Employees						
Male	505	235	46.53%	385	224	58.18%
Female	55	13	23.64%	44	17	38.64%
Total	560	248	44.29%	429	241	56.18%
Workers						
Male	As per Wage Settlement					
Female						
Total						

10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. Safety is a core value over which no business objective can have a higher priority. The Safety & Health Management system covers activities across all manufacturing locations, offices, research laboratories and supply chain partners and ensures the protection of environment, health & safety of its employees, contractors, visitors and all other relevant stakeholders including ISO 45001:2018 requirement.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has a process for Risk Management which is essential for preventing incidents, injuries, occupational disease, emergency preparedness and business continuity. There is a structured Risk Assessment & Management process which is regularly reviewed, and mitigation plans are put in place to reduce the risk.

For all activities including routine or non-routine, hazards are identified by a trained cross functional team and risk assessment is done through Standard Operating Procedures (SOP) which is referred to before starting any activity. Identified hazards and associated risks are addressed through operational control measures using a hierarchy of control approach.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes. A process for incident management exists including incident reporting, investigation, and implementation of appropriate corrective measures. Employees, contractual staff, and visitors are all expected to report incidents including near-miss and potential hazards in addition to accidents.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. All the sites have access to non-occupational medical and healthcare services either on-site or through tie-ups with reputed medical entities in proximity.

11. Details of safety related incidents

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At DTL, a culture of safety is encouraged across hierarchies by promoting behavior-based safety, process safety and road safety as key focus areas among its workforce. DTL is taking various measures to further strengthen its process safety through enhancing automation in processes and unit operations. Safety Audit conducted at all manufacturing sites by corporate safety to identify and rectify the gaps in workplace safety.

The company reviews and monitors the safety, health, environmental and sustainability practices, processes, standards, and activities to ensure compliance with appropriate laws and legislation. This also provides valuable direction and guidance to the Management to ensure that Safety and Sustainability implications are duly and timely addressed. All the incidents are reported to the Risk Management Committee and are investigated and analyzed to avoid any recurrence.

13. Number of complaints on working conditions and health and safety made by employees and workers.

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessments for the year

Particulars	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

We have a robust system of handling safety-related incidents, by conducting regularly audits, awareness and inspections. There were no significant risks/concerns arising from the health & safety practices and working conditions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

Employees	Yes
Workers	Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company monitors and tracks the compliance related to statutory dues by contractors supplying third party resources as a part of regular checks while processing the invoices. Periodic audits are also conducted to ensure compliance.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment*	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety practices	Please refer to point number 6
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The Company conducts EHS system & regulatory audits of third parties, their warehouses and of suppliers at regular intervals to ensure compliance of various processes. Regular follow ups are being done to ensure implementation of suggested corrective / preventive actions.

PRINCIPLE 4- BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company identifies and engages with various stakeholders with the intention of understanding and addressing their expectations and developing short, medium, and long-term strategies of the Company. The internal and external groups of key stakeholders identified based on their immediate impact on the operations and working of the Company include Customers, Suppliers, Investors, Employees, Competitors, Regulators, Trade bodies, Local Communities & Trade Unions.

The Company also engages with the analysts and news media from time to time.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Key Stakeholders	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	Annual reports, earnings calls, newspaper advertisement/notices, the Company's website, annual general meetings, and press releases.	Quarterly/yearly	Providing information and update on the Company's performance
Employees	No	Code of Conduct, trainings, workshops, employee touch base and grievance mechanisms	Need-based, quarterly	Rewards, training and development, wellness and safety measures
Customers	No	Meetings at the customer premises, events, conferences, trade shows, leadership meetings, programme reviews and satisfaction surveys	Need-based	Product/service information, customer feedback
Academic institutions	No	MoUs, technology meetings, conferences, and seminars	Ongoing basis	Capability development and research
Suppliers, Vendors and Partners	No	Supplier code of conduct, contracts, training & awareness, and appraisals	Ongoing and need based	Supplier sustainability
Communities	Yes	CSR policy, volunteering programmes.	Quarterly and annually	Community development
Trade Union	No	Right of all personnel to form and join trade unions of their choice and bargain collectively	Need-based	Long-term settlement discussions and training & development
Competitors	No	Through industry bodies, associations, seminars, exhibitions, and events	Ongoing and need based	representing before statutory authorities Industry
Regulatory Bodies	No	Statutes and regulations	Need-based	Statutory and regulatory compliances

Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company's management regularly interacts with key stakeholders i.e. investors, customers, suppliers, employees etc. The Company has Risk Management and CSR Committees that update the progress of actions in respect to economic, environmental and social topics to the Board and takes inputs on a regular basis.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Consultation with stakeholders on Environment, Social & Governance (ESG) topics are delegated to the departments within the organization who are also responsible for engaging with stakeholders continually. Within the domains of E, S and G, we are constantly thinking about the most important issues and preparing for them through these consultations.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.**

Local Community members including but not limited to women, the elderly, adolescents, youth, children, and persons with disabilities, are some of key vulnerable group identified as they experience the highest degree of socio-economic marginalization. These groups have limited capacities and opportunities to cope and adapt and hence the company has priority to address these groups, especially rural children and gives them priority assistance under the company's CSR policy.

PRINCIPLE 5 - BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicator

- 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
EMPLOYEES						
Permanent	560	560	100%	429	429	100%
Other than Permanent	17	17	100%	11	11	100%
Total employees	577	577	100%	440	440	100%
WORKERS						
Permanent	309	309	100%	318	278	87.42%
Other than Permanent	804	804	100%	745	745	100%
Total workers	1113	1113	100%	1063	1023	96.23%

2. Details of minimum wages paid to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wages		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	560	0	0	560	100%	429	0	0	429	100%
Male	505	0	0	505	100%	385	0	0	385	100%
Female	55	0	0	55	100%	44	0	0	44	100%
Non-permanent	17	0	0	17	100%	11	0	0	11	100%
Male	14	0	0	14	100%	9	0	0	9	100%
Female	3	0	0	3	100%	2	0	0	2	100%
Workers										
Permanent	309	0	0	309	100%	318	0	0	318	100%
Male	306	0	0%	306	100%	314	0	0	314	100%
Female	3	0	0%	3	100%	4	0	0	4	100%
Non-permanent	804	0	0	804	100%	745	0	0	745	100%
Male	781	0	0%	781	100%	733	0	0	733	100%
Female	23	0	0%	23	100%	12	0	0	12	100%

3. a. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/salary/ wages of respective category (in INR)	Number	Median remuneration/salary/ wages of respective category (in INR)
Board of Directors (BoD) *	4	5,100,000	1	1,600,000
KMP (other than BoD)**	3	34,200,000	0	0
Employees other than BOD & KMP***	502	732,348	55	343,428
Workers	306	761,801	3	896,251

Notes: *Sitting fees paid to independent directors. However no sitting fees is paid to Non-Executive & Non- Independent directors

** Salaries paid to CEO & MD, ED's, CFO & CS

***The employee numbers is calculated based on total employees during the year.

b. Gross wages paid to females as % of total wages paid by the entity in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	6.71%	6.89%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) : Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues?

DTL is committed to fairness in all its operations and interactions. The company strongly opposes any violations of human rights, including the use of forced or child labor, both within its own activities and those of its business partners. It aligns with internationally recognized human rights standards and ensures these principles are respected across its workforce and value chain.

The company promotes a work environment where individuals are treated with respect and dignity. The company values diversity and ensures equal treatment for all employees, with clear policies against discrimination and harassment.

To support these commitments, DTL has established a well-defined grievance resolution mechanism. This system operates based on the principles of natural justice, confidentiality, sensitivity, non-retaliation, and fairness. All reported concerns are handled with care, and timely action is taken. The investigation process ensures that every party has an opportunity to present relevant information, helping maintain transparency and accountability throughout.

6. Number of complaints on the following made by employees and workers:

Category	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced / Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

- I. An independent Internal Committee (IC) drawn from cross functional/location employees, follows the process/guidelines as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- II. The whistleblower policy ensures that no unfair treatment will be meted out to a whistleblower by virtue of his/her having reported a protected disclosure under the policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization, or any other unfair employment practice being adopted against whistleblowers. Complete protection will, therefore, be given to whistleblowers against any unfair practices like retaliation, threat, or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights are part of the integrity clauses both sales and buy side. The company's code of conduct requires suppliers to uphold human rights in their businesses, prioritizing the absence of child and forced labour and upholding the laws of the land relating to human rights related aspects.

10. Assessments for the year:

	% of offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100% by External Auditor
Forced/ involuntary labour	100% by External Auditor
Sexual harassment	100% by External Auditor
Discrimination at workplace	100% by External Auditor
Wages	100% by External Auditor

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

To assess actual and potential human rights impacts, DTL regularly conducts systematic human rights risk assessments and identify its salient human rights issues at the entity level and plans to implement appropriate measures to cease, prevent or mitigate adverse human rights impacts along its full value chain.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

DTL's commitment to inclusivity and diversity, particularly in ensuring accessibility for differently abled individuals, is commendable. By designing work areas, restrooms, common spaces, and movement areas with accessibility in mind, DTL is not only meeting legal requirements but also fostering an environment where all employees feel valued and supported. This approach not only benefits individuals with physical disabilities but also enriches the workplace culture by promoting equality and understanding.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, most of the locations are accessible to differently abled persons.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	0
Discrimination at workplace	0
Child Labour	0
Forces Labour/ Involuntary Labour	0
Wages	0
Others – please specify	0

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessment at Question 4 above.

NA

PRINCIPLE 6- BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25	FY 2023-24
From renewable sources (GJ)		
Total electricity consumption (A)	1,139.98	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	1,139.98	0
From non-renewable sources (GJ)		
Total electricity consumption (D)	24,989.50	25,685.94
Total fuel consumption (E)	1,014.37	1,135.06
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	26,003.87	26,821.00
Total energy consumed (A+B+C+D+E+F)	27,143.85	26,821.00
Energy intensity per rupee of revenue from operations (Total energy consumption/ revenue from operations) GJ/INR	0.0000042	0.0000046
Energy intensity per rupee of revenue from operations adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) * (GJ/ USD)	0.000087	0.00010
Energy intensity in terms of physical output (GJ/ Number of units produced)	12.65	10.98
Energy intensity (optional) – the relevant metric may be selected by the entity	0	0

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by World Bank for India which is 20.66 (Source: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

NA

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Ground Water	0	33,827
(iii) Third Party Water	22,753.41	4,585
(iv) Seawater/Desalinated Water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	22,753.41	38,412
Total volume of water consumption	22,753.41	38,412
Water intensity per rupee of revenue from operations (Water consumed/ revenue from operations) (KL/INR)	0.00000355	0.0000066
Water intensity per rupee of revenue from operations adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)*	0.000073	0.00015
Water intensity in terms of physical output (KL/ Number of units produced)	10.84	15.73
Water intensity (optional) – the relevant metric may be selected by the entity	0	0

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by World Bank for India which is 20.66 (Source: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. **Provide the following details related to water discharged.**

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
- No treatment	0	0
- With treatment, please specify level of treatment	0	0
(ii) To groundwater		
- No treatment	0	0
- With treatment, please specify level of treatment	0	0
(iii) To seawater		
- No treatment	0	0
- With treatment, please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment, please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment & complying with discharge Quality & Quantity limit based on Consent to Operate	0	0
Total water discharged in kilolitres	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. The company has installed highly efficient wastewater treatment systems (STP & ETPs) across all its manufacturing sites. In line with zero liquid discharge principle, our major units are recycling treated wastewater for irrigation, gardening as well as flushing purpose.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	mg/Nm ³	11.4	11.82
SOx	mg/Nm ³	5.6	6.65
Particulate matter (PM)	mg/Nm ³	14.3	24.61
Persistent organic pollutants (POP)	-	NA	NA
Volatile organic compounds (VOC)	-	NA	NA
Hazardous air pollutants (HAP)	-	NA	NA
Others	-	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	74.83	81.24
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	5,046.49	0**
Total Scope 1 and Scope 2 emissions per rupee of revenue from operations (Total Scope 1 and Scope 2 emissions/ Revenue from operations)	(MT CO ₂ e/INR)	0.000000799	0.000000014
Total Scope 1 and Scope 2 emissions per rupee of revenue from operations adjusted for Purchasing Power Parity (PPP)(Total Scope 1 and Scope 2 GHG emissions / revenue from operations adjusted for PPP)*	(MT CO ₂ e/USD)	0.000016	0.00000031
Total Scope 1 and Scope 2 emission intensity in terms of physical output	(MTCO ₂ e/ Number of units produced)	2.75	0.03
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	0	0

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by World Bank for India which is 20.66 (Source: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>)

** In FY24, Scope 2 data was unavailable due to limitations in data collection systems, which have been addressed in FY25

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

As a part of DTL sustainability targets and ESG agenda, the company has set an ambition to enable a low-carbon society where, the company has also committed to partner with its customers and suppliers to reduce emissions and achieve carbon neutrality in its own operations. The company has taken commitment towards renewable energy and cleaner and more efficient technologies to reduce its own emissions. The company has planned to have a clear energy efficiency target with the help of its energy management systems.

To realize the aforesaid commitment, the company has taken various initiatives such as installation of solar systems, green power procurement through third party power purchase agreements (PPAs) and is also strengthening its energy management systems to further reduce energy consumption and enhance the energy efficiency of electrical equipment at its premises.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total waste generated (in metric tonnes)		
Plastic waste (A)	3.63	5.21
E-Waste (B)	0	0
Bio-Medical Waste (C)	0.07	0.33
Construction and demolition waste (D)	0	0
Battery Waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any (G)	31.82	17.97
Other Non-hazardous waste generated (H). Please specify, if any.	113.02	164.61
Total (A+B+C+D+E+F+G+H) (Metric tonne)	148.53	188.1
Waste intensity per rupee of revenue from operations		
(Total waste generated / revenue from operations)	0.00000023	0.00000032
Waste intensity per rupee of revenue from operations adjusted for Purchasing Power Parity (PPP) (Total waste generated / revenue from operations adjusted for PPP) *	0.00000048	0.00000073
Waste intensity in terms of physical output	0.07	0.07
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (metric tonnes)		
Category of waste	0	0
(i) Recycled	0	0
(ii) Re-used	0	0
(iii) Other recovery operations (safely disposed)	0	0
Total (metric tonnes)	0	0
For each category of waste generated, total waste disposed by nature of disposal method (metric tonnes)		
Category of waste		
(i) Incineration	113.02	164.61
(ii) Landfilling	0	0
(iii) Other disposal operations	31.80	17.97
Total (metric tonnes)	144.84	182.58

* The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published by World Bank for India which is 20.66 (Source: <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

A guideline applicable company-wide ensures that the legal requirements for the transport and disposal of waste are complied with locally. All manufacturing sites have a clearly designated organizational unit responsible for sorting, classifying, and handing over waste to disposal companies. DTL conducts regular audits at the locations where the wastes are disposed to ensure it is treated and disposed in a scientific manner with minimum impact on the environment. Segregation of wastes is ensured at its place of generation. Process changes are also aimed at reducing generation of hazardous wastes. The thrust is on recycling and reuse of hazardous wastes. Those which cannot be reused are disposed in line with statutory requirements.

To offer a green product to the customers and meet various national/international regulations on material management, DTL has established a strong internal material compliance management system to reduce usage of hazardous and toxic chemicals in our products and processes.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in FY 2024-25.

Name and brief details of project	EIA Notification Number	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web Links
NA					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.

S.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
NA				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilo litres): For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area	Bengaluru
(ii) Nature of operations	Manufacturing and Engineering Services

(iii) Water withdrawal, consumption and discharge in the following format

Parameter	FY 2024-25	FY2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	33827
(iii) Third party water	22753.41	4585
(iv) Seawater/ desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	22753.41	38412
Total volume of water consumption (in kilolitres)	22753.41	38412
Water intensity per rupee of turnover (Water consumed/ turnover)	0.00000355	0.0000066
Water intensity (optional) – the relevant metric may be selected by the entity	0	0
Parameter	FY 2024-25	FY2023-24
Water discharge by destination and level of treatment (in kilolitres)		
i. To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
ii. To Groundwater		
- No treatment	0	0

- With treatment – please specify level of treatment	0	0
iii. To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
iv. Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
v. Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

This activity is work in progress and shall be implemented in due course.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

NA

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

NA

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Solar power panels installation	Enhancement of renewable energy utilization www.dynamatics.com	1,139.98 GJ of renewable energy
2	Rainwater harvesting system implementation	The purpose is to capture maximum rainwater for recharge and reuse purposes www.dynamatics.com	Water footprint reduction
3	Single use plastic free premises establishment	Elimination of single use plastic also helped in reducing plastic waste within our premises www.dynamatics.com	Waste reduction

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

DTL has a well-established business continuity and disaster management framework that is fully aligned to ISO 22301:2019, CMMI-SVC and is integrated with other quality management systems for consistent deployment across the organization. The function is governed by a trained pool of subject matter experts at various levels of the organization ensuring upkeep of business continuity plans, planning, and executing drills to achieve seamless resumption, in case of any disruption. The entire process is integrated with other business processes through in-house developed tools that support planning and communication with all stakeholders.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

NA

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NA

PRINCIPLE 7- BUSINESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicator

- 1 a. Number of affiliations with trade and industry chambers/ associations.

10

- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/ National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Chamber of Commerce and Industry (FICCI)	National
3	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
4	MCC Chamber of Commerce & Industry	National
5	Bangalore Chamber of Industry and Commerce (BCIC)	National
6	US-India Business Council	International
7	Indo American Chamber of Commerce (IACC)	International
8	Indo-Canadian Business Chamber	International
9	Aerospace & Aviation Sector Skill Council (AASSC)	National
10	Fluid Power Society of India	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of the Authority	Brief of the case	Corrective Action Taken
NIL		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
NA					

PRINCIPLE 8-BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web link
NIL					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NIL						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has a focused group comprising the senior leadership and the CSR head interacts with the community leaders to understand and address their concerns. Further, the Company also has a whistleblower policy in place for all its stakeholders to file their grievances. Same can be accessed at <https://www.dynamatics.com/Investors/Shareholder-Information/>

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	19.72%	22.7%
Directly from within India	NA	NA

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2024-25	FY 2023-24
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above).

NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

S. No.	State	Aspirational district	Amount spent (in Rs.)
1	Nil	Nil	Nil

3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No, A common sourcing policy that is based on attributes, quality, costs, and capability is followed. This policy does not differentiate between sourcing groups and categories.

(b) From which marginalized /vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

NA

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
		NA		

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NA	NA	NA

6. Details of beneficiaries of CSR projects

S. No.	CSR Project	No. of persons benefitted from CSR Projects during FY 2024-25	% of beneficiaries from vulnerable and marginalized groups
	The CSR amount spent during the year was towards ensuring Environmental Sustainability, Promoting Education and promoting Health Care. This initiative was benefited by large number of people in the vicinity including vulnerable and marginalized groups, which is difficult to quantify.		

PRINCIPLE 9- BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a set process for the customer care response process, to address any customer issues with the Company’s offering and service portfolio. Each customer concern is addressed with utmost care at all levels. DTL teams acknowledge, analyze the incidents, and develop an action plan to resolve them. The team engages with the customer, to validate the action plan and regularly updates customers about the progress of action taken. Any feedback from the customer is taken positively and action plans are refined to ensure utmost customer satisfaction.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cybersecurity	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Others-Quality of Products	0	0	Nil	0	0	Nil

4. Details of instances of product recalls on accounts of safety issues.

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. Web link: <https://dynamatics.com>

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

NIL

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches:

NIL

b. Percentage of data breaches involving personally identifiable information of customer)

NIL

c. Impact, if any, of the data breaches

NIL

Leadership Indicators

1. Channels / platforms where information on products and services of the Company can be accessed

Weblink: <https://www.dynamatics.com>

2. Steps taken to inform and educate consumers, especially vulnerable and marginalised consumers, about safe and responsible usage of products and services.

At DTL, sustainable innovation is a core part of the Company's DNA. The Company continues to work together and with our partners and customers to explore new ways to incorporate sustainable materials across our solutions and bring them to new markets including increased communications.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

Issues are bound to arise in any customer/supplier relationship and therefore DTL maintains continual communication with customers to identify problems before they become serious. This allows both parties to work towards mutually beneficial solutions. The company's teams focus on quality and customer service and continue to strengthen the position DTL as a trusted partner.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

NA

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CORPORATE GOVERNANCE REPORT



REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE FOR THE YEAR 2024-25

Company's Philosophy on Code of Governance:

The Company is committed to good Corporate Governance and your Company's actions are governed by its Values and Code of Conduct. The Company considers itself a trustee of its shareholders and fully realises the rights of its shareholders to information on the performance of the Company. The Company provides detailed information on various issues concerning the Company's business and financial performance to its shareholders. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders including, but not limited to, shareholders, employees, customers, business partners, suppliers, and the wider communities that we serve. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

The Company is following the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015 (SEBI Listing Regulations), as applicable, regarding corporate governance.

BOARD OF DIRECTORS:

The Board of Directors along with its committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. Your Company has an engaged and well-informed Board with qualifications and experience in diverse areas. The composition of the Board of the Company is in compliance with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 (Act).

The Board comprises of members having varied skills, experience and knowledge. The Board has an optimum combination of both Independent and Non-independent Directors. As on 31st March 2025, the Company has eight Directors. Out of the eight Directors, six are Non-Executive Directors out of which four are Independent Directors. The profiles of Directors can be found in the "Directors and the KMP Profile" appearing in the "Overview Section" of this Annual Report.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on 31st March 2025, have been made by the Directors. None of the Directors are related to each other.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

Four board meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

28th May 2024, 9th August 2024, 13th November 2024, and 7th February 2025. The necessary quorum was present for all the meetings.

The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting (AGM), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31st March 2025, are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/ she is a director. For determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

A. Details of attendance of each Director at the Board Meetings and at the previous year Annual General Meeting

Name of the Directors	AGM	Date of Board Meetings				Percentage (%) of attendance
	5 th September 2024	28 th May 2024	9 th August 2024	13 th November 2024	7 th February 2025	
Pierre de Bausset DIN:07178878	Y	Y	Y	Y	Y	100%
Pradyumna Vyas DIN:02359563	Y	Y	Y	Y	Y	100%
Gaitri Issar Kumar DIN: 10245539	Y	Y	Y	Y	Y	100%
Ajay Kumar* DIN: 01975789	Y	Y	Y	Y	Y	100%
Dietmar Hahn DIN:06414463	-	Y	Y	Y	Y	100%
James Tucker DIN:07093258	Y	Y	Y	Y	Y	100%
P S Ramesh** DIN:05205364	Y	Y	Y	Y	-	100%
Udayant Malhoutra DIN:00053714	Y	Y	Y	Y	Y	100%
Chalapathi P# DIN: 08087615	-	-	-	-	Y	100%

*Dr. Ajay Kumar resigned on 15th May 2025

**Mr. P S Ramesh retired on 13th November 2024

#Mr. Chalapathi P was inducted w.e.f. 13th November 2024.

B. COMPOSITION OF THE BOARD AND DIRECTORSHIPS / SHAREHOLDINGS IN THE COMPANY / MEMBERSHIP HELD BY DIRECTORS DURING THE YEAR 2024-25

Name of the Director	Category	Shareholding in Dynamatic	Other Public Companies excluding this Company	Committee Memberships held in public Company (Audit & Stakeholders Relationship Committee Only)		Directorship in other listed entity (Category of Directorship)
				As Chairman	As Member	
Mr. Pierre de Bausset DIN:07178878	Chairman - Independent and Non- Executive Director	Nil	-	-	-	-
Prof. Pradyumna Vyas DIN:02359563	Independent and Non-Executive Director	Nil	1. Dynamatic Manufacturing Limited	-	-	-
			2. JKM Erla Automotive Limited	-	-	-
			3. Carysil Limited	-	Audit	Non-Executive - Independent Director
			4. Kirloskar Brothers Ltd. (Appointed w.e.f. 14 th May 2025)	-	Audit	Non-Executive - Independent Director

Ms. Gaitri Issar Kumar DIN:10245539	Independent and Non- Executive Director	NIL	-	-	-	-
Dr. Ajay Kumar* DIN:01975789	Independent and Non- Executive Director	30	1. Sify Infinit Spaces Limited (Resigned on 15.05.2025)	-	-	-
			2. Sify Technologies Limited (Resigned on 15.05.2025)	-	-	-
			3. SMPP Limited (Resigned on 15.05.2025)	-	-	
			4. Cyient DLM Limited (Resigned on 15.05.2025)	-	-	Non-Executive - Independent Director
			5. Electrosteel Castings Limited (Resigned on 15.05.2025)	-	-	Non-Executive - Independent Director
Mr. James Tucker DIN:07093258	Non-Executive and Non-Independent Director	Nil	-	-	-	-
Mr. P S Ramesh* DIN:05205364	Executive Director & COO - Hydraulics	Nil	1. JKM Automotive Limited (Resigned on 13.11.2024)	-	-	-
			2. JKM Erla Automotive Limited (Resigned on 13.11.2024)			
			3. JKM Research Farm Limited (Resigned on 13.11.2024)			
			4. Dynamic Manufacturing Limited (Resigned on 13.11.2024)			

Mr. Udayant Malhoutra DIN:00053714	Promoter, CEO and Managing Director	5,23,460	1. Centrust Financial Limited	-	-	-
			2. Greearth Biotechnologies Limited	-	-	-
			3. SAN Engineering and Locomotive Company Limited	-	-	-
			4. Centum Electronics Limited (Appointed w.e.f. 22 nd May 2025)	-	Stakeholder's Relationship	Non-Executive - Independent Director
Chalapathi P* DIN: 08087615	Executive Director & Chief Financial Officer	Nil	1. JKM Automotive Limited	-	-	-
			2. JKM Erla Automotive Limited			
			3. JKM Research Farm Limited			
			4. Dynamatic Manufacturing Limited			

Note:*

1. Mr. P S Ramesh retired on 13th November 2024
2. Mr. Chalapathi P was inducted w.e.f. 13th November 2024
3. Dr. Ajay Kumar resigned on 15th May 2025

Disclosure of relationships between directors inter-se:

None of the Directors are inter-se related to each other.

Familiarisation programme imparted to Independent Directors:

All independent and non-executive directors inducted to the Board are introduced to our Company culture through orientation sessions. Executive Directors and Senior Management provide an overview of operations and familiarize the new directors on matters related to our values and commitments. They are also introduced to the organization structure, services, group structure and subsidiaries, constitution, board procedures, matters reserved for the board, major risks and risk management strategy. The details of the familiarization program are also available on the Company's website at (www.dynamatics.com)

On 27th May 2024, the Board members visited Industrial Training Institute (ITI) campus, Devanahalli, Bangalore, as a part of familiarization program organized for the directors, key managerial personnel and invitees. The visit was aimed to showcase the company's initiatives to promote education as a part of its corporate social responsibility mission.

On 6th February 2025, a special visit was arranged for all the Directors to the Dynamatic Manufacturing Limited (DML) facility located in Peenya, Bangalore, providing them with firsthand exposure to the Company's manufacturing and product development operations. The Directors toured DML's advanced manufacturing unit, gaining insights into the various processes involved in producing detailed parts for aerospace assemblies, the control systems in place, and the overall scale of operations. Each Director spent approximately four hours at the facility during this visit.

Pursuant to Regulation 46 of the Listing Regulations, details of familiarisation programmes imparted to the Independent Directors are available on the Company's website at https://dynamatics.com/downloads/Familiarization_Programme_DTL_2025.pdf

Skills / Expertise / Competencies of the Board of Directors:

For effective functioning of the Board, your Company's Board needs to have skills / expertise / competencies in the areas of Business, Finance & Accounting and Governance / Legal. Your Company's Board comprises of people from diverse fields and across globe. Your Company's Directors

are qualified and possess the appropriate knowledge, skills, experience, expertise, diversity and independence, covering Business, Finance & Accounting, Administration, Design & Development, Information Technology, Sales & Marketing, Quality, Human Resources & Industrial Relations including Governance and Legal. In the table given below, various skills / expertise / competencies of Board of Directors are given:

The following are the skills as identified by the Board.

Sl. No	Core skills /expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have such skills / expertise / competence
1	Finance, Law, Management, Administration, Sales & Marketing, Corporate Governance related to the Company's business	Mr. Pierre de Bausset, Ms. Gaitri Issar Kumar, Dr. Ajay Kumar, Mr. Chalapathi P
2	Technical Operations related to the Company, Design & Development, Information Technology, Knowledge on Production, Processing, Quality and Marketing of Aerospace, Hydraulics and Automobile	Prof. Pradyumna Vyas, Mr. James Tucker, Mr. Dietmar Hahn, Mr. Udayant Malhoutra, Dr. Ajay Kumar
3	Management, Strategy, Marketing, Administration, Industrial Relations and Human Resources, Technical Operations related to the Company's business	Mr. Pierre de Bausset, Mr. Udayant Malhoutra, Mr. James Tucker, Mr. Dietmar Hahn, Dr. Ajay Kumar, Ms. Gaitri Issar Kumar

As part of its statutory duties under the SEBI Listing Regulations, the Nomination and Remuneration Committee (NRC) conducts due diligence, reference checks, and interviews to evaluate a prospective Director's skills, experience, and industry knowledge before recommending their appointment. Upon identifying a suitable candidate, the NRC proposes the appointment to the Board, which then appoints the individual as an Additional Director and seeks shareholder approval. All Directors are appointed with the approval of both the Board and shareholders and are subject to periodic re-appointment; none hold a perpetual term.

Responsibilities of the Chairman and Executive Directors:

The Company has Mr. Pierre de Bausset, Independent Director as the Chairman of the Board.

Mr. Udayant Malhoutra is the CEO & Managing Director of the Company, who is also a Promoter Director.

Mr. Chalapathi P is the Executive Director & CFO of the Company.

The Executive Directors of the Subsidiary Companies incorporated abroad are part of the Board as Non-Executive and Non-Independent Directors of the Company. There is clear demarcation of responsibilities and authority among these officials.

The Senior Management makes periodic presentations to the Board on the Company performance and business growth of the business units.

Senior Management

Particulars of the Senior Management in compliance with Regulation 16 of the SEBI Listing Regulations, as on March 31, 2025, are as under:

Name of the Senior Management Personnel	Designation
Mr. Udayant Malhoutra	Chief Executive Officer & Managing Director
Mr. Chalapathi P	Executive Director & Chief Financial Officer
Mr. Shivaram V	Chief Legal Officer & Company Secretary
Mr. Ravichander V	Chief Technology Officer
Mr. Ajay Gururaj	Chief Commercial Officer

Independent Directors

As on March 31, 2025, the Board of Dynamatic Technologies Limited comprised of Four (4) Independent Directors, who in the opinion of the Board, fulfil the requirements as stipulated under Section 149 of the Companies Act, 2013 and the provisions of SEBI Listing Regulations, and are independent of the Management. The necessary declarations from Independent Directors affirming that they meet the criteria of independence as required under Section 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations are obtained. The Independent Directors abide by the code of conduct adopted by the Company and as laid out under Schedule IV of the Companies Act, 2013.

Dr. Ajay Kumar (DIN: 01975789), resigned as an Independent Director on 15th May 2025, owing to his appointment as Chairman of the Union Public Service Commission, pursuant to the order of the Hon'ble President of India, thereby assuming a constitutional responsibility of national importance. Dr. Ajay Kumar has confirmed that there are no other material reasons for his resignation other than those stated above. The Board places on record its appreciation for the contributions and guidance made by Dr. Ajay Kumar, during his stint with the Company as an Independent Director.

A separate meeting of Independent Directors for the financial year 2024-25 as per Clause VII (1) of Schedule IV under Section 149(8) of the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations was held on 27th May 2024, without the participation of the Non-Independent Directors and management members, wherein the Independent Directors reviewed:

- the performance of the Managing Director, Non-Independent Directors and the Board as a whole;
- the performance of the Chairman of the Company based on the views received from Directors of the Company; and
- the flow of information between Company management and the Board in terms of quality, timeliness and quantity, in order to ensure that the Board discharges its duty effectively.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors, the Chairman and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity, and timeliness of flow of information between the Company Management and the Board.

In addition, an Independent Directors meeting was held on 4th September 2024 without the participation of the Non-Independent Directors and management members, wherein the Independent Directors reviewed the general strategy pertaining to the Company.

Evaluation Mechanism:

The Board's performance is formally evaluated based on guidelines laid down by the Nomination & Remuneration Committee (NRC), covering aspects such as Board composition, diversity, qualifications, meeting effectiveness, strategic oversight, governance, risk management, and stakeholder engagement. Individual Directors are assessed on their qualifications, experience, integrity, commitment, team contribution, and support to management. The Chairman is additionally evaluated on leadership, impartiality, and effectiveness. Committee evaluations focus on mandate, composition, independence, meeting quality, and contribution to Board decisions. The evaluation process and criteria, including those for determining qualifications and independence under Section 178(3) of the Companies Act and SEBI Listing Regulations, are detailed in the Board's Report. The NRC also promotes gender diversity by emphasizing increased representation of women on the Board.

Board Continuity and Succession Planning:

The NRC of the Board is vested with the responsibility of ensuring continuity in the Board Management by recommending suitable candidates to the Board, beforehand, in place of those retiring.

As mentioned above, the Company's Board is well represented with experts from various realms. While ensuring continuity in the Board Management, the NRC endeavours to fulfil the position of the retiring director by choosing candidates, ideally, from the same realm as that of the retiring director to always ensure balanced representation of directors on the Board.

Compensation to Directors (CTC) for the year ended 31st March 2025 is as follows: (in Rs) (Amount in Rs)

Name of the Director	Remuneration		Total
	Sitting Fees	Salary	
Mr. Pierre de Bausset	19,00,000	-	19,00,000
Prof. Pradyumna Vyas	20,00,000	-	20,00,000
Ms. Gaitri Issar Kumar	16,00,000	-	16,00,000
Dr Ajay Kumar*	12,00,000	-	12,00,000
Mr. Dietmar Hahn	-	-	-
Mr. James David Tucker	-	-	-

Mr. P S Ramesh*, Executive Director & COO – Hydraulics	-	72,80,610	72,80,610
Mr. Udayant Malhoutra, CEO & Managing Director	-	1,44,00,000	1,44,00,000
Mr. Chalapathi P*, Executive Director & Chief Financial Officer	-	1,20,00,000	1,20,00,000

Note*:

1. Mr. P S Ramesh retired on 13th November 2024
2. Mr. Chalapathi P was inducted w.e.f. 13th November 2024
3. Dr. Ajay Kumar resigned on 15th May 2025

The terms of appointment of the Executive Directors are governed by the provisions of the law and such appointment is subject to termination by either party by giving three months' notice unless termination at a shorter notice is mutually agreed by the concerned Executive Director and the Board of Directors of the Company. As per terms of appointment none of the Executive Directors are entitled to receive any severance fees. Service Contracts are governed as per the terms set out in the resolution by the Shareholders at the General Meeting while appointing the Director(s).

The Company does not have any scheme for grant of stock options either to Directors or to employees.

BOARD COMMITTEES:

Currently, the Board has Eight (8) Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Risk Management Committee
4. Stakeholders' Relationship Committee
5. Corporate Social Responsibility Committee
6. Technology & Strategy Development Committee
7. Finance Committee and
8. Independent Directors' Committee

Procedure at Committee Meetings:

The Company's guidelines relating to Board meetings are applicable to Committee meetings as far as may be practicable. Minutes of the proceedings of the Committee meetings are placed before the Board for perusal and records. The quorum for the board meetings shall be one-third of its total strength or three directors, whichever is higher, including at least one independent director. The participation of the directors by video conferencing or by other audio-visual means shall also be counted for the purposes of such quorum.

AUDIT COMMITTEE:

The Board has established a qualified and independent Audit Committee in accordance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

Composition:

The Audit Committee of the Board comprises the following 4 (Four) Independent Directors as on 31st March 2025:

- **Mr. Pierre de Bausset, Chairman**
- Prof. Pradyumna Vyas
- Ms. Gaitri Issar Kumar
- Dr Ajay Kumar

The Chairman of the Committee is Mr. Pierre de Bausset, who has expertise in banking, finance, corporate laws, and governance matters. The Members of the Audit Committee have relevant experience in accounting matters and possess related financial management expertise and are considered financially literate as defined in Regulation 18(1)(c) of the SEBI Listing Regulations. The Chairman of the Audit Committee attended the last Annual General Meeting of the Company, to answer the queries of the shareholders. Mr. Shivaram V, Company Secretary is the Secretary to the Audit Committee.

Attendance at Audit Committee Meetings held during the year 2024-25:

Audit Committee meetings were held on:

- 28th May 2024
- 9th August 2024
- 13th November 2024
- 7th February 2025

The gap between two Audit Committee Meetings did not exceed 120 days. The requisite quorum was present in above meetings and the attendance of members were as follows:

Name of the Member	No. of meetings attended
Mr. Pierre de Bausset	4
Ms. Gaitri Issar Kumar	4
Prof. Pradyumna Vyas	4
Dr Ajay Kumar*	4
Mr. P S Ramesh*	3

Note*:

1. Mr. P S Ramesh retired on 13th November 2024
2. Dr. Ajay Kumar resigned on 15th May 2025

Terms of reference:

The terms of reference of the Audit Committee covers all the matters specified in the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations.

The terms of reference of the Audit Committee, inter-alia are as follows:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

1. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 2. Changes, if any, in accounting policies and practices and reasons for the same.
 3. Major accounting entries involving estimates based on the exercise of judgment by management.
 4. Significant adjustments made in the financial statements arising out of audit findings.
 5. Compliance with listing and other legal requirements relating to financial statements.
 6. Disclosure of any related party transactions.
 7. Qualifications in the draft audit report, if any.
- v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 - vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - viii. Approval or any subsequent modification of transactions of the Company with related parties;
 - ix. Scrutiny of inter-corporate loans and investments;
 - x. Valuation of undertakings or assets of the Company, wherever it is necessary;
 - xi. Evaluation of internal financial controls and risk management systems;
 - xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - xiv. Discussion with internal auditors of any significant findings and follow up there on;
 - xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- xviii. To review the functioning of the Whistle Blower mechanism;
- xix. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- xx. Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ` 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing;
- xxi. Consider and comment on rationale, cost/benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- xxii. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Mandatory review of information by Audit Committee

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
 - b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7) of SEBI Listing Regulations.

The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and to review the report of the Compliance Officer with the provisions of these regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

The Company has adequate internal control and Internal Audit system commensurate with its size and nature of its business. The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors directly present their report to the Audit Committee for their consideration.

The Internal Auditors, representatives of the Statutory Auditors, Chief Financial Officer and CEO & Managing Director of the Company attend as invitees and participated in the Committee meeting/s to review and discuss financial performance, disclosure practices, internal control systems, internal audit reports, feedback reports of management and financial policies of the Company so that the Committee is able to oversee the financial reporting process, make appropriate financial disclosures and implement the terms of reference as mandated by the Board and the terms of the SEBI Listing Regulations. The Statutory Auditors and Internal Auditors actively participate and recommend the required policies and changes from time to time.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

During the year, the Audit Committee inter alia reviewed key audit findings covering Operational, Financial and Compliance areas affecting the Company which were presented to the Committee. The Chairman of the Audit Committee briefed the Board members on the significant discussions which took place at Audit Committee Meetings.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee (NRC) has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

Composition:

The Committee comprises the following 3 (three) Independent Directors as on 31st March 2025:

- **Prof. Pradyumna Vyas, Chairman**
- Mr. Pierre de Bausset
- Ms. Gaitri Issar Kumar

In terms of Regulation 19 of the SEBI Listing Regulations read with the provisions of Section 178 of the Companies Act, 2013, all the members of the NRC are independent directors. Prof. Pradyumna Vyas, the Chairman of the NRC has attended the last Annual General Meeting of the Company.

Attendance at the Nomination and Remuneration Committee Meetings held during the year 2024-25:

During the FY 2024-25, the meetings of the NRC was convened on 27th May 2024, 5th September 2024, and 13th November 2024.

The requisite quorum was present in above meetings and the attendance of members were as follows:

Name of the Member	No. of meetings attended
Prof. Pradyumna Vyas, Chairman	3
Mr. Pierre de Bausset	3
Ms. Gaitri Issar Kumar	3

Terms of Reference:

The terms of reference of the NRC which covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the SEBI Listing Regulations.

The terms of reference of the NRC, inter-alia are as follows:

1. Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel, and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every director's performance.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management and
7. Such other matters as may be prescribed under the Act, SEBI Listing Regulations and or by the Board of Directors of the Company from time to time.

Performance Evaluation criteria for Directors:

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the SEBI Listing Regulations, the Annual Performance Evaluation was carried out for the Financial Year 2024-25, by the Board in respect of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Risk Management, Stakeholders' Relationship and Corporate Social Responsibility Committees.

A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the board and its committees, board culture, execution and performance of specific duties, obligations and governance was prepared after taking into consideration the guidance note issued by SEBI. The performance also included inputs from all the directors based on criteria such as the board composition, board processes, information & functioning, Risk Management & Strategy, Corporate Social Responsibility, Organisational performance and structure, effectiveness of board processes, etc.

A separate exercise was carried out to evaluate the performance of individual directors including the chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfilment of key responsibilities, effectiveness of meetings etc. The performance evaluation criteria for independent directors are determined by the NRC. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director,

commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.

Remuneration Policy:

The Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for Remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully.
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company does not have any Employee Stock Option Scheme.

Remuneration of Directors:

The key principles governing the Company's Remuneration Policy are as follows:

(i) Independent Directors and Non-Independent Non-Executive Directors:

Independent Directors (ID) are paid sitting fees for attending the meetings of the Board and of Committees of which they are members. For Non-Independent and Non-Executive Directors, being employees of overseas subsidiary, no sitting fee is paid.

(ii) Managing Director (MD)/ Executive Directors (ED) / Key Managerial Personnel (KMP)/ rest of the employees:

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the Sector / Industry / Company's Operations and the Company's capacity to pay, consistent with recognized best practices and aligned to regulatory requirements.

Basic / Fixed Salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits in accordance with terms of the Company policy.

The Remuneration and Nomination Policy is displayed on the Company's website www.dynamics.com

The details of Remuneration/Sitting Fee paid to the Managing Director and Executive Directors along with Independent Directors during the Financial Year 2024-25 is as follows:

- a. During the year, there was no pecuniary relationship or transactions between the Company and any of its Independent Directors apart from sitting fees.
- b. Non-Executive Directors' compensation and disclosures.

The Independent Directors (except Non-Executive and Non-Independent) are paid Sitting fees for attending the meetings of the Board and Committees of the Board. The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the meetings as on 31st March 2025.

(Amount in Rs)

Directors	Sitting Fees
Mr. Pierre de Bausset (Independent Director)	19,00,000
Prof. Pradyumna Vyas (Independent Director)	20,00,000
Ms. Gaitri Issar Kumar (Women Independent Director)	16,00,000
Dr. Ajay Kumar** (Independent Director)	12,00,000
Mr. Dietmar Hahn* (Non-Executive and Non-Independent Director)	Nil
Mr. James Tucker* (Non-Executive and Non-Independent Director)	Nil

* Mr. Dietmar Hahn and Mr. James Tucker are not paid Sitting fees as they are full time employees of Subsidiaries. No Commission is being paid to the Independent Directors.

**Dr. Ajay Kumar resigned on 15th May 2025.

c) (i) & (ii) The Remuneration details of Managing Director / Executive Directors are mentioned below:

Particulars	Mr. P S Ramesh* (Executive Director & COO – Hydraulics) <i>(Paid up to 13th November 2024)</i>	Mr. Chalapathi P (Executive Director & Chief Financial Officer)	Mr. Udayant Malhoutra (CEO and Managing Director)
Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	68,54,205	1,02,92,497	1,23,36,000
Allowances and perquisites	53,28,775	10,27,083	13,53,600
Performance linked Incentive (One Time)			
Contribution to Retrial Funds	-	-	-
Stock option	-	-	-
No. of Shares held	-	-	5,23,460
Terms of Service Contract	Resigned on 13 th November 2024.	Appointed as Executive Director w.e.f. 13 th November 2024 to 12 th November 2027.	Appointed for a term of 3 Years with effect from 1 st October 2023 to 30 th September 2026 and the same is approved by the shareholders in the AGM held on 22 nd September 2023.
Notice period	3 Months	3 Months	3 Months

*The remuneration stated above is including final settlement payment towards leave encashment and gratuity.

- (iii) The terms of appointment of the Managing and Executive Directors provide that the appointment may be terminated by either party by giving to the other party three months' notice of such termination or the Company paying three months' remuneration in lieu thereof.

Note: The resolutions appointing these directors do not provide for payment of severance fees.

- (iv) **Stock options:** The Company has not granted Stock Option to any of its Directors.

- (v) **Succession Plan:** The Company believes that sound succession planning for the senior leadership is critical for developing bench strength to ensure growth, stability and a robust future for the Company. The NRC works along with the CEO & MD of the Company for a structured leadership succession plan.

(vi) **Retirement Policy for Directors:** As per the Company's policy.

RISK MANAGEMENT COMMITTEE:

Regulation 21 of the SEBI Listing Regulations mandates top 1000 listed entities, determined based on market capitalisation as at the end of the immediate previous financial year, to constitute a Risk Management Committee (RMC). The primary role of the RMC is that of assisting the Board of Directors in overseeing the Company's risk management processes and controls. The RMC, through Enterprise Risk Management in the Company, seeks to minimise adverse impact on the business objectives and enhance stakeholder value. The risk management policy and terms of reference of RMC are in line with the SEBI Listing Regulations for the functioning of the RMC.

Composition:

The Committee comprises the following 5 (five) Directors as on 31st March 2025:

- **Mr. Pierre de Bausset, Chairman**
- Ms. Gaitri Issar Kumar
- Prof. Pradyumna Vyas
- Dr Ajay Kumar
- Mr. Udayant Malhoutra

Attendance at the Risk Management Committee Meetings (RMC) held during the year 2024-25:

RMC meetings were held on 8th August 2024 and 6th February 2025. The requisite quorum was present in above meetings and the attendance of members were as follows:

Name of the Member	No. of meetings attended
Mr. Pierre de Bausset	2
Prof. Pradyumna Vyas	2
Ms. Gaitri Issar Kumar	2
Dr. Ajay Kumar*	2
Mr. Udayant Malhoutra	2
Mr. P S Ramesh*	1

Note*:

1. Mr. P S Ramesh retired on 13th November 2024
2. Dr. Ajay Kumar resigned on 15th May 2025

- The gap between two RMC Meetings did not exceed 210 days. The necessary quorum was present for both the Meetings.
- The Company Secretary acts as the Secretary to the Committee.
- The Company has a well-defined risk management framework in place. Further, details on risk management are given in the Management Discussion & Analysis which forms part of this Integrated Annual Report.

Terms of Reference

The terms of reference of the RMC, as amended, inter alia, include:

1. To formulate a risk management policy for the Company
2. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.

3. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
4. To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company.
5. To frame, implement and monitor the risk management plan of the Company.
6. To monitor and review cyber security in the Company.
7. To keep the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken.
8. The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any)

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The constitution and composition of Stakeholders' Relationship Committee (SRC) is in conformation with the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

The composition of the Stakeholders Relationship Committee and the details of the meetings attended by its members during the financial year ended 31st March 2025 are as under:

Composition:

The SRC comprises the following 3 (three) Directors as on 31st March 2025. The Chairman is heading the Committee.

- **Prof. Pradyumna Vyas, Chairman**
- Mr. Pierre de Bausset
- Mr. Udayant Malhoutra

Attendance at the Committee Meetings held during the year 2024-25:

Stakeholders' Relationship meetings were held on:

- 28th May 2024
- 9th August 2024
- 13th November 2024
- 7th February 2025

The requisite quorum was present in above meetings and the attendance of members were as follows:

Name of the Member	No. of meetings attended
Prof. Pradyumna Vyas	4
Mr. Pierre de Bausset	4
Mr. Udayant Malhoutra	3

Terms of reference:

The terms of reference of the SRC covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the SEBI Listing Regulations. The terms of reference of the SRC, inter-alia are as follows:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Any other terms that may be assigned by the Board time to time.

Compliance Officer:

Mr. Shivaram V, Chief Legal Officer & Company Secretary is the Compliance Officer responsible for complying with the requirements of SEBI Regulations.

Investor Grievance report for the year 2024-25:

Details of complaints received and attended to during the financial year 2024-25 are given below:

Subject	
No. of complaints pending as on 1 st April 2024	Nil
No. of complaints received during the year	Nil
No. of complaints resolved during the year	Nil
No. of complaints pending as on 31 st March 2025	Nil
TOTAL	Nil

The Company has taken various investor-friendly activities viz. encouraging investors to register their email ids, option for registration of email address for the limited purpose of receiving Annual Report and e-Voting credentials for the AGM.

A communication has also been sent for updating bank account details and other details for payment of dividend and tax deducted at source related activity.

Pursuant to the SEBI Circulars dated November 3, 2021, and December 14, 2021 issued for common and simplified norms for processing investor's service request and norms for furnishing PAN, KYC details and Nomination details, the Company had sent individual letters to its shareholders holding shares in physical form for furnishing the KYC details to comply with the KYC requirements.

Remuneration of Directors

The Company's Remuneration Policy is aligned with its philosophy for payment of remuneration to Directors, KMPs and all other employees based on the commitment of fostering a culture of leadership with trust.

The principles governing the Company's Remuneration Policy is provided in the Board's Report and the Policy is also uploaded on the website of the Company.

Securities Identification Number (ISIN):

ISIN is the identification number for traded shares, which needs to be quoted in every transaction relating to the dematerialized shares of the Company. The ISIN for Company's equity shares are INE221B01012.

Corporate Identity Number (CIN):

The CIN, allotted by the Ministry of Corporate Affairs, Government of India, is L72200KA1973PLC002308.

Dematerialization of Shares and Liquidity:

The equity shares of the Company are traded in dematerialized form. The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder must open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the RTA. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

During the Financial Year 2024-25, 12 demat requests for dematerialization comprising 3,376 shares and 5 requests for share transmissions/deletion of name comprising 2,564 shares were received and processed.

Shareholders who are still holding shares in physical form are requested to dematerialize their shares at the earliest, as this will be more advantageous to deal in securities. For queries / clarification / assistance, shareholders are advised to approach the Company's Registrar and Share Transfer Agents.

Transfer of Unclaimed/Unpaid Amounts to the Investor Education and Protection Fund

Pursuant to the applicable provisions of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended from time-to-time, the declared dividends, which remained unpaid or unclaimed for a period of 7 (seven) years and shares in relation to such unpaid/unclaimed dividend shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

As per Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with Section 124 of the Act, intimations have been sent to shareholders concerned, requesting them to encash their unclaimed dividends failing which the unclaimed dividends and the corresponding shares held by them shall be transferred to IEPF Authority.

The following table gives information relating to outstanding dividend accounts and the dates when due for transfer to IEPF:

Financial Year Ended	Date of declaration of dividend	Last date for claiming unpaid dividend(s)
2018-19 (Interim Dividend)	10.08.2018	09.09.2025
2022-23 (Interim Dividend)	10.08.2022	09.09.2030
2022-23 (Final Dividend)	22.09.2023	21.10.2030
2023-24 (Interim Dividend)	13.02.2024	12.03.2031
2023-24 (Final Dividend)	05.09.2024	04.10.2031
2024-25 (Interim Dividend)	13.11.2024	12.12.2031

Shareholders are requested to get in touch with the RTA for encashing the Unclaimed Dividend amount, if any, standing to the credit of their account.

During the Financial Year 2024-25, there was no transfer of unclaimed dividend nor shares to Investor Education and Protection Fund Authority (IEPF).

Details of shares transferred have been uploaded on the Company's website at www.dynamics.com.

All requests/communications from Shareholders including request for annual reports, revalidation of dividend warrants, change of address, transmission of shares, deletion of name, Issue of duplicate share certificate, claim of dividend & shares from IEPF authorities etc., are received by KFin Technologies Limited, Hyderabad, Registrars and Share Transfer Agents on behalf of the Company (RTA /Kfintech) and all these requests have been addressed to their satisfaction.

Every quarter, the Company reviews various communications received by the RTA. These communications and the replies furnished are made available to the Company through RTA's website <http://karisma.kfintech.com>.

A quarterly report of the same is submitted to the Committee for improving investor relations and services provided to them. Kfintech provides high quality of shareholder servicing through their services and updated technological support, thereby ensuring that the Company provides its investors with the best possible services.

Suspense Account for the unclaimed shares:

Pursuant to Regulation 39(4) read with schedule VI of the SEBI Listing Regulations, the Company has sent reminder to Shareholders regarding unclaimed shares out of the shares issued by the Company. Further in terms of the said provision, the Company has opened a DEMAT suspense account with IIFL Securities Limited for crediting unclaimed shares and any corporate benefits in terms of securities accruing on such shares, like, bonus shares, split etc., and thereafter shall be transferred by the listed entity in accordance with provisions of Section 124 and 125 of the Companies Act 2013 and rules made thereunder.

Details of suspense account

As required under clause F of schedule V of the SEBI Listing Regulations, the disclosures with respect to demat suspense account / unclaimed suspense account are appended here below:

Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the beginning of the year; 11 Shareholders and 851 shares.

Number of Equity Shareholders approached the Company for transfer of shares from suspense account during the year: NIL

Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the end of the year; 11 Shareholders and number of shares were 851.

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

Furnishing of PAN, KYC details and Nomination by holders of physical securities.

SEBI Circular Number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37, dated March 16, 2023 mandated members holding shares in physical mode to furnish PAN, email address, mobile number, bank account details, nomination, and any service request and complaint shall be entertained only upon registration of the PAN, Bank details and nomination. SEBI also has mandated to ensure that the members PAN be linked to Aadhar. In this context, the company had through M/s KFin Technologies Limited, sent communication dated 22.05.2024 and 24.02.2025 to those shareholders holding physical shares, and whose PAN, KYC and Nomination details are not available with the Company.

Members desiring to send their nomination in the prescribed Form No. SH-13 may send duly filled form to KFin at the below mentioned address. Members holding shares in electronic form may contact their respective DP for availing this facility.

Therefore, those shareholders who have not furnished some of the mandatory documents/details against their respective physical holdings are herewith requested to immediately furnish the aforesaid documents/details to M/s KFin Technologies Limited, the Registrar & Transfer Agents of the Company in the prescribed format or contact KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032, Unit: Dynamic Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Email: einward.ris@kfintech.com for further assistance on this matter.

Share Transfer Committee – A Sub Committee of Stakeholders' Relationship Committee

A Share Transfer Committee has been constituted by the Board to ensure timely and efficient servicing of requests for share transfers and transmissions.

Composition

The Committee comprises the following members as on 31st March 2025:

- **Mr. Udayant Malhoutra, Chairman**
- Prof. Pradyumna Vyas
- Mr. Shivaram V

The Committee is vested with the responsibility of approving cases which comply with the required provisions of the applicable laws of India relating to share transmissions, transpositions, duplicate share certificates, exchange, consolidations, etc. on a fortnightly basis. The status on complaints and share transfers is reported to the Stakeholders' Committee and subsequently to the Board.

Share transactions in electronic form can be effected in a much simpler and faster manner. After confirmation of sale / purchase transaction from the broker, Shareholders should approach the depository participant with a request to debit or credit the account for the transaction. Shareholders are periodically requested to utilize the demat facility.

TECHNOLOGY & STRATEGY DEVELOPMENT COMMITTEE:

The Technology & Strategy Development Committee provides direction on the Company's Research and Development strategy and on key issues pertaining to R&D technology. The Committee also reviews and updates the skills and competence required, the structure and the process needed to ensure that the R&D initiatives of today result in products necessary for the sustained and long-term growth of the Company. The Committee is instrumental in augmenting the Intellectual properties of the Company. Resultant is the host of patents and trademarks for the Company's products and process in India and across the globe from time to time.

Objectives:

- Develop products and technologies keeping in mind the customers and business strategy of the Company.
- Provide effective project support and assurance to production and its business.
- Provide best technical assistance available across the globe.
- Exploit synergies through cutting edge technologies.
- Deploy scientists, engineers to meet current and future business needs.

- Promote and develop Intellectual Property to processes and products.
- Work as a design & developmental partner with customers in future technologies across the units.
- Innovation on extreme efficiency, value, maximization to serve the new market conditions and safety and reliability of assets, across the Company as a part of its DNA.

Composition:

The Board Level Technology & Strategy Development Committee comprises 8 (Eight) Directors as on 31st March 2025.

The Committee comprises the following members:

- **Prof. Pradyumna Vyas, Chairman**
- Mr. Pierre de Bausset
- Ms. Gaitri Issar Kumar
- Dr Ajay Kumar
- Mr. Dietmar Hahn
- Mr. James Tucker
- Mr. Chalapathi P
- Udayant Malhoutra

The Technical and Operations heads attend the Committee meeting to present the improvements made regarding new technical products and innovation, which deliver greater value to its existing and new customers.

FINANCE COMMITTEE:

The Board, at its meeting held on 5th February 2013, constituted the Finance Committee. The said Committee has been constituted with the following powers:

- To approve availing loans, providing necessary security, giving guarantees.
- Approve investing funds of the Company.
- To consider and approve purchase of securities of wholly owned subsidiary.
- To authorize suitable Directors/Personnel of the Company to do such acts and things as is necessary or incidental to give effect to the aforesaid finance related activities of the Company such as registration of documents, affixing common seal of the Company and so on.

Composition:

The Board level Finance Committee comprises the following 4 (four) Directors as on 31st March 2025.

- **Prof. Pradyumna Vyas, Chairman**
- Ms. Gaitri Issar Kumar
- Dr Ajay Kumar
- Mr. Udayant Malhoutra

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

Terms of reference

The terms of reference of the CSR Committee inter alia, are as follows :

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Act.

- Recommend the amount to be spent on CSR activities.
- Oversee the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen.
- Oversee activities impacting the quality of life of various stakeholders.
- Formulate and recommend to the Board (including any revisions thereto), an annual action plan in pursuance of the CSR policy and have an oversight over its implementation.
- Monitor implementation and adherence to the CSR Policy of the Company from time to time.
- Such other activities as the Board of Directors determine as they may deem fit in line with CSR Policy.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at www.dynamics.com. The Annual Report on CSR activities for the financial year 2024-25 forms part of the Board's Report.

Composition:

The composition of the CSR Committee and the details of the meetings attended by its members during the Financial Year ended 31st March 2025 are as under:

- **Ms. Gaitri Issar Kumar – Chairperson**
- Prof. Pradyumna Vyas
- Mr. Chalapathi P

During the financial year 2024-25, the Committee had one (1) meeting on 27th May 2024.

INDEPENDENT DIRECTORS COMMITTEE:

To facilitate independent meetings of the Independent Directors without the intervention of the management, an Independent Directors' Committee has been constituted in accordance with the requirements of Companies Act, 2013.

Composition:

The composition of the Independent Directors Committee and the details of the meetings attended by its members during the Financial Year ended 31st March 2025 are as under:

- **Mr. Pierre de Bausset - Lead Independent Director**
- Ms. Gaitri Issar Kumar
- Prof. Pradyumna Vyas
- Dr Ajay Kumar

During the financial year 2024-25, the Committee had Two (2) meeting on 27th May 2024 and 4th September 2024.

CEO and CFO Certification:

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the CEO and CFO certification is provided in this Annual Report.

Code of Conduct:

In compliance with Regulation 26(3) of the SEBI Listing Regulation, and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct and Ethics ('the Code'), all the members of the Board and Senior Management personnel affirmed compliance to the said Code as on 31st

GENERAL BODY MEETINGS

ANNUAL GENERAL MEETINGS ('AGM') / EXTRAORDINARY GENERAL MEETING ('EGM') / POSTAL BALLOT APPROVALS:

Location, date and time of the Annual General Meetings/Extraordinary General Meetings held during the preceding three years and the special resolutions passed thereat are as follows:

Year	Venue	Date and Time	Special Resolution Passed
2021-2022 AGM	through Audio/ Visual means	9 th September 2022	<ul style="list-style-type: none"> There were no special resolutions passed during the meeting under review.
2021-2022 EGM	through Audio/ Visual means	9 th March 2023	<ul style="list-style-type: none"> To offer, issue and allot 4,50,000 Equity Shares of the Company to investors on Preferential basis
2022-2023 AGM	Physical	22 nd September 2023	<ul style="list-style-type: none"> Re-appointment of Mr. Udayant Malhoutra (DIN 00053714) as CEO and Managing Director for a term of 3 (Three) years Re-appointment of Mr. P S Ramesh (DIN: 05205364) as Executive director & COO – Hydraulics for a term of 1 (One) year Appointment of Ms. Gaitri Issar Kumar (DIN 10245539) as Non-Executive Independent Director
2023-2024 AGM	Physical	5 th September 2024	<ul style="list-style-type: none"> There were no special resolutions passed during the meeting under review.

Postal Ballot:

Date of postal ballot notice	Resolution passed	Voting results	Approval date	Scrutinizer
10 th November 2023	<ol style="list-style-type: none"> Appointment of Dr. Ajay Kumar (DIN:01975789) as an Independent Director of the Company. Re-appointment of Mr. Pierre de Bausset (DIN:07178878) as an Independent Director of the Company. Re-appointment of Prof. Pradyumna Vyas (DIN:02359563) as an Independent Director of the Company. 	<ol style="list-style-type: none"> Voting in favour: 100% Voting against: 0% Voting in favour: 100% Voting against: 0% Voting in favour: 100% Voting against: 0% 	23 rd January 2024	Pramod S M BMP & Co. LLP., (Membership No FCS 7834, CP. No 13784)
13 th November 2024	<ol style="list-style-type: none"> Appointment of Mr. Chalapathi P (DIN:08087615) as Executive Director of the Company 	Voting in favour: 99.92% Voting against: 0.08%	23 rd January 2025	Pramod S M BMP & Co. LLP., (Membership No FCS 7834, CP. No 13784)

For matters which are urgent and require shareholders' approval in the period between the AGMs, the Company seeks the approval of shareholders through postal ballot. In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company also provides electronic voting (e-voting) facility to all its members. For this purpose, the Company has engaged the services of Kfin Technologies Limited. Mr. Pramod S M, designated partner of BMP & Co, LLP, Company Secretaries in practice, had acted as the scrutinizer for past postal ballots and e-voting. The details of the previous postal ballots are available on the website, at www.dynamatics.com.

Procedure for postal ballot:

Postal ballot notices and forms are dispatched, along with postage-prepaid business reply envelopes to registered members / beneficiaries. The same notice is sent by email to members who have opted to receive communication through the electronic mode. The Company also publishes a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members who want to exercise their votes by physical postal ballot are requested to return the forms, duly completed and signed, to the scrutinizer on or before the close of the voting period. Those using the e-voting option are requested to vote before the close of business hours on the last date of e-voting.

The scrutinizer completes his scrutiny and submits his report to the Chairman, and the consolidated results of the voting are announced by the Chairman / authorized officer.

The results are also displayed on the Company website, www.dynamics.com, besides being communicated to the stock exchanges, depository and registrar and share transfer agent. The last date for the receipt of postal ballot forms or e-voting is the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

The 50th AGM of the Company is being conducted through physical mode at the Registered office of the Company.

Means of Communication:

The Company uses several modes for communicating with its external stakeholders, such as announcements and press releases in newspapers, circular letters and other reports to the members, posting information on its website (www.dynamics.com), intimation to the Stock Exchanges, responding to analyst's queries etc.

The quarterly, half-yearly and annual results are displayed on the Company's website www.dynamics.com and also disseminated through all the modes mentioned above. The quarterly results are also published in leading dailies such as Business Standard (English daily) and Sanjevani (vernacular daily).

The transcripts and audio of the Company's investors/analysts conference calls are available at: www.dynamics.com

The Company's Management Discussion & Analysis of the Business for the year ended March 31, 2025, forms part of the Directors' Report and is given under the section so captioned.

General Shareholder Information:

The Company was incorporated in Bengaluru, in 1973, as Dynamic Hydraulics Limited within the provisions of the Companies Act, 1956, and changed its name to Dynamic Technologies Limited in 1992. The address of registered office is JKM Plaza, Dynamic Aerotropolis, 55, KIADB Aerospace Park, Bangalore – 562149, Karnataka, India.

The equity shares of the Company are listed on both National Stock Exchange of India Limited (NSE - with a scrip code of DYNAMATECH) and Bombay Stock Exchange Limited (BSE - with a scrip code of 505242).

The Company has paid the listing fee for the year 2024-25 to the Stock Exchanges, where the shares of the Company are listed in India.

ANNUAL GENERAL MEETING FOR THE YEAR 2024-25:

Date and time:	30 th September 2025;	
Venue:	JKM Plaza, Dynamic Aerotropolis 55, KIADB Aerospace Park, Bangalore, Karnataka 562149	
Financial calendar:	Our tentative calendar for declaration of results for the Financial Year 2025-26 is given below:	
	Calendar for Reporting:	
	Quarter ended	Release of results
	30 th June 2025	On 8 th August 2025
	30 th September 2025	On or before 7 th November 2025
	31 st December 2025	On or before 11 th February 2026
	31 st March 2026	On or before 22 nd May 2026
Date of book closure	Pursuant to the provisions of Section 91 of the Companies Act 2013 and Regulation 42 of the SEBI Listing Regulations, the Register of Members and Share Transfer Books of the Company will be closed from 24 th September 2025 to 30 th September 2025 (both days inclusive).	
Dividend payment date	Pursuant to the approval of the Board on 13 th November 2024, your Company paid an Interim Dividend of 2/- per equity of face value of 10/- each, to shareholders who were on the register of members as on 29 th November 2024, being the record date fixed for this purpose. The Board did not recommend the Final Dividend and therefore total Dividend for the year ended March 2025 will be 2/- per equity shares of face value of 10/- each.	
Listing on Stock Exchanges and Stock Code	Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 Phones: (022) 22721233/4, 91-22-66545695 Fax: (022) 22721919 Scrip code:505242	National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai- 400 051 Tel No: (022) 26598100- 8114 Fax No: (022) 26598120 Scrip code: Dynamatech
Registrar & Transfer Agents	Kfin Technologies Limited Selenium Tower B Plot 31 & 32 Financial District, Nanakramguda Serilingampally Mandal Hyderabad 500032 Telangana Toll Free Number: 1-800-309-4001 Email: einward.ris@kfintech.com Website: www.kfintech.com	
Address for correspondence	Dynamic Technologies Limited JKM Plaza, Dynamic Aerotropolis 55, KIADB Aerospace Park, Bangalore, Karnataka 562149	

Share Transfer System

Pursuant to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the securities of Dynamatic Technologies Limited held in physical mode are not transferable, effective April 01, 2019. Further, the Securities and Exchange Board of India vide circular bearing ref. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated that, in respect of investor services including transmission, duplicate share certificate, transposition etc., the listed entity shall issue the securities in dematerialised mode only. In compliance with the above circular, no securities in physical mode are issued by the listed entity. The securities, however held in dematerialised mode, are freely transferable. The transfer through demat mode takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved

Disclosure on certain types of agreements binding listed entities:

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

Distribution of Shareholding as on 31st March 2025:

Sl. No.	Category	No. of Holders	% To Holders	Amount (Rs)	% To Amount
1	1-5000	18,576	96.82	62,66,870	9.22
2	5,001- 10,000	286	1.49	20,70,130	3.05
3	10,001- 20,000	132	0.69	19,13,520	2.82
4	20,001- 30,000	59	0.31	14,51,370	2.14
5	30,001- 40,000	26	0.14	9,13,830	1.35
6	40,001- 50,000	15	0.08	6,76,500	0.99
7	50,001- 1,00,000	45	0.23	33,63,350	4.95
8	1,00,001& Above	47	0.24	5,12,58,860	75.48
Total		19,186	100	6,79,14,430	100

SHAREHOLDING PATTERN AS ON 31st MARCH 2025

Category	No. of Shares	% of shareholding
PROMOTERS HOLDING:		
Indian Promoters:		
Udayant Malhoutra	5,23,460	7.71
JKM Holdings Private Limited	1,112,538	16.38
Udayant Malhoutra and Company Private Limited	6,42,011	9.45
JKM Offshore India Private Limited	4,42,071	6.51
Christine Hoden (India) Private Limited	95,100	1.40
Greenearth Biotechnologies Limited	22,927	0.34
Barota Malhoutra	4,938	0.07
Primella Sanitary Products Private Limited	100	0.0
Vita Private Limited	100	0.0
Wavell Investments Private Limited	0	0
TOTAL	28,43,245	41.87
NON-PROMOTERS HOLDING		
Mutual Funds / UTI	4,48,958	6.61
Alternate Investment Funds	4,67,177	6.68
Financial Institutions / Banks	2,388	0.04
Central Government / State Government (S)	0	0
Venture Capital Funds	0	0
Insurance Companies	0	0
Foreign Institutional Investors	9,02,519	16.51
SUB TOTAL	18,21,042	26.81

OTHERS		
Private Corporate Bodies	4,19,192	6.17
Indian Public	14,65,011	21.57
Clearing Agents	57	0.00
NBFC Registered with RBI	0	0
NRIs/OCBs	87,366	1.29
Trust	3,820	0.06
IEPF	48,187	0.71
HUF	1,03,523	1.52
SUB TOTAL	21,27,156	31.32
GRAND TOTAL	67,91,443	100

Status of Dematerialisation of shares

Particulars	31 st March 2024		31 st March 2025	
	No. of shares	% of total shares	No. of shares	% of total shares
National Securities Depository Limited	59,79,968	88.05	60,67,891	89.35
Central Depository Services (I) Limited	7,59,787	11.19	6,75,240	9.94
Total Dematerialized	67,39,755	99.24	67,43,131	99.29
Physical	51,688	0.76	48,312	0.71
Grand Total	67,91,443	100%	67,91,443	100%

- There are no outstanding global depository receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity.
- Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018, is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

E-voting

Pursuant to provisions of Section 108 of the Companies Act 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 50th Annual General Meeting of the Company. Any shareholder having any grievance on the e-voting can contact the coordinates mentioned in the 'Investor Guide', towards the end of this report.

OTHER DISCLOSURES:

- All transactions entered by the Company with related parties as defined under the Act and the SEBI Listing Regulations, during the Financial Year 2024-25 were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the financial year which conflicted with the interest of Company. Necessary disclosures as required under the Accounting Standards have been made in the Financial Statements. The Board has approved a policy on materiality of related party transactions and on dealing with related party transactions and the same is disclosed on the website of the Company at the link www.dynamics.com
- The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities.
- The Company has adopted a whistle blower policy and has established necessary vigil mechanism as required under Regulation 22 of the SEBI Listing Regulations for Directors and Employees to report concerns about any unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has also been disclosed on the website of the Company at the link www.dynamics.com
- The Company has adopted the Policy on determination of Materiality of Disclosures. The said policy has also been disclosed on the website of the Company at the link www.dynamics.com
- The Company has formulated the policy on archiving documents of the Company. The said policy has also been disclosed on the website of the Company at the link www.dynamics.com

- f. The Company has complied with all the mandatory requirements of the SEBI Listing Regulations. The Company has also fulfilled the following discretionary requirements as provided in the Listing Regulations:
- The Chairman of the Board is a Non-Executive and Independent Director and his position is separate from that of the Managing Director & CEO.
 - Internal Auditors of the Company, make quarterly presentations to the Audit Committee on their reports.
 - The auditors' report on Financial Statements of the Company are unqualified.

g. The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. The Company has only one material unlisted subsidiary company which is JKM Erla Automotive Limited which is classified as per SEBI LODR Regulations. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website. www.dynamics.com

h. The CEO & Managing Director and the Executive Director & Chief Financial Officer have certified to the Board in accordance with SEBI Listing Regulations 33 (2)(a) of the listing Regulation pertaining to CEO/CFO certification for the financial year ended 31st March 2025. The CEO & MD and the Executive Director & Chief Financial Officer have also issued compliance certificate to the Board pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

i. Disclosure of Commodity price risks and Commodity hedging activity: Not applicable.

j. The Company has managed the Foreign Exchange Risk with appropriate hedging activities in accordance with the policies of the Company. There were no materially uncovered exchange rate risks in the context of the Company's Foreign Exchange exposures.

k. During the Financial Year 2024-25, the Board has accepted all the recommendations of its committees.

l. The Company has followed all relevant Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with Companies (Indian Accounting Standard) Rules (as amended from time to time) and other relevant provisions of the Act while preparing Financial Statements for Financial Year 2024-2025.

m. The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub regulation (2) of Regulation 46 of the SEBI Listing Regulations.

n. Particulars of Directors seeking appointment / reappointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.

o. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

Payment to Statutory Auditors	FY 2024-25 (Rs in lakhs)
Statutory audit fees	185
Certification	10
Out of pocket expenses	1
Total	196

p. Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year 2024-25

Number of complaints filed during the financial year 2024-25	-NIL-
Number of complaints disposed off during the financial year 2024-25	-NIL-
Number of complaints pending as on end of the financial year.	-NIL-

q. Insider Trading Regulations: The Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. This Code of Conduct is applicable to all Directors and such designated persons who are expected to have access to unpublished price sensitive information relating to the Company. Mr. Shivaram V, Chief Legal Officer and Company Secretary of the Company, is the Compliance Officer for the purpose of this regulation.

r. The Company has obtained Credit Ratings from India Rating and Research. During the relevant FY 2024-25, India Ratings & Research has affirmed the Company's long term issuer rating at IND A. The Outlook is positive.

s. Certificate on Corporate Governance: All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies.

Mr. Ratish Tagde, Practicing Company Secretary, has submitted a certificate to this effect.

A Compliance Certificate from Mr. Ratish Tagde, Practicing Company Secretary pursuant to the requirements of Schedule V to the Listing Regulations regarding compliance of conditions of Corporate Governance is attached.

- t. Details of utilisation of funds: NA
- u. Loans and advances in the nature of loans to firms/ companies in which Directors are interested:

The Company and its subsidiaries have not given any loans or advances to any firm / company in which its directors are interested.

PLANT LOCATIONS:

1. JKM Plaza, Dynamatic Aerotropolis, 55, KIADB Aerospace Park, Bangalore 562 149, Karnataka, India
2. No. 1A/1, 1st Main Road, 1st Stage, 2nd Phase, Peenya Industrial Area, Bangalore 560 058, Karnataka, India
3. No. 28/A, 3rd Main, 1st Stage, 1st Phase, Peenya Industrial Area, Bangalore 560 058, Karnataka, India
4. No. K-12, 5th Cross, 1st Stage, Peenya Industrial Area, Bangalore 560 058, Karnataka, India
5. No. K-11, Between 5th & 6th Cross, 1st Stage, Peenya Industrial Area, Bangalore 560 058, Karnataka, India
6. Cheney Manor, Swindon, Wiltshire, SN2 2PZ, United Kingdom
7. Jarvis Street, Barton Hill, Bristol, BS5 9TR, United Kingdom
8. Gießereistraße 1, 08340 Schwarzenberg/Erzgeb, Germany
9. Plot No. 77-78, Industrial Estate, Peenya 2nd Stage, Bangalore 560 058, Karnataka, India

INVESTOR GUIDE

Investor Contacts

For queries relating to financial statements / shares / dividends / complaints / Investor correspondence

Mr. Shivaram V

Chief Legal Officer & Company Secretary
Tel +91 80 2111 1223 +91 80 2204 0535
Email id: investor.relations@dynamatics.net

Registrar and Share Transfer Agents

KFin Technologies Limited
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032, Telangana.
Toll free Number: 1-800-309-4001
Email: einward.ris@kfintech.com

Depository for Equity shares

National Securities Depository Limited

3rd Floor, Naman Chamber, Plot C-32, G-Block,
Bandra Kurla Complex, Bandra East,
Mumbai, Maharashtra - 400 051
Tel: +91-22-48867000

Central Depository Services (India) Limited

Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower
Parel, Mumbai 400013
Tel.: +91-80-69144800

Shareholders holding shares in demat/electronic form are requested to approach their Depository participants for effecting the following changes in your holdings in their records:

- Change of postal address / email id / contact details
- Change of bank details for receiving dividends
- Incorporating of ECS for receiving dividends through money transfer
- Change in residential status
- Incorporation of PAN
- Incorporation of Nomination
- Transfer of shares or effecting transposition of names of share holders

Further, for any corporate actions like payment of dividends, etc., the Company will take your shareholding details from your DP account through the data downloaded from the Depositories.

NOTE:

Tel +91 80 2111 1223 / +91 80 2204 0535 / +91 98806 33051 (Contact: Mr. J. Devaraj, Secretarial Dept.)
Email: investor.relations@dynamatics.net

DECLARATION

I, Udayant Malhoutra, CEO & Managing Director of the Company hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2025

Place : Bangalore
Date : 27th May 2025



UDAYANT MALHOUTRA
CEO & Managing Director
DIN No.: 00053714

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)

The Members

Dynatomic Technologies Limited

Dynatomic Technologies Limited
JKM Plaza, Dynatomic Aerotropolis 55,
KIADB Aerospace Park,
Bengaluru – 562149

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Dynatomic Technologies Limited having CIN : L72200KA1973PLC002308, and having Regd. Office at JKM Plaza, Dynatomic Aerotropolis, 55 KIADB Aerospace Park, Bangalore 562149 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. I have conducted online verification and examination of records as facilitated by the Company for the purpose of issuing this Report.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No:	Name of the Director & DIN	Designation	Date of First Appointment in the Company
1.	PIERRE ANTOINE JEAN MARIE ANNE DE BAUSSET ROQUEFORT DUCHAINE D & 07178878	Independent Director	11.02.2019
2.	AJAY KUMAR & 01975789**	Independent Director	10.11.2023
3.	GAITRI ISSAR KUMAR & 10245539	Independent Director	09.08.2023
4.	PRADYUMNA RAMESHCHANDRA VYAS & 02359563	Independent Director	11.02.2019
5.	DIETMAR HAHN & 06414463	Non-Executive Director	08.11.2012
6.	JAMES DAVID TUCKER & 07093258	Non-Executive Director	14.02.2015
7.	UDAYANT MALHOUTRA & 00053714	MD & CEO	01.10.1989
8.	CHALAPATHI PURAMANNAGARI & 08087615*	Executive Director & CFO	13.11.2024

*Mr. Chalapathi P was inducted v.e.f. 13.11.2024

**Mr. Ajay Kumar resigned on 15.05.2025

Note: Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

For Ratish Tagde & Associates.
(Company Secretaries)



Mr. Ratish Tagde
(Proprietor)
CP.NO. 22018
FCS NO. 6162

Place: Mumbai
Date: 27th May 2025
UDIN: F006162G000799713

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members of
Dynamatic Technologies Limited

I have examined all the relevant records of Dynamatic Technologies Limited ("the Company") for the purpose of certifying compliance with the conditions of the Corporate Governance under the SEBI (LODR) Regulations, 2015 for the financial year ended 31st March 2025. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has, to the extent applicable, complied with the conditions of Corporate Governance as stipulated in the aforesaid Regulations, 2015.

For Ratish Tagde & Associates.
(Company Secretaries)



Mr. Ratish Tagde
(Proprietor)
CP.NO. 22018
FCS NO. 6162

Place: Mumbai
Date: 27th May 2025
UDIN: FOO6162G00045233

CORPORATE SUSTAINABILITY *Report 2025*



„Your beliefs become your thoughts. Your thoughts become your words. Your words become your actions. Your actions become your habits. Your habits become your values. Your values become your destiny..“

- Mahatma Gandhi

MESSAGE FROM THE CEO & MANAGING DIRECTOR

Dynamatic Technologies has consistently achieved high growth rates despite market, social, and economic challenges, due to its proactive and balanced business policies. These policies emphasize continual product improvement, customer value, employee quality of life, financial and supplier security, and social contribution. The company adopts a holistic and integrated approach to business development, believing that happy employees are high performers who drive innovation and customer satisfaction. This ensures the long-term economic relevance of the enterprise, creating a secure environment for financiers and suppliers and generating sustainable profits. Dynamatic Technologies' core mission is to enrich the quality of life of the community and preserve ecological balance and heritage through a strong environmental conscience.

Key Learnings

A business philosophy that abjures waste and is based on conservation and optimal utilization of resources will deliver superior financial results along with a positive ecological impact. The business model should always remain flexible, adapting quickly to challenges and continuously reinventing itself. A focus on safety, human resource development, and enhancement of intellectual property will help de-risk the company and contribute to societal development. Ultimately, sustainable business policies are an important and integral part of good corporate governance.

Udayant Malhoutra
CEO & Managing Director

DIN : 00053714

1. OUR VISION, BUSINESS PHILOSOPHY AND SUSTAINABILITY

A Company like Dynamatic Technologies is essentially an organ deploying significant contribution to the growth of the country's economy and society's wellbeing. We, therefore, are aware of the need to work beyond financial considerations and put in that little extra to ensure that we are perceived not just as corporate entities that exist for profits, but as a wholesome entity created for the good of the society and for improving the quality of life of the communities we serve. Our commitment to responsible citizenship also includes conservation of natural resources and protection of the soil, water and climate required to sustain life on earth.

- To secure market leadership, technological competence and enhance brand equity as a global leader.
- To provide a safe, nurturing and learning environment for our human resources.
- To have a zero tolerance of any transmission of wastes into the environment.
- To secure and de-risk financiers and suppliers.
- To transform the Company into a global R&D organization, with a pre-eminent market position in the Hydraulic, Automotive and Defence sectors in Asia.
- To consistently achieve returns higher than the cost of capital.



Recharge wells established as part of rainwater harvesting at the Aerotropolis premises.

CORPORATE SUSTAINABILITY *Report 2025*

- To comply with all legal requirements expected of the Company in every country we are present.
- To enhance shareholder wealth.
- To help in the creation of a strong, modern and vibrant India.
- To be an example to any corporate, anywhere in the world, in terms of global best-in-class environmental practices.
- To conduct business affairs, employing the highest standards of personal and corporate conduct.
- To wholly co-operate in proposals of the Government – Central or State, in various activities concerning social cause.

Our Vision & Business Philosophy is driven by our Values, which are:



Training curriculum on CNC operator Cum Programmer – Milling and Turning has been developed and established for in-house training purpose and the same curriculum is now being used for training the students at our adopted ITI. This curriculum meets the international standards. All the trainers have undergone Train-The-Trainer program.

1.1. CUSTOMER CENTRIC RESEARCH

Over the years, Dynamatic Technologies' divisions and subsidiaries have forged deep and lasting relationships with all their stakeholders, enabling continuous growth. These relationships are built on mutual trust and respect, leveraging collective capabilities to deliver complex technological solutions at economically viable prices. The company is committed to providing innovative and creative solutions to its customers on an ongoing basis, with every business process centred around the customer. Dynamatic Technologies firmly believes that its success is a reflection of its ability to delight customers.

We interact constantly with our customers, striving to understand and satisfy their needs.

By understanding applications and anticipating future trends, we aim to meet both stated and unstated needs. We spend considerable time in the field, listening to farmers, mechanics, drivers, and equipment handlers, often suggesting improvements to our customers before their own customers do. Our technology and quality processes are predictive in nature, anticipating change rather than reacting to it.

1.2 EMPHASIS ON KNOWLEDGE ACQUISITION AND APPLICATION

Dynamatic Technologies has been adopting and following world-class business practices at its modern manufacturing facilities located in Bangalore, Swindon, Bristol (U.K.), and Erla (Germany). All these facilities are eco-friendly and designed to eliminate waste. We constantly strive to deliver superior value to our customers by challenging ourselves and pushing the boundaries of knowledge through imagination and diligence. This approach has led us to continuously innovate and develop highly engineered products through investment in R&D, process improvements, and elimination of operational inefficiencies. As a result, we have built a successful business model capable of returning high yields to investors and improving the quality of life for all employees and the communities in which we operate. As Dynamatic Technologies globalizes, these values will be extended worldwide, with new learnings, best practices, processes, and experiences being absorbed into the existing organization.

1.3 HUMAN CAPITAL

Dynamatic Technologies is built upon a foundation of core values, commitment to quality, and equal opportunity. The company strives to attract the finest talent available and provides a result-oriented environment based on meritocracy and egalitarianism. At Dynamatic Technologies, we firmly believe that the key to sustained growth lies not merely in adding physical capacities but in dramatically enhancing and utilizing human capabilities.

1.4 SOCIETAL LINKAGES

We are proud of our civilisational heritage, and the values of our ancient land, the values of trust and integrity. The need to contribute to society, and care for our environment. The value of enduring relationships.

At the same time, as we globalize, we travel with an open mind, learning from and contributing to every society we are part of.

CORPORATE SUSTAINABILITY *Report 2025*

2. DIMENSIONS OF SUSTAINABILITY

2.1. SUSTAINABILITY POLICY

At Dynamic Technologies, we are driven by the fundamental objective of enhancing the value of the company for all stakeholders, including shareholders, customers, suppliers, financiers, employees, and society at large. We firmly believe that sustained growth is fostered by a work ethic founded upon the core values of integrity, transparency, professionalism, empowerment, and accountability. We endeavour to uphold and nurture these values in all facets of our operations.

As a responsible corporate citizen, we understand that sustained growth can only be achieved by paying equal attention to the Triad of Sustainability: Economic Growth, Environmental Friendliness, and Social Equity. We are committed to these elements over the long term and are prepared to take actions commensurate with this goal.

2.2 THE TRIAD OF SUSTAINABILITY

At Dynamic Technologies, the path to sustainability has the following elements: Economic Growth, Environment-Friendliness and Social Equity.

2.2.a. ECONOMIC GROWTH

- Value Engineering: reduction of raw material consumption by optimizing product design.
- Maximize our efforts in developing new products and cost effective applications through continuous innovation.
- Development of complete hydraulic solutions for mechanized agriculture, earth moving, material handling, machine tools, defense and precision parts for aerospace applications.
- Secure market leadership, technological competence and brand equity as a global leader.
- Maximization of productivity and maintenance of cost leadership.
- Continue to enhance the value of the Company to the shareholders.

2.2 b. ENVIRONMENT- FRIENDLINESS

- Treatment of wastage water and using it for gardening as a process of water conservation.
- Rainwater harvesting.
- All business processes are designed to ensure that no wastage is transmitted to our environment.
- Energy consumption in each plant is monitored, optimized and minimized.

- Design and Redesign products that are safe, energy saving and environment friendly.
- Design all our processes with efficiency and energy conservation in mind.
- Wind farm to harness renewable source of energy.
- Upgradation of Air Conditioning System from R22 to R32/R410A (Eco-friendly Refrigerants).
- Water conservation techniques for optimum utilization of water.

2.2.c. SOCIAL EQUITY

- Not allowing any form of discrimination in employment or promotion.
- Imparting training and development programs to facilitate multi-tasking and multi-skilling.
- Practicing safety norms and help protection. Standing as a model by winning safety awards.
- Emissions: the air quality in our plants is continuously monitored for suspended particulate matter is kept well within safe limits.
- Foster a culture of empowerment.
- Elevation of workers into management cadre.
- Promote the usage of six sigma practices amongst all employees.
- Practice open dialogue with employees, customers, government agencies, trade associations and with communities all around our facilities.
- Undertake disaster relief programs in times of need (earthquake, floods, Tsunami, etc.).
- Interactive sessions with local community.
- Increase employment of Women.
- Increase employment of individuals coming from disadvantaged communities.



Women's Day was celebrated in the month of March 2025

CORPORATE SUSTAINABILITY *Report 2025*

ETHICS

The Code of Business Conduct for employees across the Dynamic Group and the Code of Conduct for Board Members & Senior Management Personnel have been formulated as formal articulations of our approach and position on various dimensions of business ethics and integrity. The Code of Business Conduct for employees provides policy guidance on a wide range of issues including ethics, labor, and human rights. It addresses the prevention of fraudulent and corrupt practices, freedom of association, elimination of child and forced labor, advertisement and media policy, avoidance of conflicts of interest, prevention of sexual harassment, and unyielding integrity always.

CORPORATE GOVERNANCE

We believe that sound corporate governance is vital to enhancing the trust reposed in us by our stakeholders. Accordingly, we consistently strive to attain our goals with integrity. The Board of Directors exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures always seek to achieve the best practices in corporate governance. We also endeavour to enhance long-term shareholder value and respect minority rights in all our business decisions.

Over the years, our Board has strived to achieve compliance with corporate governance requirements, both mandatory and voluntary, to fulfil our responsibility towards the stakeholders. The detailed Corporate Governance Report forms part of this Annual Report.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA), through its circulars introduced a 'Green Initiative in Corporate Governance,' allowing companies to serve documents to shareholders electronically. In support of this initiative, which aligns with our commitment to environmental conservation and sustainable development, we encourage our shareholders to register their email IDs with the Company or Registrar & Share Transfer Agent. This will enable us to send documents such as notices of general meetings, annual reports, and other communications via email. Over time, we will phase out the sending of hard copies. All documents will be available on the Company's website, www.dynamics.com, and can be inspected at the Company's Registered Office during office hours.

Ensuring Environmental SUSTAINABILITY

Ecological balance, protection of flora and fauna, animal, welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water



CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR’S REPORT

To the Members of Dynamic Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Dynamic Technologies Limited (the “Parent”) and its subsidiaries, (the Parent and its subsidiaries together referred to as the “Group”) which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements / information of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, (“Ind AS”) prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (“SA”)s specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit 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 the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor’s Response
1	<p>Impairment of Goodwill</p> <p>Note 1B(ii), 2iii(a) and 4 to the consolidated financial statements.</p> <p>In the consolidated financial statements of the Group, the gross carrying value of goodwill relating to Metallurgy segment is INR 3,822 lakhs as at March 31, 2025.</p> <p>The management of the Group assess the impairment of goodwill annually for each cash generating unit (CGU).</p> <p>Determination of carrying value of the goodwill allocated to the CGU is a key audit matter as the amounts are significant to the consolidated financial statements and the determination of recoverable value and/ or impairment assessment involves significant management estimates and judgement.</p> <p>The key estimates and judgements used in the model for impairment assessment include future cash flows of the CGUs, the discount rate and the terminal growth rate used.</p> <p>The management has used the services of an expert in determining the recoverable value of goodwill and consequential impairments, if any.</p>	<p>Principal audit procedure performed:</p> <p>We assessed the Management’s process for impairment assessment of goodwill allocated to CGU.</p> <p>Evaluated the design of the management’s internal control around the impairment assessment process and tested its operating effectiveness.</p> <p>Evaluated the independence, competence, capabilities and objectivity of the management’s expert.</p> <p>Understood the key assumptions considered in the management’s estimates of future cash flows of the respective CGU.</p> <p>Involving our valuation specialists, we evaluated the growth rates including terminal growth rate, considered in the estimates of future cash flows and the discount rate used in the calculations.</p> <p>Compared the historical cash flows (including for current year) against past projections of the management for the same periods and gained understanding of the rationale for the changes.</p> <p>Performed sensitivity analysis on the key assumptions within the forecast cash flows and focused our attention on those assumptions we considered most sensitive to the changes; such as revenue growth during the forecast period, the terminal growth rate and the discount rate applied to the future cash flows. We ascertained the extent to which a change in these assumptions would result in impairment, and considered the likelihood of such events occurring.</p> <p>We assessed the adequacy of the disclosures made in the consolidated financial statements for the year ended March 31, 2025.</p>

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Corporate Governance Report and Corporate Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements / information of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and 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. Other information so far as it relates to the subsidiaries is traced from their financial statements / information audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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 Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit

of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the entities or business activities 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 Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

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

Other Matters

- (a) We did not audit the financial statements/ information of five subsidiaries whose financial statements / information reflect total assets of Rs. 95,935 lakhs as at March 31, 2025, total revenues of Rs. 75,634 lakhs and net cash outflows amounting to Rs. 1,493 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (b) We did not audit the financial information of one subsidiary whose financial information reflect total assets of Rs. 15,926 lakhs as at March 31, 2025, total revenues of Rs. 917 lakhs and net cash outflows amounting to Rs. 23 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us

by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries 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 information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements / information of the subsidiaries referred to in the Other Matters section above 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 by the Group, including relevant records so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2025 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2025 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
 - 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 and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 38 to the consolidated financial statements;

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 53(iii) to the consolidated financial statements, during the year, 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 Parent or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 53 (iv) to the consolidated financial statements, during the year, no funds have been received by the Parent or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries shall, 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.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act.

The interim dividend declared and paid by the Parent, during the year is in accordance with section 123 of the Act.

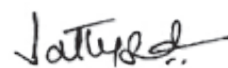
vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries incorporated in India whose financial statements have been audited under the Act, the Parent and its subsidiary companies incorporated in India have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Parent, have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018



SATHYA P KOUSHIK

Partner

(Membership No. 206920)

UDIN: 25206920BMJHIP4437

Place: Bangalore

Date: 27 May 2025

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of Dynamatic Technologies Limited (hereinafter referred to as “the Parent”) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The respective Company’s management and Board of Directors of the Parent, its subsidiary companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India 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 with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies which are companies incorporated in India.

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 and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to consolidated financial statements 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

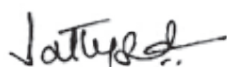
Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018



SATHYA P KOUSHIK

Partner

(Membership No. 206920)

UDIN: 25206920BMJHIP4437

Place: Bangalore

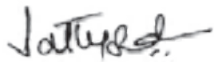
Date: 27 May 2025

CONSOLIDATED BALANCE SHEET

All amounts are in INR lakhs unless otherwise stated

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	58,541	57,292
b) Right-of-use assets	40	9,172	10,034
c) Capital work in progress		1,816	515
d) Goodwill	4	9,802	9,397
e) Other Intangible assets	5(a)	2,568	2,434
f) Intangible Assets Under Development	5(b)	1,071	483
g) Financial assets			
(i) Investments	6	33	33
(ii) Other financial assets	7	681	676
h) Income tax asset (net)	8	528	606
i) Other non-current assets	9	399	273
Total non - current assets		84,611	81,743
Current assets			
a) Inventories	10	34,662	30,564
b) Financial assets			
(i) Trade receivables	11	28,935	29,882
(ii) Cash and cash equivalents	12	3,311	5,083
(iii) Bank balances other than cash and cash equivalents above	13	1,279	1,058
(iv) Loans	14	195	129
(v) Other financial assets	15	354	1,208
c) Other current assets	16	11,681	7,558
Total current assets		80,417	75,482
Total Assets		1,65,028	1,57,225
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	17	679	679
b) Other equity	18	71,071	66,095
Total equity		71,750	66,774
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	19	17,524	19,319
(ii) Lease Liabilities	40	9,447	10,264
b) Provisions	20	3,389	2,847
c) Deferred tax liabilities (net)	21	114	268
d) Other non-current liabilities	22	96	96
Total non-current liabilities		30,570	32,794
a) Financial liabilities			
(i) Borrowings	23	27,580	26,497
(ii) Lease liabilities	40	2,574	2,429
(iii) Trade Payables	24		
(a) total outstanding dues of micro and small enterprises		1,886	1,295
(b) total outstanding dues of creditors other than micro and small enterprises		21,124	17,220
(iv) Other financial liabilities	25	5,611	5,757
b) Other current liabilities	26	1,712	1,688
c) Provisions	27	1,226	1,310
d) Current tax liabilities (net)	28	995	1,461
Total current liabilities		62,708	57,657
Total liabilities		93,278	90,451
Total equity and liabilities		1,65,028	1,57,225

See accompanying notes to the consolidated financial statements
In terms of our report attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



SATHYA P KOUSHIK
Partner
Membership No. 206920
Place: Bangalore
Date: 27 May 2025

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited



UDAYANT MALHOUTRA
Chief Executive Officer &
Managing Director
DIN : 00053714



CHALAPATHI P
Executive Director &
Chief Financial Officer
DIN : 08087615



SHIVARAM V
Chief Legal Officer &
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

All amounts are in INR lakhs unless otherwise stated except for earnings per share information

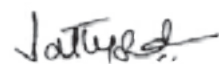
Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	29	1,40,380	1,42,933
Other income	30	2,280	4,282
Total income		1,42,660	1,47,215
Expenses			
Cost of materials and components consumed	31	64,694	66,194
Change in inventory of finished goods and work-in-progress	32	665	621
Employee benefit expense	33	31,997	30,167
Finance costs	34	5,672	6,255
Depreciation and amortisation expenses	35	6,929	6,636
Other expenses	36	27,192	30,010
Total expenses		1,37,149	1,39,883
Profit before tax and exceptional items		5,511	7,332
Exceptional Items	37	-	6,231
Profit before tax		5,511	13,563
Current tax	49	1,270	1,316
Deferred tax	49	(63)	66
Income tax expense		1,207	1,382
Profit after tax		4,304	12,181
Other Comprehensive Income / (Loss) (OCI)			
<i>Items that will not to be reclassified subsequently to the statement of profit and loss</i>			
Remeasurement gain/(loss) on defined benefit plans	43	(414)	(125)
Income tax relating to items that will not be reclassified to the statement of profit and loss		91	27
<i>Items that will be reclassified to the statement of profit and loss</i>			
Foreign currency fluctuations under a cash flow hedge - gain/(loss)		-	508
Exchange differences in translating financial statements of foreign operations		1,470	801
Other comprehensive income for the year, net of tax		1,147	1,211
Total comprehensive income for the year		5,451	13,392
Earnings per equity share (of INR 10 each)			
Basic and diluted (in INR):	48	63.39	179.40
Number of weighted average outstanding shares used in computing earnings per share		67,91,443	67,91,443

See accompanying notes to the consolidated financial statements
In terms of our report attached

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



SATHYA P KOUSHIK

Partner

Membership No. 206920

Place: Bangalore

Date: 27 May 2025

for and on behalf of the Board of Directors of

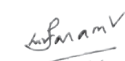
Dynamatic Technologies Limited



UDAYANT MALHOUTRA

Chief Executive Officer &
Managing Director

DIN : 00053714



SHIVARAM V

Chief Legal Officer &
Company Secretary



CHALAPATHI P

Executive Director &
Chief Financial Officer

DIN : 08087615

CONSOLIDATED STATEMENT OF CASH FLOWS

All amounts are in INR lakhs unless otherwise stated

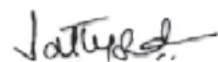
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Operating activities:		
Profit before tax after exceptional items	5,511	13,563
Adjustments:		
Depreciation and amortisation on Property, plant and equipment and Intangible assets	4,423	3,932
Amortisation of Right to use Assets	2,506	2,704
Finance costs	4,875	5,365
Interest on Lease liabilities	679	718
Unrealised foreign exchange differences	136	(205)
Interest income	(115)	(209)
Loss allowance on financial assets (net)	6	115
Loss/(Gain) on sale of property, plant and equipment and Intangible assets, (net)	40	(468)
Exceptional Items (Refer Note 37)	-	(6,231)
Write back of liabilities	(699)	(2,986)
Gain on lease modification	(31)	-
Operating cash flow before the movements in working capital	17,331	16,298
Changes in operating assets and liabilities		
Increase in inventories	(3,354)	(75)
Decrease/(Increase) in trade receivables	1,610	(3,216)
Decrease in loans	264	17
Decrease in other financial assets	849	458
Decrease/(Increase) in other assets	(4,467)	1,990
Increase/(Decrease) in trade Payable	3,826	(3,873)
Increase/(Decrease) in Provision	24	(88)
Decrease in other financial Liabilities	(158)	(533)
Increase/(Decrease) in other current liabilities	172	(551)
Cash generated from operations	16,097	10,427
Income taxes paid, net of refund	(1,664)	(693)
Net cash generated from operating activities (A)	14,433	9,734
Investing activities:		
Purchase of property, plant and equipment and intangibles assets	(6,655)	(7,488)
Proceed from the sales of assets classified as held for sale	-	10,710
Changes in bank deposits (having original maturity of more than three months), net	(221)	1,245
Interest income received	173	151
Net cash used in investing activities (B)	(6,703)	4,618
Financing activities:		
Proceeds from long term borrowings	2,891	16,411
Repayment of long term borrowings	(3,973)	(27,595)
Repayment of short term borrowings (net)	(126)	(1,731)
Payment of Lease liabilities	(3,091)	(3,453)
Interest paid	(4,863)	(5,926)
Dividend paid	(475)	(811)
Net cash used in financing activities (C)	(9,637)	(23,105)
Net decrease in cash and cash equivalents (A + B + C)	(1,907)	(8,753)
Cash and cash equivalents at the beginning of the year	5,083	13,783
Effect of exchange rate changes on cash and cash equivalent	135	53
Cash and cash equivalents at the end of the year	3,311	5,083
Components of cash and cash equivalents (Refer Note 12)		
Cash on hand	32	32
Balances with banks		
- in current accounts	3,279	5,051
Cash and cash equivalents in consolidated balance sheet	3,311	5,083

See accompanying notes to the consolidated financial statements
in terms of our report attached

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



SATHYA P KOUSHIK

Partner

Membership No. 206920

Place: Bangalore

Date: 27 May 2025

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited



UDAYANT MALHOUBRA

Chief Executive Officer &
Managing Director

DIN : 00053714



SHIVARAM V

Chief Legal Officer &
Company Secretary



CHALAPATHI P

Executive Director &
Chief Financial Officer

DIN : 08087615

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(A) Equity Share Capital i) Current reporting period

Balance as at 1 April 2024	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2025
679	-	-	679

ii) Previous reporting period

Balance as at 1 April 2023	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2024
679	-	-	679

(B) Other equity


Particulars	Reserves and surplus			Other items of other comprehensive income			Total equity attributable to equity holders of the Company
	Capital Reserve	Capital Redemption reserve	General reserve	Remeasurement of the net defined benefit liability/asset	Cash Flow Hedge Reserve	Foreign currency translation reserve	
Balance as at 1 April 2024	15	240	3,010	23,318	35,221	4,137	66,095
Profit for the year	-	-	-	-	4,304	-	4,304
Exchange difference on translation of foreign operations	-	-	-	-	-	1,470	1,470
Other Comprehensive Income/ (Loss) (OCI) for the year	-	-	-	-	-	-	-
Transfer of OCI to the retained earnings	-	-	-	-	(323)	-	(323)
Final dividend	-	-	-	-	323	-	-
Interim dividend	-	-	-	-	(340)	-	(340)
Balance as at 31 March 2025	15	240	3,010	23,318	38,727	5,607	71,071
Balance as at 1 April 2023	15	240	3,010	23,318	23,953	3,336	53,518
Profit for the year	-	-	-	-	12,181	-	12,181
Exchange difference on translation of foreign operations	-	-	-	-	-	801	801
Other Comprehensive Income/ (Loss) (OCI) for the year	-	-	-	-	-	-	-
Transfer of OCI to the retained earnings	-	-	-	-	(98)	508	410
Final dividend	-	-	-	-	(98)	-	-
Interim dividend	-	-	-	-	(475)	-	(475)
Balance as at 31 March 2024	15	240	3,010	23,318	35,221	4,137	66,095

See accompanying notes to the consolidated financial statements

for Deloitte Haskins & Sells LLP

Chartered Accountants


(Firm's Registration No. 117366WW-100018)


SATHYA P KOUSHIK
Partner
Membership No. 206920

Place: Bangalore
Date: 27 May 2025

for and on behalf of the Board of Directors of **Dynamatic Technologies Limited**


UDAYANT MALHOUTRA
Chief Executive Officer &
Managing Director
DIN : 00053714


CHALAPATHI P
Executive Director &
Chief Financial Officer
DIN : 08087615


SHIVARAM V
Chief Legal Officer
& Company Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SIGNIFICANT ACCOUNTING POLICIES

1 Reporting entity

Dynamatic Technologies Limited ("the Company") together with its subsidiaries (including step subsidiaries) collectively referred to as ("the Group") is incorporated and domiciled in India. The Company was incorporated in 1973 as Dynamatic Hydraulics Limited under provisions of the Companies Act, 1956. In 1992, the name of the Company was changed to Dynamatic Technologies Limited. The Group is in the business of manufacturing automotive components, hydraulics components and aerospace components. The Company is listed in India with National Stock Exchange and Bombay Stock Exchange.

1A Basis of preparation

i Statement of compliance

These Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of the Companies Act 2013 ('the Act') and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

ii Functional and presentation currency

These Consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise mentioned.

iii Basis of Measurement

The Consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following:

- (a) Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations.
- (b) Certain financial assets and liabilities that are qualified to be measured at fair value, and
- (c) Assets classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell.

iv Use of estimates and management judgments

The preparation of Consolidated financial statements is in conformity with Ind AS, management requires to make judgements, estimates and assumptions

that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Accounting estimates could change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding to the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Significant Judgements, assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the current year is included in the following notes:

(a) Useful life of property, plant and equipment and intangible assets - Note 3 & 5:

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that or is not prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance.

(b) Income taxes- Note 49:

In assessing the reliability of deferred tax assets, the Management considers whether some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the group will realize the benefits of those deductible differences. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(c) Provisions and contingencies- Note 20, 27 & 38 :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may vary from the figure estimated at end of each reporting period.

(d) Post-retirement benefit plans- Note 43:

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions which include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at each financial year end on the government bonds.

(e) Impairment of financial assets- Note 6, 7, 11, 14, 15 & 44:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(f) Impairment of goodwill- Note 4:

The impairment provisions for Goodwill are based on projections which inter alia include sales and earnings before interest, depreciation and amortization and tax. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(g) Leases- Note 40:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

v Measurement of fair values

Certain accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the note 44 of financial instruments.

1B Basis of consolidation

These consolidated financial statements include financial statements of the Company and all its subsidiaries as disclosed in Note 50. Subsidiaries are all entities over which the Group has control. The parent controls an entity when it is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date the Parent acquires control until the date the control ceases.

Inter-company transactions, balances and unrealised gains and losses on inter-company transactions between group companies are eliminated. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment losses from the Group perspective. Amounts reported in separate financial statements of subsidiaries are adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest, if any. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Non-controlling interest are presented in the statement of financial position within equity, separately from the equity of the shareholders of the Group.

i Business combinations

Business combinations have been accounted for using the acquisition method under the provisions of Ind AS 103 - Business Combinations.

The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of acquisition, which is the date on which control is transferred to the Group. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Business combinations between entities under common control is accounted for at carrying value. Transaction costs that the Group incurred in connection with a business combination are expensed as incurred.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

If the initial accounting for a business combination is incomplete by the end of each reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

The Group applies the anticipated acquisition method where it has the right and the obligation to purchase any remaining non-controlling interest (so-called put/call arrangements). Under the anticipated acquisition method, the interests of the non-controlling shareholder are derecognised when the Group's liability relating to the

purchase of its shares is recognised. The recognition of the financial liability implies that the interests subject to the purchase are deemed to have been acquired already. Therefore, the corresponding interests are presented as already owned by the Group even though legally they are still non-controlling interest.

ii Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred and the amount of any non-controlling interest in the acquiree, over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. If the excess is a negative, a bargain purchase gain is recognised in capital reserve. Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

2 Material accounting policies

i Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation (which includes capitalised borrowing costs, if any) and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing an asset to working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

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.

Borrowing cost directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are capitalized to the extent they relate to the period till such assets are ready to be put to use.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method ('SLM') over estimated useful life of the property, plant and equipment less their estimated residual value by the Management. Depreciation for assets purchased / sold during the year is proportionately charged.

The Group's range of estimated useful lives of property, plant and equipment are as follows:

Category of assets	Useful life estimated by Management
Leasehold land	Over the period of lease tenure
Buildings	30 years
Plant and machinery*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Measuring instruments*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Electrical installations*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Data processing equipment	4 years
Office equipment	5 years
Furniture and fixtures	5 -10 years
Tools, dies and moulds	9 years
Vehicles*	10 years
Motor boat*	20 years
Assets taken on lease:	
- Leasehold improvements	Period of lease tenure or useful life of assets whichever is lower

Freehold land is not depreciated

*The Management believes that the useful lives as given above best represent the period over which Management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act ,2013.

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount

if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains / losses.

Derecognition of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / losses.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non current assets and the cost of the assets not put to use before such date are disclosed under Capital work in progress.

ii Other Intangible assets

Acquired intangible assets

Intangible assets that are acquired by the Group are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Internally generated intangible assets

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the statement of profit and loss as incurred.

An internally -generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the

expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Subsequent measurement

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including on internally generated software is recognized in the statement of profit and loss as and when incurred.

Amortisation

The Group amortizes intangible assets with a finite useful life using the straight-line method.

The estimated useful lives of intangibles are as follows:

Category of asset	Useful life
Application Software	4 years
Prototype development	Amortised over estimated number of shipsets

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

iii Impairment

a) Goodwill

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) or groups of CGU's expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment

loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU. An impairment loss on goodwill is recognised in the statement of profit and loss and is not reversed in the subsequent period.

b) Financial assets

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the statement of profit and loss.

c) Non-financial assets

Property, plant and equipment and Intangible assets

Property, plant and equipment and Intangible 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 CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

iv Leases

a) The Group as a lessee:

The Group's lease asset classes primarily consist of leases for land, buildings and plant and machinery. The Group 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset,
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized 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. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU 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. ROU 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. 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. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Group has elected not to recognise right-of use assets and lease liabilities for leases of low value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

b) The Group as a lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer 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.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

v Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost is used. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis. Inventories are stated net of write down or allowances on account of obsolescence, damage or slow moving items.

The method of determination of cost is as follows:

- Raw materials and components – on a weighted average basis
- Stores and spares – on a weighted average basis
- Work-in-progress – includes costs of conversion
- Finished goods – includes costs of conversion
- Goods in transit – at purchase cost

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories 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. Fixed production overheads are allocated on the basis of normal capacity of production facilities. The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

vi Revenue recognition

Revenue is recognised upon transfer of control of promised goods or services to customers and is measured based on the consideration to which the Group expects to be entitled to in a contract with a customer and excludes trade discounts, volume rebates and amounts collected on behalf of government. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Where the Group's contracts with customers include promise to transfer multiple goods and services to a customer, the Group assesses the goods/services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations is made to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such goods, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. to determine whether the performance obligation is satisfied at a point in time or over a period of time.

Revenue from customer contracts for design and development of products/tools & jigs is recognized as a performance obligation satisfied over time. Revenue is recognized based on the stage of completion of the contract. The management has assessed that the stage of completion determined as the proportion of total efforts expected to develop the product at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115. Payment for these services is not due till the completion of the development and therefore, a contract asset is recognized over the period in which the development services are performed representing the entity's right to consideration for the services performed to date.

Export benefits are recognized in the statement of profit and loss account when the right to receive credit as per the terms of the entitlement is established in respect of exports made.

Service income including management fees is measured based on transaction price and is recognized when an unconditional right to receive such income is established and on the performance of services.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables. Unearned revenue ("contract liability") is recognised when there are billings in excess of revenue.

vii Other income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividend income is recognized in the statement of profit and loss when the right to receive payment is established, which is generally when the shareholders approves the dividend.

viii Financial instruments

a) Financial assets

1) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Group becomes a party to contractual provisions of the instrument.

A financial asset or liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction cost that are directly attributable to its acquisition or issue.

2) Classification and subsequent measurement

Financial assets

On initial recognition, a financial instrument is classified and measured at

- amortised cost
- fair value through other comprehensive income (FVOCI) - debt instruments;
- fair value through other comprehensive income (FVOCI) - equity investments; or
- fair value through profit and loss (FVTPL)

Financial assets are not classified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI- equity investment). This election is made on an investment-to-investment basis.

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets, at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in the statement of profit and loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.

Debt investments at FVTOCI:

These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.

Equity investments at FVTOCI:

These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to the statement of profit and loss.

3) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to

provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

4) Derecognition of financial assets

A financial asset is derecognized only when:

- the Group has transferred the rights to receive cash flows from financial asset or
- retains the contractual rights to receive the cash flows from financial asset but assumed a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

b) Financial liability

1) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost.

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

2) 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 Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

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

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

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

Financial assets and financial liabilities are offset and the net amount 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.

Derivative financial instruments and Hedge Accounting

In the ordinary course of business, the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts, cross currency swaps, interest rate swaps and collars. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/ firm contractual commitments. Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The Group adopts hedge accounting for forward foreign exchange and interest rate contracts wherever possible. At inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item and transaction and nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

The Group designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of its forecasted cash flows. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in the Statement of Profit and Loss at the time of the hedge relationship rebalancing.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve, and is transferred to the Statement of Profit and Loss upon the occurrence of the related forecast transaction.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period.

In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

ix Employee benefits

a) Defined benefit plans

The Group's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Group's gratuity scheme is administered through Life Insurance Corporation of India and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

b) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

c) Compensated absences

The employees of the Group are entitled to compensated absence. The employees can carry-forward a portion of the unutilized accumulating compensated absence and utilize it in future periods. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit method as at the reporting date.

d) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Group's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

e) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes cost of restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

x Foreign currency transactions and balances

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in the statement of profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

The assets and liabilities of foreign subsidiaries including goodwill are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

xi Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent it relates to items recognized directly in equity, 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 or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below:

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction;
- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognized or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

The Group offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

xii Provisions (other than employee benefits)

a) General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the 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.

b) Onerous contract

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

xiii Contingent liability

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

xiv Cash and cash equivalents

Cash and cash equivalent includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

xv Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before taxes for the period 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 Group are segregated.

xvi Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the owners of the Group for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

xvii Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Hydraulics, Aerospace, Automotive and metallurgy and Others.

xviii Warranties

Warranty costs are estimated by the Management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the period of sale of goods.

xix Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

xx Discontinued operations and assets held for sale:**a) Discontinued operations:**

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Group's business and which represents a separate major line of business or geographical area of operations and

- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations or
- is a subsidiary acquired exclusively with a view to re- sale

Classification as a discontinued operation occurs upon disposal or when the operations meets the criteria to be classified as held for sale, if earlier. When a operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operations had been discontinued from the start of the comparative period.

b) Assets held for sale:

Non-current assets and disposal group are classified as "Held for Sale" if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of "Held for Sale" is met when the non-current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as "Held for Sale". Non-current assets and disposal group held for sale are measured at the lower of carrying amount and fair value less cost to sell. Non-current assets and disposal group that ceases to be classified as "Held for Sale" shall be measured at the lower of carrying amount before the non-current asset and disposal group was classified as "Held for Sale" adjusted for any depreciation/ amortization and its recoverable amount at the date when the disposal group no longer meets the "Held for sale" criteria.

3 Property, plant and equipment

Particulars	Owned											Leased		Total	
	Freehold land	Buildings	Plant and Machinery	Measuring Instruments	Electrical Installations	Data Processing Equipment	Office Equipment	Furniture and Fixtures	Tools, Dies and Moulds	Vehicles	Motor Boat	Leasehold improvements	Land (Note i)		
Gross carrying amount:															
Balance as at 1 April 2023	3,465	14,507	26,899	1,369	1,179	2,046	3,583	1,103	5,822	770	402	1,088	12,708	74,941	
Additions	-	7,413	4,307	38	937	472	229	210	414	556	-	772	-	15,348	
Assets classified from discontinued operations (Refer Note 37)	1,089	-	-	-	-	-	-	-	-	-	-	-	-	1,089	
Deletion/adjustments	-	-	(437)	(14)	(14)	(87)	(37)	(84)	(15)	(69)	-	(347)	-	(1,104)	
Translation adjustment	22	177	776	-	-	45	54	32	108	10	-	25	-	1,249	
Balance as at 31 March 2024	4,576	22,097	31,545	1,393	2,102	2,476	3,829	1,261	6,329	1,267	402	1,538	12,708	91,523	
Balance as at 1 April 2024	4,576	22,097	31,545	1,393	2,102	2,476	3,829	1,261	6,329	1,267	402	1,538	12,708	91,523	
Additions	-	27	2,727	105	51	285	141	606	345	188	-	84	-	4,559	
Deletion/adjustments	-	-	(96)	(5)	-	(104)	(1)	-	(70)	(158)	-	-	-	(434)	
Translation adjustment	40	461	1,727	-	-	64	146	64	160	18	-	36	-	2,716	
Balance as at 31 March 2025	4,616	22,585	35,903	1,493	2,153	2,721	4,115	1,931	6,764	1,315	402	1,658	12,708	98,364	
Accumulated depreciation:															
Balance as at 1 April 2023	-	3,541	16,219	471	188	1,579	2,499	981	3,947	498	238	442	-	30,603	
Depreciation for the year	-	538	1,738	235	92	155	244	59	409	47	18	98	-	3,633	
Depreciation on deletion	-	-	(417)	-	-	(58)	(29)	(47)	-	-	-	(298)	-	(849)	
Translation adjustment	-	88	552	-	-	42	41	29	83	4	-	5	-	844	
Balance as at 31 March 2024	-	4,167	18,092	706	280	1,718	2,755	1,022	4,439	549	256	247	-	34,231	
Balance as at 1 April 2024	-	4,167	18,092	706	280	1,718	2,755	1,022	4,439	549	256	247	-	34,231	
Depreciation for the year	-	715	1,993	97	141	229	215	55	443	108	18	161	-	4,175	
Depreciation on deletion	-	-	(198)	-	-	(92)	(1)	-	(51)	(35)	-	-	-	(377)	
Translation adjustment	-	248	1,190	-	-	60	112	47	118	9	-	10	-	1,794	
Balance as at 31 March 2025	-	5,130	21,077	803	421	1,915	3,081	1,124	4,949	631	274	418	-	39,823	
Net carrying amount:															
Balance as at 31 March 2025	4,616	17,455	14,826	690	1,732	806	1,034	807	1,815	684	128	1,240	12,708	58,541	
Balance as at 31 March 2024	4,576	17,930	13,453	687	1,822	758	1,074	239	1,890	718	146	1,291	12,708	57,292	

Note:

- (i) Leasehold land aggregating INR 12,708 represents land allotted by Karnataka Industrial Areas Development Board (KIADB) for a period of 10 years on lease. As per the lease agreement dated 21 August 2014, KIADB shall sell the land to the Company at any time during the tenure of the lease or on the expiry of the lease period at an additional consideration, if any to be decided at the time of entering into sale agreement. Accordingly, no depreciation has been charged on land taken on lease from KIADB. The Company has filed an application for the transfer of the land in the name of Company during August 2024 and believes that the condition required to be fulfilled to obtain the ownership of this land is administrative in nature.

4 Goodwill

Particulars	As at 31 March 2025	As at 31 March 2024
Carrying value at the beginning of the year	9,397	10,473
Translation differences	405	259
Goodwill impaired (Refer Note 37)	-	(1,335)
Carrying value at the end of the year	9,802	9,397

Goodwill represents the excess of purchase consideration over net assets value of acquired subsidiaries on the date of such acquisition. Such goodwill is tested for impairment annually or more frequently, if there are any indicators for impairment.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the cash generating unit (CGU) or groups of CGUs, which benefit from the synergies of the acquisition. The chief operating decision maker reviews the goodwill for any impairment at the operating segment level, which is represented through groups of CGUs. The carrying amount of the CGU was computed by allocating the net assets to operating segments for the purpose of impairment testing.

The carrying value of goodwill, net of translation differences and impairment allocated to operating segment are as follows:

Allocated operating segment	As at 31 March 2025	As at 31 March 2024
Aerospace - UK	5,980	5,685
Metallurgy - Germany	3,822	3,712
Total Carrying value at the end of the year	9,802	9,397

As at 31 March 2024, the estimated recoverable amount of the Metallurgy CGU was below its carrying amount. Accordingly, an impairment loss of Rs. 1,335 lakhs has been recognized (Refer Note 37) and the carrying value of the CGU post the aforesaid impairment is Rs. 3,712 lakhs.

The recoverable amount of a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. For the purpose of impairment test, recoverable amount of the CGUs has been determined based on value in use which is based on specific calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period and the range of each assumption mentioned below. Other key assumptions including revenue growth rate and EBIDTA margins.

Aerospace - UK

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate*	16.70%	15.20%
Terminal growth rate **	1.50%	2%

Metallurgy - Germany

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate*	19.20%	16.40%
Terminal growth rate **	1.50%	1.50%

*Reflects the market assessment of the risks specific to the CGU and estimated based on the weighted average cost of capital for the respective CGU.

** The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

At March 31, 2025 the impairment testing did not result in any impairment in the carrying amount of goodwill in any of the CGUs.

The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount of the CGUs is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

5(a) Intangible assets

Particulars	Owned intangible assets		Total
	Application Software	Prototype development	
Gross carrying amount:			
Balance as at 1 April 2023	1,266	2,830	4,096
Additions	131	75	206
Deletion	(5)	-	(5)
Translation adjustment	7	110	117
Balance as at 31 March 2024	1,399	3,015	4,414
Balance as at 1 April 2024			
Balance as at 1 April 2024	1,399	3,015	4,414
Additions	252	10	262
Deletion	-	-	-
Translation adjustment	21	155	176
Balance as at 31 March 2025	1,672	3,180	4,852
Accumulated amortization:			
Balance as at 1 April 2023	810	837	1,647
Amortisation for the year	122	177	299
Amortisation on deletion	-	-	-
Translation adjustment	7	27	34
Balance as at 31 March 2024	939	1,041	1,980
Balance as at 1 April 2024			
Balance as at 1 April 2024	939	1,041	1,980
Amortisation for the year	151	97	248
Amortisation on deletion	-	-	-
Translation adjustment	20	36	56
Balance as at 31 March 2025	1,110	1,174	2,284
Net carrying amount:			
Balance as at 31 March 2025	562	2,006	2,568
Balance as at 31 March 2024	460	1,974	2,434

5(b) Intangible assets under development**Intangible assets under development ageing as at 31 March 2025**

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Project 1	563	-	-	-	563
Project 2	-	508	-	-	508
					1,071

Intangible assets under development ageing as at 31 March 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Project	483	-	-	-	483

6 Non-current investments

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unquoted equity shares</i>		
Investment carried at fair value through statement of Profit and Loss		
332,000 equity shares (31 March 2024: 332,000 equity shares) of face value of INR 10 each fully paid of Kamachi Industries Limited	33	33
	33	33
Aggregate value of unquoted investments	33	33
Aggregate amount of impairment in value of investments	-	-

7 Other non-current financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Security deposits	681	676
	681	676

8 Income tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income tax and tax deducted at source, net of provision	528	606
	528	606

9 Other non-current assets

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Capital advances	215	81
Prepaid expenses	184	192
	399	273

10 Inventories (Valued at lower of cost and net realizable value)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials and components	15,942	12,178
Work-in-progress	14,127	12,571
Finished goods	3,113	4,389
Stores and spares	1,480	1,426
	34,662	30,564

11 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Trade receivable	29,950	30,922
Less: Allowances for credit losses	(1,015)	(1,040)
Net trade receivables	28,935	29,882

All trade receivables are 'current'.

Trade Receivables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	20,102	8,310	389	298	87	764	29,950
Less: Allowances for credit loss							(1,015)
Net trade receivables							28,935

Trade Receivables ageing schedule as at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	17,029	11,689	729	510	90	875	30,922
Less: Allowances for credit loss							(1,040)
Net trade receivables							29,882

Note: There are no disputed trade receivables as at 31 March 2025 and 31 March 2024.

The Group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 45.

12 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	32	32
Balance with banks		
- in current accounts	3,279	5,051
	3,311	5,083
Cash and cash equivalents as defined in Ind AS 7 "Statements of Cash Flows".	3,311	5,083

13 Bank balances other than cash and cash equivalents above

Particulars	As at 31 March 2025	As at 31 March 2024
In deposit accounts-held as margin money (due to mature within 12 months from the reporting date)*	1,269	1,052
Unpaid dividend	10	6
	1,279	1,058

*Balances in margin money deposits represents deposits made for non-fund based limits with banks, which are available for use to settle a liability for not more than 12 months from the balance sheet date.

14 Current Loans

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Loans to employees	195	129
	195	129

15 Other current financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Accrued interest	-	58
Security deposit	354	1,150
	354	1,208

16 Other current assets

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Advance for supply of goods	2,198	1,128
Advance for supply of goods to related parties (Refer Note 47)	797	652
Contract assets - Refer note below	2,553	5
Prepaid expenses	2,386	2,510
Balances with government authorities	3,747	3,263
	11,681	7,558

Contract assets ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	2,553	-	-	-	-	-	2,553

Contract assets ageing schedule as at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	5	-	-	-	-	-	5

17 Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised		
Equity shares		
20,000,000 equity shares (31 March 2024: 20,000,000 equity shares) of par value of INR 10 each	2,000	2,000
Preference shares		
500,000 redeemable cumulative preference shares (31 March 2024: 500,000 shares) of par value of INR 100 each	500	500
	2,500	2,500
Issued, subscribed and fully paid up		
Equity shares		
6,791,443 equity shares (31 March 2024: 6,791,443 equity shares) of par value of INR 10 each	679	679
	679	679

i. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2025		31 March 2024	
	Number of shares	Amount (INR in lakhs)	Number of shares	Amount (INR in lakhs)
Shares outstanding at the beginning of the year	67,91,443	679	67,91,443	679
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	67,91,443	679	67,91,443	679

ii. Rights, preferences and restrictions attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Company after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has not allotted any fully paid equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

iii. Details of shareholders holding more than 5% of equity shares in the Company

Particulars	31 March 2025		31 March 2024	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 10 each fully paid-up held by				
i) Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%
ii) JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%
iii) Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%
iv) JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%
v) Samena Special Situations Mauritius	3,34,837	4.93%	5,55,754	8.18%
vi) HDFC Trustee Company Limited	3,69,859	5.45%	3,82,071	5.63%

iv. Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2025 is as follows:

Sr. No	Shares held by promoters Promoter name	As at 31 March 2025		As at 31 March 2024		% Change during the year
		No of Shares	% of total shares	No of Shares	% of total shares	
1	Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%	-
2	JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%	-
3	Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%	-
4	JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%	-
5	Christine Hoden (India) Private Limited	95,100	1.40%	95,100	1.40%	-
6	Greenearth Biotechnologies Limited	22,927	0.34%	22,927	0.34%	-
7	Barota Malhoutra	4,938	0.07%	4,938	0.07%	-
8	Vita Private Limited	100	0.00%	100	0.00%	-
9	Primella Sanitary Products Private Limited	100	0.00%	100	0.00%	-
		28,43,245	41.87%	28,43,245	41.87%	-

Disclosure of shareholding of promoters as at 31 March 2024 is as follows:

Sr. No	Shares held by promoters Promoter name	As at 31 March 2024		As at 31 March 2023		% Change during the year
		No of Shares	% of total shares	No of Shares	% of total shares	
1	Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%	-
2	JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%	-
3	Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%	-
4	JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%	-
5	Christine Hoden (India) Private Limited	95,100	1.40%	95,100	1.40%	-
6	Greenearth Biotechnologies Limited	22,927	0.34%	22,927	0.34%	-
7	Barota Malhoutra	4,938	0.07%	4,938	0.07%	-
8	Vita Private Limited	100	0.00%	100	0.00%	-
9	Primella Sanitary Products Private Limited	100	0.00%	100	0.00%	-
		28,43,245	41.87%	28,43,245	41.87%	-

18 Other equity (Refer Statement of Changes for detailed movement of each component of Other Equity)

Particulars	As at 31 March 2025	As at 31 March 2024
Capital reserves	15	15
Capital redemption reserve	240	240
Reserve on amalgamation	154	154
General reserve	3,010	3,010
Securities premium	23,318	23,318
Retained earnings	38,727	35,221
Foreign currency translation reserve	5,607	4,137
	71,071	66,095

(i) Capital reserve :

Capital reserve was created on account of subsidy received during the year ended 31 March 2005 and is not freely available for dividend distribution.

(ii) Capital Redemption Reserve :

During the year ended 31 March 2005, an amount of INR 240 was transferred to capital redemption reserve upon redemption of preference share, in accordance with the Companies Act, 1956. It is not freely available for distribution.

(iii) Reserve on amalgamation :

Reserve on amalgamation was created pursuant to the scheme of amalgamation of JKM Daerim Automotive Limited (JDAL) during the year ended 31 March 2008. It is not freely available for dividend distribution.

(iv) General Reserve :

General Reserve is used from time to time to transfer profits from retained earnings for appropriation purpose.

(v) Securities Premium :

Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with provisions of the Act.

(vi) Retained Earnings :

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit after tax is transferred from the statement of profit and loss to the retained earnings.

(vii) Foreign currency translation reserve :

This reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations to functional currency.

19 Non-current borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Secured</i>		
Term loans		
- from banks [refer footnote (i)]	9,330	9,532
- Financial institutions [refer footnote (ii)]	8,557	10,362
Financial lease obligation [refer footnote (iii)]	3,136	3,546
Working Capital term loan		
- from banks [Refer footnote (i)]	1,500	-
Total Borrowings	22,523	23,440
Less: Current Maturities of long term borrowings from banks (Secured)	(1,536)	(1,405)
Less: Current Maturities of long term borrowings from financial institutions (Secured)	(2,207)	(1,758)
Less: Current Maturities of financial lease obligation (Secured)	(1,256)	(958)
Net non-current borrowings	17,524	19,319

Information about the Company's exposure to interest rate, currency and liquidity risk are disclosed in note 45.

(i) From banks (Including current maturities of the non-current borrowings shown under Current Borrowing)

Details of repayment terms, interest and maturity	Nature of security
Term loan from bank aggregating to INR 8,822 (31 March 2024: INR 9,000) repayable in 28 quarterly instalments. First instalment starting from 1 June 2024 with interest rate at 9.60% per annum (31 March 2024: 9.60% per annum).	First pari passu charge on the entire movable and immovable fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company. First charge over Debt Service Reserve Account (DSRA).
Term loan from bank aggregating to INR 104 (31 March 2024: INR 129) repayable in 60 monthly instalments. First instalment starting from 31 October 2023 with interest rate at 8.90% per annum (31 March 2024: 8.90% per annum).	Hypothecation of asset (cars).
Term loan from bank aggregating INR 226 (31 March 2024 : INR 403) repayable in 33 monthly instalments with rate of interest Base Rate plus 2.5% per annum (31 March 2024: Base Rate plus 2.5% per annum).	Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited.
Term loan from bank aggregating to INR 178 (31 March 2024: INR Nil) repayable in 20 quarterly instalments. First instalment starting from quarter following the month first disbursement of Term Loan and with interest rate at 9.25% per annum.	First hypothecation charge on all existing and future receivables / current assets / movable assets / movable fixed assets of the company. Corporate Guarantee of Dynamic Technologies Limited.
Working Capital Term loan from bank aggregating to INR 1,500 (31 March 2024: INR Nil) repayable in 36 equal monthly instalments post 24 months of principal moratorium. First instalment starting from 1 April 2027 with fixed interest rate at 9.20% per annum.	First pari passu charge on the current assets of the Company. Second pari passu charge on the movable and immovable fixed assets of the Company.

(ii) From financial institutions (Including current maturities of the long term borrowings shown under Current Borrowing)

Details of repayment terms, interest and maturity	Nature of security
Term Loan from financial institutions aggregating to INR 2,407 (31 March 2024: INR 3,080) repayable in 20 quarterly instalments first instalment starting from 30 June 2023 with interest rate of 10.75% per annum (31 March 2024: 9.75% per annum).	First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company. First charge over Debt Service Reserve Account (DSRA). Personal guarantee issued by the promoter.
Term Loan from financial institutions aggregating to INR 5,950 (31 March 2024: INR 7,000) repayable in 20 quarterly instalments first instalment starting from 30 September 2024 with interest rate of 10.45% per annum (31 March 2024: 10.25% per annum).	First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company.
Term Loan from financial institutions aggregating to INR 200 (31 March 2024: INR 282) repayable in 60 monthly instalments with interest rate of 10.25% per annum (31 March 2024: 10.25% per annum).	Hypothecation of assets (cars).

- (iii) Leasing Finance / HP from banks aggregating INR 3,136 (31 March 2024: INR 3,546) repayable in maximum 48 monthly instalments. The Leasing facility is secured by way of exclusive charge on assets financed by the leasing institution.

20 Non-current provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits:		
Provision for gratuity (Refer Note 43)	2,889	2,387
Provision for compensated absences	500	460
	3,389	2,847

21 Deferred tax liabilities (net) (Refer Note 49)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities		
Property, plant and equipment and intangible assets	2,338	2,204
Total deferred tax liabilities (A)	2,338	2,204
Deferred tax assets		
Right-of-use assets and Lease liabilities	701	662
Provision for gratuity and compensated absences	781	646
Provision for loss allowance	102	108
Provision for warranty	119	173
Others	521	347
Total deferred tax assets (B)	2,224	1,936
Net deferred tax liability (A - B)	114	268

22 Other non-current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred government grant	96	96
	96	96

23 Current borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Secured Loans</i>		
Loans from banks repayable on demand		
Cash credit and working capital demand loans*	18,819	16,802
Current maturities of long-term borrowings (Refer Note 19)	4,999	4,121
<i>Unsecured Loans</i>		
From banks		
Bill discounting facility from banks##	3,762	5,574
	27,580	26,497

* Cash credit and working capital demand loans from banks carry interest ranging between 9.25% - 10.35% per annum (31 March 2024: 9.35% - 11.15%), computed on a monthly basis on the actual amount utilized, and are repayable on demand. Working capital term loan from bank carry fixed rate of interest at 9.20% per annum, computed on a monthly basis on the actual amount utilized, and is repayable post 24 months holiday period in 36 equal monthly instalments of principal amount. Packing Credit & Working Capital Demand loans in Foreign Currency from banks carry interest ranging between 6m SOFR+3.00% and SOFR +3.50% per annum (31 March 2024: 6m SOFR+3.00% and SONIA+4.00% per annum). These are secured by first pari passu charge by way of hypothecation of stock and book debts of the Company and second pari passu charge on the movable and immovable fixed assets of the Company.

* The Group has availed Cash credit and working capital demand loans from banks carry interest ranging between 9.00% - 9.50% per annum, computed on a monthly basis on the actual amount utilized, and are repayable on demand. The facility is secured by first hypothecation charge on all existing and future receivables / current assets / movable assets / movable fixed assets of the company. Corporate Guarantee of Dynamatic Technologies Limited.

The Group has taken receivable invoice discounting facility from banks which carry interest rate of 2.5% per annum over Base Rate (31 March 2024 : 2.5% per annum over the Base Rate) and is payable within 90 days from the date of bill discounted. Also the Group has availed Overdraft facility from Bank which carries interest rate of 3% over the Base Rate per annum.

Information about the Group's exposure to interest rate, currency and liquidity risk are disclosed in Note 45.

24 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Dues of micro and small enterprises	1,886	1,295
Dues to creditors other than micro and small enterprises	21,124	17,220
	23,010	18,515

Trade Payables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1,149	688	32	17	-	1,886
Others	14,597	6,121	115	14	277	21,124
Total	15,746	6,809	147	31	277	23,010

Trade Payables ageing schedule as at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1,238	53	4	-	-	1,295
Others	10,087	6,675	108	253	97	17,220
Total	11,325	6,728	112	253	97	18,515

All trade payables are current and there are no disputed traded payables.

The Company's exposure to currency and liquidity risk are disclosed in note 45.

25 Other current financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Accrued expenses	5,395	5,517
Capital creditors	64	107
Security deposits	59	57
Interest accrued but not due	83	70
Unpaid dividend	10	6
	5,611	5,757

The Company's exposure to currency and liquidity risk are disclosed in Note 45.

26 Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred revenue	421	-
Advance received from customers	762	1,162
Statutory liabilities	529	526
	1,712	1,688

27 Current provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits:		
Provision for gratuity (Refer Note 43)	541	448
Provision for compensated absences	50	74
Others (Refer Note 41(c))	164	99
Other provisions		
Provision for warranties (Refer Note 41(a))	471	689
	1,226	1,310

28 Current tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for income tax (Net of Advance Tax and Tax Deducted at Source)	995	1,461
	995	1,461

29 Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(A) Sale of products		
Revenue from sale of products	1,39,299	1,41,632
Total revenue from sale of products (A)	1,39,299	1,41,632
(B) Other operating revenue		
Export incentives	316	15
Scrap sales	765	1,286
Total other operating revenue (B)	1,081	1,301
Total revenue from operations (A+B) (Refer Note 51)	1,40,380	1,42,933

30 Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on financial assets carried at amortised cost	115	209
Net gain on foreign currency transactions and translation	1,012	503
Gain on sale of Property, plant and equipment and intangible assets	-	468
Liabilities written back	699	2,947
Gain on lease modification	31	-
Miscellaneous income	423	155
	2,280	4,282

31 Cost of materials and components consumed

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory of materials and components at the beginning of the year	12,178	9,934
Add: Purchases of materials and components	68,458	68,438
Less: Inventory of materials and components at the end of the year	(15,942)	(12,178)
	64,694	66,194

32 Changes in inventory of finished goods and work-in-progress

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening stock		
- Finished goods	4,389	4,195
- Work-in-progress	12,571	14,644
	16,960	18,839
Closing stock		
- Finished goods	(3,113)	(4,389)
- Work-in-progress	(14,127)	(12,571)
	(17,240)	(16,960)
Add: Foreign currency translation adjustments	945	(1,258)
	665	621

33 Employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	26,865	25,380
Contribution to provident fund and other funds	1,592	1,461
Staff welfare expenses	3,540	3,326
	31,997	30,167

34 Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense on financial liabilities at amortised cost*	4,674	4,587
Interest expense on lease liabilities (Refer Note 40)	679	718
Interest on delayed payment of taxes	118	172
Other borrowing cost	201	778
	5,672	6,255

*Interest expense includes realised and unrealised foreign exchange loss of INR Nil (31 March 2024: INR 53 Lakhs) on re-statement and settlement of foreign currency term loans.

35 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment (Refer Note 3)	4,175	3,633
Depreciation of Right-of-use assets (Refer Note 40)	2,506	2,704
Amortization of intangible assets (Refer Note 5)	248	299
	6,929	6,636

36 Other expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Power and fuel	6,931	8,303
Subcontractor charges	3,986	4,605
Consumption of stores, loose tools and spare parts	3,520	3,906
Legal and professional fees	1,631	1,709
Repairs and maintenance:		
- plant and machinery	1,947	1,662
- buildings	280	201
- others	1,291	1,853
Insurance	1,367	1,126
Travelling and conveyance	948	1,015
Freight outward	859	978
Rent	841	825
Security charges	376	384
Packing expenses	532	544
Rates and taxes	543	389
Membership and subscriptions	383	348
Loss allowance on financial assets, net	(25)	69
Provision provided towards the advance to supplier	-	52
Bank charges	200	212
Printing and stationery	243	251
Communication	141	162
Corporate social responsibility expenses	90	191
Net loss on foreign currency transactions and translation	1	249
Directors sitting fees	67	71
Miscellaneous expense	1,040	905
	27,192	30,010

37 Exceptional Items

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Gains from the sale of windfarm land [Refer note (a) below]	-	6,237
Gains from the corporate restructuring in German subsidiary [Refer note (b) below]	-	1,763
Impairment of goodwill [Refer note (b) below]	-	(1,335)
Termination charges on Cross Currency Swap	-	(434)
	-	6,231

- a) On 6 January 2024, the Company has completed the sale of wind farm lands admeasuring 357.867 acres including building, situated at Varapatti Village, Suler Taluk, Coimbatore, in favour of Tamil Nadu Industrial Development Corporation Limited (TIDCO), for the setting up of the Southern Defence Industrial Corridor for a compensation amount of Rs. 10,710.81 Lakhs. The Company has retained land measuring appx. 87 acres having greater strategic value for future development and accordingly the cost of such land amounting to Rs. 1,089 Lakhs been re-classified from held to sale to property, plant and equipment.
- b) The Parent's investments in its German operations are held in Eisenwerk Erla GmbH, Germany (EEG), an indirect step down wholly owned subsidiary of the Company. EEG, was a wholly owned by JKM Erla Holdings GmbH, Germany (JKM Erla), which was a wholly owned subsidiary of JKM Erla Automotive Limited, India (JEAL), another wholly owned subsidiary of the Parent.

EEG is currently undergoing a transformation from automotive and foundry businesses to the aerospace business. Considering the various challenges involved, viz., the supply chain crisis at OEMs, current inflation in Europe, and the steep and unpredictable increase in the cost of gas and electricity being faced by corporations across Europe, EEG undertook corporate restructuring measures through the "Protective Shield Process by Self-Administration" under the applicable German Laws, and in this regard, a financial resolution plan was filed before the local court at Chemnitz, which got approved by creditors in favour of EEG. Consequent to this, the local court at Chemnitz passed its final order and ended the protective shield through self-administration proceedings effective 1 August 2023, and related credit balances and net gains were adjusted. Of the same, an amount of Rs. 2,544 Lakhs was recognized under other income and INR 1,763 lakhs under exceptional items during the year ended 31 March 2024.

Owing to the aforesaid intra-group restructuring measures, JKM Erla engaged in the business of setting up automotive component processing/manufacturing units was decided to be dismantled with the aim of streamlining the Group's holding structure for German operations, and accordingly an application was made before appropriate authorities and in the interim, the 100% shareholdings held by JKM Erla in EEG was assigned to JEAL. This intra-group restructuring did not impact the consolidated financial statements of the Group. JKM Erla ceased to exist with effect from 30 September 2024, pursuant to the court order dated 16th September 2024.

The restructuring carried out by EEG also envisaged refinancing of certain borrowings of EEG by way intra-group loans. To fund these intra-group loans, during the year ended 31 March 2024, the Parent borrowed a term loan from a bank, the proceeds of which were permitted to be utilized in investment in overseas subsidiaries. As part of the annual impairment assessment of goodwill relating to the German operations, the Company has recognized an impairment loss of Rs. 1,335 Lakhs in the year ended 31 March 2024.

38 Contingent Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Claims against the Group not acknowledged as debts#		
Income tax	1,212	1,349
Indirect tax	873	858
	2,085	2,207

Outflow, if any, arising out of the said claim including interest, if any, would depend on the outcome of the decision of the Appellate Authority and the Group's right for future appeal before the judiciary.

39 Capital and Other commitments

Particulars	As at 31 March 2025	As at 31 March 2024
Capital Commitment		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	1,436	446

There are no other material commitments.

40 Leases

(i) Following are the change in the carrying value of Right-of-use of assets for the year ended 31 March 2025:

Particulars	Category of ROU assets			Total
	Plant & Machinery	Building	Vehicles	
Balance as at 1 April 2024	2,845	7,179	10	10,034
Addition/Modification	1,202	71	10	1,283
Amortisation for the year	(1,550)	(941)	(15)	(2,506)
Translation adjustment	105	256	-	361
Balance as at 31 March 2025	2,602	6,565	5	9,172

(ii) Following are the change in the carrying value of Right-of-use assets for the year ended 31 March 2024:

Particulars	Category of ROU assets			Total
	Plant & Machinery	Building	Vehicles	
Balance as at 1 April 2023	4,545	6,339	26	10,910
Addition/Modification	12	1,496	-	1,508
Amortisation for the year	(1,820)	(868)	(16)	(2,704)
Translation adjustment	108	212	-	320
Balance as at 31 March 2024	2,845	7,179	10	10,034

(iii) The following is the break up of current & non-current lease liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current lease liabilities	9,447	10,264
Current lease liabilities	2,574	2,429
	12,021	12,693

(iv) The following is the movement of lease liabilities during the year ended:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Balance at the beginning of the year	12,693	13,514
Addition/Modification	1,283	1,508
Gain on lease modification	(31)	-
Finance cost during the year	679	718
Lease payment during the year	(3,091)	(3,453)
Translation adjustment	488	406
Total	12,021	12,693

(v) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2025	As at 31 March 2024
Payable within 1 year	3,003	3,204
Payable between 1-5 years	6,066	6,607
Payable later than 5 years	4,160	4,926
Total	13,229	14,737

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases for the year is INR 841 (31 March 2024: INR 825).

41 The disclosure requirement as per Ind AS 37 with respect to the movement of provisions is as follows:**(a) Provision for warranties**

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	689	352
Provisions recognised and (utilized) during the year (Net)*	(218)	337
Closing balance	471	689

(b) Provision for asset decommissioning

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	-	527
Utilised during the year	-	(527)
Unwinding of discount	-	-
Closing balance	-	-

(c) Other provision

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	99	167
Provisions recognised and (utilized) during the year (Net)*	65	(68)
Closing balance	164	99

* includes foreign currency translation adjustments.

The above provision relates to certain employee benefits in subsidiaries.

42 Segment reporting

The Chief Executive Officer and the Managing Director of the Group has been identified as the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segments. The CODM evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by the products portfolio and segment information has been presented accordingly.

Operating segment

The Group's business is concentrated in manufacturing of hydraulic products, automotive & aluminium castings, aerospace and others. And accordingly, primary segment information is presented based on the following :

Reportable segment

• Hydraulics	Engaged in the activity of manufacturing hydraulic pumps, hand pumps, lift assemblies, valves and power packs.
• Aerospace	Engaged in the activity of manufacturing airframe structures and precision aerospace components.
• Metallurgy	Engaged in the activity of manufacturing case front, intake manifolds and exhaust manifold.
• Others	Comprised of Dynauton Systems, which offer cutting edge security solutions to enhance the Nation's capabilities in countering modern day security threats and Medical division provides high-quality diagnostic services.

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. The Group has a corporate centre, which provides various accounting and administrative support functions. Segment information for this activity has been aggregated under "Unallocated". Revenue identifiable to business segments have been disclosed under the respective business segment. Segment costs include employee benefit expenses, cost of material consumed, depreciation and other operating expenses that can be allocated on a reasonable basis to respective segments. Assets and liabilities in relation to segments are categorized based on items that are individually identifiable to that segment. Certain assets and liabilities are not specifically allocable to individual segments as these are used interchangeably. The Group therefore believes that it is not practicable to provide segment disclosures relating to such assets and liabilities and accordingly, these are separately disclosed as 'unallocated'.

A Operating segment information for the year ended 31 March 2025 and 31 March 2024 is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Segment revenue		
a) Hydraulics	45,804	44,834
b) Aerospace	60,785	51,009
c) Metallurgy	33,483	47,081
d) Others	308	9
Revenue from operations	1,40,380	1,42,933
Segment results (profit/ (loss) before finance costs, other income and tax from each segment)		
a) Hydraulics	1,145	2,547
b) Aerospace	11,863	9,331
c) Metallurgy	(296)	1,010
d) Others	(488)	(775)
e) Unallocated	(3,321)	(2,808)
Total	8,903	9,305
Unallocable		
- Finance costs (Refer Note 34)	(5,672)	(6,255)
- Other income (Refer Note 30)	2,280	4,282
- Exceptional income (Refer Note 37)	-	6,231
Profit before tax	5,511	13,563

Particulars	As at 31 March 2025	As at 31 March 2024
Segment assets		
a) Hydraulics	34,009	38,610
b) Aerospace	93,960	81,282
c) Metallurgy	25,256	25,008
d) Others	5,375	4,812
e) Unallocated	6,428	7,513
Total Segment assets	1,65,028	1,57,225

Segment liabilities		
a) Hydraulics	20,942	23,596
b) Aerospace	21,702	12,900
c) Metallurgy	4,476	5,750
d) Others	304	787
e) Unallocated	45,854	47,418
Segment liabilities	93,278	90,451

Information about reportable segments for the period from 1 April 2024 to 31 March 2025 is as follows:

Particulars	Hydraulics	Aerospace	Metallurgy	Others	Unallocated	Total
a) Depreciation and amortisation expense	1,270	3,885	1,485	52	237	6,929
b) Capital expenditure	441	3,320	2,260	562	127	6,710

Information about reportable segments for the period from 1 April 2023 to 31 March 2024 is as follows:

Particulars	Hydraulics	Aerospace	Metallurgy	Others	Unallocated	Total
a) Depreciation and amortisation expense	1,224	3,717	1,457	59	179	6,636
b) Capital expenditure	1,515	5,717	636	129	703	8,700

B Geographic information:

The geographical information analyses the Group's revenue and non-current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

Particulars	Revenue from Operations For the year ended		Non current assets* As at	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
India	35,138	30,162	39,132	32,514
Europe (other than UK)	47,719	53,271	16,203	14,323
United Kingdom	30,663	28,606	28,562	27,914
United States	12,874	15,882	-	-
Canada	13,174	14,241	-	-
Rest of the world	812	771	-	-
Total	1,40,380	1,42,933	83,897	74,751

*Non-current assets excludes financial assets.

C Major customer

Revenue from transactions with the external customer amounting to 10% or more of the Company's revenues is as follows:

Particulars	31 March 2025	31 March 2024
Customer 1*	-	-

*None of the customers contribute to more than 10% of the Group's revenue

43 Assets and liabilities relating to employee benefits

Particulars	As at 31 March 2025	As at 31 March 2024
Net defined benefit liability, gratuity plan	3,430	2,835
Liability for compensated absences	550	534
Total employee benefit liability	3,980	3,369
a) Gratuity		
Non-current	2,889	2,387
Current	541	448
	3,430	2,835
b) Compensated absences		
Non-current	500	460
Current	50	74
	550	534

The Group operates the following post-employment defined benefit plan.

Defined benefit plan

The Group operates post-employment defined benefit plan that provide gratuity, governed by the Payment of Gratuity Act, 1972. Employee's who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months. The gratuity plan is a funded plan. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A Funding

The Group expects to pay INR 160 in contributions to its defined benefit plans in financial year 2025-26.

B Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ assets and its components:

(i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2025	As at 31 March 2024
Obligation at the beginning of the year	2,842	2,602
Interest cost	205	195
Current service cost	188	159
Benefit paid directly by employer	(27)	(47)
Benefit paid from the fund	(165)	(193)
Actuarial (Gains)/Losses on Obligations recognised in Other Comprehensive Income (OCI)		
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	104	53
- Experience adjustments	311	73
Obligation at the end of the year	3,458	2,842

(ii) Reconciliation of present value of plan assets

Particulars	As at 31 March 2025	As at 31 March 2024
Plan assets at the beginning of the year, at fair value	7	50
Interest income on plan assets	3	4
Contributions	184	146
Benefits paid	(165)	(192)
Return on plan assets, excluding interest income recognised in OCI	(1)	(1)
Plan assets at the end of the year, at fair value	28	7
Net defined benefit liability	3,430	2,835

C (i) Expense recognized in Statement of profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost	188	159
Interest cost	202	191
Net gratuity cost	390	350

(ii) Remeasurement recognized in other comprehensive income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial loss/(gain) on defined benefit obligation	415	126
Return on plan assets, excluding interest income	(1)	(1)
Total loss/(gain) recognised in other comprehensive income	414	125

D Plan assets

Particulars	As at 31 March 2025	As at 31 March 2024
Insurance fund	28	7
	28	7

E Defined benefit obligation**(i) Actuarial assumptions**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rate of return on planned assets	6.79%	7.21% - 7.23%
Discounting rate	6.79%	7.21% - 7.23%
Future salary growth	6.00%	6.00%
Attrition rate	5.00%	5.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Weighted average duration of defined benefit obligation (in years)	8-11	8 - 11
Average Expected Future Service	12	11 - 12
Retirement age	60	60

Notes:

- (i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

- (ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Group's policy for plan asset management.
- (iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- (iv) **Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant would have affected defined benefit obligation by amounts shown below:

Particulars	As at 31 March 2025	As at 31 March 2024
Projected Benefit Obligation on Current Assumptions (Gross)	3,458	2,842
Impact of change in discount rate by +1%	(234)	(190)
Impact of change in discount rate by -1%	267	218
Impact of change in salary rate by +1%	243	205
Impact of change in salary rate by -1%	(226)	(186)
Impact of change in employee turnover rate by +1%	15	19
Impact of change in employee turnover rate by -1%	(18)	(22)

Defined contribution plan

The Group's contribution to Provident Fund aggregating to INR 710 (31 March 2024: INR 635) has been recognised in the Statement of Profit and Loss under the head employee benefit expense.

44 Financial instruments - fair value and risk management

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their level in fair value hierarchy:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

- recognized and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

Particulars	Carrying amount	Fair value			Total
	31 March 2025	Level 1	Level 2	Level 3	
Financial assets not measured at fair value					
Loans*	195	-	-	-	-
Trade receivables, net of loss allowance	28,935	-	-	-	-
Cash and cash equivalents	3,311	-	-	-	-
Bank balances other than cash and cash equivalents	1,279	-	-	-	-
Other financial assets*	1,035	-	-	-	-
Financial assets measured at fair value					
Investments in equity shares	33	-	-	33	33
Total financial assets	34,788	-	-	33	33
Financial liabilities not measured at fair value					
Borrowings*	45,104	-	-	-	-
Lease Liabilities*	12,021	-	-	-	-
Trade payables	23,010	-	-	-	-
Other financial liabilities*	5,611	-	-	-	-
Total financial liabilities	85,746	-	-	-	-

Particulars	Carrying amount	Fair value			Total
	31 March 2024	Level 1	Level 2	Level 3	
Financial assets not measured at fair value					
Loans*	129	-	-	-	-
Trade receivables, net of loss allowance	29,882	-	-	-	-
Cash and cash equivalents	5,083	-	-	-	-
Bank balances other than cash and cash equivalents	1,058	-	-	-	-
Other financial assets*	1,884	-	-	-	-
Financial assets measured at fair value					
Investments in equity shares	33	-	-	33	33
Total financial assets	38,069	-	-	33	33
Financial liabilities not measured at fair value					
Borrowings*	45,816	-	-	-	-
Lease Liabilities*	12,693	-	-	-	-
Trade payables	18,515	-	-	-	-
Other financial liabilities*	5,757	-	-	-	-
Total financial liabilities	82,781	-	-	-	-

*Amount disclosed after considering Non-current and current

Investment in equity shares of subsidiaries are not appearing as financial asset in the table above being investment in subsidiaries accounted under Ind AS 27, Separate Financial Statements which is scoped out under Ind AS 109.

Fair value hierarchy

Level 1: It includes financial instruments measured using quoted prices. This includes investment in equity, preference securities, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize 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. This is the case for investment in equity shares included in level 3.

Fair valuation method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

A Financial Assets:

- (i) Fair value of all these financial assets are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

B Financial Liabilities:

- (i) **Borrowings:** It includes loans taken from banks and financial institution, cash credit and bill discounting facilities. Borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on the loans is reset on a monthly / quarterly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.
- (ii) **Trade payables and other liabilities:** Fair values of trade and other liabilities are measured at balance sheet value, as most of them are settled within a short period and so their fair values are assumed to be almost equal to the balance sheet values.

45 Financial risk management

The Group's activities expose it to financial risks: credit risk, liquidity risk and market risk.

Risk management framework

The Board of Directors of the Holding Company have overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee of the Holding Company oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by internal auditor. Internal Audit function includes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i) Credit risk

Credit risk is the risk of financial loss to the Group, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represents the maximum credit exposure.

Trade and other receivables

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Group are spread across diverse industries and geographical areas. The Group limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customers.

Expected credit loss assessment for trade receivables as at 31 March 2025 and 31 March 2024 are as follows:

The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables as at 31 March 2024 amounting to INR 28,935 (31 March 2024: INR 29,822). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows.

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at the beginning of the year	1,040	971
Net measurement of loss allowance	(25)	69
Balance as at the end of the year	1,015	1,040

ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligation as they become due. The Group'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 Group's reputation.

Management monitors rolling forecast of the Group's liquidity position and cash and bank balances on the basis of expected cash flows. This is generally carried out by the Management in accordance with practice and limits set by the Group. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

A) Financing arrangement

The Group maintains the following line of credit:

- (a) (i) Term loan from bank aggregating to INR 8,822 (31 March 2024: INR 9,000) repayable in 28 quarterly instalments. First instalment starting from 1 June 2024 with interest rate at 9.60% per annum (31 March 2024: 9.60% per annum). First pari passu charge on the entire movable and immovable fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company. First charge over Debt Service Reserve Account (DSRA)
- (ii) Term loan from bank aggregating to INR 104 (31 March 2024: INR 129) repayable in 60 monthly instalments. First instalment starting from 31 October 2023 with interest rate at 8.90% per annum (31 March 2024: 8.90% per annum). This loan is secured by hypothecation of assets (cars).
- (iii) Term loan from bank aggregating INR 226 (31 March 2024 : INR 403) repayable in 33 monthly instalments with rate of interest Base Rate plus 2.5% per annum (31 March 2024: Base Rate plus 2.5% per annum). Secured by way of charge over assets of Yew Tree Investments Limited and by way of corporate guarantee given by Yew Tree Investments Limited.
- (iv) Term loan from bank aggregating to INR 178 (31 March 2024: INR Nil) repayable in 20 quarterly instalments. First instalment starting from quarter following the month first disbursement of Term Loan and with interest rate at 9.25% per annum. First hypothecation charge on all existing and future receivables / current assets / movable assets / movable fixed assets of the company. Corporate Guarantee of Dynamatic Technologies Limited.
- (v) Working Capital Term loan from bank aggregating to INR 1,500 (31 March 2024: INR Nil) repayable in 36 equal monthly instalments post 24 months of principal moratorium First instalment starting from 1 April 2027 with fixed interest rate at 9.20% per annum. First pari passu charge on the current assets of the Company. Second pari passu charge on the movable and immovable fixed assets of the Company.
- b) (i) Term Loan from financial institutions aggregating to INR 2,407 (31 March 2024: INR 3,080) repayable in 20 quarterly instalments first instalment starting from 30 June 2023 with interest rate of 10.75% per annum (31 March 2024: 9.75% per annum). First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company. First charge over Debt Service Reserve Account (DSRA). Personal guarantee issued by the promoter.
- (ii) Term Loan from financial institutions aggregating to INR 5,950 (31 March 2024: INR 7,000) repayable in 20 quarterly instalments first instalment starting from 30 September 2024 with interest rate of 10.45% per annum (31 March 2024: 10.25% per annum). First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company.
- (iii) Term Loan from financial institutions aggregating to INR 200 (31 March 2024: INR 282) repayable in 60 monthly instalments with interest rate of 10.25% per annum (31 March 2024: 10.25% per annum). This loan is secured by hypothecation of assets (cars).
- c) Leasing Finance / HP from banks aggregating INR 3,136 (31 March 2024: INR 3,546) repayable in maximum 48 monthly instalments. The Leasing facility is secured by way of exclusive charge on assets financed by the leasing institution.
- d) Cash credit and working capital demand loans from banks carry interest ranging between 9.25% - 10.35% per annum (31 March 2024: 9.35% - 11.15%), computed on a monthly basis on the actual amount utilized, and are repayable on demand. Working capital term loan from bank carry fixed rate of interest at 9.20% per annum, computed on a monthly basis on the actual amount utilized, and is repayable post 24 months holiday period in 36 equal monthly instalments of principal amount. Packing Credit & Working Capital Demand loans in Foreign Currency from banks carry interest ranging between 6m SOFR+3.00% and SOFR +3.50% per annum (31 March 2024: 6m SOFR+3.00% and SONIA+4.00% per annum). These are secured by first pari passu charge by way of hypothecation of stock and book debts of the Company and second pari passu charge on the movable and immovable fixed assets of the Company.

The Group has availed Cash credit and working capital demand loans from banks carry interest ranging between 9.00% - 9.50% per annum, computed on a monthly basis on the actual amount utilized, and are repayable on demand. The facility is secured by first hypothecation charge on all existing and future receivables / current assets / movable assets / movable fixed assets of the company. Corporate Guarantee of Dynamatic Technologies Limited. The Group has taken receivable invoice discounting facility from banks which carry interest rate of 2.5% per annum over Base Rate (31 March 2024 : 2.5% per annum over the Base Rate) and is payable within 90 days from the date of bill discounted. Also the Group has availed Overdraft facility from Bank which carries interest rate of 3% over the Base Rate per annum.

As at 31 March 2025

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and above
Borrowings*	45,104	45,104	29,110	14,404	1,590
Lease liabilities	12,021	13,229	3,003	6,066	4,160
Trade payables	23,010	23,010	23,010	-	-
Other financial liabilities*	5,611	5,611	5,611	-	-
Total	85,746	86,954	60,734	20,470	5,750

As at 31 March 2024

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and above
Borrowings*	45,816	45,816	26,497	16,114	3,205
Lease liabilities	12,693	14,737	3,204	6,607	4,926
Trade payables	18,515	18,515	18,515	-	-
Other financial liabilities*	5,757	5,757	5,757	-	-
Total	82,781	84,825	53,973	22,721	8,131

*Amount disclosed after considering Non-current and current

As disclosed in note 19 and 23, the Group has secured bank loan that contains loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table. Except for these financial liabilities, it is not expected that cash flows included in maturity analysis could occur significantly earlier.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

A) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currency of the Group companies. The functional currency of the Holding Company is primarily INR. The currencies in which these transactions are primarily denominated are USD, GBP, EURO and CAD etc.

Management monitors the movement in foreign currency and the Group's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Group decides to exchange its foreign currency

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to management is as follows:

Particulars	Currency	As at 31 March 2025		As at 31 March 2024	
		Amount in foreign currency in Lakhs	Amount in INR	Amount in foreign currency in Lakhs	Amount in INR
Trade receivables	USD	117	9,981	155	12,924
	EURO	3.3	311	2.3	210
	GBP	31	3,374	41	4,313
Other current financial assets (Non-Current and Current)	USD	17	1,429	12	1,001
Trade payables	USD	65	5,538	35	2,918
	EURO	8	704	4	360
	GBP	1	141	2	210
Borrowing	USD	15	1,316	15	1,251
	EURO	15	1,422	10	899

The following significant exchange rates have been applied:

Currency	Year end spot rate	
	31 March 2025	31 March 2024
USD/INR	85.51	83.38
EURO/INR	92.61	89.94
GBP/INR	110.66	105.20
SGD/INR	63.71	61.75
CAD/INR	59.73	61.54

Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the USD, EURO and GBP against INR at 31 March 2025 and 31 March 2024 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
USD (3% movement)	139	(139)	104	(104)
EURO (3% movement)	(56)	56	(42)	42
GBP (3% movement)	100	(100)	75	(75)
31 March 2024				
USD (3% movement)	293	(293)	219	(219)
EURO (3% movement)	(32)	32	(24)	24
GBP (3% movement)	123	(123)	92	(92)
CAD (3% movement)	(4)	4	(3)	3

B) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(a) Interest rate risk exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at	
	31 March 2025	31 March 2024
Financial Assets - Fixed rate instruments		
Bank Deposits	1,279	1,058
Total	1,279	1,058
Financial Liabilities		
Variable rate borrowings*	40,163	41,722
Fixed rate borrowings*	4,941	4,094
Total borrowings	45,104	45,816

*Amount disclosed after considering Non-current and current

(b) Sensitivity

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2025				
Variable rate borrowings	(402)	402	(301)	301
31 March 2024				
Variable rate borrowings	(417)	417	(312)	312

46 Capital management

The Group's policy is to maintain a stable and strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Group monitors the return on capital as well as the level of dividends on its equity shares. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For the purpose of Group's capital management, adjusted net debt is defined as aggregate of Non-current borrowing, current borrowing, current maturities of long-term borrowings and Non- Current and Current Lease liabilities less cash and cash equivalents and total equity includes issued capital and all other equity reserves.

The Group's adjusted net debt equity ratio were as follows:

Particulars	As at	
	31 March 2025	31 March 2024
Borrowings (Non-current and Current)	45,104	45,816
Lease Liabilities (Non-current and Current)	12,021	12,693
Less: Cash and cash equivalents	(3,311)	(5,083)
Adjusted net debt	53,814	53,426
Total equity	71,750	66,774
Net debt to equity ratio	0.75	0.80

47 Related party disclosures

(i) Name of related parties and description of relationship:	
Name of the related party	Description of relationship
JKM Holdings Private Limited	Entities over which key executive management personnel or relatives of such personnel are able to exercise significant influence and have transactions during the year.
Wavell Investments Private Limited	
Mr. Vivek Malani	Relative of Promoter Group
Ms. Ahilya Malhoutra	Daughter of Mr. Udayant Malhoutra (Promoter)

Key executive management personnel	Designation
Udayant Malhoutra	Chief Executive Officer and Managing Director
P.S. Ramesh	Executive Director, Chief Operating Officer - Hydraulic Division (Resigned effective from 13 November 2024)
Arvind Mishra	Executive Director and Global Chief Operating Officer - Hydraulics & Head - Homeland Security (Resigned effective from 8 August 2023).
Chalapathi P	Chief Financial Officer and Appointed as Executive Director effective from 13 November 2024
Shivaram V	Chief Legal officer & Company Secretary

(ii) List of subsidiaries (including step-down subsidiaries)

Name of the entity	Subsidiary/ Step Subsidiary	Country of domicile	Holding as at	
			31 March 2025	31 March 2024
JKM Erla Automotive Limited ("JEAL")	Subsidiary	India	99.99%	99.99%
JKM Research Farm Limited ("JRFL")	Subsidiary	India	99.99%	99.99%
JKM Global Pte Limited ("JGPL")	Subsidiary	Singapore	100%	100%
Dynamic Manufacturing Limited (formerly known as JKM Ferrotech Limited) ("DML")	Step Subsidiary	India	99.99%	99.99%
Dynamic Limited ("DLUK")	Step Subsidiary	United Kingdom	100%	100%
Yew Tree Investments Limited ("YTIL")	Step Subsidiary	United Kingdom	100%	100%

Dynamatic US, LLC ("DUS")	Step Subsidiary	United States of America	100%	100%
JKM Erla Holdings GmbH ("JEHG") (upto 30 September 2024) post which the entity ceases to exist*	Step Subsidiary	Germany	-	100%
Eisenwerk Erla GmbH ("EEG")	Step Subsidiary	Germany	100%	100%
JKM Automotive Limited ("JAL")	Step Subsidiary	India	100%	100%

*JEHG been liquidated during the current year. The liquation does not have any impact as consolidated financial statements, it being a intermediate holding company.

(iii) Related party transactions during the year

Particulars	Related Parties	For the year ended	
		31 March 2025	31 March 2024
Purchase of raw materials	Wavell Investments Private Limited	466	420
Rent expense	JKM Holdings Private Limited	4	4
	Mr. Vivek Malani	25	22
Trade advances given	Wavell Investments Private Limited	50	-
Remuneration	Ms. Ahilya Malhoutra	30	21

(iv) Balance receivable from and payable to related parties as at the balance sheet date:

Particulars	Related Parties	As at 31 March 2025	As at 31 March 2024
Trade advance receivable	Wavell Investments Private Limited	797	652
Trade Payable	Wavell Investments Private Limited	77	-
Rent Payable	Mr. Vivek Malani	1	2
Security deposits provided	JKM Holding Private Limited	35	35
	Mr. Vivek Malani	17	17

(v) Compensation of key managerial personnel*

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Udayant Malhoutra	144	122
P.S. Ramesh	151	117
Arvind Mishra	-	137
Chalapathi P	120	102
Shivaram V	78	50
	493	528

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since, provision for these are based on an actuarial valuation carried out for the Group as a whole. Details of director sitting fees have been disclosed in the corporate governance report.

Terms and conditions

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

48 Earnings per share

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Basic earnings per share in INR	63.39	179.40
Diluted earnings per share in INR	63.39	179.40
Profit attributable to the equity holders of the Company used in calculating basic earnings per share and diluted earnings per share	4,304	12,181
Weighted average number of equity shares for the purpose of basic earnings per share and diluted earnings per share (numbers)	67,91,443	67,91,443

49 Income tax**A Amount recognized in statement of profit and loss**

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current income tax	1,270	1,316
Deferred tax	(63)	66
Income tax expense reported in the statement of profit and loss	1,207	1,382

B Income tax recognized in other comprehensive income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net gain / (loss) on remeasurement of defined benefit liability / (assets)	(414)	(125)
Foreign currency fluctuations under a cash flow hedge - gain/(loss)	-	508
Income tax expense to OCI	91	27

C Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before income tax	5,511	13,563
Tax using the Holding Company's domestic tax rate 25.17% (31 March 2024: 25.17%)	1,387	3,414
Impact of windfirm land gain tax exemption	-	(1,570)
Impact of non - deductible expenses for tax purposes	(180)	(462)
Income tax expense	1,207	1,382

D Deferred tax relates to the following:

Particulars	As at 1 April 2024	Recognized in profit or loss	Recognized in OCI	As at 31 March 2025
Property, plant and equipment and intangible assets	(2,204)	(134)	-	(2,338)
Right-of-use assets & Lease liabilities	662	39	-	701
Provision for gratuity and compensated absences	646	44	91	781
Provision for loss allowance	108	(6)	-	102
Provision for warranty	173	(54)	-	119
Others	347	174	-	521
Deferred tax assets / (liabilities)	(268)	63	91	(114)

Particulars	As at 1 April 2023	Recognized in profit or loss	Recognized in OCI	As at 31 March 2024
Property, plant and equipment and intangible assets	(1,805)	(399)	-	(2,204)
Right-of-use assets & Lease liabilities	658	4	-	662
Provision for gratuity and compensated absences	593	26	27	646
Provision for loss allowance	78	30	-	108
Provision for warranty	89	84	-	173
Others	158	189	-	347
Deferred tax assets / (liabilities)	(229)	(66)	27	(268)

*movement includes foreign currency translation adjustment

E Unrecognized deferred tax assets

Deferred tax assets have not been recognised in respect of the following items as the respective criteria is not met to the extent stated below.

Particulars	31 March 2025	31 March 2024
Carry forwards of business loss	2,966	2,322
Carry forward of unabsorbed depreciation	935	778
Carry forwards of long term capital loss ('LTCL')	16,789	16,789
Unrecognised Potential tax benefits on the above (on a net basis)	3,383	4,138

50 Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements:

Name of the Subsidiary	Consolidated net assets		Consolidated profit or loss		Consolidated OCI		Consolidated total Comprehensive income	
	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount
Dynamatic Technologies Limited (Standalone)	90%	64,364	118%	5,068	(24%)	(271)	88%	4,797
Foreign Subsidiaries:								
Dynamatic Limited UK*	32%	22,679	18%	766	-	-	14%	766
Eisenwerk Erla GmbH #	33%	23,712	(1%)	(41)	-	-	(1%)	(41)
JKM Global Pte Limited, Singapore	10%	7,495	0%	13	-	-	0%	13
Indian Subsidiaries:								
JKM Erla Automotive Limited	17%	12,419	(2%)	(73)	-	-	(1%)	(73)
Dynamatic Manufacturing Limited (formerly known as JKM Ferrotech Limited)	4%	2,727	(4%)	(155)	(5%)	(52)	(4%)	(207)
JKM Research Farm Limited	4%	2,656	-	18	-	-	-	18
JKM Automotive Limited	-	-	-	-	-	-	-	-
Consolidated adjustments	(89%)	(64,302)	(30%)	(1,292)	128%	1,470	3%	178
Total	100%	71,750	100%	4,304	100%	1,147	100%	5,451

31 March 2024

Name of the Subsidiary	Consolidated net assets		Consolidated profit or loss		Consolidated OCI		Consolidated total Comprehensive income	
	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount
Dynamatic Technologies Limited (Standalone)	90%	60,044	78%	9,448	35%	427	74%	9,875
Foreign Subsidiaries:								
Dynamatic Limited UK*	28%	18,862	-	29	-	-	-	29
Eisenwerk Erla GmbH #	35%	23,319	41%	5,012	-	-	37%	5,012
JKM Global Pte Limited, Singapore	8%	5,490	(1%)	(78)	-	-	(1%)	(78)
Indian Subsidiaries:								
JKM Erla Automotive Limited	19%	12,493	(6%)	(750)	-	-	(6%)	(750)
Dynamatic Manufacturing Limited (formerly known as JKM Ferrotech Limited)	4%	2,886	(12%)	(1,425)	(1%)	(17)	(11%)	(1,442)
JKM Research Farm Limited	4%	2,639	-	1	-	-	-	1
JKM Automotive Limited	-	-	-	-	-	-	-	-
Consolidated adjustments	(87%)	(58,959)	-	(56)	66%	801	6%	745
Total	100%	66,774	100%	12,181	100%	1,211	100%	13,392

* includes results of Yew Tree Investments Limited, UK and Dynamatic US LLC

includes results of JKM Erla Holdings GmbH, Germany (upto 30 September 2024) post which the entity ceases to exist.

51 Revenue from contracts with customers**A. Disaggregate revenue information**

The table below presents disaggregated revenues from contracts with customers for the year ended 31 March 2025 and 31 March 2024 by market or type of customers, timing of revenue recognition, contract-type and geography.

The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

For the year ended 31 March 2025

Particulars	Hydraulics	Aerospace	Metallurgy	Others	Grand Total
Market or type of customer					
Government	105	-	-	296	401
Non-government	45,699	60,785	33,483	12	1,39,979
Total revenue from contract with customers#	45,804	60,785	33,483	308	1,40,380
Timing of revenue recognition					
Goods or services transferred at point in time	45,804	58,259	33,483	308	1,37,854
Goods or service transferred over time	-	2,526	-	-	2,2526
Total revenue from contract with customers#	45,804	60,785	33,483	308	1,40,380

For the year ended 31 March 2024

Particulars	Hydraulics	Aerospace	Metallurgy	Others	Grand Total
Market or type of customer					
Government	154	19	-	-	173
Non-government	44,680	50,990	47,081	9	1,42,760
Total revenue from contract with customers#	44,834	51,009	47,081	9	1,42,933
Timing of revenue recognition					
Goods or services transferred at point in time	44,834	51,009	47,081	9	1,42,933
Goods or service transferred over time	-	-	-	-	-
Total revenue from contract with customers#	44,834	51,009	47,081	9	1,42,933

Represents revenue from sale of products included in revenue from operations.

* The Group does not have any revenue from sale of goods and services where the performance obligation is satisfied over time.

Refer to geographic information section under Note 42 - Segment Reporting for more details on the analysis of segment revenue.

Reconciling the amount of revenue recognised with contract and reportable segment:

Particulars	31 March 2025	31 March 2024
Revenue from contract with customers	1,39,299	1,41,632
Other operating revenue		
Export incentive	316	15
Scrap sales	765	1,286
Total Revenue	1,40,380	1,42,933

B. Reconciliation of revenue with contract price:

Particulars	31 March 2025	31 March 2024
Contract price	1,40,609	1,42,953
Adjustments for		
Volume discount and cash discount	229	20
Revenue from continuing operations	1,40,380	1,42,933

C. Contract balances

Contract balances and related disclosures have been included in the following notes.

Trade receivables - Note 11

Contract assets - Note 16

D. Remaining performance obligations

Particulars	As at 31 March 2025	As at 31 March 2024
Amount of transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) and expected to be satisfied in the next financial year	1,798	-

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as the end of the reporting period and an explanation as to when the Group expects to recognise these amount in revenue. Unsatisfied or partially satisfied performance obligations are subject to variability due to several factors such as termination changes in contract scope, re-validation of estimates and economic factors.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the Group's performance completed to date, typically those contracts where invoicing is on time and material, unit price basis.

52 In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows'. The below disclosure is in line with such amendments suggested:

Particulars	1 April 2024	Cash flows	Non Cash Changes			31 March 2025
			Interest Expense	Written back	Foreign exchange movement	
1 Non- Current Borrowings						
i) Secured						
a) Term loan from banks*	9,532	(217)	-	-	15	9,330
b) Term loan from financial institutions*	10,362	(1,805)	-	-	-	8,557
c) Finance lease obligation *	3,546	(560)	-	-	150	3,136
d) Working Capital term loan	-	1,500	-	-	-	1,500
2 Current Borrowings						
i) Secured						
a) Cash credit and working capital demand loans	16,802	1,983	-	-	34	18,819
ii) Unsecured						
a) Bill discounting facility from banks	5,574	(2,109)	-	-	297	3,762
3 Finance Cost						
a) Interest accrued but not due on borrowings	70	(4,863)	4,875	-	1	83
	45,886	(6,071)	4,875	-	497	45,187

Particulars	1 April 2023	Cash flows	Non Cash Changes			31 March 2024
			Interest Expense	Written back	Foreign exchange movement	
1 Non- Current Borrowings						
i) Secured						
a) Term loan from banks*	24,850	(13,723)	-	(1,593)	(2)	9,532
b) Term loan from financial institutions*	8,697	1,665	-	-	-	10,362
c) Finance lease obligation *	1,666	1,783	-	-	97	3,546
ii) Unsecured						
a) Term loan from financial institutions*	909	(909)	-	-	-	-
2 Current Borrowings						
i) Secured						
a) Cash credit and working capital demand loans	18,546	78	-	(1,865)	43	16,802
ii) Unsecured						
a) Bill discounting facility from banks	7,172	(1,809)	-	-	211	5,574
3 Finance Cost						
a) Interest accrued but not due on borrowings	197	(5,926)	5,799	-	-	70
Total liabilities from financing activities	62,037	(18,841)	5,799	(3,458)	349	45,886

* includes current maturities of long term borrowings

53 Additional regulatory information not disclosed elsewhere in the financial statements

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
- (ii) The Parent and its subsidiaries ('Group') has not traded / invested in Crypto currency or virtual currency.
- (iii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) during the year with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Also refer Note 37.
- (iv) The Group 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.
- (v) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Group has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except as disclosed in the financial statements.

- (vii) The Group is not a declared wilful defaulter by any bank or financial institution or other lender.
- (viii) The Group does not have any Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan

54 The consolidated financial statements were approved for issue by the Board of Directors on 27 May 2025.

for and on behalf of the Board of Directors of

Dynamatic Technologies Limited



UDAYANT MALHOUTRA

Chief Executive Officer &
Managing Director

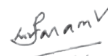
DIN : 00053714



CHALAPATHI P

Executive Director &
Chief Financial Officer

DIN : 08087615



SHIVARAM V

Chief Legal Officer &
Company Secretary

Place: Bangalore

Date: 27 May 2025

STANDALONE FINANCIAL STATEMENTS



INDEPENDENT AUDITOR’S REPORT

To the Members of Dynamatic Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Dynamatic Technologies Limited (the “Company”), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (“SA”)s

specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility 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 (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

Sr. No.	Key Audit Matter	Auditor’s Response
1	<p>Impairment of investments in subsidiaries</p> <p>Refer Note 2(m) and 4 and to the standalone financial statements of the Company.</p> <p>In the standalone financial statements of the Company, the carrying value of investments in subsidiaries referred to in Note 4 (iv) is INR 12,502 lakhs net of cumulative impairment provision of INR 13,719 lakhs as at March 31, 2025.</p> <p>Determination of carrying value of investments in subsidiaries is a key audit matter as the amounts are significant to the standalone financial statements and the determination of recoverable value and/ or impairment assessment involves significant management estimates and judgement.</p> <p>The key estimates and judgements used in the model for impairment assessment include future cash flows of the respective subsidiaries, the discount rate and the terminal growth rate used.</p> <p>The management has used the services of an expert in determining the recoverable value of investments in subsidiaries and consequential impairments, if any.</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> We assessed the Management’s process for identifying the impairment indicators and impairment assessment of investments in the respective subsidiaries. Evaluated the design of the management’s internal control around the impairment assessment process and tested its operating effectiveness. Evaluated the independence, competence, capabilities and objectivity of the management’s expert. Understood the key assumptions considered in the management’s estimates of future cash flows of the respective subsidiaries. Involving our valuation specialists, we evaluated the growth rates including terminal growth rate, considered in the estimates of future cash flows and the discount rate used in the calculations. Compared the historical cash flows (including for current year) against past projections of the management for the same periods and gained understanding of the rationale for the changes. Performed sensitivity analysis on the key assumptions within the forecast cash flows and focused our attention on those assumptions we considered most sensitive to the changes; such as –revenue growth during the forecast period, the terminal growth rate and the discount rate applied to the future cash flows. We ascertained the extent to which a change in these assumptions, would result in impairment, and considered the likelihood of such events occurring. We assessed the adequacy of the disclosures made in the standalone financial statements for the year ended March 31, 2025.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report and annexures thereto report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our

opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial controls that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 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 statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - 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.

- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 37 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 56(iii) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Also refer to comments in clause 3(ix)(e).
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 56(iv) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

- vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) and the same has operated throughout the year for all relevant transactions recorded in the software systems. Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018



SATHYA P KOUSHIK

Partner

(Membership No. 206920)

UDIN: 25206920BMJHIO6388

Place: Bangalore

Date: 27 May 2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to 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 statements of Dynamic Technologies Limited ("the Company") as at March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company and its joint operations companies incorporated in India (retain as applicable) 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") issued by the Institute of Chartered Accountants of India 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 with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 financial statements,

whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone 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 standalone 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 standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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 has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to standalone financial statements 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 **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018



SATHYA P KOUSHIK

Partner

(Membership No. 206920)

UDIN: 25206920BMJHIO6388

Place: Bangalore

Date: 27 May 2025

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)
 - a.
 - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital-work-in-progress, and relevant details of right-of-use assets.
 - B. The Company has maintained proper records showing full particulars of intangible assets.
 - b. The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use assets so to cover all the items once every three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all property, plant and equipment were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - c. Based on our examination of the title deeds provided to us, we report that the title deeds of all the immovable properties of freehold land and buildings disclosed in the financial statements included in property, plant and equipment and capital work in progress are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for guarantees, are held in the name of the Company based on the pledge documents. In respect of immovable properties of building constructed on leased land, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement, except in the case of the following lease wherein the lease term has been completed during the year. (Refer Note 3).

Description of property	As at the balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
	Gross carrying value	Carrying value in the financial statements				
JKM Plaza, Dynamatic Aerotropolis 55, KIADB Aerospace Park	12,708	12,708	Karnataka Industrial Areas Development Board (KIADB)	No	From August 20, 2024	The Company has filed the application for the transfer of the property to the Company's name.

- 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. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
- a. The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.
- b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements and book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- (iii) The Company has made investments in, provided guarantee or security and granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
- (a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below:

Particulars	Loans (Amount in Rs. Lakhs)
A. Aggregate amount granted / provided during the year:	
- Wholly owned subsidiary	67
B. Balance outstanding as at balance sheet date in respect of above cases: (gross)	
- Wholly owned subsidiary	73

- The Company has not provided any guarantee or security to any entity during the year.
- (b) The investments made and the terms and conditions of the grant of all the above-mentioned loans provided during the year are, in our opinion, prima facie not prejudicial to the Company's interest.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments of principal amounts and receipts of interest, as applicable, are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) None of the loans granted by the Company have fallen due during the year.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, 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) In respect of statutory dues:
- a. Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material

statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

Name of the Statute	Nature of the Dues	Amount (Rs. Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	32	FY 2017-18	The Commissioner of Income Tax (Appeals)
Customs Act, 1962	Customs Duty	16	FY 2013-14	The Customs Excise and Service Tax Appellate Tribunal (Appeals)
Customs Act, 1962	Customs Duty	207	July 2017 – August 2018	The Customs Excise and Service Tax Appellate Tribunal (Appeals)
Finance Act, 1994	Service Tax	1	October 2009 – March 2011	The Customs Excise and Service Tax Appellate Tribunal (Appeals)
Central Excise Act, 1944	Excise Duty	57	FY 2012-13 and FY 2013-14	The Customs Excise and Service Tax Appellate Tribunal (Appeals)
Central Excise Act, 1944	Excise Duty	0.4	February 2002 – December 2002	The Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Excise Duty	1	FY 2009-10	The Customs Excise and Service Tax Appellate Tribunal (Appeals)
Central Goods & Services Tax Act, 2017	Goods and Services Tax	259	FY 2017-18	The Commissioner of Central Excise (Appeals)
Central Goods & Services Tax Act, 2017	Goods and Services Tax	49	FY 2017-18 to FY 2020-21	Additional Commissioner Appeals (II)

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

- (ix)
- Loans amounting to Rs. 17,121 lakhs outstanding as at March 31, 2025 are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the financial year. Considering the above, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.
 - The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes of which the loans were obtained.
 - On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the financial year for long-term purposes by the Company.
 - On an overall examination of the financial statements of the Company, we report that the Company has taken funds from the following entities and persons on account of or to meet the obligations of its subsidiaries as per details below:

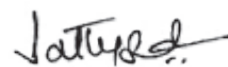
Nature of fund taken	Name of lender	Amount Borrowed (Rs. Lakhs)	On account of or to meet the obligations of subsidiary		
			Name of the subsidiary	Relation	Nature of transaction for which funds utilized
Term Loan	Axis Finance Limited	7,000	JKM Global Pte Ltd (JKM Global)	JKM Global is a Wholly owned subsidiary of the Company	Refer Note 4(c) and Note 5. The funds were utilized for refinancing the borrowings of Eisenwerk Erla GmbH, Germany (EEG), [an indirect step-down wholly owned subsidiary of the Company] through intra-group loans

- f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associates or joint ventures.
- (x)
- a. The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi)
- a. To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. To the best of our knowledge, no report under subsection (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)
- a. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- b. We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2024 and the final internal audit reports which were issued after the balance sheet date covering the period of January to March 2025 in the audit of the Company for the year ended March 31, 2025.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its Holding Company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
- a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. The Group does not have any CIC as part of the group and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements 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) In respect of other than ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Fund specified in Schedule VII to the Companies Act, 2013 before the date of this report and within a period of six months of the expiry of the financial year in compliance with second proviso to subsection (5) of section 135 of the said Act.

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018



SATHYA P Koushik

Partner

(Membership No. 206920)

UDIN: 25206920BMJHIO6388

Place: Bangalore

Date: 27 May 2025

STANDALONE BALANCE SHEET

All amounts are in INR lakhs unless otherwise stated

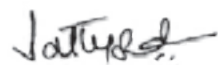
Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
a) Property, plant and equipment	3	29,705	30,359
b) Right-of-use assets	40	1,991	1,760
c) Capital work in progress	3	664	119
d) Other intangible assets	3	376	276
e) Intangible assets under development	3	563	-
f) Financial assets			
(i) Investments	4	39,706	37,663
(ii) Loan	5	5,716	6,859
(iii) Other financial assets	6	1,278	455
g) Income tax assets (net)	7	223	226
h) Other non-current assets	8	399	273
Total non-current assets		80,621	77,990
Current assets			
a) Inventories	9	14,528	11,919
b) Financial assets			
(i) Trade receivables	10	17,268	20,688
(ii) Cash and cash equivalents	11	265	519
(iii) Bank balances other than cash and cash equivalents above	12	1,218	1,058
(iv) Loans	13	1,567	88
(v) Other financial assets	14	1,215	1,225
c) Other current assets	15	8,900	3,715
Total current assets		44,961	39,212
Total Assets		1,25,582	1,17,202
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	16	679	679
b) Other equity	17	63,685	59,365
Total equity		64,364	60,044
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	18	15,280	16,423
(ii) Lease liabilities	40	1,400	1,297
(iii) Other financial liabilities	19	7	-
b) Provisions	20	2,652	2,168
c) Deferred tax liabilities (net)	21	2,180	3,454
Total non-current liabilities		21,519	23,342
Current liabilities			
a) Financial liabilities			
(i) Borrowings	22	20,824	19,156
(iii) Lease liabilities	40	702	629
(ii) Trade Payables	23		
(a) total outstanding dues of micro and small enterprises		1,795	1,198
(b) total outstanding dues of creditors other than micro and small enterprises		12,476	9,278
(iv) Other financial liabilities	24	1,806	1,681
b) Other current liabilities	25	652	461
c) Provisions	26	451	375
d) Current income tax liabilities (net)	27	993	1,038
Total current liabilities		39,699	33,816
Total Liabilities		61,218	57,158
Total Equity and Liabilities		1,25,582	1,17,202

See accompanying notes to the standalone financial statements
In terms of our report attached

for **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



SATHYA P KOUSHIK

Partner

Membership No. 206920

Place: Bangalore

Date: 27 May 2025

for and on behalf of the Board of Directors of

Dynamatic Technologies Limited



UDAYANT MALHOUTRA

Chief Executive Officer &
Managing Director

DIN : 00053714



SHIVARAM V

Chief Legal Officer &
Company Secretary



CHALAPATHI P

Executive Director &
Chief Financial Officer

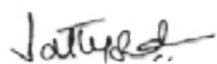
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STANDALONE STATEMENT OF PROFIT AND LOSS

All amounts are in INR lakhs unless otherwise stated except for earnings per share information

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	28	63,918	58,186
Other income	29	1,661	1,830
Total Income		65,579	60,016
Expenses			
Cost of materials and components consumed	30	31,533	29,400
Change in inventory of finished goods and work-in-progress	31	278	(1,615)
Employee benefits expense	32	10,346	8,492
Finance costs	33	4,269	5,026
Depreciation and amortisation expense	34	2,549	2,410
Other expenses	35	11,173	10,805
Total expenses		60,148	54,518
Profit before tax and exceptional items		5,431	5,498
Exceptional items	36	-	5,132
Profit before tax		5,431	10,630
Current tax	51	1,548	1,478
Deferred tax	51	(1,183)	(297)
Income tax expense		365	1,181
Profit for the year after tax		5,066	9,449
Other Comprehensive Income / (Loss) (OCI)			
<i>Items that will not to be reclassified subsequently to the statement of profit and loss</i>			
Remeasurement gain / (loss) of defined benefit plans		(362)	(108)
Income tax relating to items that will not be reclassified to the statement of profit and loss		91	27
<i>Items that will be reclassified subsequently to the statement of profit and loss</i>			
Foreign currency fluctuations under a cash flow hedge - gain/(loss), (net of tax)		-	508
Other comprehensive income for the year, net of income tax		(271)	427
Total comprehensive income for the year		4,795	9,876
Earning per equity share			
Basic and diluted (in INR):	49	74.61	139.12
Number of weighted average outstanding shares used in computing earnings per share		67,91,443	67,91,443

See accompanying notes to the standalone financial statements
In terms of our report attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



SATHYA P KOUSHIK
Partner
Membership No. 206920
Place: Bangalore
Date: 27 May 2025

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited



UDAYANT MALHOUTRA
Chief Executive Officer &
Managing Director
DIN : 00053714



CHALAPATHI P
Executive Director &
Chief Financial Officer
DIN : 08087615



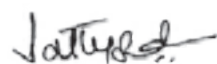
SHIVARAM V
Chief Legal Officer &
Company Secretary

STANDALONE STATEMENT OF CASH FLOWS

All amounts are in INR lakhs unless otherwise stated

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Operating activities:		
Profit before tax after exceptional items	5,431	10,630
Adjustments for:		
Depreciation and amortisation on Property, plant & equipment and intangible assets	1,835	1,686
Amortisation of Right-of-use assets	714	724
Finance costs	3,926	4,630
Interest on lease liabilities	225	224
Unrealised foreign exchange differences	(316)	(360)
Interest income	(866)	(720)
Loss/(Gain) allowance on financial assets, net	(19)	115
Exceptional Items (Refer Note 36)	-	(5,132)
Loss/(Gain) on sale of property, plant and equipment and intangible assets, net	40	(468)
Corporate Guarantee Income	(43)	-
Gain on lease modification	(31)	-
Operating cash flow before the movements in working capital	10,896	11,329
Changes in operating assets and liabilities		
Increase in inventories	(2,609)	(1,021)
Decrease/(Increase) in trade receivables	3,545	(4,451)
Increase in loans	(50)	(12)
Decrease/(Increase) in other financial assets	(29)	808
Decrease/(Increase) in other assets	(5,177)	2,103
Increase in trade payables	3,770	178
Increase/(Decrease) in provisions	198	(395)
Increase in other financial liabilities	135	226
Increase in other current liabilities	191	234
Cash generated from operations	10,870	8,999
Income taxes paid, net of refund	(1,590)	(1,086)
Net cash from operating activities (A)	9,280	7,913
Investing activities:		
Purchase of property, plant and equipment and intangibles assets	(2,613)	(3,205)
Proceeds from the sales of assets classified as held for sale	-	10,710
Proceeds from the sales of other property, plant and equipment	51	485
Inter-company loan provided to subsidiary company	(65)	(6,859)
Additional investment in equity shares of subsidiary company	(1,993)	(3,500)
Changes in bank deposits (having original maturity of more than three months), net	(160)	1,245
Interest income received	82	150
Net cash used in investing activities (B)	(4,698)	(974)
Financing activities:		
Proceeds from long term borrowings	2,700	16,411
Repayment of long term borrowings	(3,208)	(26,721)
Proceeds from short term borrowings, net	1,068	1,467
Payment of Lease liabilities	(964)	(1,080)
Interest paid	(3,957)	(5,191)
Dividend paid	(475)	(811)
Net cash used in financing activities (C)	(4,836)	(15,925)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(254)	(8,986)
Cash and cash equivalents at the beginning of the year	519	9,505
Cash and cash equivalents at the end of the year	265	519
Components of cash and cash equivalents (Refer note 11)		
Cash and cash equivalents		
Cash on hand	1	11
Balance with banks		
- in current accounts	264	508
Cash and cash equivalents in standalone balance sheet	265	519

See accompanying notes to the standalone financial statements
In terms of our report attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



SATHYA P KOUSHIK
Partner
Membership No. 206920
Place: Bangalore
Date: 27 May 2025

for and on behalf of the Board of Directors of
Dynamatic Technologies Limited



UDAYANT MALHOUTRA
Chief Executive Officer &
Managing Director
DIN : 00053714



SHIVARAM V
Chief Legal Officer &
Company Secretary



CHALAPATHI P
Executive Director &
Chief Financial Officer
DIN : 08087615

STANDALONE STATEMENT OF CHANGES IN EQUITY

All amounts are in INR lakhs unless otherwise stated

(A) Equity Share Capital

i) Current reporting period

Balance as at 1 April 2024	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2025
679	-	-	-	679

ii) Previous reporting period

Balance as at 1 April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the year	Balance as at 31 March 2024
679	-	-	-	679

(B) Other Equity

Particulars	Reserves and Surplus				Retained Earnings	Other items of other comprehensive income		Total equity attributable to equity holders of the Company
	Capital Reserve	Capital Redemption reserve	Reserve on amalgamation	General reserve		Remeasurement of the net defined benefit liability/asset	Cash Flow Hedge Reserve	
Balance as at 01 April 2024	15	240	154	3,138	27,162	-	-	59,365
Profit for the year	-	-	-	-	5,066	-	-	5,066
Other comprehensive Income/(loss) (OCI) for the year	-	-	-	-	-	-	(271)	(271)
Transfer of OCI to the retained earnings	-	-	-	-	(271)	-	271	-
Final Dividend	-	-	-	-	(340)	-	-	(340)
Interim Dividend	-	-	-	-	(135)	-	-	(135)
Balance as at 31 March 2025	15	240	154	3,138	31,482	-	-	63,685
Balance as at 01 April 2023	15	240	154	3,138	18,609	-	(508)	50,304
Profit for the year	-	-	-	-	9,449	-	-	9,449
Other comprehensive Income/(loss) (OCI) for the year	-	-	-	-	-	-	(81)	427
Transfer of OCI to the retained earnings	-	-	-	-	(81)	-	81	-
Final Dividend	-	-	-	-	(475)	-	-	(475)
Interim Dividend	-	-	-	-	(340)	-	-	(340)
Balance as at 31 March 2024	15	240	154	3,138	27,162	-	-	59,365

See accompanying notes to the standalone financial statements

In terms of our report attached, Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration No. 117366/WV-100018)


SATHYA P KOUSHIK
Partner

Place: Bangalore

Date: 27 May 2025

for and on behalf of the Board of Directors of Dynamic Technologies Limited



CHALAPATHI P
Executive Director &
Chief Financial Officer
DIN : 08087615



UDAYANT MALHOUTRA
Chief Executive Officer &
Managing Director
DIN : 00053714



SHIVARAM V
Chief Legal Officer
& Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

1 (i) Reporting entity

Dynamatic Technologies Limited ("the Company") was incorporated in 1973 as Dynamatic Hydraulics Limited under provisions of the Companies Act, 1956. In 1992, the name of the Company was changed to Dynamatic Technologies Limited. The Company is in the business of manufacturing highly engineered products for the Aerospace, Automotive and Hydraulic industries. The Company is listed in India with National Stock Exchange and Bombay Stock Exchange.

2 Material accounting policies

a Statement of compliance

These Standalone annual financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act 2013 ('the Act') read with Companies (Indian Accounting Standard) Rules (as amended from time to time) and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

b Functional and presentation currency

These Standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise mentioned.

c Basis of Preparation

The Standalone financial statements have been prepared on the historical cost convention and on an accrual basis of accounting, except for the following assets and liabilities which have been accounted as follows:

- (i) Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of defined benefit obligations.
- (ii) Certain financial assets and liabilities that are qualified to be measured at fair value, and
- (iii) Assets classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell.

d Use of estimates and management judgments

The preparation of Standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent liabilities and assets on the date of the Standalone financial statements and the reported amount of revenue and expenses for the year. Accounting estimates could change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Assumptions and estimation uncertainties

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these standalone financial statements have been disclosed in the following notes:

(i) Useful life of property, plant and equipment and intangible assets - Note 3:

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that or is not prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance.

(ii) Income taxes- Note 51:

In assessing the realisability of deferred tax assets, the Management considers whether some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(iii) Provisions and contingencies- Note 20, 26 and 37 :

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

(iv) Post-retirement benefit plans- Note 44 :

The obligation arising from the defined benefit plan is determined on the basis of actuarial assumptions which include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined with reference to market yields at each financial year end on the government bonds.

(v) Impairment of financial assets- Note 4, 5, 6, 10, 13, 14 and 45 :

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(vi) Impairment of investments - Note 4 :

The impairment provisions for investments are based on projections which inter alia include sales and earnings before interest, depreciation and amortization and tax. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

(vii) Leases- Note 40:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

e Measurement of fair values

Certain accounting policies and disclosures of the Company requires use of valuation techniques in measuring the fair value of some of the company's financial assets and liabilities where active market quotes are not available. In applying the valuation

techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date. The measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 45: financial instruments.

f Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation (which includes capitalised borrowing costs, if any) and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing an asset to working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials,

direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

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.

Borrowing cost directly attributable to acquisition of property, plant and equipment which take substantial period of time to get ready for its intended use are capitalized to the extent they relate to the period till such assets are ready to be put to use.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a Straight Line Method ('SLM') over estimated useful life of the property, plant and equipment less their estimated residual value as defined by the Management. Depreciation for assets purchased / sold during the year is proportionately charged.

Category of assets	Useful life estimated by Management
Leasehold land	Over the period of lease
Buildings	30 years
Plant and machinery*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Measuring instruments*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Electrical installations*	10 years, 13 years and 21 years for 3 shifts, 2 shifts and 1 shift respectively
Data processing equipment	4 years
Office equipment	5 years
Furniture and fixtures	5 -10 years
Tools, dies and moulds	9 years
Vehicles*	10 years
Motor boat*	20 years

Assets taken on lease:	
- Leasehold improvements	Period of lease tenure or useful life of assets whichever is lower

Freehold land is not depreciated.

* The Management believes that the useful lives as given above best represent the period over which management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act ,2013.

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Derecognition of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains / losses.

Advance paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date classified as capital advances under other non current assets and the cost of the assets not put to use before such date are disclosed under Capital work in progress.

g Intangible assets

Acquired intangible assets

Intangible assets that are acquired by the Company, which have finite useful lives, are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Internally generated intangible assets

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in statement of profit and loss as incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;

- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Subsequent measurement

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including on internally generated software is recognized in profit and loss as and when incurred.

Amortisation

The Company amortizes intangible assets with a finite useful life using the straight-line method over the estimated useful lives.

The estimated useful lives of intangibles are as follows:

Category of asset	Useful life
Application Software	4 years
Prototype development	10 years

The assets residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

h Impairment

(i) Financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss 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 initial recognition. For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

(ii) Non-financial assets

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment 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 CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

i Leases

(i) The Company as a lessee :

The Company's lease asset classes primarily consist of leases for land, buildings and plant and machinery. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether :

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized 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. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU 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. ROU 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. 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. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-of use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) The Company 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 transfer 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.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

j Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories comprises purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost is used. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to sell. The comparison of cost and net realizable value is made on an item-by-item basis. Inventories are stated net of write down or allowances on account of obsolescence, damage or slow moving items.

The method of determination of cost is as follows:

- Raw materials and components – on a weighted average basis
- Stores and spares – on a weighted average basis

- Work-in-progress – includes costs of conversion
- Finished goods – includes costs of conversion
- Goods in transit – at purchase cost

The net realizable value of work-in-progress is determined with reference to the net realizable value of related finished goods. Raw materials and other supplies held for use in production of inventories 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. Fixed production overheads are allocated on the basis of normal capacity of production facilities. The provision for inventory obsolescence is assessed periodically and is provided as considered necessary.

k Revenue recognition

Revenue is recognised upon transfer of control of promised goods or services to customers and is measured based on the consideration to which the Company expects to be entitled to in a contract with a customer and excludes trade discounts, volume rebates and amounts collected on behalf of government. For certain contracts that permit the customer to return an item, revenue is recognised to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

Where the Company's contracts with customers include promise to transfer multiple goods and services to a customer, the Company assesses the goods/services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations is made to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such goods, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. to determine whether the performance obligation is satisfied at a point in time or over a period of time.

Revenue from customer contracts for design and development of products/tools & jigs is recognized as a performance obligation satisfied over time. Revenue is recognized based on the stage of completion of the contract. The management has assessed that the stage of completion determined as the proportion of total efforts expected to develop the product at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations under Ind AS 115. Payment for these services is not due till the completion of the development and therefore, a contract asset is recognized over the period in which the development services are performed

representing the entity's right to consideration for the services performed to date.

Export benefits are recognized in the statement of profit and loss account when the right to receive credit as per the terms of the entitlement is established in respect of exports made.

Service income including management fees is measured based on transaction price and is recognized when an unconditional right to receive such income is established and on the performance of services.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned revenue ("contract liability") is recognised when there are billings in excess of revenue.

l Other income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

m Investments in subsidiaries

Investment in equity shares in subsidiaries is carried at deemed cost less impairments if any in the financial statements.

n Financial Instruments

i) Financial assets

1) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Company becomes a party to contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus transaction cost that are directly attributable to its acquisition or issue.

2) Classification and subsequent measurement

Financial assets

On initial recognition, a financial instrument is classified and measured at

- amortised cost
- fair value through other comprehensive income (FVOCI) - debt instruments;

- fair value through other comprehensive income (FVOCI) - equity investments; or
- fair value through profit and loss (FVTPL)

Financial assets are not classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets; and
- the contractual terms of the financial assets give rise on a specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

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

All financial assets not classified as amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mistake that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets, at FVTPL:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognized in profit or loss.

Financial assets at amortised cost:

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Debt investments at FVTOCI:

These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI:

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

3) Derecognition of financial assets

A financial asset is derecognized only when:

- the Company has transferred the rights to receive cash flows from financial asset or
- retains the contractual rights to receive the cash flows from financial asset but assumed a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

ii) Financial liability

1) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost. All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

2) 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.

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

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

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

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 or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount 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.

Derivative financial instruments and Hedge Accounting

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations.

The instruments are confined principally to forward foreign exchange contracts, cross currency swaps, interest rate swaps and collars. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/ firm contractual commitments. Derivatives are initially accounted for and measured at fair value on the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period.

The Company adopts hedge accounting for forward foreign exchange and interest rate contracts wherever possible. At inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item and transaction and nature of the risk being hedged. At inception, each hedge is expected to be highly effective in achieving an offset of changes in fair value or cash flows attributable to the hedged risk. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at the inception and on an ongoing basis. The ineffective portion of designated hedges is recognised immediately in the statement of profit and loss.

The Company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of its forecasted cash flows. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in the Statement of Profit and Loss at the time of the hedge relationship rebalancing.

When a derivative is designated as a cash flow hedge instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve, and is transferred to the Statement of Profit and Loss upon the occurrence of the related forecast transaction.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the statement of profit and loss for the period. In cases where hedge accounting is not applied, changes in the fair value of derivatives are recognised in the statement of profit and loss as and when they arise.

o Employee benefits

(i) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on plan assets above or below the discount rate is recognized as part of remeasurement of net defined liability or asset through other comprehensive income. Remeasurements comprising actuarial

gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

The Company's gratuity scheme is administered through Life Insurance Corporation of India and the provision for the same is determined on the basis of actuarial valuation carried out by an independent actuary. Provision is made for the shortfall, if any, between the amounts required to be contributed to meet the accrued liability for gratuity as determined by actuarial valuation and the available corpus of the funds.

(ii) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short-term employee benefits, which include benefits like salaries, wages, short-term compensated absences and performance incentives and are recognised as expenses in the period in which the employee renders the related service.

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short term performance incentive, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the amount of obligation can be estimated reliably.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Compensated absences

The employees of the Company are entitled to compensated absence. The employees can carry-forward a portion of the unutilized accumulating compensated absence and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit method as at the reporting date. Actuarial gains / losses are immediately taken to the Standalone statement of profit and loss and Other comprehensive income.

(iv) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee Provident Fund to Government administered Provident Fund Scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit

and loss during the period in which the employee renders the related service.

(v) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost of restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

p Foreign currency transactions and balances

Foreign currency are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are translated into relevant functional currency at exchange rates in effect at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are recognized in profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

q Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent it relates to items recognized directly in equity, 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 or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below:

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction;
- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the forcible future; and
- taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognized or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

Deferred tax assets include Minimum Alternative Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realized.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

r Discontinued operations and assets held for sale:

(i) Discontinued operations:

A discontinued operation is a component of the Company's business, the operations and cash flows of which can be clearly distinguished from those of the rest of the Company's business and which represents a separate major line of business or geographical area of operations and

- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operations meets the criteria to be classified as held for sale, if earlier. When a operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operations had been discontinued from the start of the comparative period.

(ii) Assets held for sale:

Non-current assets and disposal group are classified as "Held for Sale" if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of "Held for Sale" is met when the non-current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as "Held for Sale". Non-current assets and disposal group held for sale are measured at the lower of carrying amount and fair value less cost to sell. Non-current assets and disposal group that ceases to be classified as "Held for Sale" shall be measured at the lower of carrying amount before the non-current asset and disposal group was classified as "Held for Sale" adjusted for any depreciation/ amortization and its recoverable amount at the date when the disposal group no longer meets the "Held for sale" criteria.

s Provisions (other than employee benefits)

(i) General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the 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.

(ii) Onerous contract:

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

t Contingent Liability

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation arising from the past events that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

u Cash and cash equivalents

Cash and cash equivalent includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

v Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before taxes for the period 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.

w Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that is dilutive and which either reduces earnings per share or increase loss per share are included.

x Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief

Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. Hydraulics, Aerospace, Automotive and aluminium castings (Discontinued operations) and Others.

y Warranties

Warranty costs are estimated by the Management on the basis of technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the period of sale of goods.

z Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

aa Exceptional items

An item of income or expense which by its size, type, nature or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

3 Recent Pronouncements

On May 7, 2025, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2025. This notification has resulted into amendments in Ind AS 21 - Effects of Changes in Foreign Exchange Rates which are applicable to the Company from April 1, 2025. The Company is assessing the impact of the above amendments on the Company's financial statements.

3 Property, plant and equipment, Other intangible assets, Capital work-in-progress and Intangible assets under Development

3.1 Property, plant and equipment

(Rs in Lakhs)

Particulars	Owned										Leased		Total	
	Freehold land	Buildings	Plant and Machinery	Measuring Instruments	Electrical Installations	Data Processing Equipment	Office Equipment	Furniture and Fixtures	Tools, Dies and Moulds	Vehicles	Motor Boat	Leasehold improvements		Land (Refer Note (i) below)
Gross carrying amount:														
Balance as at 1 April 2023	-	2,283	6,714	1,368	632	1,007	724	235	3,072	411	402	514	12,708	30,070
Additions	-	7,405	1,081	36	887	386	113	150	211	466	-	90	-	10,825
Assets transferred from assets held for sale (Refer Note 36)	1,089	-	-	-	-	-	-	-	-	-	-	-	-	1,089
Deletion	-	-	(427)	(14)	(14)	(87)	(37)	(84)	(15)	(1)	-	(347)	-	(1,026)
Balance as at 31 March 2024	1,089	9,688	7,368	1,390	1,505	1,306	800	301	3,268	876	402	257	12,708	40,958
Balance as at 1 April 2024	1,089	9,688	7,368	1,390	1,505	1,306	800	301	3,268	876	402	257	12,708	40,958
Additions	-	27	251	97	41	240	79	50	297	15	-	31	-	1,128
Deletion	-	-	(96)	(5)	-	(104)	-	-	(70)	(87)	-	-	-	(362)
Balance as at 31 March 2025	1,089	9,715	7,523	1,482	1,546	1,442	879	351	3,495	804	402	288	12,708	41,724
Accumulated depreciation:														
Balance as at 1 April 2023	-	444	4,672	472	162	734	503	127	1,813	313	237	369	-	9,846
Depreciation for the year	-	156	449	235	91	123	88	30	295	31	18	50	-	1,566
Depreciation on deletion	-	-	(381)	-	-	(58)	(29)	(47)	-	-	-	(298)	-	(813)
Balance as at 31 March 2024	-	600	4,740	707	253	799	562	110	2,108	344	255	121	-	10,599
Balance as at 1 April 2024	-	600	4,740	707	253	799	562	110	2,108	344	255	121	-	10,599
Depreciation for the year	-	346	456	96	135	168	72	28	277	66	18	23	-	1,685
Depreciation on deletion	-	-	(87)	-	-	(92)	-	-	(51)	(35)	-	-	-	(265)
Balance as at 31 March 2025	-	946	5,109	803	388	875	634	138	2,334	375	273	144	-	12,019
Net carrying amount:														
As at 31 March 2025	1,089	8,769	2,414	679	1,158	567	245	213	1,161	429	129	144	12,708	29,705
As at 31 March 2024	1,089	9,088	2,628	683	1,252	507	238	191	1,160	532	147	136	12,708	30,359

Notes:

(i) Leasehold land aggregating INR 12,708 represents land allotted by Karnataka Industrial Areas Development Board (KIADB) for a period of 10 years on lease. As per the lease agreement dated 21 August 2014 KIADB shall sell the land to the Company at any time during the tenure of the lease or on the expiry of the lease period at an additional consideration, if any to be decided at the time of entering into sale agreement. Accordingly, no depreciation has been charged on land taken on lease from KIADB. The Company has filed an application for the transfer of the land in the name of Company during August 2024 and believes that the condition required to be fulfilled to obtain the ownership of this land is administrative in nature.

3.2 Intangible assets

Particulars	Application Software	Total
Gross carrying amount:		
Balance as at 1 April 2023	445	445
Additions	121	121
Deletion	(5)	(5)
Balance as at 31 March 2024	561	561
Balance as at 1 April 2024	561	561
Additions	250	250
Deletion	-	-
Balance as at 31 March 2025	811	811
Accumulated amortisation:		
Balance as at 1 April 2023	165	165
Amortisation for the year	120	120
Amortisation on deletion	-	-
Balance as at 31 March 2024	285	285
Balance as at 1 April 2024	285	285
Amortisation for the year	150	150
Amortisation on deletion	-	-
Balance as at 31 March 2025	435	435
Net carrying amount:		
As at 31 March 2025	376	376
As at 31 March 2024	276	276

3.3 Capital work-in-progress

Ageing for capital work-in-progress as at 31 March 2025 is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Building expansion at Aerotropolis	6	-	1	-	7
Plant & Machinery	628	29	-	-	657
Total	634	29	1	-	664

Ageing for capital work-in-progress as at 31 March 2024 is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
SAP Software	10	69	-	-	79
Building expansion at Aerotropolis	4	1	6	-	11
Plant & Machinery	29	-	-	-	29
Total	43	70	6	-	119

3.4 Intangible assets under development

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 year	Total
Projects	563	-	-	-	563

4 Non-current investments

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unquoted equity shares</i>		
Investment in subsidiaries carried at cost less provision for other than temporary diminution in value		
i) 4,999,930 equity shares (31 March 2024: 4,999,930 equity shares) of face value of INR 10 each fully paid up of JKM Research Farm Limited	2,448	2,448
ii) 3,64,41,328 equity shares (31 March 2024: 3,64,41,328 equity shares) of face value of INR 10 each fully paid up of Dynamatic Manufacturing Limited (formerly known as JKM Ferrrotech Limited) ('DML') [Refer note (a) below]	3,694	3,644
iii) 20,689,462 equity shares (31 March 2024: 19,322,937 equity shares) of face value of SGD 1 each fully paid up of JKM Global Pte Limited, Singapore [Refer note (b) below]	22,962	20,969
Less: Provision for impairment	1,900	1,900
	21,062	19,069
iv) 107,914,994 equity shares (31 March 2024: 107,914,994 equity shares) of face value of INR 10 each fully paid of JKM Erla Automotive Limited [Refer note (c) below]	26,221	26,221
Less: Provision for impairment	13,719	13,719
	12,502	12,502
	39,706	37,663
Aggregate value of unquoted investments	55,325	53,282
Aggregate amount of impairment in value of investments	15,619	15,619

(a) During the Current year, The Company has provided the corporate guarantee on behalf of Dynamatic Manufacturing Limited, wholly owned subsidiary to Bank towards the loan availed, accordingly the Company has recognised the Corporate Guarantee (Refer Note 19 and 37).

Last year, the Company has subscribed to the Dynamatic Manufacturing Limited's equity share on 25 March 2024 under Rights issue towards 3,50,00,000 equity shares at face value of INR 10 each.

(b) The Company has subscribed to the JKM Global Pte Limited 's ordinary share on 15 July 2024 towards 13,66,525 at subscription price of SGD 2.36 per share (Face Value of Share is SGD 1 per share).

(c) The Company's investments in its German operations are held in Eisenwerk Erla GmbH, Germany (EEG), an indirect step down wholly owned subsidiary of the Company. EEG, was a wholly owned by JKM Erla Holdings GmbH, Germany (JKM Erla), which was a wholly owned subsidiary of JKM Erla Automotive Limited, India (JEAL), another wholly owned subsidiary of the Company.

EEG, is currently undergoing a transformation from automotive and foundry businesses to the aerospace business. Considering the various challenges involved, viz., the supply chain crisis at OEMs, current inflation in Europe, and the steep and unpredictable increase in the cost of gas and electricity being faced by corporations across Europe, EEG undertook corporate restructuring measures through the "Protective Shield Process by Self-Administration" under the applicable German Laws, and in this regard, a financial resolution plan was filed before the local court at Chemnitz, which got approved by creditors in favour of EEG. Consequent to this, the local court at Chemnitz passed its final order and ended the protective shield through self-administration proceedings effective 1 August 2023.

Owing to the aforesaid intra-group corporate restructuring measures, JKM Erla, engaged in the business of setting up automotive component processing/manufacturing units was decided to be dismantled with the aim of streamlining the group's holding structure for German operations, and accordingly an application has been made before appropriate authorities and is awaiting necessary order. In the interim, the 100% shareholdings held by JKM Erla in EEG was assigned to JEAL. During the year ended 31 March 2025, the order for the liquidation has been received.

The restructuring carried out by EEG also envisaged refinancing of certain borrowings of EEG by way intra-group loans. As part of the above restructuring:

- 1) The Company borrowed as sum of Rs. 7,000 lakhs from Axis Finance Limited
- 2) The Company granted a loan of SGD 111 lakhs to JKM Global Pte Ltd, a wholly owned subsidiary, which in turn provided a loan to EEG through its UK based subsidiary. The said loan recoverable from JKM Global Pte Ltd. continues to be outstanding as at 31 March 2025 (Refer note 5).

As part of the annual impairment assessment of Investments, the Company has recognized an impairment provision of Rs. 671 lakhs in respect of its investment in Germany in the year ended 31 March 2024.

5 Loan

Particulars	As at 31 March 2025	As at 31 March 2024
Inter-company loan provided to subsidiary (Refer Note 48)*	5,716	6,859
	5,716	6,859

*The Company has provided unsecured inter-company loan to JKM Global Pte Limited of SGD 111 Lakhs and JKM Erla Automotive Limited of INR 73 Lakhs, 100% wholly owned subsidiaries. Amount receivable within 12 months has been re-classified to other current financial assets.

Refer below the movement of Inter-company loan:**As at 31 March 2025:**

Name of the borrower and nature of relationship	Security	Rate of Interest	As of 1 April 2024	Given during the year	Repayment during the year	As at 31 March 2025	Maximum amount outstanding during the year ended 31 March 2025
JKM Global Pte Limited - Wholly owned subsidiary	Unsecured	10.75%	SGD 11,100,000	-	-	SGD 11,100,000	SGD 11,100,000
JKM Erla Automotive Limited, India - Wholly owned subsidiary	Unsecured	10.25%	INR 7 lakhs	INR 67 lakhs	-	INR 73 lakhs	INR 73 lakhs

As at 31 March 2024:

Name of the borrower and nature of relationship	Security	Rate of Interest	As of 1 April 2023	Given during the year	Repayment during the year	As at 31 March 2024	Maximum amount outstanding during the year ended 31 March 2024
JKM Global Pte Limited - Wholly owned subsidiary	Unsecured	10.75%	-	SGD 11,100,000	-	SGD 11,100,000	SGD 11,100,000
JKM Erla Automotive Limited, India - Wholly owned subsidiary	Unsecured	10.25%	-	INR 7 lakhs	-	INR 7 lakhs	INR 7 lakhs

6 Other non-current financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good		
Security deposits	508	455
Accrued Interest (Refer Note 48)*	770	-
	1,278	455

*Accrued interest is pertains to Inter-company loan.

7 Income tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance income tax and tax deducted at source, net of provision	223	226
	223	226

8 Other non-current assets

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Prepaid expense	184	192
Capital advances	215	81
	399	273

9 Inventories (Valued at lower of cost and net realizable value)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials and components	7,018	4,170
Work-in-progress	4,738	4,358
Finished goods	1,375	2,033
Stores and spares	1,397	1,358
	14,528	11,919

10 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Trade receivable	17,641	21,080
Less: Allowance for credit loss	(373)	(392)
Total trade receivables	17,268	20,688

(i) All trade receivables are 'current'.

Of the above, trade receivables from related parties are as below:

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables from related parties (Refer Note 48)	1,213	3,303
Net trade receivables	1,213	3,303

Trade Receivables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	9,887	6,255	723	407	238	131	17,641
Less: Allowances for credit loss							(373)
Total Trade receivable							17,268

Trade Receivables ageing schedule as at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	8,097	10,264	1,482	928	64	245	21,080
Less: Allowances for credit loss							(392)
Total Trade receivable							20,688

Note: There are no disputed trade receivables as at 31 March 2025 and 31 March 2024.

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in note 46.

11 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	1	11
Balance with banks		
- in current accounts	264	508
	265	519
Cash and cash equivalents as defined in Ind AS 7 "Statements of Cash Flows"	265	519

12 Bank balances other than cash and cash equivalents above

Particulars	As at 31 March 2025	As at 31 March 2024
In deposit accounts-held as margin money (due to mature within 12 months from the reporting date)*	1,208	1,052
Unpaid dividend	10	6
	1,218	1,058

*Balances in margin money deposits represents deposits made for non-fund based limits with banks, which are available for use to settle a liability for not more than 12 months from the balance sheet date.

13 Current Loans

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Loans to employees	138	88
Inter-company loan provided to subsidiary	1,429	-
	1,567	88

14 Other current financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Management fee receivable from related parties (Refer Note 48)	580	549
Security deposits	51	106
Accrued interest	584	570
	1,215	1,225

15 Other current assets

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Unsecured, considered good</i>		
Advances for supply of goods	1,835	664
Contract assets	2,553	5
Trade advance to related parties (Refer Note 48)	797	652
Prepaid expense	402	194
Balances with government authorities	3,313	2,200
	8,900	3,715

Contract assets ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from date of transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	2,553	-	-	-	-	-	2,553

Contract assets ageing schedule as at 31 March 2024:

Particulars	Outstanding for following periods from date of transaction						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Contract assets	5	-	-	-	-	-	5

16 Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised		
Equity shares		
20,000,000 equity shares (31 March 2024: 20,000,000 equity shares) of par value of INR 10 each	2,000	2,000
Preference shares		
500,000 redeemable cumulative preference shares (31 March 2024: 500,000 shares) of par value of INR 100 each	500	500
	2,500	2,500
Issued, subscribed and fully paid up		
Equity shares		
6,791,443 equity shares (31 March 2024: 6,791,443 equity shares) of par value of INR 10 each	679	679
	679	679

i. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2025		31 March 2024	
	Number of shares	Amount (INR in lakhs)	Number of shares	Amount (INR in lakhs)
Shares outstanding at the beginning of the year	67,91,443	679	67,91,443	679
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	67,91,443	679	67,91,443	679

ii. Rights, preferences and restrictions attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining asset of the Company after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company has not allotted any fully paid equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

iii. Details of shareholders holding more than 5% of equity shares in the Company

Particulars	31 March 2025		31 March 2024	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 10 each fully paid-up held by				
i) Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%
ii) JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%
iii) Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%
iv) JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%
v) Samena Special Situations Mauritius	3,34,837	4.93%	5,55,754	8.18%
vi) HDFC Trustee Company Limited	3,69,859	5.45%	3,82,071	5.63%

iv Disclosure of Shareholding of Promoters

Disclosure of shareholding of promoters as at 31 March 2025 is as follows:

Sr. No	Shares held by promoters Promoter name	As at 31 March 2025		As at 31 March 2024		% Change during the year
		No of Shares	% of total shares	No of Shares	% of total shares	
1	Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%	-
2	JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%	-
3	Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%	-
4	JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%	-
5	Christine Hoden (India) Private Limited	95,100	1.40%	95,100	1.40%	-
6	Greenearth Biotechnologies Limited	22,927	0.34%	22,927	0.34%	-
7	Barota Malhoutra	4,938	0.07%	4,938	0.07%	-
8	Vita Private Limited	100	0.00%	100	0.00%	-
9	Primella Sanitary Products Private Limited	100	0.00%	100	0.00%	-
		28,43,245	41.87%	28,43,245	41.87%	-

Disclosure of shareholding of promoters as at 31 March 2024 is as follows:

Sr. No	Shares held by promoters Promoter name	As at 31 March 2024		As at 31 March 2023		% Change during the year
		No of Shares	% of total shares	No of Shares	% of total shares	
1	Udayant Malhoutra	5,23,460	7.71%	5,23,460	7.71%	-
2	JKM Holdings Private Limited	11,12,538	16.38%	11,12,538	16.38%	-
3	Udayant Malhoutra and Company Private Limited	6,42,011	9.45%	6,42,011	9.45%	-
4	JKM Offshore India Private Limited	4,42,071	6.51%	4,42,071	6.51%	-
5	Christine Hoden (India) Private Limited	95,100	1.40%	95,100	1.40%	-
6	Greenearth Biotechnologies Limited	22,927	0.34%	22,927	0.34%	-
7	Barota Malhoutra	4,938	0.07%	4,938	0.07%	-
8	Vita Private Limited	100	0.00%	100	0.00%	-
9	Primella Sanitary Products Private Limited	100	0.00%	100	0.00%	-
		28,43,245	41.87%	28,43,245	41.87%	-

17 Other equity (Refer Statement of Changes in Equity for detailed movement of each component of Other Equity)

Particulars	As at 31 March 2025	As at 31 March 2024
Capital reserves	15	15
Capital redemption reserve	240	240
Reserve on amalgamation	154	154
General reserve	3,138	3,138
Securities premium	28,656	28,656
Retained earnings	31,482	27,162
Total other equity	63,685	59,365

(i) Capital reserve:

Capital reserve was created on account of subsidy received during the year ended 31 March 2005 and is not freely available for dividend distribution.

(ii) Capital redemption reserve:

During the year ended 31 March 2005, an amount of INR 240 lakhs was transferred to Capital redemption reserve upon redemption of preference share, in accordance with Section 69 of the Companies Act, 1956. It is not freely available for dividend distribution.

(iii) Reserve on amalgamation:

Reserve on amalgamation was created pursuant to the scheme of amalgamation of JKM Daerim Automotive Limited (JDAL) during the year ended 31 March 2008. It is not freely available for dividend distribution.

(iv) General reserve:

General reserve is used from time to time to transfer profits from retained earnings for appropriation purpose.

(v) Securities premium:

Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of the Act.

(vi) Retained earnings:

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the profit after tax is transferred from the statement of profit and loss to the retained earnings.

18 Non-current borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Secured loans</i>		
i) Term loans		
- from banks [Refer footnote (i)]	8,926	9,129
- from financial institutions [Refer footnote (ii)]	8,557	10,362
<i>Secured loans</i>		
ii) Working Capital term loan		
- from banks [Refer footnote (i)]	1,500	-
Total borrowings	18,983	19,491
Less: Current maturities of long term borrowing	(1,496)	(1,310)
Less: Current Maturities of long term borrowings from financial institutions	(2,207)	(1,758)
	15,280	16,423

Information about the Company's exposure to interest rate, currency and liquidity risk are disclosed in note 46.

(i) From banks (including current maturities of non - current borrowings shown under current borrowing):

Details of repayment terms, interest and maturity	Nature of Security
Term loan from bank aggregating to INR 8,822 (31 March 2024: INR 9,000) repayable in 28 quarterly instalments. First instalment starting from 1 June 2024 with interest rate at 9.60% per annum (31 March 2024: 9.60% per annum).	First pari passu charge on the entire movable and immovable fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company. First charge over Debt Service Reserve Account (DSRA)
Term loan from bank aggregating to INR 104 (31 March 2024: INR 129) repayable in 60 monthly instalments. First instalment starting from 31 October 2023 with interest rate at 8.90% per annum (31 March 2024: 8.90% per annum).	Hypothecation of asset (cars)
Working Capital Term loan from bank aggregating to INR 1,500 (31 March 2024: INR Nil) repayable in 36 equal monthly instalments post 24 months of principal moratorium. First instalment starting from 1 April 2027 with fixed interest rate at 9.20% per annum.	First pari passu charge on the current assets of the Company. Second pari passu charge on the movable and immovable fixed assets of the Company.

(ii) From financial institutions (including current maturities of non - current borrowings shown under other current borrowing):

Details of repayment terms, interest and maturity	Nature of Security
Term Loan from financial institutions aggregating to INR 2,407 (31 March 2024: INR 3,080) repayable in 20 quarterly instalments first instalment starting from 30 June 2023 with interest rate of 10.75% per annum (31 March 2024: 10.75% per annum).	First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company. First charge over Debt Service Reserve Account (DSRA). Personal guarantee issued by the promoter.
Term Loan from financial institutions aggregating to INR 5,950 (31 March 2023: INR 7,000) repayable in 20 quarterly instalments first instalment starting from 30 September 2024 with interest rate of 10.45% per annum (31 March 2024: 10.25% per annum).	First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company.
Term Loan from financial institutions aggregating to INR 200 (31 March 2024: INR 282) repayable in 60 monthly instalments with interest rate of 10.25% per annum (31 March 2024: 10.25%).	Hypothecation of assets (cars)

19 Other non-current financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Corporate Guarantee Liabilities (Refer Note 37)*	7	-
	7	-

*The Company has provided the corporate guarantee on behalf of Dynamatic Manufacturing Limited, wholly owned subsidiary to Bank towards the loan availed.

20 Non-current provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Provision for gratuity (Refer Note 44)	2,261	1,817
Provision for compensated absences	391	351
	2,652	2,168

21 Deferred tax liabilities (net) (Refer Note 51)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities		
Property, plant and equipment's and intangible assets	1,577	1,354
Fair value impact on investment in subsidiaries	2,027	3,232
Total deferred tax liabilities (A)	3,604	4,586
Deferred tax assets		
Provision for gratuity and compensated absences	781	640
Right of Use Assets & Lease Liabilities	28	46
Provision for loss allowance	94	99
Others	521	347
Total deferred tax assets (B)	1,424	1,132
Net deferred tax liability (A - B)	2,180	3,454

22 Current borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
<i>Secured Loans</i>		
Loans from banks repayable on demand		
- Cash credit and working capital demand loans*	17,121	16,088
Current maturities of long-term borrowings (Refer Note 18)	3,703	3,068
	20,824	19,156

* Cash credit and working capital demand loans from banks carry interest ranging between 9.25% - 10.35% per annum (31 March 2024: 10.65%-12.65% per annum), computed on a monthly basis on the actual amount utilized, and are repayable on demand. Packing Credit & Working Capital Demand loans in Foreign Currency from banks carry interest rate of 6m SOFR+3.00% per annum (31 March 2024: 6m SOFR+3.00% and 6m SOFR+3.50% per annum) .

These are secured by first pari passu charge by way of hypothecation of stock and book debts of the Company and second pari passu charge on the movable and immovable fixed assets of the Company.

Information about the Company's exposure to interest rate, currency and liquidity risk are disclosed in note 46.

23 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Dues of micro and small enterprises (Refer Note 43)	1,795	1,198
Dues to creditors other than micro and small enterprises	12,476	9,278
	14,271	10,476

Trade Payables ageing schedule as at 31 March 2025:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME*	1,099	647	32	17	-	1,795
Others	9,195	3,055	112	14	100	12,476
Total	10,294	3,702	144	31	100	14,271

* old outstanding is on account of retention money.

Trade Payables ageing schedule as at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	1,142	39	17	-	-	1,198
Others	5,815	3,191	96	160	16	9,278
Total	6,957	3,230	113	160	16	10,476

All trade payables are current.

The Company's exposure to currency and liquidity risk are disclosed in note 46.

Related party balance are disclosed in note 48.

24 Other current financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Accrued expenses	1,626	1,522
Capital creditors	33	26
Interest accrued but not due	80	70
Security deposits	57	57
Unpaid dividend	10	6
	1,806	1,681

The Company's exposure to currency and liquidity risk are disclosed in note 46.

25 Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Advance from customers	324	258
Statutory liabilities	328	203
	652	461

26 Current provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits:		
Provision for gratuity (Refer Note 44)	412	332
Provision for compensated absences (Refer Note 44)	39	43
	451	375

27 Current tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for income tax (net of advance tax and TDS)	993	1,038
	993	1,038

28 Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products		
Revenue from sale of products	63,017	57,597
Total revenue from sale of products (A)	63,017	57,597
Other Operating revenue		
Export Incentive	256	15
Scrap sales	645	574
Total other operating revenue (B)	901	589
Total revenue from operations (A+B) (Refer Note 52)	63,918	58,186

29 Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on financial assets carried at amortised cost	95	166
Interest income on trade advance/ loan to related party (Refer Note 48)	771	554
Gain on sale of Property, plant and equipment	-	468
Net gain on foreign currency transaction and translation	698	503
Corporate Guarantee Income	43	-
Gain on lease modification	31	-
Reversal of Loss allowance on financial assets, net	19	-
Miscellaneous income	5	139
	1,661	1,830

30 Cost of materials and components consumed

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory of materials and components at the beginning of the year	4,170	4,907
Add: Purchases of materials and components	34,381	28,663
Less: Inventory of materials and components at the end of the year	(7,018)	(4,170)
	31,533	29,400

31 Changes in inventory of finished goods and work-in-progress

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening stock		
- Finished goods	2,033	601
- Work-in-progress	4,358	4,175
	6,391	4,776
Closing stock		
- Finished goods	(1,375)	(2,033)
- Work-in-progress	(4,738)	(4,358)
	(6,113)	(6,391)
	278	(1,615)

32 Employee benefits expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries, wages and bonus	8,568	6,953
Contribution to provident fund and other funds	893	725
Staff welfare expenses	885	814
	10,346	8,492

33 Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense on financial liabilities at amortised cost*	3,725	3,852
Interest expense on lease liabilities (Refer Note 40)	225	224
Other borrowing cost	201	778
Interest on delayed payment of taxes	118	172
	4,269	5,026

* Interest expense includes realised & unrealised Forex exchange loss of INR Nil (31 March 2024: INR 53 Lakhs) on re-statement of foreign currency term loans.

34 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment (Refer Note 3.1)	1,685	1,566
Amortisation of Right-of-use assets (Refer Note 40)	714	724
Amortisation of intangible assets (Refer Note 3.2)	150	120
	2,549	2,410

35 Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Subcontractor charges	2,786	2,596
Consumption of stores, loose tools and spare parts	2,036	2,054
Power and fuel	620	759
Legal and professional fees	968	941
Payment to Auditors (Refer Note 39)	105	91
Travelling and conveyance expenses	745	767
Rent	235	264
Packing expenses	520	540
Repairs and maintenance:		
- buildings	108	34
- plant and machinery	636	548
- others	464	345
Freight outward	329	399
Security charges	255	263
Rates and taxes	205	194
Loss allowance on financial assets, net	-	115
Insurance	273	224
Subscription and advertisement	316	195
Bank charges	91	85
Printing and stationery	60	56
Communication expenses	47	60
Directors sitting fees	67	71
Loss on sale of Property, plant and equipment	40	-
Corporate social responsibility expenses (Refer Note 53)	90	62
Miscellaneous expenses	177	141
	11,173	10,805

36 Exceptional Items

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Gain on the sale of windfarm land classified as held for sale*	-	6,237
Provision for impairment on investment (Refer Note 4)	-	(671)
Termination charges on Cross Currency Swap	-	(434)
	-	5,132

*On 6 January 2024, the Company has completed the sale of wind farm lands admeasuring 357.867 acres including building, situated at Varapatti Village, Sulur Taluk, Coimbatore, in favour of Tamil Nadu Industrial Development Corporation Limited (TIDCO), for the setting up of the Southern Defence Industrial Corridor for a compensation amount of Rs. 10,710.81 Lakhs.

The Company has retained land measuring approximately 87 acres having greater strategic value for future development and accordingly the cost of such land amounting to INR 1,089 Lakhs been re-classified from assets held for sale to property, plant and equipment.

37 Contingent Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Corporate guarantee given as security for the loan availed by Dynamatic Manufacturing Limited (Wholly owned Subsidiaries)	1,444	-
Claims against the Company not acknowledged as debts #		
Income tax	32	32
Indirect tax	619	595

Outflow, if any, arising out of the said claim including interest, if any, would depend on the outcome of the decision of the Appellate Authority and the Company's right for future appeal before the judiciary.

38 Capital commitments

Particulars	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	1,349	411

There are no other material commitments.

39 Payment to statutory auditors (excluding goods and service tax) :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Statutory audit fees of standalone and consolidated financial statements (including quarterly limited reviews)	95	78
Certification services	10	10
Out of pocket expenses	-	3
Total	105	91

40 Leases**(i) Following are the change in the carrying value of right to use of assets for the year ended 31 March 2025:**

Particulars	Category of ROU assets		
	Plant & Machinery	Land and building	Total
Opening Balance as at 1 April 2024	418	1,342	1,760
Addition/Modification (net)	874	71	945
Amortisation	(351)	(363)	(714)
Balance as at 31 March 2025	941	1,050	1,991

Following are the change in the carrying value of right to use of assets for the year ended 31 March 2024:

Particulars	Category of ROU assets		
	Plant & Machinery	Land and building	Total
Opening Balance as at 1 April 2023	836	142	978
Addition/Modification (net)	12	1,494	1,506
Amortisation	(430)	(294)	(724)
Balance as at 31 March 2024	418	1,342	1,760

(ii) The following is the break up of current & non-current lease liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024
Non- Current	1,400	1,297
Current	702	629
	2,102	1,926

(iii) The following is the movement of lease liabilities:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Balance at the beginning of the year	1,926	1,273
Addition/Modification	945	1,509
Gain on lease modification	(31)	-
Finance cost during the year	225	224
Lease payment during the year	(963)	(1,080)
	2,102	1,926

(iv) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2025	As at 31 March 2024
Payable within 1 year	902	805
Payable between 1-5 years	1,564	1,515
Payable later than 5 years	-	107
Total	2,466	2,427

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases for the current financial year was INR 235 (31 March 2024: INR 264).

41 The disclosure requirement as per Ind AS 37 with respect to the movement of provisions is as follows:**a) Provision for asset decommissioning**

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	-	527
Utilised/reversed during the year	-	(527)
Unwinding of discount for the year	-	-
Closing balance	-	-

42 Segment reporting

The Chief Executive Officer and Managing Director of the Company has been identified as the Chief Operating Decision Maker ('CODM') as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by the products portfolio and segment information has been presented accordingly.

Operating segment

The Company's business is concentrated in manufacturing of hydraulic products, and aerospace related items and others. And accordingly, primary segment information is presented based on the followings:

Reportable segment

Hydraulics	Engaged in the activity of manufacturing hydraulic pumps, hand pumps, lift assemblies, valves and power packs.
Aerospace	Engaged in the activity of manufacturing airframe structures and precision aerospace components.
Others	Comprised of Dynauton Systems, which offer cutting edge security solutions to enhance the Nation's capabilities in countering modern day security threats and Medical division provides high-quality diagnostic services.

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. The Company has a corporate centre, which provides various accounting and administrative support functions. Segment information for this activity has been aggregated under 'Unallocated'. Revenue identifiable to business segments have been disclosed under the respective business segment. Segment costs include employee benefit expenses, cost of material consumed, depreciation and other operating expenses that can be allocated on a reasonable basis to respective segments. Assets and liabilities in relation to segments are categorized based on items that are individually identifiable to that segment. Certain expenses, assets and liabilities are not specifically allocable to individual segments as these are used interchangeably. The Company therefore believes that it is not practicable to provide segment disclosures relating to such assets and liabilities and accordingly, these are separately disclosed as 'unallocated'.

A Operating segment information is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Segment revenue		
a) Hydraulics	30,773	29,348
b) Aerospace	32,838	28,829
c) Others	307	9
Revenue from operations	63,918	58,186
Segment results (profit/ (loss) before finance costs, other income tax from each segment):		
a) Hydraulics	2,998	4,195
b) Aerospace	8,673	8,042
c) Others	(311)	(735)
d) Unallocated	(3,321)	(2,808)
Total	8,039	8,694
Unallocable		
- Finance costs (Refer Note 33)	(4,269)	(5,026)
- Other income (Refer Note 29)	1,661	1,830
- Exceptional Gain (Refer Note 36)	-	5,132
Profit before tax	5,431	10,630

Particulars	As at 31 March 2025	As at 31 March 2024
Segment assets:		
a) Hydraulics	20,568	19,480
b) Aerospace	50,277	47,153
c) Others	2,945	1,708
d) Unallocated	51,792	48,861
Segment assets	1,25,582	1,17,202

Particulars	As at 31 March 2025	As at 31 March 2024
Segment liabilities:		
a) Hydraulics	13,494	11,141
b) Aerospace	7,374	4,455
c) Others	261	756
d) Unallocated	40,089	40,806
Segment liabilities	61,218	57,158

Information about reportable segments for the period from 1 April 2024 to 31 March 2025 is as follow:

Particulars	Hydraulics	Aerospace	Others	Unallocated	Total
Depreciation and amortisation expense	778	1,479	55	237	2,549
Capital expenditure	400	1,474	485	127	2,486

Information about reportable segments for the period from 1 April 2023 to 31 March 2024 is as follow:

Particulars	Hydraulics	Aerospace	Others	Unallocated	Total
Depreciation and amortisation expense	762	1,427	42	179	2,410
Capital expenditure	884	1,489	129	703	3,205

B Geographic information:

The geographical information analyses the Company's revenue and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customer and segment assets which have been based on the geographical location of the assets.

Particulars	Revenue For the year ended		Non current assets* As at	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
India	30,781	26,489	33,921	33,013
United States	7,484	7,811	-	-
Canada	3,439	5,714	-	-
United Kingdom	8,637	9,457	-	-
Europe (other than UK)	13,227	8,243	-	-
Rest of world	350	472	-	-
Total	63,918	58,186	33,921	33,013

*Non-current assets excludes financial assets.

C Major customer

Revenue from transactions with the external customer amounting to 10% or more of the Company's revenues is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Customer 1	12,990	6,235
Customer 2	9,724	7,850
Customer 3	8,013	6,990
Customer 4	7,258	7,179

43 Dues to micro, small and medium enterprises

Total outstanding dues of micro, small and medium enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter refer to as "the MSMED Act") are given below:

Particulars	31 March 2025	31 March 2024
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;		
Principal	1,795	1,198
Interest	80	70
(b) 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	-	-
(c) 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	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year, and	80	70
(e) 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.	80	70
Total	1,875	1,268

44 Assets and liabilities relating to employee benefits

Particulars	As at 31 March 2025	As at 31 March 2024
Net defined benefit liability, gratuity plan	2,673	2,149
Liability for compensated absences	430	394
Total employee benefit liability	3,103	2,543
a) Gratuity		
Non-current	2,261	1,817
Current	412	332
	2,673	2,149
b) Compensated absences		
Non-current	391	351
Current	39	43
	430	394

The Company operates the following post-employment defined benefit plan:**Defined benefit plan**

The Company operates post-employment defined benefit plan that provide gratuity, governed by the Payment of Gratuity Act, 1972. Employee's who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service or part thereof in excess of six months. The gratuity plan is a funded plan. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A Funding

The Company expects to pay INR 140 in contributions to its defined benefit plans in financial year 2025-2026.

B Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability/ assets and its components:

(i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2025	As at 31 March 2024
Obligation at the beginning of the year	2,149	1,996
Interest cost	155	149
Current service cost	135	114
Benefit paid directly by employer	(28)	(47)
Benefit paid from the fund	(145)	(171)
Liabilities transferred from Dynamatic Manufacturing Limited	64	-
Liabilities transferred to Dynamatic Manufacturing Limited	(2)	-
Actuarial (Gains)/Losses on Obligations recognised in Other Comprehensive Income (OCI)		
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	74	36
- Experience adjustments	290	72
Obligation at the end of the year	2,692	2,149

(ii) Reconciliation of present value of plan assets

Plan assets at the beginning of the year, at fair value	-	51
Interest income on plan assets	-	4
Contributions	162	117
Benefits paid	(145)	(171)
Return on plan assets, excluding interest income recognised in OCI	2	(1)
Plan assets at the end of the year, at fair value	19	-
Net defined benefit liability	2,673	2,149

C (i) Expense recognised in the Statement of profit and loss

Particulars	For the year ended	
	31 March 2025	31 March 2024
Current service cost	135	114
Interest cost	155	145
Net gratuity cost	290	259

(ii) Remeasurement recognised in other comprehensive income

Particulars	For the year ended	
	31 March 2025	31 March 2024
Actuarial (gain)/ loss on defined benefit obligation	364	107
Return on plan assets, excluding interest income	(2)	1
Total (gain)/ loss recognised in other comprehensive income	362	108

D Plan assets

Particulars	As at 31 March 2025	As at 31 March 2024
Insurance fund	19	-
	19	-

E Defined benefit obligation**(i) Actuarial assumptions**

Particulars	For the year ended	
	31 March 2025	31 March 2024
Rate of return on planned assets	6.79%	7.21%
Discounting rate	6.79%	7.21%
Future salary growth	6.00%	6.00%
Attrition rate	5.00%	5.00%
Mortality Rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Weighted average duration of defined benefit obligation (in years)	8	8
Average Expected Future Service	12	11
Retirement age	60	60

Notes:

- (i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.
- (ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.
- (iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant would have affected defined benefit obligation by amounts shown below:

Particulars	As at 31 March 2025	As at 31 March 2024
Projected Benefit Obligation on Current Assumptions (Gross)	2,692	2,149
Impact of change in discount rate by +1%	(170)	(131)
Impact of change in discount rate by -1%	193	149
Impact of change in salary rate by +1%	172	138
Impact of change in salary rate by -1%	(162)	(126)
Impact of change in employee turnover rate by +1%	11	13
Impact of change in employee turnover rate by -1%	(13)	(15)

Defined contribution plan

The Company's contribution to Provident Fund aggregating to INR 527 (31 March 2024: INR 466) has been recognised in the Statement of Profit and Loss under the head employee benefit expense.

45 Financial instruments - fair value and risk management**Accounting classification and fair value**

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their levels in fair value hierarchy:

The section explains the judgement and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

Particulars	Carrying amount	Fair value			Total
	31 March 2025	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans*	7,283	-	-	-	-
Trade receivables, net of loss allowance	17,268	-	-	-	-
Cash and cash equivalents	265	-	-	-	-
Bank balances other than cash and cash equivalents	1,218	-	-	-	-
Other financial assets*	2,493	-	-	-	-
Total financial assets	28,527	-	-	-	-
Financial liabilities measured at amortised cost					
Borrowings*	36,104	-	-	-	-
Lease liabilities*	2,102	-	-	-	-
Trade payables	14,271	-	-	-	-
Other financial liabilities*	1,813	-	-	-	-
Total financial liabilities	54,290	-	-	-	-

Particulars	Carrying amount	Fair value			Total
	31 March 2024	Level 1	Level 2	Level 3	
Financial assets measured at amortised cost					
Loans*	6,947	-	-	-	-
Trade receivables, net of loss allowance	20,688	-	-	-	-
Cash and cash equivalents	519	-	-	-	-
Bank balances other than cash and cash equivalents	1,058	-	-	-	-
Other financial assets*	1,680	-	-	-	-
Total financial assets	30,892	-	-	-	-
Financial liabilities measured at amortised cost					
Borrowings*	35,579	-	-	-	-
Lease liabilities*	1,926	-	-	-	-
Trade payables	10,476	-	-	-	-
Other financial liabilities*	1,681	-	-	-	-
Total financial liabilities	49,662	-	-	-	-

*Amount disclosed after considering Non-current and Current.

Investment in equity shares of subsidiaries are not appearing as financial asset in the table above being investment in subsidiaries accounted under Ind AS 27, Separate Financial Statements which is scoped out under Ind AS 109.

Fair value hierarchy

(Rs in Lakhs)

Level 1: It includes financial instruments measured using quoted prices. This includes investment in equity, preference securities, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize 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. This is the case for unquoted equity securities.

Fair Valuation Method

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

A Financial Assets:

Fair value of all the above financial assets except investments are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

B Financial Liabilities:

- (i) **Borrowings:** It includes loans taken from banks and financial institution, cash credit and bill discounting facilities. Borrowings are classified and subsequently measured in the financial statements at amortized cost. Considering that the interest rate on loans is reset on yearly basis, the carrying amount of the loan would be a reasonable approximation of its fair value.
- (ii) **Trade payables and other financial liabilities:** Fair values of trade payables and other financial liabilities are measured at balance sheet date value, as most of them are settled within a short period and so their fair values are assumed almost equal to the balance sheet date values.

46 Financial risk management

The Company's activities expose to financial risks: credit risk, liquidity risk and market risk.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by internal auditor. Internal Audit function includes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i) 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 loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Trade and other receivables

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. However, the management also considers the factors that may influence the credit risk of its customer base. Customers of the Company are spread across diverse industries and geographical areas. The Company limits its exposure to credit risk from trade receivables by establishing a maximum credit period and takes appropriate measures to mitigate the risk of financial loss from defaults. Recurring credit evaluation of credit worthiness is performed based on the financial condition of respective customers.

Expected credit loss assessment for Trade Receivables as at 31 March 2025 and 31 March 2024 are as follows:

The Company establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables as at 31 March 2025 amounting to INR 17,268 (31 March 2024: INR 20,688). The movement in allowance for credit loss in respect of trade and other receivables during the year was as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	392	277
Amounts written off	-	-
Recognition/(Reversal) of Net measurement of loss allowance	(19)	115
Balance as at end of the year	373	392

ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they become due. 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.

Management monitors rolling forecast of the Company's liquidity position and cash and bank balances on the basis of expected cash flows. This is generally carried out by the Management of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

i) Financing arrangement

The Company maintains the following line of credit:

- (i) Term loan from bank aggregating to INR 8,822 (31 March 2024: INR 9,000) repayable in 28 quarterly instalments. First instalment starting from 1 June 2024 with interest rate at 9.60% per annum (31 March 2024: 9.60% per annum). First pari passu charge on the entire movable and immovable fixed assets of the Company, present and future. Second pari passu charge on the entire current assets of the Company. First charge over Debt Service Reserve Account (DSRA).
- (ii). Term loan from bank aggregating to INR 104 (31 March 2024: INR 129) repayable in 60 monthly instalments. First instalment starting from 31 October 2023 with interest rate at 8.90% per annum (31 March 2024: 8.90% per annum). This loan is secured by hypothecation of assets (cars).
- (iii). Working Capital Term loan from bank aggregating to INR 1,500 (31 March 2024: INR Nil) repayable in 36 equal monthly instalments post 24 months of principal moratorium. First instalment starting from 1 April 2027 with fixed interest rate at 9.20% per annum. First pari passu charge on the current assets of the Company. Second pari passu charge on the movable and immovable fixed assets of the Company.
- (iv) Term Loan from financial institutions aggregating to INR 2,407 (31 March 2024: INR 3,080) repayable in 20 quarterly instalments first instalment starting from 30 June 2023 with interest rate of 10.75% per annum (31 March 2024: 10.75% per annum). First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company. First charge over Debt Service Reserve Account (DSRA). Personal guarantee issued by the promoter.
- (v) Term Loan from financial institutions aggregating to INR 5,950 (31 March 2023: INR 7,000) repayable in 20 quarterly instalments first instalment starting from 30 September 2024 with interest rate of 10.45% per annum (31 March 2024: 10.25% per annum). First pari passu charge on movable and immovable fixed assets of the Company, present and future. Second pari passu charge on all current assets of the Company.
- (v) Term Loan from financial institutions aggregating to INR 200 (31 March 2024: INR 282) repayable in 60 monthly instalments with interest rate of 10.25% per annum (31 March 2024: 10.25%), this is secured by hypothecation of assets (cars).

* Cash credit and working capital demand loans from banks carry interest ranging between 9.25% - 10.35% per annum (31 March 2024: 10.65%-12.65% per annum), computed on a monthly basis on the actual amount utilized, and are repayable on demand. Packing Credit & Working Capital Demand loans in Foreign Currency from banks carry interest rate of 6m SOFR+3.00% per annum (31 March 2024: 6m SOFR+3.00% and 6m SOFR+3.50% per annum). These are secured by first pari passu charge by way of hypothecation of stock and book debts of the Company and second pari passu charge on the movable and immovable fixed assets of the Company.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2025 and 31 March 2024. The amounts are gross and undiscounted contractual cash flow and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2025

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and above
Borrowings*	36,104	36,104	20,826	15,278	-
Lease liabilities	2,102	2,466	902	1,564	-
Trade payables	14,271	14,271	14,271	-	-
Other financial liabilities*	1,806	1,806	1,806	-	-
Total	54,283	54,647	37,805	16,842	-

As at 31 March 2024

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and above
Borrowings*	35,579	35,579	19,156	13,502	2,921
Lease liabilities	1,926	2,427	805	1,515	107
Trade payables	10,476	10,476	10,407	-	-
Other financial liabilities*	1,681	1,681	1,681	-	-
Total	49,662	50,163	32,118	15,017	3,028

*Amount disclosed after considering Non-current and Current.

As disclosed in note 18 and 22, the Company has secured bank loan that contains loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table. Except for these financial liabilities, it is not expected that cash flows included in maturity analysis could occur significantly earlier.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currency of the Company. The functional currency of the Company is INR. The currencies in which these transactions are primarily denominated are USD, GBP, Euro & CAD etc. Management monitors the movement in foreign currency and the Company's exposure in each of the foreign currency. Based on the analysis and study of movement in foreign currency, the Company decides to exchange its foreign currency.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to management is as follows:

Particulars	Currency	As at 31 March 2025		As at 31 March 2024	
		Amount in foreign currency in lakhs	Amount in INR Lakhs	Amount in foreign currency in lakhs	Amount in INR Lakhs
Trade receivables	USD	86	7,353	135	11,239
	EURO	3	293	0.87	78
	GBP	27	3,028	41	4,306
Other current financial assets (Non-Current and Current)	GBP	5	580	5	549
	SGD	21	1,340	9	552
Trade payables	USD	42	3,634	24	1,987
	EURO	1	52	0.82	73
	GBP	1	127	2	166
	CAD	-	-	1	46
Borrowing	USD	15	1,316	15	1,283
Inter-company Loan receivable	SGD	111	7,072	111	6,859

The following significant exchange rates have been applied :

Currency	Year end spot rate	
	31 March 2025	31 March 2024
USD/INR	85.51	83.38
EURO/INR	92.61	89.94
GBP/INR	110.66	105.20
SGD/INR	63.71	61.75
CAD/INR	59.73	61.54

Sensitivity analysis

A reasonably possible strengthening /(weakening) of the USD, EURO, GBP, SGD and CAD against INR as at 31 March 2025 and 31 March 2024 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
USD (3% movement)	73	(73)	55	(55)
EURO (3% movement)	7	(7)	5	(5)
GBP (3% movement)	104	(104)	78	(78)
SGD (3% movement)	252	(252)	189	(189)
31 March 2024				
USD (3% movement)	239	(239)	179	(179)
EURO (3% movement)	0.13	(0.13)	0.10	(0.10)
GBP (3% movement)	141	(141)	105	(105)
SGD (3% movement)	222	(222)	166	(166)
CAD (3% movement)	(1.4)	1.4	(1.02)	1.02

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(a) Interest rate risk exposure

The exposure of the Company's financial assets and financial liabilities to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Financial Assets		
Fixed rate instruments		
Bank deposits	1,208	1,052
Total	1,208	1,052
Financial Liabilities		
Variable rate borrowings (including current maturities of long term debts)	34,299	35,168
Fixed rate borrowings (including current maturities of long term debts)	1,805	411
Total	36,104	35,579

(b) Sensitivity

Particulars	Profit and loss		Equity, net of tax	
	1% increase	1% decrease	1% increase	1% decrease
31 March 2025				
Variable rate borrowings	(343)	343	(257)	257
31 March 2024				
Variable rate borrowings	(352)	352	(263)	263

47 Capital management

The Company's policy is to maintain a stable and strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For the purpose of Company's capital management, adjusted net debt is defined as aggregate on non-current borrowing, current borrowing, current maturities of long-term borrowings and lease liabilities less cash and cash equivalents and total equity includes issued capital and all other equity reserves.

The Company's adjusted net debt equity ratio were as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings*	36,104	35,579
Lease Liabilities*	2,102	1,926
Less: Cash and cash equivalents	(265)	(519)
Adjusted net debt	37,941	36,986
Total equity	64,364	60,044
Net debt to equity ratio	0.59	0.62

*Amount disclosed after considering Non-current and Current.

48 Related Party Transaction**(i) Name of related parties and description of relationship:**

Name of related party	Description of relationship
JKM Global Pte Limited, Singapore	Wholly owned subsidiaries (including step-down subsidiaries)
JKM Research Farm Limited, India	
JKM Erla Automotive Limited, India	
JKM Automotive Limited, India	
Dynamatic Limited, UK	
Yew Tree Investment Limited, UK	
JKM Erla Holdings GmbH ("JEHG") (upto 30 September 2024) post which the entity ceases to exist	
Eisenwerk Erla GmbH, Germany	
Dynamatic Manufacturing Limited (formerly known as JKM Ferrotech Limited), India	
Dynamatic US, LLC	
JKM Holdings Private Limited	Entities over which key executive management personnel or relatives of such personnel are able to exercise significant influence
Wavell Investments Private Limited	
Mr. Vivek Malani	Relative of Promoter Group
Ms. Ahilya Malhoutra	Daughter of Mr. Udayant Malhoutra (Promoter)

Key executive management personnel	Designation
Udayant Malhoutra	Chief Executive Officer and Managing Director
P.S. Ramesh	Executive Director, Chief Operating Officer - Hydraulic Division (Resigned effective from 13 November 2024)
Arvind Mishra	Executive Director and Global Chief Operating Officer - Hydraulics & Head - Homeland Security (Resigned effective from 8 August 2023).
Chalapathi P	Chief Financial Officer and Appointed as Executive Director effective from 13 November 2024
Shivaram V	Chief Legal officer & Company Secretary

(ii) **Related party transactions during the current year and previous year as follow:**

Nature of transactions	Related Parties	For the year ended	
		31 March 2025	31 March 2024
Revenue from operations	Dynamatic Limited, UK	515	1,533
	Dynamatic Manufacturing Limited	163	566
Purchase of raw materials	Dynamatic Limited, UK	609	634
	Dynamatic Manufacturing Limited	2,460	2,497
	Wavell Investments Private Limited	466	420
Rent expense	JKM Research Farm Limited	48	48
	JKM Holdings Private Limited	4	4
	Dynamatic Limited, UK	395	436
	Mr. Vivek Malani	25	22
Investment made	Dynamatic Manufacturing Limited	50	3,500
	JKM Global Pte Limited	1,994	-
Inter-company loan provided	JKM Global Pte Limited	-	6,766
	JKM Erla Automotive Limited	67	5
Interest income on Inter-company loan	JKM Global Pte Limited	758	554
	JKM Erla Automotive Limited	6	-
Trade advances given	Dynamatic Manufacturing Limited	-	5,165
	Wavell Investments Private Limited	50	-
Trade advance received/repaid	Dynamatic Manufacturing Limited	-	3,450
Remuneration	Ms. Ahilya Malhoutra	30	21
Reimbursement of Capital and Revenue expenses	Dynamatic Manufacturing Limited	67	170
	Dynamatic Limited, UK	-	9

(iii) **Balance receivable from and payable to related parties as at the balance sheet date:**

Particulars	Related Parties	As at	As at
		31 March 2025	31 March 2024
Trade receivables	Dynamatic Limited, UK	1,213	2,595
	Dynamatic Manufacturing Limited	-	708
Trade payable	JKM Research Farm Limited	227	222
	Wavell Investments Private Limited	77	-
	Dynamatic Manufacturing Limited	323	-
Security deposits provided	JKM Holding Private Limited	35	35
	Mr. Vivek Malani	17	17
Management Fee Receivable	Dynamatic Limited, UK	580	549
Inter-company loan receivable	JKM Global Pte Limited	7,072	6,859
	JKM Erla Automotive Limited	73	7
Accrued Interest income receivable	JKM Global Pte Limited	1,341	552
	JKM Erla Automotive Limited	6	-
Rent Payable	Mr. Vivek Malani	1	2
Advance receivable	Wavell Investments Private Limited	797	652

(iv) Compensation of key managerial personnel*

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Short-term benefits:		
Udayant Malhoutra	144	122
P.S. Ramesh	151	117
Arvind Mishra	-	137
Chalapathi P	120	102
Shivaram V	78	50
	493	528

*Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since, provision for these are based on an actuarial valuation carried out for the Company as a whole.

Terms and conditions

All transactions with these related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

49 Earnings per share

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Basic earnings per share in INR	74.61	139.16
Diluted earnings per share in INR	74.61	139.16
Profit attributable to the equity holders of the Company used in calculating basic earnings per share and diluted earnings per share	5,066	9,449
Weighted average number of equity shares for the purpose of basic earnings per share and diluted earnings per share (numbers)	67,91,443	67,91,443

50 Details of non-current investments purchased and sold during the current and previous year under Section 186(4) of the Act:

Investments in equity instruments

Subsidiaries	Face value per unit	As at 1 April 2024	Purchased during the year	Sold during the year	As at 31 March 2025
i) JKM Research Farm Limited	INR 10	2,448 (49,99,930)*	-	-	2,448 (49,99,930)*
ii) Dynamatic Manufacturing Limited (formerly known as JKM Ferrotech Limited)	INR 10	3,644 (3,64,41,328)*	50 -	-	3,694 (3,64,41,328)*
iii) JKM Global Pte Limited, Singapore	SGD 1	20,969 (1,93,22,937)*	1,993 (13,66,525)*	-	22,962 (20,689,462)*
iv) JKM Erla Automotive Limited	INR 10	26,221 (10,79,14,994)*	-	-	26,221 (10,79,14,994)*
Total		53,282	2,043	-	55,325

Subsidiaries	Face value per unit	As at 1 April 2023	Purchased during the year	Sold during the year	As at 31 March 2024
i) JKM Research Farm Limited	INR 10	2,448 (49,99,930)*	-	-	2,448 (49,99,930)*
ii) Dynamatic Manufacturing Limited (formerly known as JKM Ferrotech Limited)	INR 10	144 (14,41,328)*	3,500 (3,50,00,000)*	-	3,644 (3,64,41,328)*
iii) JKM Global Pte Limited, Singapore	SGD 1	20,969 (1,93,22,937)*	-	-	20,969 (1,93,22,937)*
iv) JKM Erla Automotive Limited	INR 10	26,221 (10,79,14,994)*	-	-	26,221 (10,79,14,994)*
Total		49,782	3,500	-	53,282

* The amounts in parenthesis represents number of shares

51 Income tax

A Amount recognised in statement of profit and loss

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax	1,548	1,478
Deferred tax	(1,183)	(297)
Income tax expense reported in the statement of profit and loss	365	1,181

B Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Net gain/(loss) on remeasurement of defined benefit liability/(assets)	91	27
Foreign currency fluctuations under a cash flow hedge - gain/(loss)	-	-
Income tax expense/ (credit) to OCI	91	27

C Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Accounting profit before income tax	5,431	10,630
Tax using the Company's domestic tax rate 25.17% (31 March 2024: 25.17%)	1,367	2,676
Impact of windfirm land gain tax exemption	-	(1,570)
Impact of change in rate of long-term capital gains tax	(1,040)	-
Impact of non - deductible expenses for tax purposes	38	75
Income tax expense	365	1,181

D Deferred tax

Deferred tax relates to the following:

Particulars	As at 31 March 2024	Recognised in profit and loss	Recognised in OCI	As at 31 March 2025
Deferred tax assets / (liabilities)				
Property, plant and equipments and intangible assets	(1,354)	(223)	-	(1,577)
Fair value impact on investment in subsidiaries	(3,232)	1,205	-	(2,027)
Provision for gratuity and compensated absences	640	50	91	781
Provision for loss allowance	99	(5)	-	94
Right of Use Assets & Lease Liabilities	46	(18)	-	28
Others	347	174	-	521
Deferred tax assets / (liabilities)	(3,454)	1,183	91	(2,180)
Particulars	As at 31 March 2023	Recognised in profit and loss	Recognised in OCI	As at 31 March 2024
Deferred tax assets / (liabilities)				
Property, plant and equipments and intangible assets	(1,525)	171	-	(1,354)
Fair value impact on investment in subsidiaries	(3,141)	(91)	-	(3,232)
Provision for gratuity and compensated absences	586	27	27	640
Provision for loss allowance	70	29	-	99
Right of Use Assets & Lease Liabilities	74	(28)	-	46
Others	158	189	-	347
Deferred tax assets / (liabilities)	(3,778)	297	27	(3,454)

52 Revenue from contracts with customers**A. Disaggregate revenue information**

The table below presents disaggregated revenues from contracts with customers for the year ended 31 March 2025 and 31 March 2024 by market or type of customers, timing of revenue recognition, contract-type and geography.

The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

For the year ended 31 March 2025

Particulars	Hydraulics	Aerospace	Others	Grand Total
Market or type of customer				
Government	105	-	296	401
Non-government	30,668	32,838	11	63,517
Total revenue from contract with customers#	30,773	32,838	307	63,918
Timing of revenue recognition*				
Goods or services transferred at point in time	30,773	30,312	307	61,392
Goods or service transferred over time	-	2,526	-	2,526
Total revenue from contract with customers#	30,773	32,838	307	63,918

For the year ended 31 March 2024

Particulars	Hydraulics	Aerospace	Others	Grand Total
Market or type of customer				
Government	154	19	-	173
Non-government	29,194	28,810	9	58,013
Total revenue from contract with customers#	29,348	28,829	9	58,186
Timing of revenue recognition*				
Goods or services transferred at point in time	29,348	28,829	9	58,186
Total revenue from contract with customers#	29,348	28,829	9	58,186

Represents revenue from sale of products included in revenue from operations.

* The Company does not have any revenue from sale of goods and services where the performance obligation satisfied over time.

Refer to geographic information section under Note 42 - Segment Reporting for more details on the analysis of segment revenue.

Reconciling the amount of revenue recognised with contract and reportable segment:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from contract with customers	63,017	57,597
Other Operating revenue		
Export incentive	256	15
Scrap sales	645	574
Revenue from reportable segment (Refer Note 42)	63,918	58,186

B. Reconciliation of revenue with contract price:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract price	64,147	58,206
Adjustments for		
Volume discount and cash discount	229	20
Revenue from continuing operations	63,918	58,186

C. Contract balances

Contract balances and related disclosures have been included in the following notes.

Trade receivables - Note 10

Contract assets - Note 15

D. Remaining performance obligations

Particulars	As at 31 March 2025	As at 31 March 2024
Amount of transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) and expected to be satisfied in the next financial year	1,377	-

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as the end of the reporting period and an explanation as to when the Company expects to recognise these amount in revenue. Unsatisfied or partially satisfied performance obligations are subject to variability due to several factors such as termination changes in contract scope, re-validation of estimates and economic factors.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the Company's performance completed to date, typically those contracts where invoicing is on time and material, unit price basis.

- 53 As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. The amount required to be spent and actual amount spent on the areas for CSR activities which are specified in Schedule VII of the Companies Act, 2013 is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a) Gross amount required to be spent by the Company during the year	89.8	67.0
b) Amount of expenditure incurred on purpose other than construction / acquisition of any asset	42.9	62.2
c) Excess spend of prior years set off during the year	-	4.7
d) Shortfall at the end of the year [(d)=(a)-(b)+(c)]	46.9	-
e) Reason for shortfall	-*	NA

* The CSR unspent amount has been deposited in separate bank account within the prescribed time period and will be utilised during the upcoming years.

- 54 In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of Cash Flows'. These amendments are in accordance with the amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of Cash Flows'. The below disclosure is in line with such amendments suggested:

Particulars	1 April 2024	Net Cash flows	Non Cash Changes		31 March 2025
			Interest Expense	Foreign exchange movement	
Non- Current Borrowings - Secured					
- Term loan from banks*	9,129	(203)	-	-	8,926
- Term loan from financial institutions*	10,362	(1,805)	-	-	8,557
Current Borrowings - Secured					
Cash credit and working capital demand loans	16,088	1,033	-	-	17,121
Interest accrued but not due on borrowings	70	(3,916)	3,926	-	80
Total liabilities from financing activities	35,649	(4,891)	3,926	-	34,684
Particulars	1 April 2023	Net Cash flows	Non Cash Changes		31 March 2024
			Interest Expense	Foreign exchange movement	
Non- Current Borrowings - Secured					
- Term loan from banks*	20,197	(11,066)	-	(2)	9,129
- Term loan from financial institutions*	8,697	1,665	-	-	10,362
Non- Current Borrowings - Unsecured					
- Term loan from financial institutions*	909	(909)	-	-	-
Current Borrowings - Secured					
Cash credit and working capital demand loans	14,884	1,467	-	(263)	16,088
Interest accrued but not due on borrowings	197	(5,191)	4,630	434	70
Total liabilities from financing activities	44,884	(14,034)	4,630	169	35,649

* includes current maturities of long term borrowings

55 Ratios

The following are analytical ratios for the year ended 31 March 2025 and 31 March 2024:

Particulars	Numerator	Denominator	31 March 2025	31 March 2024	Variance
Current ratio	Total current assets	Total Current Liabilities	1.13	1.16	-2%
Debt-equity ratio	Total Debt inclusive of lease liabilities	Total Equity	0.59	0.62	-5%
Debt service coverage ratio @	Earning for debt service = Net profit after tax + Depreciation + Interest	Debt Service = Interest + Lease payment + Principal payment	1.51	0.83	82%
Return on equity ratio #	Profit after tax	Average total equity	8.14%	17.02%	-52%
Inventory Turnover ratio	Cost of Goods sold	Average Inventory	2.38	2.58	-8%
Trade receivables turnover ratio	Revenue from Operations	Average trade receivable	3.37	3.15	7%
Trade payable turnover ratio	Purchase	Average trade Payable	2.78	2.83	-2%
Net Capital turnover ratio ^	Revenue from Operation	Average working capital	11.99	8.23	46%
Net profit ratio\$	Profit after tax	Revenue from Operations	7.93%	16.24%	-51%
Return on capital employed	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	9.26%	10.42%	-11%
Return on Investment*	Income generated from Investments	Time weighted average investment	NA	NA	NA

Notes:

EBIT - Earnings before interest and taxes.

PAT - Profit after tax

Working capital - Current assets less current liabilities

Capital employed - Total equity

* The Company has not received any income from investment during current and previous financial year.

@On account of increase in profit during the year.

On account of exceptional income in previous year.

^ On account of increase in revenue.

56 Additional regulatory information not disclosed elsewhere in the financial statements

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
- (ii) The Company has not traded / invested in Crypto currency or virtual currency.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries. Also refer note 4.
- (iv) 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.

- (v) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vi) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except as disclosed in the financial statements.
- (vii) The Company is not a declared wilful defaulter by any bank or financial institution or other lender.
- (viii) The Company does not have any Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.
- 57** The Code on Wages, 2019 and Code on Social Security, 2020 ("the Codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the period the Codes become effective.
- 58** The standalone financial statements were approved for issue by the board of directors on 27 May 2025.

for and on behalf of the Board of Directors of

Dynamatic Technologies Limited



UDAYANT MALHOUTRA

Chief Executive Officer &
Managing Director

DIN : 00053714



CHALAPATHI P

Executive Director &
Chief Financial Officer

DIN : 08087615



SHIVARAM V

Chief Legal Officer &
Company Secretary

Place: Bangalore

Date: 27 May 2025



BUSINESS REVIEW REPORT
2024-25

DYNAMATIC LIMITED
UNITED KINGDOM



DYNAMATIC LIMITED, UK

DIRECTORS

Mr. Udayant Malhoutra	- Chairman
Mr. Michael John Handley	- Director
Mr. Pierre de Bausset	- Director
Mr. James Tucker	- Managing Director
Mrs. Pramila Udayant Malhoutra	- Director
Mr. Steve Hayes	- Technical Director
Mr. Geoff Dore	- Director

BANKERS

Royal Bank of Scotland, UK

REGISTERED OFFICE

Cheney Manor, Swindon, Wiltshire SN2 2PZ, England

OPERATING PLANTS

Hydraulics Division

Cheney Manor, Swindon, Wiltshire SN2 2PZ, England

Aerospace Division

Jarvis Street, Barton Hill, Bristol BS5 9TR, England

FINANCE HEAD

Mr. Geoff Dore

AUDITORS

TC Group

Statutory Auditors

FINANCIAL RESULTS

Particulars	Year ended 31.03.2025 INR in Lakhs*	Year ended 31.03.2024 INR in Lakhs*
Sales	40,104	39,151
EBITDA	3,909	3,606
Interest	1,928	1,591
Depreciation	2,594	2,609
Profit / (Loss) before Tax	987	(128)
Tax Charge/(Credit)	221	(157)
Profit / (Loss) after Tax	766	29

*Numbers restated as per IND AS



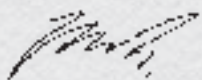
DYNAMATIC HYDRAULICS®



DYNAMATIC LIMITED, UK

Dynamatic Hydraulics®, Swindon, UK, felt the impact of adverse fluctuations in demand from major customers thereby achieving a lower revenue of £14.1 Mn compared to prior year. However, the business remains well positioned to grow once sector demand recovers.

The inflationary situation in Europe and UK has again presented significant challenge to the business in terms of materials, utilities and to a lesser extent labour cost. Whilst we have made changes to ensure cost optimisation and develop several risk mitigation strategies it has been a year of rising costs which are reflected in the overall performance.



James Tucker
Managing Director
Dynamatic Limited, UK

Future Outlook

Looking forward, 2025 continues to have inflationary challenges but we have a strong order book. The company is doing its very best to off-set inflationary pressures by continuing to pivot a large percentage of its supply chain to India.

DYNAMATIC-OLDLAND AEROSPACE®

DYNAMATIC LIMITED, UK

Dynamatic-Oldland Aerospace® division in the UK continues to prosper with a good mix of business across a varied range of aircraft in commercial & military markets. This includes Airbus Flaptrack parts for A318, A319, A320, A321 & A330. Airbus - flaps, landing gear, wing structural items for A400M & A330. C130J Engine structural parts, plus the Dassault Falcon 6X programme which has now entered initial production phase.

This year we achieved sales of £22.9 Mn compared to £21.5 Mn in the prior year. During this financial year we have invested in new technology, enhanced the skill-set of our people through targeted training activities and recruited additional highly skilled staff.

Future Outlook

The outlook for Dynamatic-Oldland Aerospace® is extremely positive with well-established positions on several growing aircraft platforms. We are very well positioned to take advantage of growth in existing programme demand and of new opportunities. Material availability continues to be a challenge although less so than in the recent past but supply is impacted by macro conditions which the business must be ready to respond to.

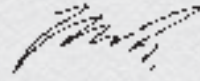
The focus of our business remains one of new technology development which emphasises delivery of customer satisfaction and this in turn enhances the unique partnerships we have built with our clients.

Our state-of-the-art robotic manufacturing cells and our robust internal processes enable us to continually deliver high standards of quality and embrace an 'industry 4.0' methodology within our machining factories.

We have demonstrated new standards of machining by manufacturing new structural prototype parts and we have several new opportunities being pursued which give us our consistent strategy of making regular investments to remain at the leading edge of technical advancements.

Dynamatic has a unique strategy of offering their customers a complete engineering solution end to end. The Group is offering an Indian / UK Aerospace business mix.

Already we have seen the benefits of collaboration and close alignment of the aerospace team, regardless of geography, will be at the Centre of furthering leading technical solutions to our customers and improving financial performance.



James Tucker
Managing Director
Dynamatic Limited, UK





BUSINESS REVIEW REPORT

2024-25

EISENWERK ERLA GmbH
GERMANY



EISENWERK ERLA GmbH, GERMANY

DIRECTORS

Mr. Udayant Malhoutra	- Chairman
Mr. Enrico Fischer	- Managing Director
Mr. Dietmar Hahn	- Executive Director
Mr. Geoff Dore	- Director
Mr. Pierre de Basset	- Director

FINANCE HEAD AND COMPANY SECRETARY

Mr. Christoph Kakoschke

LAWYER

Dr. Hans-Hein Thomas

AUDITORS

Deloitte GmbH, Germany

BANKERS

UniCredit HypoVereinsbank, Germany

REGISTERED OFFICE

Gießereistraße 1, 08340 Schwarzenberg / Erzgebirge,
Germany

OPERATING PLANTS

Eisenwerk Erla GmbH, Gießereistraße 1, 08340
Schwarzenberg / Erzgebirge, Germany

FINANCIAL RESULTS

Particulars	Year ended 31.03.2025 INR in Lakhs*	Year ended 31.03.2024 INR in Lakhs*
Sales	33,483	47,081
EBITDA	1,004	2,467
Interest	659	584
Depreciation	1,300	1,272
Profit / (Loss) before Tax	(574)	3,597
Exceptional Items	-	428
Tax Charge/(Credit)	(533)	348
Profit / (Loss) after Tax	(41)	3,677

*Numbers restated as per IND AS

Our turnover at €36.3 Mn for the period April 2024 to March 2025 was lower compared to the previous financial year due to the ongoing Ukraine conflict, which had triggered inflation, supply chain disruptions for OEMs and unpredictable surge in gas and electricity costs for corporations across Europe, particularly in Germany.

The metallurgy division encountered ongoing challenges due to subdued industrial demand, especially in Europe, coupled with inflationary pressures and elevated energy costs. These factors contributed to a decline in revenues and margins for the year.

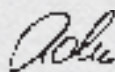
Eisenwerk is currently in the process of transformation from an automotive/foundry-focus to the defence and aerospace business.

US political shifts are changing the game for Ukraine war funding and have temporarily delayed offtake of Erla's shell production. Meanwhile, with potential reductions in American aid, Germany and EU are stepping up, accelerating their own defense spending to ensure security, encouraging German companies to increase defense production.

Future Outlook

- Increase of productivity inside the foundry processes for saving costs and improving the quality level.
- Focus on high margin product mix, ramp-up of existing products, customer diversification and capacity utilization
- Expanding the machining capabilities to improve the margins and have a positive impact on the market position.
- Diversify into aerospace forging products in collaboration with our parent company Dynamatic Technologies Limited.

Notwithstanding the above, the economic environment should improve after a transformation process from the automotive sector into general industry and aerospace sector.



Dietmar Hahn
Executive Director
Eisenwerk Erla GmbH





BUSINESS REVIEW REPORT
2024-25

DYNAMATIC MANUFACTURING LIMITED
BANGALORE, INDIA



DYNAMATIC MANUFACTURING LIMITED, INDIA

DIRECTORS

Prof. Pradyumna Vyas	- Independent Director
Ms. Junia Sebastian	- Independent Director
Mr. Chalapathi P	- Director
Mr. Ravichander V	- Director

AUDITORS

M/s. Deloitte Haskins & Sells LLP
Chartered Accountants, Bangalore

BANKERS

Kotak Mahindra Bank Limited

REGISTERED OFFICE

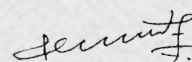
Plot No. V-77, 78, Industrial Estate, Peenya II Stage,
Bangalore 560058, Karnataka India

FINANCIAL RESULTS

Particulars	Year ended 31.03.2025 INR in Lakhs	Year ended 31.03.2024 INR in Lakhs
Sales	6,634	3,745
EBITDA	363	(1,168)
Interest	221	73
Depreciation	339	188
Profit/(Loss) before Tax	(157)	(1,425)
Tax Charge/ (Credit)	-	-
Profit/ (Loss) after Tax	(157)	(1,425)

Dynamatic Manufacturing Limited, India (DML), is a wholly owned subsidiary of the Company. DML is a Centre of Excellence for child parts, sub-assemblies and is engaged in the engineering, manufacturing, and delivery of various aircraft parts. The Company has diversified its business operations, including fabrication, precision machining, sheet metal work, stretch forming, rubber press operations, CNC bending, special processes, heat treatment, metal coating, and other ancillary operations. The major customers include Airbus, Boeing, Bell helicopter, Dassault Aviation, Deutsche Aircraft and alongside supporting Dynamatic group companies.

The company recorded revenue growth of 77% with positive EBITDA in FY25 compared to the previous year, primarily due to successful closure of FAIs leading to the ramp-up in programs.



Chalapathi P
Director
DIN : 08087615

Future Outlook

The outlook for DML is extremely positive, with well-established positions on several programs poised to ramp up projects. We are well-positioned to capitalize on growth in existing program demand and new opportunities. The focus of our business remains on the ramp-up of projects, which in turn enhances performance and stability.





BUSINESS REVIEW REPORT
2024-25

JKM RESEARCH FARM LIMITED
BANGALORE, INDIA



JKM RESEARCH FARM LIMITED, INDIA

JKM Research Farm Limited (JRFL), a farm Equipment performance and optimisation Company located near Bangalore on a 65 acre farm land, supports the Hydraulics & Dynauton Division of Dynamatic Technologies Limited (DTL) in the areas of design concept, functional prototype testing, and technical information.

JRFL is continuously engaged in finding innovative solutions to upgrade the products of DTL customers.

In this regard, JRFL provides a unique opportunity to DTL to test and validate its products in real time field conditions.

Currently Organic Farming of Guava and Lime plantations are being carried out by the Company.

During the year under review, the Company has made an income of Rs.66 Lakhs. The profit after tax for the year amounted to Rs. 18 Lakhs.

DIRECTORS

Mr. Chalapathi P - Director
Mr. Ravichander V - Director
Ms. Pramilla Malhoutra - Director

AUDITORS

M/s. Prasad & Kumar
Chartered Accountants, Bangalore

REGISTERED OFFICE

C/o. Dynamatic Hydraulics®
Plot No.1A/1, 1st Main Road,2nd Phase
1st Stage, Peenya Industrial Estate
Bangalore 560 058, Karnataka, India

FARM LOCATION

Kalludevanahalli Village, Kadanur Post
Doddaballapura District, Bangalore Rural 561 204
Karnataka India

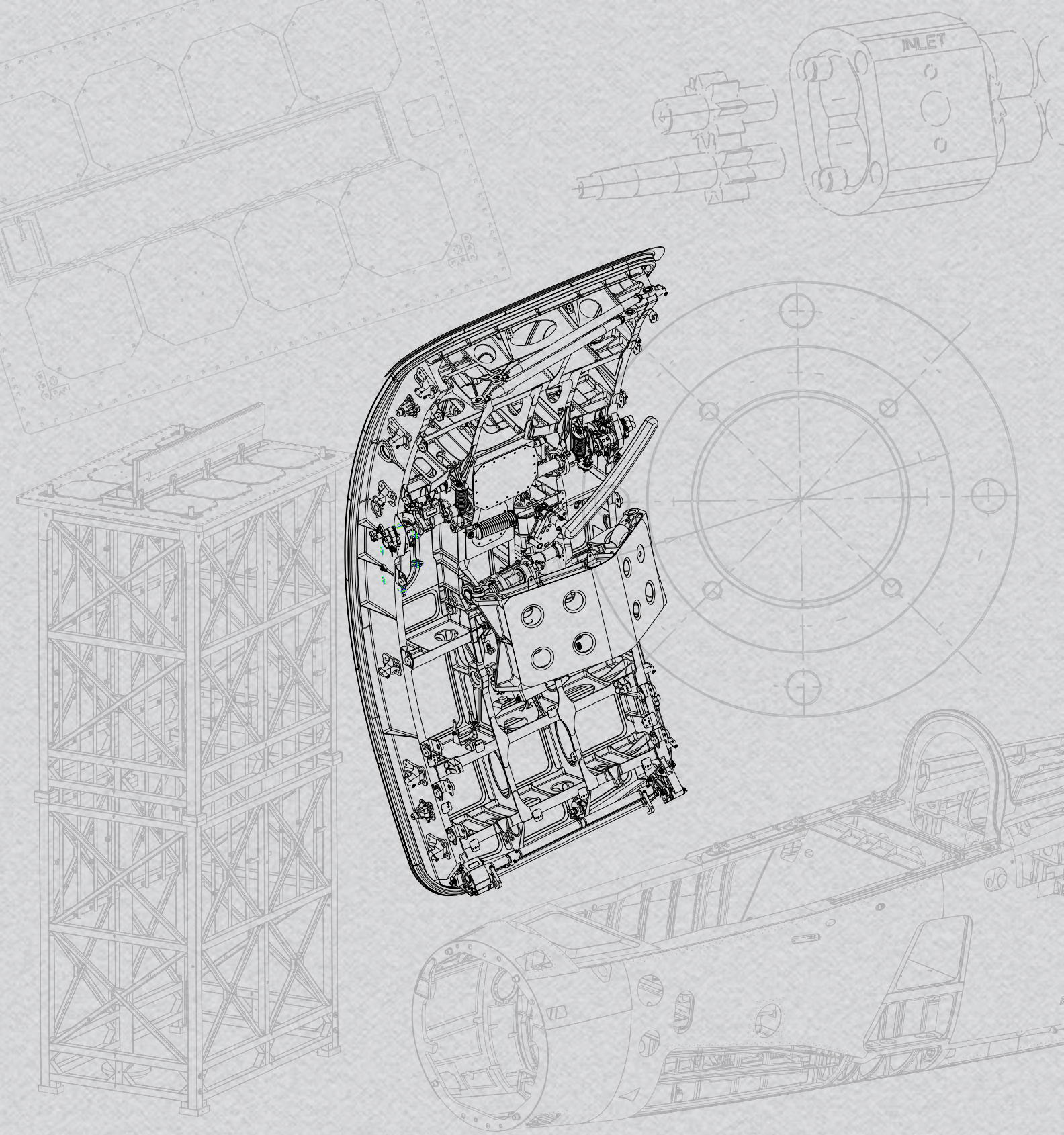
Chalapathi P
Director
DIN : 08087615





Dynamic Corporate Team





DYNAMATIC TECHNOLOGIES LIMITED

JKM Plaza Dynamatic Aerotropolis
55 KIADB Aerospace Park Bangalore 562 149
Tel: +91 80 2111 1223 / +91 80 2204 0535

