RACL Geartech Ltd.

Corporate Office
B-9, Sector-3, Noida, Uttar Pradesh-201301, INDIA
Phone: +91-120-4588500 Fax: +91-120-4588513
Web: www.raclgeartech.com E-mail: info@raclgeartech.com

Date: September 02, 2025

The National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East), Mumbai- 400 051
Symbol: RACLGEAR

The Bombay Stock Exchange Limited (BSE)
25th Floor, Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400 001
Scrip Code: 520073

SUBJECT: SUBMISSION OF THE ANNUAL REPORT FOR THE FINANCIAL YEAR 2024-25 AND NOTICE OF THE 42ND ANNUAL GENERAL MEETING

Dear Sir/ Madam,

This is to inform you that the 42nd Annual General Meeting ("AGM") of RACL Geartech Limited ("the Company") is scheduled to be held on Friday, September 26, 2025 at 11:00 AM. (IST) through Video Conferencing /Other Audio Visual Means, pursuant to the Circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI).

Pursuant to Regulation 30 read with Part A of Schedule III and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith a copy of the Annual Report of the Company for the financial year 2024-25 and Notice of the AGM.

Pursuant to the provision of Section 108 of the Companies Act, 2013 ("the Act") read with Rules 20 of the Companies (Management and Administration) Rules, 2014, as amended, from time to time and Regulation 44 of the Listing Regulations, the Company is pleased to provide to its members, the facility of remote e-voting prior to the AGM and e-voting during the AGM in respect of the businesses to be transacted at the AGM, whose name is appearing in the Register of Members / Beneficial Owners as on cut-off date i.e., Friday, September 19, 2025, and the members as on that date are entitled to avail the facility of remote e- voting, attend and vote at the meeting.

Annual Report for FY 2024-25 along with Notice of AGM can also be accessed/ viewed/ downloaded from the website of the Company at www.raclgeartech.com.

Please note that the Annual Report for the financial year 2024-25 and Notice of the AGM, are being sent to the shareholders of the Company.

Submitted for your kind information and record please.
Thanking You
Yours faithfully,
For RACL Geartech Limited

Neha Bahal
Digitally signed by Neha Bahal
DN: cn=Neha Bahal, c=IN, st=Delhi, o=Personal, title=8911, serialNumber=1070600d51cfb7a3e7f9237b77ab72982622bba45fb9e3376de0904c6246d099
Date: 2025.09.02 16:55:50 +05'30'

Neha Bahal
Company Secretary & Compliance Officer



42nd ANNUAL REPORT

Shaping the Future of Mobility

RACL Geartech Limited

B-9, Pinnacle Business Park, Sector 3,
Noida, Uttar Pradesh 201301

+91-120-4588500



A new chapter of Recognition and Growth

The Company got listed on National Stock Exchange of India Limited on November 27, 2024.





Culture that Fosters Accountability



Sitting left to right - Ms. Narinder Paul Kaur, Mr. Gursharan Singh, Ms. Malini Bansal

Standing left to right - Mr. Jitender Jain (CFO), Mr. Anil Sharma, Brig. Harinder Pal Singh Bedi (Retd.), Mr. Shashank Ramesh Anikhindi, Mr. Jagdish Keswani

COMMITMENT THAT DEFINES US



Dear Shareholders,

It is with immense pride and gratitude that I present to you the 42nd Annual Report for the financial year ended March 31, 2025, to reflect on our Company's performance and share our vision for the future. This past year stands as a testament to our enduring legacy and our readiness to embrace the future. Our successful listing on the National Stock Exchange (NSE) marks a pivotal moment in RACL Geartech's journey, positioning us as a Company proudly listed on both major Indian exchanges, the National Stock Exchange of India (NSE) and the BSE Limited (BSE).

There is a common saying "When going gets tough, tough gets going", our Company has proven it in the past & continues to maintain it, as, FY25 was a year full with turbulence, challenging market environment & global uncertainties. Despite of all these challenges, we have achieved a total net sale of Rs. 427.29 Cr, marking a modest 1% increase over the previous year. We have continued to showcase our resilience & focused execution though customer-first strategies, and strategic investments in capacity and capabilities as preparation for future. Our global reach, niche product leadership, and strategic customer relationship continue to provide us a competitive edge. With 68% of total sales coming from exports market, our diversified product mix, focus on operational efficiency, cost discipline, and execution capabilities reflect our strength & our leadership position in global markets. Our efforts were duly recognised, as we received Star Performer award at the EEPC Export Excellence Awards, a moment made more special by the presence of Honourable Chief Minister of Delhi Smt. Rekha Gupta and German Ambassador Dr. Phillip Ackerman.

The Road Ahead

As we look to the future, we continue to keep our principle of consolidating our business strategy with a stringent thrust on maintaining our profitability. We maintain our focus on qualitative growth, wherein we foresee tremendous opportunities from emerging Mobility solutions and the government's sustained focus on infrastructure & industrial development. With a robust order book, skilled workforce, and strong balance sheet, we are well-positioned to capitalize on these trends and deliver sustainable value to all stakeholders.

During the reporting period, we commenced construction of a new manufacturing facility within our Gajraula campus, marking another significant milestone in our growth journey. The planned expansion reflects our commitment to enhance capabilities for future demands & support new product lines. We had also announced a strategic business relationship with a leading Indian manufacturer to jointly produce components for Electric Power Steering (EPS) systems. This partnership shall focus on developing critical drive train components & sub- assemblies for EPS systems for the passenger car segment. The project will eventually cater to a leading American OEM's existing pickup truck platform, marking a key step in our vision to expand into North America and nurture our diversification strategies.

In the EV space, with respect to the nominations secured from BMW AG to supply drive train parts for their upcoming Electric Sports Car, we are proud to announce the operational readiness of our new manufacturing facility for the Parking Lock Mechanism & decoupling device. The state-of-the-art facility, powered entirely by renewable energy, incorporates end-to-end traceability to meet customer specific stringent quality standards. Trial productions have been completed, and pre-series production is planned to be completed in FY 2025-26. This partnership reinforces our leadership in e-mobility and underscores our commitment to sustainable automotive solutions with minimal carbon footprint. We are positioning the Company to meet the evolving demands of E-mobility ranging from E- drivetrains to Parking lock systems.

Environment, Social & Governance

Doing business with minimal impact on environment remains core focus in our growth strategy. Our Gajraula plant is operating on 100% Green electrical energy & we are expanding continually Solar Power Generation. We recently qualified a comprehensive ESG assessment by Dun & Bradstreet (D&B) ESG Rating methodology. Our

commitment to such efforts has been duly recognized through prestigious awards like the "Renewable Energy Champion" from Confederation of Indian Industry (CII) and a GOLD rating in manufacturing excellence. The recent accreditation of our metallurgical testing lab by National Accreditation Board for Testing and Calibration Laboratories (NABL) further validates our technical capabilities. Nevertheless, these recognitions & awards were never our goals, but, these are testimony to our relentless efforts towards excellence.

Our Employees are our strength & shall remain our future

One area, which, makes me proud personally is that we have been able to transform our Company by nurturing People-first culture & we are quite successful in creating a mindset of belongingness amongst our employees. We enable our people to innovate, take risks & grow personally, professionally & be a strong pillar in defining growth trajectories of RACL. The resultant advantage is that we have been able to achieve one of the lowest attrition rates amongst our employees at all levels. We have a long list of colleagues, who have joined us as trainees & spent decades of their lives with us & have grown tremendously along with growth of RACL

Our Confidence, Trust & Commitment for a bright future

We have been able to strengthen our position through a successful preferential allotment of 10,06,480 equity shares, raising app. 80 crore fresh capital from Qualified Institutional Buyers & Individual investors. It reflects strongly the trust of our Investors in our vision, innovation & the way we carry out our business.

We are making our investments in future ready, automated, digital & latest technologies, with stringent thrust on productivity while maintaining highest standards of quality and safety. None of our future achievements would be possible without the dedication of our employees, the unwavering trust of our customers, and most importantly, the confidence of each of our shareholder like you.

I will also like to take the opportunity to place on record, the support of our Associates & Suppliers, Bankers, Union Govt. of India & State Govt. of U.P. for your continued support and look forward for getting the same in coming times.

I will conclude my message by a famous quote by Sara Blakely "You don't have to be biggest to make a mark, you just have to be unique"

Thank you.

GURSHARAN SINGH

CHAIRMAN & MANAGING DIRECTOR

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INVESTOR INFORMATION

Market Capitalisation (March 28, 2025): Rs. 1053 Crores

CIN: L34300DL1983PLC016136

BSE Code: 520073

NSE Symbol: RACLGEAR

AGM Date: September 26, 2025

AGM Venue: Through Audio Visual Means

AT A GLANCE

About RACL Geartech Limited

For more than three decades, RACL Geartech Limited has built a reputation as a reliable and trusted manufacturer of high-precision automotive components. With a strong turnover of `4.27 billion (~USD 50 million) in FY25 and a team of more than 800 employees, we serve leading OEMs and Tier-1 suppliers across various vehicle segments, including two-wheelers, three-wheelers, passenger cars, commercial trucks, and agricultural machinery. On November 27, 2024, the Company was listed on the National Stock Exchange of India (NSE) in Mumbai, marking a new milestone in our growth journey.

Our Products and Expertise

While we are specialised in high-precision gears, shafts, and machined components like reduction gear trains and timing gears, we have recently expanded into electric vehicle parts to meet evolving industry demands.

Alongside our traditional chassis, suspension, and brake components, we now develop specialized solutions for EVs, complementing our work in steel, aluminium, and advanced material machining.

Beyond manufacturing components, we also supply tooling, gearboxes, machines, and maintenance fittings required for end-to-end manufacturing and maintenance. Our products serve wide range of industries, including automotive, agricultural machinery, off road vehicles, shipbuilding and heavy industry.

Global Operations and Reach

With two advanced state-of-the-art manufacturing plants located in India at Noida and Gajraula, five warehouses in Europe, and a wholly owned subsidiary in Austria, we are properly networked to serve clients worldwide with fast deliveries and efficient service.

Commitment to Quality and Trust

RACL Geartech is proud to be publicly listed on both major Indian stock exchanges (NSE and BSE) and holds an 'A' rating from CARE Ratings, reflecting our financial stability and reliability. Over the decades, we have built long-term partnerships with leading OEMs and Tier-1 suppliers worldwide by consistently delivering quality, innovation, andsustainable manufacturing solutions.

Certifications & Standards:

- ISO 9001
- ISO 14001
- ISO 27001:2013
- ISO/IEC 17025:2017
- ISO 45001:2018
- IATF 16949
- TISAX Rating: 2.8

Our product portfolio includes:

- Transmission Gears and Shafts
- Subassemblies
- Machined Parts
- Industrial Gears
- Chassis Components

Manufacturing & Operations:

- **Plants:** Noida & Gajraula (India)
- **Warehouses:** 5 (Europe)
- **Subsidiary:** Austria

Our commitment to quality, sustainability, and innovation

- 30+ Years of Operations
- 22 Active Customers
- Exports to 10+ Countries
- Exports 68%
- Revenue - 19.76% CAGR 2021-25
- EBITDA 14.25% CAGR 2021-25
- PAT 2.30% CAGR 2021-25

RACL GEARTECH LIMITED

CIN: L34300DL1983PLC016136

KEY CORPORATE DETAILS

Board of Directors & Chief Financial Officer	
Mr. Gursharan Singh	Chairman & Managing Director
Mrs. Narinder Paul Kaur	Non- Executive Non- Independent Director
Mr. Anil Sharma	Non- Executive Non- Independent Director
Mr. Shashank Ramesh Anikhindi	Independent Director
Mr. Jagdish Keswani	Independent Director
Brig. Harinder Pal Singh Bedi (Retd.)	Independent Director
Ms. Malini Bansal	Independent Director
Mr. Jitender Jain	Chief Financial Officer

Company Secretary & Compliance Officer

Ms. Neha Bahal

Statutory Auditors

M/s. Gianender & Associates, Chartered Accountants

Plot No. 6, Site No. 21, Geeta Mandir Marg, New Rajinder Nagar, New Delhi- 110060

Secretarial Auditors

Rosy Jaiswal & Associates

Practicing Company Secretaries, Rohini, New Delhi

Internal Auditors

Protiviti India Member Private Limited

15th Floor, Tower A, DLF Building No. 5, DLF Phase III, DLF Cyber City, Gurgaon-122002, Haryana, India

Registrar & Share Transfer Agents

MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020, Tel: 011-26387281 / 82 / 83

E-Mail: info@masserv.com, Web: www.masserv.com

Bankers

Bank of India
RBL Bank
Citi Bank
IndusInd Bank
Standard Chartered Bank
Yes Bank
State Bank of India

Registered Office

15th Floor, Eros Corporate Towers, Nehru Place, New Delhi - 110019

Corporate Office

B-9, Sector-3, Noida - 201301, Uttar Pradesh

Plants

Unit No. 1

A-3, Industrial Area, Gajraula, District Amroha, Uttar Pradesh - 244223, India

Unit No. 2

C- 32, Sector- 80, Noida, District Gautam Budh Nagar, Uttar Pradesh-201301, India

COMMITTEES OF BOARD OF DIRECTORS

Audit Committee

Mr. Jagdish Keswani (Chairman)
Mr. Shashank Ramesh Anikhindi
Ms. Malini Bansal

Nomination & Remuneration Committee

Mr. Shashank Ramesh Anikhindi (Chairman)
Mr. Anil Sharma
Mr. Jagdish Keswani

Stakeholders' Relationship Committee

Ms. Malini Bansal (Chairperson)
Mr. Gursharan Singh
Mr. Jagdish Keswani

Corporate Social Responsibility Committee

Brig. Harinder Pal Singh Bedi (Retd.) (Chairman)
Mrs. Narinder Paul Kaur
Mr. Anil Sharma

Risk Management Committee

Mr. Shashank Ramesh Anikhindi (Chairman)
Mr. Gursharan Singh
Mr. Jagdish Keswani
Mr. Prabh Mehar Singh

Financial Affairs Committee

Mr. Jagdish Keswani (Chairman)
Mr. Gursharan Singh & Mr. Anil Sharma

NOTICE

Notice is hereby given that the 42nd (Forty-Second) Annual General Meeting ("AGM") of RACL Geartech Limited ("the Company") will be held on Friday, September 26, 2025 at 11:00 AM through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), in accordance with the applicable provisions of the Companies Act, 2013 and relevant circulars issued by the Ministry of Corporate Affairs ("MCA").

The meeting is being convened to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon;
2. To consider and appoint a Director in place of Mr. Anil Sharma (DIN: 00157911), who retires by rotation and being eligible, offers himself for re-appointment;
3. To appoint Statutory Auditors and fix their remuneration

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

   "RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendation of Audit Committee and Board of Directors, consent of the Members of the Company be and is hereby accorded for appointment of M/s. Gupta Nayar & Co, Chartered Accountants (Firm Registration No.: 008376N), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Auditors of the Company, as Statutory Auditor of the Company, to hold office for a term of 3 consecutive years, that is, from the conclusion of the 42nd Annual General Meeting of the Company till conclusion of the 45th Annual General Meeting, to conduct audit of accounts of the Company, subject to their continuity of fulfilment of the applicable eligibility norms, at such remuneration as may be approved by the Audit Committee and/or Board of Directors of the Company from time-to-time in consultation with the Statutory Auditors, in addition to applicable taxes and reimbursement of out of pocket and travelling expenses, at actuals, incurred by them in connection with the audit;

   RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to revise/alter/modify/amend the terms and conditions and/or remuneration, from time to time, as may be mutually agreed with the Statutory Auditors, during the tenure of their appointment;

   RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman and Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary and Compliance Officer be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution, including filing the necessary forms with the Registrar of Companies."

SPECIAL BUSINESS

4. To appoint the Secretarial Auditors of the Company

   To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, pursuant to the

recommendation of the Audit Committee and Board of Directors, consent of the members of the Company be and is hereby accorded for appointment of M/s. Rosy Jaiswal and Associates, Practicing Company Secretaries (COP No.: 21968, Peer Review Certificate No.: 2298/2022) as the Secretarial Auditors of the Company for a period of five(5) consecutive financial years, commencing from April 01, 2025 till March 31, 2030, at such remuneration as may be approved by the Audit Committee and/or Board of Directors of the Company from time-to-time in consultation with the Secretarial Auditors, in addition to applicable taxes and reimbursement of out of pocket and travelling expenses, at actuals, incurred by them in connection with the audit;

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to revise/ alter/modify/amend the terms and conditions and/or remuneration, from time to time, as may be mutually agreed with the Secretarial Auditors, during the tenure of their appointment;

RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman and Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds, matters, and things as may be deemed necessary, proper, and expedient to give effect to this Resolution including filing requisite forms with Ministry of Corporate Affairs."

5. Appointment of Mr. Pravir Kumar (DIN: 00671671), as a Non-Executive Independent Director of the Company.

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

   "**RESOLVED THAT** pursuant to the provisions of sections 149, 150, and 152, and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule IV thereto, the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 16, 17 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, and on the recommendation of Nomination and Remuneration Committee and Board of Directors, approval of the Members of the Company be and is hereby accorded to appoint Mr. Pravir Kumar (DIN: 00671671), who has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, the Rules made thereunder and the Listing Regulations, as a Director in the category of Non-Executive Independent Director of the Company, not liable to retire by rotation, with effect from August 11, 2025;

   RESOLVED FURTHER THAT the approval of the members be and is hereby accorded for appointment of Mr. Pravir Kumar (DIN:00671671) as an Independent Director of the Company for a term of three (3) consecutive years from August 11, 2025 till August 10, 2028, and such appointment shall not be subject to retirement by rotation in accordance with Section 149(13) of the Companies Act, 2013;

   RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman and Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds, matters, and things as may be deemed necessary, proper, and expedient to give effect to this Resolution including filing requisite forms with Ministry of Corporate Affairs."

6. Appointment of Mr. Rakesh Kapoor (DIN: 00015358) as Non-Executive Non-Independent Director 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 sections 150,152, 161, 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof, for the time being in force), Articles of Association, Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended and on the recommendation of Nomination

And Remuneration Committee and Board of Directors, approval of the Members of the Company, be and is hereby accorded to appoint, Mr. Rakesh Kapoor (DIN: 00015358) as a Director in the category Non-Executive Non-Independent Director of the Company, liable to retire by rotation with effect from August 11, 2025;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised for the payment of sitting fee for attending the meetings of the Board of Directors/Committees thereof to Mr. Rakesh Kapoor, in the capacity of Professional Director (Non-Executive Director) and the said fees and other terms and conditions of his appointment shall be determined by Nomination And Remuneration Committee or Board from time to time in accordance with the applicable laws and provisions in this respect;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modifications as may be deemed necessary in the best interest of the Company;

RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman and Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds, matters, and things as may be deemed necessary, proper, and expedient to give effect to this Resolution including filing requisite forms with Ministry of Corporate Affairs."

7. Approval for increase in remuneration of Mr. Prabh Mehar Singh, Chief Operating Officer holding office or place of profit in the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT in supersession of the earlier resolutions passed in this regard and pursuant to the provisions of Section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification or any amendment or any substitution or re-enactment thereof, for the time being in force), the Articles of Association of the Company, and based on the recommendation of Nomination & Remuneration Committee, Audit Committee and Board of Directors, the consent of the members of the Company be and is hereby accorded for the revised terms of appointment of Mr. Prabh Mehar Singh as Chief Operating Officer with effect from August 1, 2025 and increase in the remuneration of Mr. Prabh Mehar Singh, holding office or place of profit w.e.f April 1, 2025, on a maximum remuneration upto ₹52,00,000 (Rupee Fifty Two Lakhs) per annum (including allowances and reimbursement of expenses in line with the Company's Policy) for two years and on such terms & conditions subject to the alteration and variation in the terms and conditions of the said remuneration, from time to time, in line with the policy of the Company and within limits approved by the Members and subject to such approvals, as may be necessary;

RESOLVED FURTHER THAT the consent of the Members be and is hereby accorded to finalise and decide the revisions in the remuneration payable to Mr. Prabh Mehar Singh from time to time in accordance with the Company's policy on performance measurement and such other applicable/ relevant policies and to perform and execute all such acts, deeds, matters and things (including delegating such authority), as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary and as the Board may in its absolute discretion deem necessary, desirable or expedient, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing applications and seeking all necessary approvals from relevant authorities (if required) to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise without being required to

seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby further authorized to delegate all or any of the powers herein conferred to director(s), committee(s), officer(s), representative(s) of the Company or to any other person to do all such acts, deeds, matters and things as may be considered necessary or expedient and also to execute such documents, writings etc. as may be necessary to give effect to this resolution;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution, be and are hereby approved, ratified and confirmed in all respect;

RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman and Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds, matters, and things as may be deemed necessary, proper, and expedient to give effect to this Resolution including filing requisite forms with Ministry of Corporate Affairs."

8. To approve the re-appointment of Mr. Anil Sharma (DIN: 00157911) as the Non- Executive Non-Independent Director of the Company and revision in remuneration, thereof;

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 149, 152, 160, 197, 198 and other applicable provisions of the Companies Act, 2013 ("Act"), read with the rules made thereunder and Schedule V and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Articles of Association, based on the recommendation of Nomination & Remuneration Committee and Board of Directors, approval of the members of the Company be and is hereby accorded, to appoint Mr. Anil Sharma (DIN: 00157911), who has attained the age of 75 years, Non- Executive Non- Independent Director, liable to retire by rotation, as Non-Executive Non-Independent Director, liable to retire by rotation, as per the terms and conditions for another term of two (2) years with effect from the conclusion of 42nd AGM till the conclusion of 44th AGM;

RESOLVED FURTHER THAT the approval of the Members be and is hereby accorded for the payment of ₹2,75,000/- (Rupees Two Lakh Seventy Five Thousand Only) per month w.e.f. October 1, 2025, as retainership fees/ remunerations (in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof) to Mr. Anil Sharma, for the services rendered by him in the capacity of Professional Director (Non-Executive Director) and the said fees/ remuneration and other terms and conditions of his appointment shall be determine by the Nomination & Remuneration Committee or Board from time to time in accordance with applicable laws and provisions in this respect and such remuneration may be in excess to 1% of the net profits of the Company computed in the manner stipulated in Section 198 of the Act;

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded for the payment of aforesaid remuneration even if due to the above payment the total managerial remuneration and/or remuneration paid to Executive/ Non Executive category is in excess to the overall limit specified in Section 197 of the Act for the respective years;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, during his tenure, the aforesaid remuneration shall be paid as minimum remuneration subject to the provisions of Schedule V of the Act or any amendments thereto;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modification as may be deemed necessary in the best interest of the Company;

RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman and Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary and Compliance Officer of the Company, be and are hereby severally authorized to do all such acts, deeds, matters, and things as may be deemed necessary, proper, and expedient to give effect to this Resolution including filing requisite forms with Ministry of Corporate Affairs."

9. To approve the remuneration of Ms. Narinder Paul Kaur (DIN: 02435942) as the Non- Executive Non-Independent Director of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 149, 152, 160, 197, 198 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder and Schedule V and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force) and as recommended by Nomination & Remuneration Committee and Board of Directors, approval of the Members of the Company be and is hereby accorded for the payment of ₹2,75,000/- (Rupees Two Lakh Seventy Five Thousand Only) per month w.e.f. April 1, 2025 as retainership fees/ remunerations (in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof) to Ms. Narinder Paul Kaur (DIN: 02435942), for the services rendered by her in the capacity of Professional Director (Non-Executive Director) and the said fees/ remuneration and other terms and conditions of her appointment shall be determined by the Nomination & Remuneration Committee or Board from time to time in accordance with applicable laws and provisions in this respect and such remuneration may be in excess to 1% of the net profits of the Company computed in the manner stipulated in Section 198 of the Act;

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded for the payment of aforesaid remuneration even if due to the above payment the total managerial remuneration and/or remuneration paid to Executive/ Non Executive category is in excess to the overall limit specified in Section 197 of the Act for the respective years;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, during her tenure, the aforesaid remuneration shall be paid as minimum remuneration subject to the provisions of Part II of Schedule V of the Act or any amendments thereto;

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modification as may be deemed necessary in the best interest of the Company;

RESOLVED FURTHER THAT Mr. Gursharan Singh, Chairman & Managing Director, Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to file requisite e-forms/ returns with the Registrar of Companies, National Capital Territory of Delhi or with other appropriate authority and to do all such acts, matters, things and deeds as may be required to give effect to the above resolution."

10. To approve the remuneration of Mr. Gursharan Singh, Chairman & Managing Director (DIN: 00057602) of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 149, 152, 160, 197, 198 and other applicable provisions of the Companies Act, 2013 ("Act"), read with the rules made thereunder and Schedule V and the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force) and as recommended by Nomination & Remuneration Committee and Board of Directors and provisions of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded for the payment upto ₹215 Lakhs as remuneration and other perquisites (including remuneration in the event of loss or inadequacy of profits) other than 1.5% commission of net profit as per the last audited financials of the Company to for a period of two (2) years with effect from April 1, 2025 to March 31, 2027, on such terms and conditions, with the powers of the Board (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to grant increments and alter and vary terms and conditions including remuneration and such remuneration may be in excess to 5% of the net profits of the Company computed in the manner stipulated in section 198 of the Act;

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded for payment of aforesaid remuneration even if due to the above payment the total managerial remuneration and/ or remuneration paid to Executive / Non -Executive category is in excess to the overall limit specified in section 197 of the Act for the respective years;

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, during his tenure, the aforesaid remuneration shall be paid as minimum remuneration subject to the provisions of Schedule V of the Act or any amendments thereto;

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and matters as may be deemed necessary, proper or expedient to give effect to this resolution and/or to make any modification as may be deemed necessary in the best interest of the Company;

RESOLVED FURTHER THAT Mr. Jitender Jain, Chief Financial Officer and Ms. Neha Bahal, Company Secretary & Compliance Officer of the Company be and are hereby severally authorized to file requisite e-forms/ returns with the Registrar of Companies, National Capital Territory of Delhi or with other appropriate authority and to do all such acts, matters, things and deeds as may be required to give effect to the above resolution."

BY ORDER OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED

NEHA BAHAL
COMPANY SECRETARY & COMPLIANCE OFFICER
ACS: 40272
ADD: B-9, SECTOR-3, NOIDA
GAUTAM BUDDH NAGAR,
UTTAR PRADESH- 201301

DATE: AUGUST 11, 2025
PLACE: NOIDA

NOTES:

1. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2024 dated September 19, 2024 (MCA Circulars), has allowed the Companies to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) till September 30, 2025. In compliance with the provisions of the Companies Act, 2013 (the Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and MCA Circulars, the 42nd AGM of the Company shall be conducted through VC/OAVM. National Securities Depository Limited (NSDL) will be providing facilities in respect of:

   (a) voting through remote e-voting;

   (b) participation in the AGM through VC/ OAVM facility;

   (c) e-voting during the AGM.

   The procedure for participating in the meeting through VC/OAVM is explained in notes below and is also available on the website of the Company at www.raclgeartech.com.

2. As the AGM would be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM. Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

3. Institutional/ Corporate Members are entitled to appoint authorised representatives to attend, participate at the AGM through VC/ OAVM and cast their votes through e-voting. Institutional/ Corporate Members are requested to send a scanned copy (PDF/ JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to the Company at investor@raclgeartech.com or info@masserv.com with a copy marked to evoting@nsdl.co.in.

4. SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/ Real Time Gross Settlement (RTGS)/ Direct Credit/NEFT etc. In the absence of ECS facilities, the Company will print the bank account details if available, on the payment instrument for distribution of dividend.

   In order to receive the dividend without loss of time, the Members holding shares in physical form are requested to submit particulars of their bank accounts along with the original cancelled cheque bearing the name of the Member to the RTA, MAS Services Limited/ Company to update their bank account details and all the eligible shareholders holding shares in demat mode are requested to update with their respective DPs, their correct Bank Account Number, including 9 Digit MICR Code and 11 digit IFSC Code, e- mail ID and Mobile No(s).

   Members holding shares in physical form may communicate these details to the RTA viz. MAS Services Limited having address at RTA i.e. MAS Services Limited, having address at T-34 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi 110020, by quoting the reference folio number and attaching photocopy of the cheque leaf of their active bank account and a self-attested copy of their Permanent Account Number ('PAN') card.

   This will facilitate the remittance of the dividend amount as directed by SEBI in the bank account electronically. Updation of e-mail IDs and Mobile No(s) will enable the Company in sending communication relating to credit of dividend, un-encashed dividend, etc.

   The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members.

5. Pursuant to Finance Act, 2020, dividend income will be taxable at the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to members at prescribed rates. For the prescribed rates for various categories the members are requested to refer to the Finance Act, 2020 and amendments thereto. The members are requested to update their PAN with Registrar and Transfer Agents (in case of shares held in physical mode) and depository participants (in case shares held in demat mode). However, no tax shall be deducted on the dividend payable to a resident individual shareholder if the total dividend to be received during FY 24-25 does not exceed ₹5,000.00.

   A resident individual shareholder with PAN who is not liable to pay income tax submit a yearly declaration in Form 15G/15H, to avail the benefit of non-deduction of tax at Company's RTA at investor@masserv.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

6. Members may note that the VC/ OAVM facility, provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.

7. Members may join the AGM through VC/OAVM Facility by following the procedures as mentioned below which shall be kept open 15 minutes before and after the scheduled time of the commencement of the Meeting and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the AGM.

8. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019 except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, MAS Services Limited, for assistance in this regard.

Type of holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, MAS SERVICES LIMITED, T-34, Second Floor, Okhla Industrial Area, Phase-II, New Delhi- 110020	
	Form for availing investor services to registrar PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share Capital and debenture) Rules, 2014	Form SH-13
	Declaration to opt out of Nomination	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures/ bonds, etc., held in physical form	ISR-4

Electronic dispatch of Annual Report and process for registration of e-mail id and for obtaining copy of Annual Report.

9. In accordance with the circulars issued by MCA and SEBI, the Notice of the 42nd AGM along with the Annual Report for the Financial Year (FY) 2024-25 is being sent by electronic mode to Members whose e-mail ids are registered with the Company or the Depository Participants (DPs).

10. Those Members who are holding shares in physical form and have not updated their e-mail ids with the Company, are requested to update the same by submitting a duly filled and signed Form ISR-1 along with self-attested copy of the PAN Card, and self-attested copy of any document (e.g. Driving License, Voter Identity Card, Passport) in support of the address of the Member, to the Company / RTA at investor@raclgeartech.com or info@masserv.com.

11. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.

12. Members holding shares in dematerialized (demat) mode are requested to register/ update their e-mail ids with their relevant DPs. In case of any queries/ difficulties in registering the e-mail ids, Members may write to the Company/RTA at investor@raclgeartech.com or info@masserv.com.

13. The Notice of the 42nd AGM along with the Annual Report for the FY 2024-25, is available on the website of the Company at www.raclgeartech.com and on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited on the website of NSDL at www.evoting.nsdl.com.

14. Physical copy of the Annual Report for the FY 2024-25 (including the Notice of the 42nd AGM) shall be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the FY 2024-25, may write to the Company at investor@raclgeartech.com, requesting for the same by providing their holding details.

15. Details as required in Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking re-appointment at the AGM are provided in this Annual Report. Requisite declarations have been received from the Directors seeking appointment/ re-appointment. The Managing Director and Independent Directors of the Company are not liable to retire by rotation.

16. An Explanatory Statement relating to items of Special Business, i.e. Item Nos. 4, 5 & 6 to be transacted at the AGM is annexed hereto.

Procedure for Inspection of Documents

17. Documents referred to in the accompanying Notice of the 42nd AGM and the Explanatory Statement shall be available at the Corporate Office of the Company for inspection without any fee on all working days except Saturday, during normal business hours (9:00 A.M. to 5:00 P.M. (IST)), upto date of meeting.

18. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL e-Voting page at https://www.evoting.nsdl.com

Procedure for remote e-voting and e-voting during the AGM

19. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the Listing Regulations (as amended) and applicable Circulars, the Company is pleased to provide to its Members, the facility to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with NSDL, as the authorised agency for facilitating voting through electronic means. The facility of casting votes by Members using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
20. The Company has appointed Ms. Rosy Jaiswal & Associates, Practicing Company Secretaries to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
21. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. September 19, 2025. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
22. The facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM, however, they shall not be eligible to vote at the AGM. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at https://www.evoting.nsdl.com.
23. The register of members and share transfer books of the Company shall remain closed from Saturday, September 20, 2025 to Friday, September 26, 2025 (both days inclusive) for the purpose of AGM.
24. In case of Joint holders attending the AGM, only such Joint holder who is higher in the order of names will be entitled to vote.

Further, in compliance with MCA Circulars, the Company provides the facility to attend the AGM through VC and OAVM.

The instructions are as under:

The remote e-voting period begins on **Tuesday, September 23, 2025 at 09:00 A.M. IST and ends on Thursday September 25, 2025 at 05:00 P.M. IST**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the record date (cut-off date) i.e. **Friday, September 19, 2025,** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "**Beneficial Owner**" icon under "Login" which is available under "**IDeAS**" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see **e-Voting page. Click on options available against company name or e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS**" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digitdemat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDLfor casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/ Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/ Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

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
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@masserv.com or investor@raclgeartech.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self- attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) to investor@masserv.com or investor@raclgeartech.com.
3. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
4. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
5. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
3. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
4. Members, who would like to ask questions during the 42nd AGM with regard to financial statements or any other matter to be placed at the 42nd AGM, need to register themselves as a Speaker by sending their request from their registered E-mail address mentioning their name, demat account number/ folio number, email id, mobile number to the Company's E-mail address at investor@raclgeartech.com by Monday, September 15, 2025. Those members who have registered themselves as a speaker shall be allowed to ask questions during the 42nd AGM depending upon the availability of time. Such questions shall be taken up during the meeting and replied by the Company suitably.

General guidelines for shareholders

a. The Board of Directors of the Company has appointed **M/s. Rosy Jaiswal & Associates, Practicing Company Secretaries** to act as the Scrutinizers to scrutinize the remote e-voting process as well as polling process in a fair and transparent manner.

b. The Scrutinizer shall, immediately after conclusion of the AGM unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company and make, not later than 3 (three) days of conclusion of the Meeting, a consolidated Scrutinizer's Report. The Scrutinizer shall submit his report to the Chairperson of the Company or a person authorized by him in writing.

c. The Chairperson or in his absence, a person authorized by him in writing shall declare the results after receiving the Scrutinizer's Report.

d. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.raclgeartech.com and on the website of NSDL www.evoting.nsdl.com and communicated to BSE Limited and National Stock Exchange of India limited, where the shares of the Company are listed.

e. Since the AGM of the Company is being convened through VC and OAVM and the facility of remote e-voting is being provided to the shareholders, there shall be no voting by ballot papers.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4

The Board at its meeting held on August 11, 2025, based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of M/s. Rosy Jaiswal & Associates, Practicing Company Secretaries, a peer reviewed firm (COP No.: 21968, Peer Review Certificate No.: 2298/2022)

as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025- 26 till FY 2029-30, subject to approval of the Members.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A (1) of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024, and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

M/s. Rosy Jaiswal & Associates is a Peer Reviewed Firm of Practicing Company Secretaries, having specialization in Secretarial Compliances with diversified PAN-India clientele which includes Listed entities, Private, Public, LLPs. Their expertise includes conducting Secretarial Audits, Due Diligence Audits, Compliance Audits etc. Ms. Rosy Jaiswal, Proprietor has vast experience of 16 years in the field of Companies Act, SEBI Laws, FEMA, NBFCs regulatory Acts and other Corporate Laws. Currently she is a Practicing Company Secretary and Independent Director on the Board of Public Companies. The Firm have a robust team of professionals, bringing deep domain expertise and a multi-disciplinary approach to every assignment. The firm is associated with several leading corporates in India, spanning a wide range of sectors such as Food and Beverages, Lifestyle, Sports, Automobile, Manufacturing etc.

Furthermore, in terms of the amended regulations, Rosy Jaiswal & Associates has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate. It has confirmed that they are not disqualified from being appointed as Secretarial Auditors and that they have no conflict of interest. It has further furnished a declaration that they have not taken up any prohibited non-secretarial audit assignments for the Company.

The proposed remuneration to be paid to Rosy Jaiswal & Associates for the financial year ending March 31, 2026, is ₹2,40,000/- (Rupees Two lakh Forty Thousand Only) plus applicable taxes and out-of pocket expenses and for subsequent year(s) of their term, such fees as may be mutually agreed between the Board of Directors and Rosy Jaiswal & Associates.

Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the Secretarial Auditors under various statutory regulations from time to time, for which the auditors will be remunerated separately on mutually agreed terms.

The Board of Directors and the Audit Committee shall approve revisions to the remuneration of the Secretarial Auditors, for the balance part of the tenure based on review and any additional efforts on account of changes in regulations, restructuring or other considerations. The Board of Directors in consultation with the Audit Committee may alter or vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

The Board recommends the Ordinary Resolution as set out in Item No. 4 of this Notice for approval of the Members. None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, in the Resolution set out in Item No. 4 of this Notice.

Item No. 5

Pursuant to section 161 of the Companies Act, 2013 and other applicable provisions and based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company, at its meeting held on August 11, 2025, appointed Mr. Pravir Kumar (DIN: 00671671) as an Additional Director of the Company in the capacity of Non-executive independent, not liable to retire by rotation, to hold office only up to the date of this Annual General Meeting and subject to the approval of the members of the Company at this Annual General meeting through a special resolution for a term of 3 (three) consecutive years from August 11, 2025 till August 10, 2028 (both days inclusive).

Mr. Kumar holds a Bachelors of Technology Degree in Electrical engineering from IIT Kanpur, wherein he was a Gold medalist and was awarded as Best Allrounder.

A 1982 batch IAS officer of Uttar Pradesh cadre, Mr. Kumar served various departments in the Central and State Governments, which include UP State Road Transport Corporation, UP Agro Industries Corporation, Ministry of Micro, Small and Medium Enterprises. He has been Development Commissioner of Kandla, Mundra and Dahej SEZs in Gujrat, under Department of Commerce. He worked as Director General Foreign Trade (DGFT) in the Ministry of Commerce & Industry in the rank and scale of Additional Secretary to Govt. of India and drafted India's Foreign Trade Policy (FTP) 2015-20. Additionally, he has also served as Secretary, Govt. of India in the Inter State Council Secretariat under Ministry of Home Affairs, he was instrumental in resolving various Inter State issues. As an Excise Commissioner, U.P. he was instrumental in formulating a path breaking New Excise Policy, eradicating the corruption ridden auction-based contract system and evolving a transparent duty based system that was hailed as a model system by the Govt. of India.

In addition to this, he has been awarded several awards. To name a few, he was awarded National e- Governance (Gold) prize by Deptt. of Administrative Reforms & Public Grievances (DARPG), Govt. of India. For his exemplary work in digitisation of Land Records in U.P. As Pr. Secy. Urban Development, he was awarded with State Award for successfully organising Mahakumbh 2013, that was acclaimed globally.

He is currently Managing Partner of OxRAD Consultant LLP which is engaged into providing Technical Consultancy in ESG (Environmental, Social and Governance) and CSR (Corporate Social Responsibility) matters to various corporates.

The Company has received a declaration of independence from Mr. Kumar. In terms of Regulation 25(8) of the Listing Regulations, he has also confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director without any external influence. Further, he is neither disqualified from being appointed as a Director in terms of Section 164 of the Act, nor debarred from holding the office of a director by virtue of any SEBI Order or any other such authority and had registered himself in the Independent Director's Data Bank maintained by Indian Institute of Corporate Affairs. Further details of Mr. Kumar have been given in the Annexure to this Notice.

In the opinion of the Board, Mr. Kumar possesses the requisite skills and capabilities, which would be of immense benefit to the Company, and fulfils the conditions specified in the Act and the Rules made thereunder read with the provisions of the Listing Regulations each as amended. Mr. Kumar would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof where he is a member.

Additional information in respect of Mr. Pravir Kumar, pursuant to Regulation 36 of the Listing Regulations and the Secretarial Standards on General Meetings (SS-2), is given at 'Annexure A' to this Notice.

None of the Directors or KMPs of the Company or their respective relatives other than Mr. Pravir Kumar, to whom the Resolution relates are concerned or interested either directly or indirectly, in the Resolution mentioned at Item No. 5 of the Notice. Mr. Pravir Kumar is not related to any Director or KMP of the Company.

The Board recommends the Resolution set forth in Item No.5 for the approval of the Members of the Company by way of a Special Resolution.

Item No. 6

In accordance with the provisions of Sections 150, 152, 161, 197, and 198 of the Companies Act, 2013 and other applicable provisions, as well as the Articles of Association of the Company, the Board of Directors of the Company, at its meeting held on August 11, 2025, based on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Rakesh Kapoor (DIN: 00015358) as an Additional Director of the Company. He shall hold office up to the date of the next Annual General Meeting.

Mr. Kapoor shall be appointed as a Non-Executive, Non-Independent Director, liable to retire by rotation pursuant to Section 152 of the Act, subject to the approval of the members of the Company.

Mr. Kapoor is a seasoned techno-financial professional with over 48 years of experience in the corporate and financial sectors. He has spent more than 20 years at IFCI Limited, a premier financial institution, where he held various roles in project financing. During his tenure, he handled a diverse portfolio of projects across sectors such as steel, cement, chemicals, textiles, sugar/co-generation/ethanol, oil, and infrastructure.

He also served for five years as Managing Director of IFCI Factors Limited, a subsidiary of IFCI Limited engaged in factoring and short-term receivables financing. This business provides an attractive alternative funding option, especially for SMEs and high-growth corporates.

Mr. Kapoor has also held the position of CEO and Whole-time Director at New Habitat Housing Finance and Development Limited.

In addition to his executive roles, he has been actively serving as an Independent Director on the boards of several companies, including Ugar Sugar Works Ltd, Home Credit India Private Limited, Gulshan Polyols Ltd and many others.

Mr. Rakesh Kapoor (DIN: 00015358), was also initially associated with the Company as an Independent Director, and has made notable contributions during his previous tenure, bringing valuable insight, strategic guidance, and industry expertise to the Board.

In view of his extensive experience, deep industry knowledge, and continued commitment, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, has proposed his appointment as a Non-Executive, Non-Independent Director, to continue benefiting from his leadership and professional acumen in this new capacity.

The Company has received the requisite consent and declarations from Mr. Rakesh Kapoor, confirming that he is not disqualified from being appointed as a Director under Section 164 of the Companies Act, 2013. He has further confirmed that he is not debarred from holding the office of Director by any order issued by SEBI or any other such regulatory authority.

In view of his expertise, industry knowledge, and vast experience, the Board is of the opinion that it would be in the best interest of the Company to avail his guidance and services by appointing him as a Non-Executive, Non-Independent Director.

Additional information in respect of Mr. Kapoor, pursuant to Regulation 36 of the Listing Regulations and the Secretarial Standards on General Meetings (SS-2), is given at 'Annexure A' to this Notice.

The Board recommends and seek approval to the resolution as set forth in item no. 6 of the accompanying Notice in respect of approval to the appointment of Mr. Rakesh Kapoor as a Non-Executive Non-Independent Director by way of Special Resolution.

None of the Directors/ Key Managerial Personnel of the Company or their relatives except Mr. Kapoor and his relatives are interested in or concerned, financially or otherwise, in the resolution.

Item No. 7

The Companies Act, 2013 aims to ensure transparency in the transactions and dealing with related parties of the Company. The provisions of Section 188(1)(f) of the Companies Act, 2013 govern the related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company. Mr. Prabh Mehar Singh, son of Mr. Gursharan Singh, Chairman and Managing Director and Narinder Paul Kaur, Non-Executive Non-Independent Director of the Company was appointed as "Vice-President, Finance and Business Excellence" of the Company by the Board of Directors at their meeting held on February 12, 2019

to hold any office or place of profit w.e.f. February 15, 2019 in the Company in accordance with Section 188 (1)(f) of the Companies, Act 2013 read with rules made thereunder. Further, the Nomination & Remuneration Committee and the Board in their meeting held on August 11, 2025 ratified re-designation and promotion of Mr. Singh as Chief Operating Officer with effect from August 1, 2025.

Further, pursuant to the said provisions, any related party's appointment to any office or place of profit in the Company at a monthly remuneration exceeding two and a half lakh rupees requires prior approval of the shareholders by way of ordinary resolution. In view of the mentioned provisions of the Act and rules made thereunder and that monthly remuneration of Mr. Prabh Mehar Singh would be in excess of ₹2,50,000/- per month, approval of members is sought for increase in his remuneration by the Company as proposed in the resolution under this item of business.

Pursuant to recommendation of the Nomination and Remuneration Committee, Audit Committee, provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules made thereunder (including any statutory modification(s) or re- enactments thereof for the time being in force) and in order to adequately compensate Mr. Prabh Mehar Singh and taking into account the size and operations of the business of the Company, the Board of Directors of the Company at its Meeting held on August 11, 2025, subject to the approval of Members, has approved for increase in remuneration payable to Mr. Prabh Mehar Singh up to ₹52,00,000 p.a. (Rupees Fifty Two Lakhs) for a period of two year effective from April 01, 2025, including company's contribution to provident fund, bonus and leave travel concession and other perquisites in accordance with the rules of the Company policies.

Disclosures Pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and applicable provisions of the Companies Act, 2013:

a)	**Name of Related Party**	Mr. Prabh Mehar Singh
b)	**Name of Directors & Key Managerial Personnel who is related**	Mr. Gursharan Singh, Chairman and Managing Director & Ms. Narinder Paul Kaur, Non-Executive Non-Independent Director
c)	**Nature of Relationship**	Mr. Prabh Mehar Singh is son of Mr. Gursharan Singh & Ms. Narinder Paul Kaur
d)	**Material terms of the contract / arrangement / transactions**	As mentioned in this explanatory statement.
e)	**Monetary value and period of approval**	As mentioned in this explanatory statement

A Brief Profile of Mr. Prabh Mehar Singh – Chief Operating Officer

Mr. Prabh Mehar Singh brings over 11 years of diverse industry experience to RACL. Since joining the company in 2016, he has been instrumental in driving key strategic and operational initiatives that have significantly contributed to RACL's growth and transformation. His expertise covers both core manufacturing operations and strategic business functions.

Mr. Singh has successfully led critical projects focused on production efficiency, shop floor automation, operational excellence, and digital transformation. Additionally, he has played a pivotal role in strengthening employee relations and expanding the company's product portfolio, notably spearheading RACL's successful entry into the passenger car segment.

Prior to joining RACL, he worked as a Forensic Auditor with KPMG. Mr. Singh holds a Master's degree in Investment Finance from Durham University, England, where he was awarded the prestigious Great Britain Scholarship. He

is also an alumnus of the Indian Institute of Management Ahmedabad (IIM-A).

Beyond his professional accomplishments, Mr. Singh is an avid sportsman who has represented both his university and state in cricket.

Accordingly, the Board recommends the resolution as set out at item no. 7 to be passed as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives other than Mr. Gursharan Singh and Ms. Narinder Paul Kaur is/ are in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution except to the extent of their shareholding, if any, in the Company.

Item No. 8

Mr. Anil Sharma (DIN: 00157911) was appointed by the Members of the Company, in the 40th Annual General Meeting of the Company held on September 19, 2023 as a Non-Executive Non-Independent Director of the Company for a period of 2 (two) years with effect from the conclusion of 40th Annual General Meeting till the conclusion of 42nd Annual General Meeting.

Further, according to Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director on the Board of the Company who has attained the age of seventy-five years unless a special resolution is passed to that effect by the shareholders. The Members of the Company approved Mr. Sharma's appointment under the category Non-executive and Non-Independent Director of the Company in the 40th AGM of the Company held on September 19, 2023, by way of special resolution.

Mr. Sharma's re-appointment has been recommended by the Company's Nomination and Remuneration Committee after a thorough evaluation of his performance and contributions to the Company. The Board believes that Mr. Sharma possesses a deep understanding of project development and implementation. His extensive experience and expertise have been invaluable in guiding the Company through various challenges and opportunities over the years. He has also cultivated strong relationships with key stakeholders.

Mr. Sharma demonstrates exceptional leadership qualities and industry knowledge. He has been a driving force in fostering a culture of innovation, collaboration, and accountability within the Company. Notably, he retired as General Manager from PICUP (Pradeshiya Industrial and Investment Corporation of Uttar Pradesh).

Considering his continued value to the Company, the Board is of the opinion that the continuation of Mr. Sharma's directorship beyond the age of 75 is in the best interest of the Company.

Furthermore, in accordance with Section 152 of the Companies Act, 2013, every Director shall be appointed by the Members at a General Meeting of the Company. Accordingly, the Board of Directors, at its meeting held on August 11, 2025, upon the recommendation of the Nomination and Remuneration Committee, has proposed the re-appointment of Mr. Anil Sharma as a Non-Executive Non-Independent Director in the category of Professional Director for a further period of two years, with effect from the conclusion of the 42nd Annual General Meeting up to the conclusion of the 44th Annual General Meeting. His office shall be liable to retire by rotation.

Further, Mr. Anil Sharma shall provide professional services to the Company and will oversee, inter alia, matters related to PICUP, UPSIDC, and other related affairs of the Company. In consideration of these services, he shall be entitled to a professional fee of ₹2,75,000/- (Rupees Two Lakh Seventy Five Thousand Only) per month, for a period of two (2) years with effect from the conclusion of the 42nd Annual General Meeting, in his capacity as a Non-Executive Non-Independent Director of the Company.

His appointment and remuneration shall remain within the limits prescribed under applicable laws and regulations for a Non-Executive Non-Independent Director. Mr. Sharma has attended all Board meetings held

during the financial year 2024–25. The Company has received his consent for the proposed re-appointment, along with all requisite statutory disclosures and declarations in compliance with applicable laws. He is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act.

It is proposed to seek the approval of members of the Company by way of special resolution in terms of the provisions of Section 197 of the Act read with Schedule V to the Act and rules made thereunder to pay the remuneration to Mr. Anil Sharma (DIN:00157911) as specified in the resolution, as the remuneration may be in excess of 1% of the net profits of the Company computed in the manner stipulated in Section 198 of the Act.

Pursuant to section 197 of the Act the total managerial remuneration payable by the public company, to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed 11% of the net profits of the Company for that FY computed in the manner laid down in section 198. Further, the Company in general meeting may, authorise the payment of remuneration exceeding 11% of the net profits of the Company, subject to the provisions of Schedule V.

Further, the consent of the members of the Company is also sought to enable the payment of aforesaid remuneration even if due to the above remuneration the total managerial remuneration is in excess to the overall limit specified in Section 197 of the Act for respective years.

The members may further note that in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the two years, the aforesaid remuneration shall be paid to Mr. Sharma as the minimum remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof, as may, from time to time being, be in force and may be agreed to by and between the Board and Mr. Anil Sharma (DIN: 00157911).

In view of Mr. Sharma's vast experience and continued contributions, the Board is of the opinion that his presence on the Board would be of immense value to the Company.

Additional information regarding Mr. Sharma, as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is annexed as Annexure- A to this Notice.

In order to comply with requirements under Regulation 17 of the Listing Regulations and Companies Act, 2013, the Board recommends and seek approval to the resolution as set forth in item no. 8 of the accompanying Notice in respect of approval for the re-appointment and remuneration of Mr. Anil Sharma as a Non-Executive Non-Independent Director by way of Special Resolution.

None of the Directors/ Key Managerial Personnel of the Company or their relatives except Mr. Sharma and his relatives are interested in or concerned, financially or otherwise, in the resolution.

Item No. 9

As proposed by the Board of Directors, Ms. Narinder Paul Kaur (DIN: 02435942) was appointed by the Members of the Company, at the 32nd Annual General Meeting held on 30th September, 2015 as the Non-Executive Non-Independent Director of the Company in the category of Professional Director, whose office was liable to retire by rotation. Further, the members in the 40th Annual General Meeting held on September 19, 2023 approved her remuneration for 2 years. Pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors in their meeting dated August 11, 2025, has recommended revision in her remuneration for next 2 years.

Ms. Kaur provides her professional services to the Company and handle the management and operations of the Noida Plant of the Company. Accordingly, in order to adequately compensate Ms. Narinder Paul Kaur and taking

into account the size and operations of the business of the Company, the Board of Directors of the Company, upon the recommendation of Nomination and Remuneration Committee, at its Meeting held on August 11, 2025, has approved for increase in remuneration payable to Ms. Narinder Paul Kaur up to ₹2,75,000/- per month for a period of 2 years effective from April 01, 2025, including Company's contribution to provident fund, bonus, leave travel concession and other perquisites in accordance with the rules of the Company policies.

She possesses the requisite expertise and experience to serve effectively in this capacity. Furthermore, she has confirmed that she is not disqualified from being re-appointed as a Director under Section 164 of the Companies Act, 2013.

It is proposed to seek the approval of members of the Company by way of special resolution in terms of the provisions of Section 197 of the Act read with Schedule V to the Act and rules made thereunder to pay the remuneration to Ms. Narinder Paul Kaur (DIN: 02435942) as specified in the resolution, as the remuneration may be in excess of 1% of the net profits of the Company computed in the manner stipulated in Section 198 of the Act.

Pursuant to section 197 of the Act the total managerial remuneration payable by the public company, to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed 11% of the net profits of the Company for that financial year computed in the manner laid down in section 198. Further, the Company in general meeting may, authorise the payment of remuneration exceeding 11% of the net profits of the Company, subject to the provisions of Schedule V.

The members may further note that in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the two years, the aforesaid remuneration shall be paid to Ms. Narinder Paul Kaur (DIN: 02435942) as the minimum remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof, as may, from time to time being, be in force and may be agreed to by and between the Board and Ms. Narinder Paul Kaur (DIN: 02435942).

Further, the consent of the members of the Company is also sought to enable the payment of aforesaid remuneration even if due to the above remuneration the total managerial remuneration is in excess to the overall limit specified in Section 197 of the Act for respective years.

In order to comply with requirements under Regulation 17 of the Listing Regulations and Companies Act, 2013, the Board recommends and seek approval to the resolution as set forth in item no.9 of the accompanying Notice in respect of approval for the remuneration of Ms. Narinder Paul Kaur as a Non-Executive Non-Independent Director by way of Special Resolution.

Except Ms. Kaur, Mr. Gursharan Singh (Husband of Ms. Narinder Paul Kaur) & her relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the Special Resolution set out at Item No. 09 of this Notice.

Item No. 10:

Mr. Gursharan Singh (DIN: 00057602) was appointed as the Chairman & Managing Director of the Company in the 38th AGM held in the year 2021 for a term of 5 years. Subsequently, at the 40th Annual General Meeting of the Company held on September 19, 2023, the Members had approved a revision in the remuneration of Mr. Singh (DIN: 00057602) as the Chairman & Managing Director of the Company for a period of 2 years. Thus, accordingly, the existing remuneration of Mr. Singh (DIN: 00057602) as the Managing Director shall be revised, pursuant to the approval of shareholders.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on August 11, 2025, has approved the increase in the remuneration of Mr. Gursharan Singh

(DIN:00057602) as the Chairman and Managing Director of the Company for further period of two (2) years commencing from April 1, 2025 up to March 31, 2027, subject to approval of the Members of the Company.

Mr. Gursharan Singh is a Mechanical Engineer and holds a Post Graduate Diploma in Export Management. With over 43 years of extensive experience in the industry and proven leadership, he has played a pivotal role in the exceptional progress of the Company. Under his guidance, the Company has achieved significant growth and earned a strong reputation and goodwill in the business. He has attended all the Board Meetings held during the financial year 2024–25.

With effect from April 1, 2025, Mr. Singh shall be entitled to total remuneration of up to a maximum of ₹215 Lakhs per annum and Commission at the rate of 1.5% of the net profit of the company as per the last audited financials of the Company. This includes basic salary, benefits, perquisites, and allowances such as provident fund, gratuity, leave encashment, car facility and related expenses (fuel, maintenance, and driver), housekeeping and security allowances, utility allowances, telephone and other communication facilities, reimbursement of hospitalisation and major medical expenses incurred, medical and personal accident insurance premiums, and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed upon by the Board of Directors and Mr. Singh. He shall also be entitled to reimbursement of all expenses incurred by him on behalf of the Company, including those related to business travel, boarding, and other expenses, both in India and abroad.

For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income Tax Rules wherever applicable and in the absence of any such Rules, perquisites shall be evaluated at actual cost.

Pursuant to section 197 of the Act the total managerial remuneration payable by the public company, to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed 11% of the net profits of the Company for that financial year computed in the manner laid down in section 198. Further, the Company in general meeting may, authorise the payment of remuneration exceeding 11% of the net profits of the Company, subject to the provisions of Schedule V.

It is therefore, proposed to seek the approval of members of the Company by way of special resolution in terms of the provisions of Section 197 of the Act read with Schedule V to the Act and rules made thereunder to pay the remuneration to Mr. Gursharan Singh (DIN:00057602) as specified in the resolution, as the remuneration may be in excess of 5% of the net profits of the Company computed in the manner stipulated in Section 198 of the Act.

The members may further note that in case the Company has, in any financial year, no profits or if its profits are inadequate anytime during the two years, the aforesaid remuneration shall be paid to Mr. Gursharan Singh (DIN:00057602) as the minimum remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof, as may, from time to time being, be in force and may be agreed to by and between the Board and Mr. Gursharan Singh (DIN:00057602).

Further, the consent of the members of the Company is also sought to enable the payment of aforesaid remuneration even if due to the above remuneration the total managerial remuneration is in excess to the overall limit specified in Section 197 of the Act for respective years.

Notwithstanding anything to the contrary herein contained, where in any financial year during the tenure of the CMD the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of Salary, Benefits, Perquisites and Allowances as specified above, subject to such further approvals as may be required.

In compliance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions read with Schedule V to the Act, read with Regulation 17 of the Listing Regulations, the remuneration of the Managing Director as specified above are now being placed before the Members for their approval by way of a Special Resolution.

Except for Mr. Gursharan Singh, Ms. Narinder Paul Kaur and his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution mentioned at Item No. 10 of the Notice.

The Board of Directors, in the interest of the Company, recommends the Special Resolution set out at Item no. 10 of the Notice for approval by the shareholders..

BY ORDER OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED

NEHA BAHAL
COMPANY SECRETARY & COMPLIANCE OFFICER
ACS: 40272
ADD: B-9, SECTOR-3, NOIDA
GAUTAM BUDDH NAGAR,
UTTAR PRADESH- 201301

DATE: AUGUST 11, 2025
PLACE: NOIDA

Brief Profile of the Directors seeking appointment/re-appointment in the 42nd AGM in pursuance of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India:

PARTICULARS	DETAILS OF THE DIRECTORS		
Name	**Mr. Anil Sharma**	**Mr. Pravir Kumar**	**Mr. Rakesh Kapoor**
DIN	00157911	00671671	00015358
Age	77 years	66 years	70 years
Qualifications	-Engineering Graduate - BE (Electrical), -Post Graduate Diploma in Management	- B.Tech (Electrical) -M.Sc. (Eco. - Soc. Development)	- B.Sc. (Chemistry) - Post Graduate Diploma in Management
Date of first appointment on the Board	May 19, 2006	August 11, 2025	August 11, 2025
Nature of Expertise in Specific Functional Area	More than 47 years of experience with project development, implementation and follow-up in different industries particularly in Automotive Components and Tele communication sectors.	He has served various departments in the Central and State Governments, which include UP State Road Transport Corporation, UP Agro Industries Corporation, Ministry of Micro, Small and Medium Enterprises. He has been Development Commissioner of Kandla, Mundra and Dahej SEZs in Gujrat, under Department of Commerce.	More than 48 years of experience in the Corporate and Financial sector, out of which more than 20 years in project financing with IFCI Limited, a premier financial Institution, in various capacities and dealt with various projects across different sectors viz. Steel, Cement, Chemicals, Textile, Sugar/ co-generation/ethanol and also oil and infrastructure projects
List of Directorships held in other Companies	-	-	-
Chairmanship/Membership of Committees of other public Companies	-	-	-
Listed entities from which the person has resigned in the past three years	-	-	GULSHAN POLYOLS LIMITED THE UGAR SUGAR WORKS LTD TOURISM FINANCE CORPORATION OF INDIA LIMITED
Number of Shares held in the Company	21000	-	-
Relationship between Directors inter-se	-	-	-
Last Salary Drawn (in Rs.)*	Rs. 2,50,000/-	-	-

BY ORDER OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED

NEHA BAHAL
COMPANY SECRETARY & COMPLIANCE OFFICER
ACS: 40272
ADD: B-9, SECTOR-3, NOIDA
GAUTAM BUDDH NAGAR,UTTAR PRADESH - 201301

DATE: 11th August 2025

BOARDS' REPORT

To The Members,

Your Board of Directors is pleased to share with you the Business Performance along with the Audited Financial Statements for the financial year ended March 31, 2025.

FINANCIAL PERFORMANCE

Key highlights of standalone and consolidated financial performance for the year ended March 31, 2025 under review are summarized below:

(Rs. in Lakh)

Particulars	Standalone		Consolidated	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Total Revenue	42,728.92	42,303.55	42,498.98	41,527.08
Total Expenses	39,291.61	36,930.02	39,233.63	36,182.65
Finance Costs	2,943.80	2,363.49	2,986.53	2,363.32
Depreciation & Amortisation	2,993.04	2,455.02	2,993.04	2,455.02
Profit Before Tax	3,437.31	5,373.54	3,265.36	5,344.43
Tax Expenses:				
Current Tax	-540.58	-1,039.16	-553.88	-1,050.71
Deferred Tax	-337.21	-353.64	-337.21	-353.64
Profit After Tax	2,559.51	3,980.73	2,374.26	3,940.08
Total Comprehensive Income for the Period	2,510.74	3,939.96	2,339.95	3,895.53
Earnings Per Share (Rs.)				
1. Basic	23.74	36.92	22.02	36.54
2. Diluted	23.74	36.92	22.02	36.54

Key financial Ratios

Particulars	FY 2024-25	FY 2023-24
Current ratio	1.05	1.09
Debt Equity	1.29	1.37
Interest Coverage	3.18	4.31
Fixed Asset Turnover	1.33	1.39
Total Assets to Debt	2.15	2.06
Debt Service Coverage	1.09	1.4
Debt/EBITDA	3.14	2.76

Explanation to key financial ratios

- Current Ratio indicates a Company's overall liquidity position. It measures a Company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.
- Debt Equity Ratio is used to evaluate a Company's financial leverage. It is a measure of the degree to which a Company is financing its operations through debt versus wholly owned funds. It is calculated by dividing total debt by shareholder's equity.
- Interest Coverage Ratio measures how many times a Company can cover its current interest payment with its available earnings. It is calculated by dividing earnings available for debt service by interest payments.
- Fixed Asset Turnover is a financial efficiency ratio that measures how effectively a company uses its fixed assets-like property, plant, and equipment (PP&E)-to generate sales revenue. It is calculated by dividing Net sales by Average Net Fixed Assets.
- Total Assets to Debt is a solvency ratio that measures the proportion of a company's total assets compared to its total debt. It indicates how much of the company's assets are financed by debt and reflects the firm's ability to cover its obligations using its total resources. It is calculated by dividing Total Assets by Total Debt.
- Debt Service Coverage Ratio is used to analyse the firm's ability to pay off current interest and instalments. It is calculated by dividing earnings available for debt service by debt service.
- Debt/EBITDA is a leverage ratio that measures a company's ability to pay off its debt using its operating earnings (EBITDA). It tells investors, analysts, and lenders how many years it would take to pay back all debt, assuming EBITDA remains constant. It is calculated by dividing total Debt by EBITDA.

STATE OF AFFAIRS AND OPERATIONAL HIGHLIGHTS

On a standalone basis, the Company reported a Total Income of ₹42728.92 Lakh for FY 2024–25, marking an increase of ₹425.37 Lakh over the previous year's Total Income of ₹42303.55 Lakh. After accounting for taxes, the Profit After Tax (PAT) stood at ₹2559.51 Lakh, compared to ₹3980.73 Lakh in FY 2023–24.

On a consolidated basis, the Company achieved a Total Income of ₹42498.98 Lakh in FY 2024–25, reflecting an increase of 2.34% over the previous year's income of ₹41527.08 Lakh. The Consolidated Profit After Tax for the year stood at ₹2374.26 Lakh, as compared from ₹3940.08 Lakh in FY 2023–24.

SHARE CAPITAL

During the year under review, there was no change in the authorised share capital of the Company.

As on March 31, 2025, the Paid-up Equity Share Capital of the Company stood at ₹10,78,16,000, comprising 1,07,81,600 equity shares of face value ₹10 each.

However, the Company has raised ₹79.99 Crores by allotment of 10,06,480 equity shares to three Qualified Institutional Buyers (QIBs) and one non-QIB investor, all belonging to the non-promoter category, aggregating to ₹80 Crore (approx.), on preferential basis, in the Board Meeting held on May 23, 2025. The Company has received all the requisite approvals from the respective stock exchanges. Thus, the paid up capital of the Company after the said allotment stands at ₹11,78,80,800.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for FY 2024-25 appearing in the Statement of profit and loss.

DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 during the year.

CHANGE IN NATURE OF BUSINESS

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

ALTERATION OF MEMORANDUM OF ASSOCIATION (MOA) AND ARTICLES OF ASSOCIATION (AOA) OF THE COMPANY

During the FY 2024-25, the company has not altered the Memorandum of Association (MoA) and Articles of Association (AoA) of Association of the Company.

DIVIDEND

The Board of Directors, at its meeting held on May 27, 2024, recommended a dividend of ₹1.50 per fully paid-up equity share on 1,07,81,600 equity shares of face value ₹10 each for the financial year ended March 31, 2024. This recommendation was made in accordance with the parameters set out in the Company's Dividend Distribution Policy. The proposed dividend was subsequently approved by the shareholders at the 41st Annual General Meeting ("AGM") held on September 11, 2024. The dividend was paid to all eligible shareholders whose names appeared in the Register of Members as on the record date, September 4, 2024, and was disbursed before October 10, 2024.

In view of the Company's strategic focus on identifying, executing, and successfully implementing key business projects across its operating verticals, the Board of Directors has prioritized the conservation of funds to support these long-term initiatives. To ensure sustainable growth in assets and revenue, and to strengthen the Company's financial position for future opportunities, it is deemed prudent to retain earnings for reinvestment.

Accordingly, the Directors have not recommended any dividend for the FY 2024–25. This decision is aligned with the Company's commitment to enhancing long-term shareholder value through strategic expansion and sound financial management.

The Dividend Distribution Policy, formulated in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is available on the Company's website at www.raclgeartech.com.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company comprises an optimum combination of executive, non-executive and independent directors, including woman director. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders.

The Company's Board comprises of the following Directors:

S. No.	Name of the Director	Designation
1.	Mr. Gursharan Singh	Chairman & Managing Director
2.	Mr. Anil Sharma	Non- Executive Non- Independent Director
3.	Ms. Narinder Paul Kaur	Non- Executive Non- Independent Director
4.	Mr. Shashank Ramesh Anikhindi	Independent Director
5.	Mr. Jagdish Keswani	Independent Director
6.	Brig. Harinder Pal Singh Bedi (Retd.)	Independent Director
7.	Ms. Malini Bansal	Independent Director

As per the declarations received by the Company none of the Directors are disqualified under Section 164(2) and other applicable provisions of the Companies Act, 2013 ("the Act"). Certificate on non-disqualification as required under Regulation 34 of SEBI Listing Regulations is forming part of the Corporate Governance Report.

Appointment/ Re-appointment of Directors

Mr. Anil Sharma (DIN: 00157911),Non-Executive Non Independent Director, retires by rotation, and being eligible, have offered himself for re-appointment at the 42nd AGM.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Pravir Kumar (DIN: 00671671) as an Additional Director in the category of Non-Executive, Independent Director at its meeting held on August 11, 2025. His appointment is effective until the ensuing AGM.

Further, the Board recommends his appointment as a Non-Executive, Independent Director for a term of three (3) consecutive years, subject to approval of the Members by way of a Special Resolution at the 42nd AGM.

Additionally, the Directors, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Mr. Rakesh Kapoor (DIN: 00015358) as an Additional Director in the category of Non-Executive Non-Independent Director at its meeting held on August 11, 2025. His appointment is effective until the ensuing AGM.

Further, the Board recommends his appointment as a Non-Executive, Non-Independent Director, subject to approval of the Members by way of a Special Resolution at the 42nd AGM.

Notice convening the 42nd AGM includes the abovementioned proposal for appointments and re-appointments and the requisite disclosures under Section 102 of the Act, Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India.

KEY MANAGERIAL PERSONNEL (KMP)

In terms of provisions of section 203 of the Act, following were the KMPs of the Company as on March 31, 2025:

Mr. Gursharan Singh	Chairman & Managing Director
Mr. Jitender Jain	Chief Financial Officer
Ms. Neha Bahal	Company Secretary & Compliance Officer

During the period under review, there was no change in the Key Managerial Personnel (KMP) of the Company.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the financial year, five (5) meetings i.e. May 27, 2024, August 12, 2024, September 11, 2024, November 14, 2024 and January 31, 2025), of Board of Directors of the Company were convened and held in accordance with the provisions of the Act and secretarial standards issued by the Institute of Company Secretaries of India (ICSI). The date(s) of the Board Meeting, attendance of the Directors is given in the Corporate Governance Report forming part of this annual report. The time-gap between any two consecutive meetings was within the period prescribed under the Act and SEBI Listing Regulations.

COMMITTEES OF THE BOARD OF DIRECTORS

In terms of the requirements of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as a part of the best corporate governance practices, the terms of reference and the constitution of these Committees is in compliance with the applicable laws and to ensure focused attention on business and for better governance and accountability.

The Board has constituted -



The details of each of these committees outlining their composition, terms of reference and number of meetings held during FY 2024-25, are outlined in the Corporate Governance Report forming part of this annual report.

During FY 2024-25, recommendations made by the Committees to the Board of Directors were accepted by the Board, after due deliberations.

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was held on January 31, 2025, with no participation of Non-Independent Directors or the Management of the Company, inter-alia, to discuss evaluation of the performance of Non-Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

DECLARATION FROM INDEPENDENT DIRECTORS

The Board of Directors are of the opinion that the Independent Directors of the Company are of high integrity and suitable expertise as well as experience (including proficiency).

The Company has received declaration of independence from all the Independent Directors as stipulated under Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, confirming that they meet the criteria of independence, which has been duly assessed by the Board as part of their annual performance evaluation exercise.

Further, in terms of Regulation 25(8) of the SEBI Listing Regulations, Independent Directors have also 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.

REGISTRATION OF INDEPENDENT DIRECTORS IN INDEPENDENT DIRECTORS DATABANK

All the Independent Directors of the Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Policy ('NRC Policy') is in place laying down the role of Nomination and Remuneration Committee, criteria of appointment, qualifications, term/tenure etc. of Executive Directors & Independent Directors, annual performance evaluation, remuneration of Executive Directors, Non-Executive/ Independent Directors, Key Managerial Personnel & Senior Management, and criteria to determine qualifications, positive attributes & independence of Director.

The NRC policy is available on the Company's website at www.raclgeartech.com.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Board confirms having:

- followed the applicable Accounting Standards in the preparation of the Annual Accounts, and there are no material departures from the same;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs and of the profits of the Company for that period;
- taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis;
- laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

DIRECTORS AND OFFICERS INSURANCE ('D&O')

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance ('D&O') for all its directors.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its committees as well as performance of the Directors individually. Feedback was sought by way of 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 and the evaluation was carried out based on responses received from the Directors. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

The above criterias are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

FAMILIARISATION PROGRAMMES

The Members of the Board of the Company have been provided opportunities to familiarise themselves with the Company, its Management, and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations, and the industry in which it operates. All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

The Directors are regularly informed during the meetings of the Board and the Committees, of the activities of the Company, its operations and issues faced by the engineering industry. Considering the long association of the Directors with the Company and their seniority and expertise in their respective areas of specialization and knowledge of the engineering industry, their training and familiarization were conducted in the below mentioned areas:

- The Roles, Rights, Responsibilities and Duties of Independent Directors;
- Business Development Strategy and Plans;
- Changes brought in by the introduction of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- Changes in the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

The detailed policy on the familiarisation programme is available on the website at www.raclgeartech.com

CODE OF CONDUCT

The Company has laid down a code of conduct which has been effectively adopted by the Board Members and Senior Management of the Company. The detailed policy on the Code of Conduct is available on the website at www.raclgeartech.com

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2025, the Company has one Wholly Owned subsidiary namely RACL Geartech GmbH, incorporated in Austria. The Company has no Joint Venture or Associate Company. There has been no material change in the nature of the business of its subsidiary.

Pursuant to provisions of Section 129 of the Act, a separate statement containing the salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached with the financial statements of the Company.

The consolidated financial statements presented by the Company include the financial information of RACL Geartech GmbH and have been prepared in compliance with the applicable Accounting Standards issued by the

Institute of Chartered Accountants of India ("ICAI").

Further, pursuant to the provisions of Section 136 of the Act, the standalone financial statements of the Company, consolidated financial statements along with relevant documents and separate accounts in respect of RACL Geartech GmbH, are available on the website of the Company.

The detailed policy for determining material subsidiaries as approved by the Board is uploaded on the Company's website and can be accessed at www.raclgeartech.com.

AUDITORS & AUDITORS' REPORT

A. STATUTORY AUDITORS

At the 37th AGM held on September 21, 2020, the Members approved the re-appointment of M/s. Gianender & Associates (ICAI Firm Registration Number: 004661N), as the Statutory Auditors of the Company for a second term of 5 years commencing from the conclusion of 37th AGM till the conclusion of the 42nd AGM to be held in the year 2025.

They now cease to be the Statutory Auditors of the Company.

The Board of Directors on the recommendation of Audit Committee, have proposed the appointment of M/s. Gupta Nayar & Co., Chartered Accountants, (Firm Registration Number: 008376N, Peer Review Certificate No: 016625) as Statutory Auditors of the Company for a term of 3 years. M/s. Gupta Nayar & Co., Chartered Accountants, (Firm Registration Number: 008376N, Peer Review Certificate No: 016625) have furnished a certificate of their eligibility and consent under the relevant provisions of the Act and rules mentioned thereunder. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI). Therefore, based on the recommendation of the Audit Committee, the Board of Directors has proposed the appointment of M/s. Gupta Nayar & Co., Chartered Accountants, as the Statutory Auditor of the Company for a term of three consecutive years, to hold office from the conclusion of the 42nd AGM until the conclusion of the subject to the approval of the members at the ensuing AGM.

The standalone and consolidated financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act. The Statutory Auditor's report does not contain any qualifications, reservations, adverse remarks or disclaimers. The Statutory Auditors of the Company have not reported any fraud to the Audit Committee of Directors as specified under Section 143(12) of the Act, during the year under review.

B. SECRETARIAL AUDITOR

M/s. Rosy Jaiswal & Associates, Practicing Company Secretaries (Peer Review Number: 2298/2022), were appointed as Secretarial Auditor of the Company for the FY 2024-25, by the Board of Directors, upon recommendation of the Audit Committee.

Pursuant to Regulations 24A of the Listing Regulations, w.e.f., April 1, 2025, the appointment of the Secretarial Auditor shall be recommended by the Board of Directors and approved by the members at an AGM, for a term of five consecutive years, if Secretarial Auditor is an individual or two terms of five consecutive years for a Secretarial Audit firm. Hence, M/s. Rosy Jaiswal & Associates, Practicing Company Secretaries, being a sole proprietary firm, can be appointed as Secretarial Auditor of the Company for a term of five consecutive years.

M/s. Rosy Jaiswal & Associates, Practicing Company Secretaries, have furnished a certificate of their eligibility and consent under the relevant provisions of the Act, the Listing Regulations and relevant circulars issued by SEBI in this regard. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Company Secretaries of India (ICSI). Therefore, based on the recommendation of the Audit Committee, the Board of Directors have proposed the appointment of M/s. Rosy Jaiswal & Associates, Practicing

Company Secretaries, as the Secretarial Auditor of the Company, for a term of five consecutive years, from the FY 2025-26 to FY 2029-30, subject to approval of the members at the ensuing AGM. The Secretarial Audit Report and Annual Secretarial Compliance Report issued by M/s. Rosy Jaiswal & Associates, for the FY 2024-25 have been annexed to this Report as **Annexure- A** respectively.

C. INTERNAL AUDITOR

Protiviti India Member Private Limited, were appointed as the Internal Auditor of the Company for the FY 2024-25, by the Board of Directors In its Meeting held on May 27, 2024, based on recommendation of the Audit Committee, in accordance with Section 138 of the Act and rules framed thereunder.

EXPLANATION OR CAPITAL LETTER ON DISQUALIFICATIONS, RESERVATIONS, ADVERSE REMARKS OR DISCLAIMERS IN THE AUDITOR'S REPORT

Neither the Statutory Auditor nor the Secretarial Auditor of the Company, in their respective reports, have made any qualifications, reservations, adverse remarks or disclaimers. Accordingly, no explanations/ comments thereon are required to be furnished by the Board.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors, Internal Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Directors or Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

COST AUDIT AND MAINTENANCE OF COST RECORDS

Pursuant to the Companies (Cost Records and Audit) Amendment Rules, 2014, notified by the Ministry of Corporate Affairs (MCA) on December 31, 2014, the Company is not required to undertake a cost audit for the FY 2024-25, in accordance with the provisions of Section 148 of the Companies Act, 2013. However, pursuant to the provisions of Section 148 of the Act, the Company maintains cost records as specified by the Central Government.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes or commitments affecting the financial position of the Company that have occurred between the year financial ended March 31, 2025, and the date of signing of this Report.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR

The Company confirms that there has been no application or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 ("the Code") during the year under review. The Company further confirms there are no past applications or proceeding under the Code. During the year under review, no application was made or any proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016.

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

The Company has not undergone any one-time settlement and accordingly the Company has no information to offer in respect of the difference between the amount of the valuation at the time of one-time settlement and the valuation date while taking loan, if any.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has established and implemented systems, policies, procedures, and frameworks to ensure the orderly and efficient conduct of its business operations. These mechanisms are designed to ensure adherence to internal policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. In line with best practices, the Audit & Risk Management Committee and the Board periodically review the internal control systems to ensure their continued effectiveness and relevance. Where any weaknesses are identified through these reviews, corrective measures and new procedures are promptly implemented to strengthen the control environment. These controls are reviewed regularly to maintain their efficacy.

The internal control framework encompasses appropriate delegation of authority, clearly defined operational philosophies, standard operating procedures, robust IT systems aligned with business requirements, an internal audit mechanism, an ethics and compliance framework, a comprehensive risk management system, and adequate segregation of duties to manage and mitigate risks effectively.

The Company's Code of Conduct emphasizes transparency in financial reporting, ethical behaviour, regulatory compliance, conflict of interest management, and structured reporting mechanisms. All audit observations and follow-up actions are tracked and reported to the Audit Committee for review and necessary action.

VIGIL MECHANISM

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. In line with the Company's Code of Conduct, any actual or potential violation, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Company's Code of Conduct cannot be undermined.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of Directors of the Company for redressal. No person has been denied access to the Chairman of the Audit Committee of Directors. Whistle Blower Policy of the Company can be accessed at given weblink: www.raclgeartech.com.

RISK MANAGEMENT

The Company's Board of Directors has constituted a Risk Management Committee to monitor and review risk management process and mitigation of risk from internally and externally. The Company has a well-defined risk management policy. The details of the Risk Management Committee are given in the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time, the Management's Discussion and Analysis Report forms part of this Annual Report..

CORPORATE GOVERNANCE

The Company has been following the principles and practices of good Corporate Governance and has ensured compliance with the requirements under the Listing Regulations. A detailed report on Corporate Governance as required under Regulation 34 read with Part C of Schedule V to the Listing Regulations is appended along with the certificate confirming the compliance of conditions on Corporate Governance, issued by M/s. Rosy Jaiswal & Associates, Practising Company Secretaries, New Delhi. The Corporate Governance Report is forming part of this Annual Report.

CEO & CFO CERTIFICATE

In accordance with the provisions of Regulation 17(8) of the SEBI Listing Regulations, certificate of Chief Executive Officer and Chief Financial Officer in relation to the Financial Statements for the year ended 31 March 2025, forms part of this Annual Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The 'Business Responsibility and Sustainability Report (BRSR) of the Company for the year ended March 31, 2025 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the year under review no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status of the Company and or its operations in future.

ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at: www.raclgeartech.com.

SECRETARIAL STANDARDS

The Company has generally complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2), respectively issued by Institute of Company Secretaries of India.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments are within the limit of the provisions of Section 186 of the Act as appearing in Notes of the financial statements.

RELATED PARTY CONTRACTS & ARRANGEMENTS

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same has been placed on company's website; www.raclgeartech.com. During the year under review, all transactions entered into with related parties were approved by the Audit Committee of Directors. Certain transactions, which were repetitive in nature, were approved through omnibus route. As per the Listing Regulations, any related party transaction exceeding ₹1,000 crore or 10% of the annual consolidated turnover, as per the last audited financial statement whichever is lower, is considered as material and requires Members approval. Accordingly, the Company sought and obtained necessary Members approval for the year under review. However, there were no material transactions with any related parties as per the Act. Disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is annexed to this report as **Annexure-B**.

CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to ensure the well-being of the community and environment in which it operates. Corporate Social Responsibility ('CSR') forms an integral part of our business activities. The Company's CSR Policy also reflects the Company's commitment towards society and environment. The CSR initiatives are carried out by the Company through a variety of effective programs in accordance with the requirements of Section 135 and Schedule VII of the Companies Act, 2013, and rules made thereunder. During the FY 2024-25, your Company

continued to implement CSR initiatives that align with our core values and contribute to the well-being of the communities in which we operate. The CSR Policy of your Company is aligned with the activities specified in Schedule VII of the Act. The amount required to be spent by the Company on CSR activities for the FY 2024–25 was ₹87.66 Lakhs.

The Corporate Social Responsibility Committee and the Board of Directors closely review and monitor, from time to time, the various CSR activities undertaken by the Company.

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year is appended to this Report as **Annexure – C** in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. A detailed policy is available on the website of the Company at www.raclgeartech.com.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

A. Conservation of Energy: The Company has a longstanding history of efficient management of all its assets and resources. The Company's conscious efforts are aligned with the ethos of keeping communities and environment at the heart of doing business. Green power is sourced on the basis of long-term power purchase agreements to ensure stability of prices and supplies, with the generation source being that of solar. In this rapidly transforming world, our sustainability goals will certainly evolve as our industry grows and as per the needs arising in the society.

B. Technology Absorption: The Company continues to adopt and use the latest technologies to improve the efficiency and effectiveness of its business operations.

C. Foreign Exchange Earnings and Outgo:

The details of foreign exchange earnings and outgo as required under Section 134 of the Act and Rule 8(3) of Companies (Accounts) Rules, 2014 are mentioned below:

(Rs. in Lakh)

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Foreign Exchange Earnings	28990.31	30955.31
Foreign Exchange Outgo	3043.65	7047.89

Further, Information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Act read with Companies (Accounts) Rules, 2014 is appended to this Report as **Annexure –D**.

HUMAN RESOURCE

At RACL Geartech Limited, we firmly believe that our employees are our most valuable asset. Throughout FY 2024–25, we remained committed to fostering a positive, harmonious, and productive work environment, guided by our core values and a culture of mutual respect. We continued to enhance value-based behaviour across the organization through effective communication, inclusive engagement, and a strong focus on employee well-being. Our open and transparent communication framework empowers employees at all levels to freely share ideas, raise concerns, and contribute feedback-fostering continuous improvement across our operations.

Recognizing the importance of continuous learning and ethical conduct, the Company expanded its training initiatives to include key topics such as anti-bribery, human rights, Prevention of Sexual Harassment (POSH), safety, quality, and operational excellence.

During the year, RACL maintained a harmonious industrial relations climate across all its facilities. We also focused on strengthening human resource development, improving workplace infrastructure, and digitizing HR processes to enhance efficiency and employee experience. In line with our commitment to employee welfare and uniformity, uniforms were provided to all employees across the organization. We also established well-equipped canteen facilities at our Gajraula and Noida plants, offering hygienic and nutritious meals, underscoring our commitment to health and safety.

To promote a performance-driven culture, the Company implemented a framework of clear and measurable goals, supported by defined performance rating parameters at all employee levels. This initiative reinforces accountability while aligning individual performance with organizational objectives.

INDUSTRIAL RELATIONS

During the year under review, industrial relations remained harmonious at all our offices and establishments. We maintained a cordial and collaborative working environment across all manufacturing locations and witnessed a high in productivity at most of our manufacturing locations. The Company has a centralised HR Help Desk system to directly capture employee grievances and ensure their timely resolution. This platform serves as a single point of contact for addressing concerns.

Further, extensive trainings were provided on the POSH (Prevention of Sexual Harassment) policy and grievance redressal procedures at all plant locations. These initiatives were aimed at empowering employees, especially women, to voice concerns without fear and promoting a respectful and inclusive workplace culture.

The total number of permanent employees at RACL including plants stands at approx. 752 at the close of business hours on March 31, 2025.

STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as **Annexure – E**.

REMUNERATION POLICY

The Nomination & Remuneration Policy adopted by the Board on the recommendation of NRC enumerates the criteria for assessment and appointment/re-appointment of Directors, KMP and SMP on the basis of their qualifications, knowledge, skill, industrial orientation, independence, professional and functional expertise among other parameters with no bias on the grounds of ethnicity, nationality, gender or race or any other such discriminatory factor. Policy enables the Company to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. The current policy is available on Company's website at www.raclgeartech.com. Company ensures compliance with the Policy in true letter and spirit.

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

The Company maintains a zero-tolerance policy towards sexual harassment at the workplace. In alignment with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the rules framed thereunder, the Company has implemented a comprehensive, gender-neutral POSH Policy. This policy is applicable to all employees, including permanent, temporary, contractual staff, and trainees. To ensure effective implementation of the POSH Policy, the Company has constituted Internal

Complaints Committees (ICC), in accordance with the requirements of the POSH Act. The committee is responsible for addressing and resolving complaints related to sexual harassment in a fair and confidential manner.

During the financial year under review, no complaint of sexual harassment was received by the Internal Complaints Committee. Accordingly, there are no cases to report under Section 22 of the POSH Act.

The following is a summary of sexual harassment complaints received and disposed off during the year:

S. No.	Particulars	Status of the No. of complaints received and disposed off
1.	Number of complaints on Sexual harassment received	NIL
2.	Number of Complaints disposed off during the year	NA
3.	Number of cases pending for more than ninety days	NA
4.	Number of workshops or awareness programme against sexual harassment carried out	The Company regularly conducts necessary awareness programmes for its employees.
5.	Nature of action taken by the employer or district officer	NA

The Company remains committed to fostering a safe, respectful, and inclusive work environment. To promote awareness, regular training and sensitisation programs-including induction and refresher sessions-have been conducted across offices and manufacturing locations. These sessions cover topics such as gender sensitisation, Company Code of Conduct, and POSH compliance.

PREVENTION OF INSIDER TRADING CODE

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, as amended from time to time.

ENVIRONMENT, HEALTH AND SAFETY

The Company remains steadfast in its commitment to ensuring a safe, healthy, and sustainable work environment for all stakeholders. In FY 2024–25, our Environment, Health, and Safety (EHS) initiatives have expanded both in scope and impact, reinforcing our culture of safety, responsibility, and environmental stewardship. RACL Geartech Limited gives importance to safety, health and well-being of its employees and all the people working for the Company. The absolute respect of Environment, Health and Safety (EHS) is on the top priority of RACL Geartech Limited. The Company is working hard to reduce the number of accidents to Zero. The Company encourages and ensures that not only its employees but also its subcontractors working on Company's plants as well as its suppliers comply with the occupational, health and safety measures. In line with our commitment to employee welfare, we conduct annual medical camps across all sites and provide accident insurance to all employees across all locations.

The collective actions reflect our integrated approach toward risk reduction, operational efficiency, and environmental sustainability. Looking ahead, we aim to digitise EHS tracking through centralised dashboards, expand safety training coverage, and continuously adopt green practices for a safer and more responsible future.

CREDIT RATING

Given below are the ratings given to the Company by CARE Ratings Limited during the Financial Year ended 31 March 2025:

Facilities	AMOUNT (Rs. Crore)	RATING	RATING ACTION
Long Term Bank Facilities	161.43 (Reduced from 161.58)	CARE A-; Stable (Single A Minus; Outlook: Stable)	Reaffirmed
Long Term/Short Term Bank Facilities	166.50 (Enhanced from 135.50)	CARE A-; Stable / CARE A2+ (A Two Plus; Outlook: Stable)	LT rating reaffirmed and ST rating assigned
Short Term Bank Facilities	9.00 (Enhanced from 3.00)	CARE A2+	Reaffirmed
Total Facilities	336.93 (Rs. Three Hundred Thirty-Six Crore and Ninety Three Lakhs Only)		

AWARDS AND RECOGNITIONS

During the FY 2024-25 the Company has received the following awards and recognitions:

- Company has been successfully awarded Letter of Comfort sanctioned under Industrial Investment & Employment Promotion Policy 2022 under "Mega" category, for proposed Investment of ₹250 Cr. issued by Infrastructure & Industrial Development Department, Government of Uttar Pradesh as on June 28, 2024 for availing incentives namely, capital subsidy.
- RACL Geartech Limited is officially ESG Registered under Dun & Bradstreet, signifying adherence to the stringent ESG criteria set forth by global business standards.
- The Company has been honoured with the prestigious "Renewable Energy Champion" award at the 3rd CII-Northern Region Green Practices Awards, organized by the Confederation of Indian Industry (CII).
- The Company has been honoured with the prestigious "GOLD rating in Manufacturing Category" as per the 9th CII-National 5S Excellence Rating organized by the Confederation of Indian Industry (CII).
- The success story of RACL Geartech Limited has been prominently featured in the January 2025 edition of the UP Invest newsletter, a "Government of UP" Organisation for facilitating industrial growth in the State of Uttar Pradesh.
- RACL Geartech Limited Metallurgical Testing Lab, Gajraula is accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) as per ISO/IEC 17025:2017 - Laboratory Management System which is valid up to January 21, 2029.
- Company has been honoured with an award by EEPC India during the Northern Region's 52nd and 53rd Export Excellence Awards. We have been recognized as the Star Performer in the Automobile Component Product Group under the Northern Region Export Excellence category. The award was presented by the Hon'ble Chief Minister of Delhi, Smt. Rekha Gupta. The ceremony was further graced by Dr. Phillip Ackerman, German Ambassador to India and Bhutan, and Shri Vimal Anand, Joint Secretary, Department of Commerce, Ministry of Commerce & Industry, Government of India.
- RACL Geartech Limited has conducted the Bhumi Pujan ceremony on April 30, 2025 at Gajraula plant for the commencement of construction of a new manufacturing facility. This marks a significant milestone in our growth journey and reflects our commitment to expanding our production capabilities. The upcoming facility

is being developed as part of our strategic initiative to enhance manufacturing capacity in anticipation of future business projects and to better serve our domestic and international markets.

- Official inauguration of new manufacturing facility named as "**UDYAM**" for BMW electric car parking lock mechanism. The inauguration took place in the esteemed presence of the BMW Global and India teams, along with the RACL Management, on February 13, 2025.

APPRECIATIONS AND ACKNOWLEDGEMENTS

The Board of Directors expresses its sincere appreciation to all employees of RACL Geartech Limited for their hard work, dedication, and commitment. It is through their enthusiasm, perseverance, and unwavering efforts that the Company has been able to maintain its position as a leader in the industry. The Board also extends its gratitude to the Company's investors, suppliers, distributors, retailers, business partners, and all stakeholders whose support and cooperation have been invaluable. We consider them true partners in our journey of growth and are committed to nurturing strong, long-term relationships built on mutual respect, trust, and shared success, in alignment with the interests of our consumers and the broader community.

The Directors would also like to place on record their appreciation for the continued support received from shareholders, government and regulatory authorities, stock exchanges, and financial institutions.

Lastly, the Board acknowledges and values the contributions made by the families of our employees and the enduring commitment of every member of the RACL family, whose collective efforts have been instrumental in driving the Company forward.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED

GURSHARAN SINGH
(CHAIRMAN & MANAGING DIRECTOR)
DIN: 00057602

DATE: AUGUST 11, 2025
PLACE: NOIDA

ANNEXURE- A TO THE BOARD REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

To,

The Members,

M/s RACL Geartech Limited

CIN: L34300DL1983PLC016136

B - 9, Sector 3, Noida UP 201301 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s RACL Geartech Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my Opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed with Regulatory Authorities, and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the "Act") and the rules made there under.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.

(iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under.

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

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

1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended to date.
3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
4. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the Audit Period);

5. The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021.
6. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client (Not applicable to the Company during the Audit Period);
7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable for the auditing period); and
8. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);

We further report that with respect to the compliance of the below mentioned laws; we have relied on the compliance system prevailing in the Company and based on representation received from the Management: -

(i) The Employees Provident Funds and Miscellaneous Provisions Act, 1952 and Employees' Provident Funds Scheme, 1952.

(ii) The Factories Act, 1948.

(iii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Act, 2013 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Rules, 2013

(iv) All other Labour, Employee, and Industrial Laws to the extent applicable to the Company.

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

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

(ii) The Listing Agreements entered by the Company with National Stock Exchange of India Limited and BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

(iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder (''the Listing Regulations'')

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Woman Director(s). 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 at least seven (7) days in advance (except where the consent was obtained to place the same at shorter notice) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be and the abstain notes, if any, due to conflict of interest or otherwise have been duly recorded in the Minutes Book.

The Company has kept and maintained registers/records as required under the Companies Act, 2013 and all entries there in have been duly recorded within the time prescribed thereof.

We further report that as per the explanations given to me and the representations made by the Management and relied upon by me 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.

We further report that during the audit period none of the following events has taken place:

I. Public/Rights/Preferential Issue of Shares/Debentures etc.

II. Buy-back of securities.

III. Major decision taken by the Members in pursuance to section 180 of the Companies Act, 2013

IV. Amalgamation/Reconstruction, etc.

V. Foreign Technical Collaborations.

This Report is to be read with our letter of even date which is attached as Annexure 1 and forms an integral part of this Report.

Place: New Delhi

Date: 7th August 2025

For Rosy Jaiswal & Associates

Company Secretaries

Rosy Jaiswal (Proprietor)

ACS No. 28432,

C.P No. 21968

UDIN: A028432G000960385

Peer Review Certificate No:2298/2022

Annexure 1 (forming part of Secretarial Audit Report)

To,

The Members,

M/s RACL Geartech Limited

B - 9, Sector 3, Noida UP 201301 IN

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, We followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, have obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Delhi

Date: 7th August 2025

For Rosy Jaiswal & Associates

Company Secretaries

Rosy Jaiswal(Proprietor)

ACS No. 28432,

C.P No. 21968

UDIN: A028432G000960385

Peer Review Certificate No:2298/2022

ANNEXURE - B TO THE BOARD REPORT

FORM NO. AOC-2

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

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

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

   The Company has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business, not at arm's length during the financial year ended 31st March, 2025. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules.

S. No	Particulars	Details
a)	Names (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements /transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required Nil under first proviso to section 188	NA

2. **Details of material contracts or arrangements or transactions at Arm's Length basis:**

   The Company has not entered into any material contract/arrangement/transaction with its related parties.

S. No	Particulars	Details
a)	Name (s) of the related party and nature of relationship	NA
b)	Nature of contracts/arrangements/transactions	NA
c)	Duration of the contracts/arrangements/transactions	NA
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
e)	Date of approval by the Board	NA
f)	Amount paid as advances, if any	NA

FOR RACL GEARTECH LIMITED

GURSHARAN SINGH

CHAIRMAN AND MANAGING DIRECTOR

DIN: 00057602

ANNEXURE - C TO THE BOARD REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE YEAR ENDED 31ST MARCH, 2025

1. Brief Outline of the Company's CSR Policy of the Company.

The Company has framed a Corporate Social Responsibility (CSR) Policy in compliance with Section 135 of the Companies Act, 2013 and is available on the Website of the Company at www.raclgeartech.com.

2. Composition of CSR Committee:

S. No	Name of Director	Designation	Position Held in CSR Committee	No. of Meetings of CSR Committee held during the year	No. of Meetings of CSR Committee attended during the year
1.	Brig. Harinder Pal Singh Bedi (Retd.)	Independent Director	Chairperson	2	2
2.	Ms. Narinder Paul Kaur	Non- Executive Non-Independent Director	Member	2	2
3.	Mr. Anil Sharma	Non- Executive Non-Independent Director	Member	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company-
www.raclgeartech.com

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

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 - NA.

6. Average net profit of the Company as per Section 135(5): ₹4349.54 Lakhs

7. a. Two percent of average net profit of the company as per section 135(5)- ₹87.66

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years- ₹24.44 Lakhs

c. Amount required to be set off for the financial year, if any: N.A.

d. Total CSR obligation for the financial year (7a+7b-7c): ₹112.1 Lakhs

8. a. CSR amount spent or unspent for the financial year: **(Rs. in Lakh)**

Total Amount Spent for the Financial Year.	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer*	Name of the Fund	Amount	Date of transfer
Rs. 101.03 lakhs	Rs. 11.07	25/04/2025	-	-	-

b. Details of CSR amount spent against ongoing projects for the financial year:

(Rs. in Lakh)

S. No	Name of the-Project	Item from the list of activities in Schedule VII to the Act.	Loca-larea (Yes/ No)	Location of the project		Proj-ect Dura-tion	Amount allocat-ed for the project (p.a.)	Amount spent in the current finan-cial Year	Amount transferred to Unspent CSR Ac-count for the project as per Sec-tion 135(6)	Mode of Im-ple-men-tation-Direct (Yes/ No)	Mode of Implemen-tation - Through Implement-ing Agency	
				State	Dis-trict						Name	CSR Regn No.
1.	Bright Tomorrow	Promoting Education	Yes	Uttar Pradesh	Noida	4 Years	54	50	8.5	Yes	NA	NA
2.	Computer Education	Promoting Education	Yes	Uttar Pradesh	Noida	4 Years	1.80	1.70	0.2	Yes	NA	NA
3.	Shining Stars	Employment enhancing vo-cation skills	Yes	Uttar Pradesh	Noida	4 Years	3.92	3.85	2.0	Yes	NA	NA
4.	Medical Assitance	Health, Hygiene and wellness	Yes	Uttar Pradesh	Noida	4 years	6.2	5.14	1	Yes	NA	NA

c. Details of CSR amount spent against other than ongoing projects for the financial year

S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of \ theproject		Amount spent in the current fi-nancial Year (Rs. In Lakh)	Mode of Implementa-tion-Direct (Yes/No)	Mode of Implementation –Through Implementing Agency	
				State	Dis-trict			Name	CSR Regn No.
1.	-	Promoting Edu-cation	Yes	Uttar Pradesh	Noida	11.36	No	Sun-Up Foundation	CSR00026305
2.	-	Infrastructure for Education	Yes	Uttar Pradesh	Noida	28.98	No	Sun-Up Foundation	CSR00026305

d. Amount spent in Administrative Overheads- NIL

e. Amount spent on Impact Assessment, if applicable- NA

f. Total amount spent for the Financial Year (8b+8c+8d+8e)- ₹101.03 Lakhs

g. Excess amount for set off, if any- NA

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

(Rs. in Lakh)

S. No	Preceding FY	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting FY (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1.	2021-22	8.14	8.14	NA	NA	NA	NA
2.	2022-23	6.46	6.46	NA	NA	NA	NA
3.	2023-24	11.07	11.07	NA	NA	NA	NA

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(Rs. in Lakh)

S. No	Project ID	Name of the Project	FY in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting FY	Cumulative amount spent at the end of reporting FY.	Status of the project-Completed /Ongoing
1.	-	Bright Tomorrow	2020-21	4 years	54	50	135.33	Ongoing
2.	-	Computer Education	2020-21	4 years	1.80	1.70	1.70	Ongoing
3.	-	Shining Stars	2020-21	4 years	3.92	3.85	9.99	Ongoing

Note: The allocation of amount for each project is done at the start of the financial year in accordance with the CSR Budget of the Company.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: N.A.

a. Date of creation or acquisition of the capital asset(s)

b. Amount of CSR spent for creation or acquisition of capital asset

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)

11. Specify the reason(s), if the company has faileto spend two per cent of the average net profit as per section 135(5)- The unspent amount pertains to ongoing projects undertaken by the Company.

PLACE: NOIDA

DATE: AUGUST 11, 2025

GURSHARAN SINGH
CHAIRMAN & MANAGING DIRECTOR
DIN: 00057602

BRIG. H.P.S. BEDI (RETD.)
CHAIRPERSON OF CSR COMMITTEE
DIN: 05217488

ANNEXURE - D TO THE BOARD REPORT

Information on conservation of energy, Technology absorption, foreign exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules 2014 are provided hereunder:

A. CONSERVATION OF ENERGY

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

- Automation in Power Factor management systems has been incorporated through installation of Automatic Capacitor Panels. There was a net energy saving of app.65,000 units having net reduction of electricity consumption of ₹4.5 Lakhs in FY 24-25; (power factor improved from Av. 0.987 to Av. 0.991)
- Achieved Energy conservation through Automatic control of continuous duty motors, thus saving ₹7.82 Lakhs in FY 24-25

(ii) Steps taken by the Company for utilizing alternate sources of energy: -

- Commissioning of 1385 Kwp Roof Top Solar Power Plant: Successfully commissioned plant with installations initiated in FY23/24. The entire plant has been finally commissioned in July 2024.
- Commissioning of 4 MW Off-site Solar Power Plant: The Company had entered into a Power Purchase Agreement with Sunsure Solarpark Pvt. Ltd. on July 7, 2023 for off-site captive power generation model. The plant was fully commissioned in July 2024.
- Consolidated savings of ₹155.54 lakh has been achieved through Roof Top & off-site Solar Power Generation.
- Additionally, a substantial reduction in carbon footprint, with a net reduction of over 4700 Tons of CO_2 emissions has been achieved subsequent to commissioning of both the plants.

(iii) Capital Investment on energy conservation equipment: -

- The company implemented rooftop solar power plant under a 25-year Operational Expenditure (OPEX) model agreement. This approach involved no upfront capital investment from the company.
- During the FY 23-24 & FY 24-25, the Company invested ₹140 Lakh as Equity participation in Off-site Solar power generation Park, as company entered into a Power Purchase Agreement for period of 25 years, for installation, operation & Maintenance of Solar Power plant.

B. TECHNOLOGY ABSORPTION, ADAPTATION, INNOVATION, BENEFITS AND FUTURE PLANS OF ACTIONS

(i) Efforts made towards technology absorption;

- Enhancement of capacity by addition of Gear Grinding Machine with Auto loaders for maintaining high quality requirement with very high productivity.
- Enhancement of capacity by addition of high-speed NC Guide CNC Gear shaping Machine to achieve productivity, at better quality level & having flexibility of variety of helical gears without any additional tooling investment
- Addition of new 5 Axis simultaneous interpolation CNC Machining centers, enabling all turning and milling application for producing intricate profiles. This technology is being used for EV applications as well.
- Enhancement of capacity by addition of CNC CBN Cylindrical grinder which is highly capable of maintaining stringent quality requirement with very high productivity level thus meeting all

requirements for EV application as well.

- Implementation of IOT towards providing end to end Traceability by integration of Auto Focus 3 D Laser marking systems with fully integrated scanners for live data collection from all Inspection equipment, storage on cloud & provided interface to customer.
- Addition of CNC Video measuring machine for inspection of intricate profile shapes with high degree of accuracy and at faster time cycles.
- Installation of Solidworks & Solidcam software for fully integrated in-house Dies & Mould manufacturing & complex machining processes for mass production.
- Installation of QDAS software at both the plants for fully computerized control of process capabilities.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution;

- In house development of assembly stations with 100% mistake proofing for sequencing & In-Camera assembly process.
- In house development of flash removing machine for flash removal of forging parts.
- In-house manufacturing of Automated Billet loading on Induction heaters in Forging plant

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

a) Details of technology imported:

- CNC Vertical bore Honing Machine – Nissin Japan.
- 12 Axis CNC Gear Grinding Machine – Nidec Japan
- Surface Roughness Tester – Mitutoyo Japan
- CNC Turn-mill Center machine -Mazak Japan
- Laser Welding Machine – Trumpf Germany
- CNC Vertical Turning Center – Emag Germany

b) Year of import: FY 24/25

c) Whether the technology been fully absorbed: Yes

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA

(iv) Expenditure incurred on Research and Development. :- NA

C. Foreign Exchange Earnings and Outgo

Foreign Exchange Earned in terms of actual inflows during the year and Foreign Exchange Outgo during the year in terms of actual outflows:

Particulars	Amount (Rs. In Lakh)
Foreign Exchange Earnings	28990.31
Foreign Exchange Outgo	3043.65

ANNEXURE - E TO THE BOARD REPORT

PARTICULARS OF EMPLOYEES

A. The information required under section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as under:

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year ended March 31, 2025:

S. No	Name of Director	Designation	Remuneration Paid during year ended March 31, 2025 (Rs. In Lakhs)	Ratio	% increase/ (decrease) in remuneration for the financial year ended March 31, 2025
1	Mr. Gursharan Singh	Chairman & Managing Director	267.71	59.15	(2.98)
2	Ms. Narinder Paul Kaur	Non- executive Non-Independent Director	32.30	7.13	1.1
3	Mr. Anil Sharma	Non- executive Non-Independent Director	32.95	7.28	11.88
4	Mr. Shashank Ramesh Anikhindi	Independent Director	4.35	0.96	NA
5	Mr. Jagdish Keswani	Independent Director	4.60	1.01	NA
6	Brig. Harinder Pal Singh Bedi (Retd.)	Independent Director	2.30	0.50	NA
7	Ms. Malini Bansal	Independent Director	3.95	0.87	NA

2. The percentage change in the median remuneration of the employees during the year ended March 31, 2025::

The percentage increase in the median remuneration of the employees noted on 31st March, 2024 and 31st March, 2025 respectively is 7.02%.

3. The number of permanent employees on the rolls of Company:

The total number of permanent employees on pay rolls of the Company as on March 31, 2025 is 752.

4. Average percentile increase 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 managerial remuneration:

The average percentile increases in the salaries during the year ended March 31, 2025:

Managerial Personnel: 11.63%

Employees other than Managerial Personnel: 12.98%

The remuneration to Managerial Personnel is as approved by the shareholders and Board under the provisions of the Companies Act, 2013. The increase in employee remunerations has been made corresponding to Managerial Remuneration.

5. 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.

B. The information required under Section197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. Names of Top Ten Employees in terms of Remuneration as on March 31, 2024:

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification	Experience (Yrs.)	Date of Commencement of employment with RACL Geartech Ltd.	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
1.	Gursharan Singh	Chairman & Managing Director	267.71	Permanent	Diploma in Mechanical Engineering, PGDM Export Management	43	05.10.1987	63	Escort Tractors Ltd. (Ford)	36.59%	Yes
2.	Jitender Jain	Vice President (CFO)	71.268	Permanent	CA	21	01.09.2023	45	Citi Bank, RBL Bank	0.00	No
3.	Rajiv Kumar Goel	Vice President	46.956	Permanent	B. Tech (Mechanical)	34	01.10.1990	58	NA	0.18%	No
4.	Hemant Kumar	General Manager	34.44	Permanent	AME, Mechanical Engineering, Diploma in Mechanical Engineering	34	18.08.2008	57	Lumax Industries	0.00%	No
5.	Prabh Mehar Singh	Vice President	34.14	Permanent	Master in Management (Finance)	13	15.02.2016	34	KPMG India	0.00%	Yes
6.	Syed Mustahsan Jalil	Deputy General Manager	27.24	Permanent	Diploma in Electrical Engineering	34	08.01.2008	57	Getrag Gears, Antek Auto, HSPP	0.00%	No
7.	Uday Kumar Raghavan	Deputy General Manager	27.12	Permanent	B. Tech Mechanical	34	01.02.1996	56	Sara Services & Engineering Pvt. Ltd.	0.06%	No
8.	Richie Pal Singh	JGM	24.31	Permanent	B. Tech Mechanical	21	04.04.2023	45	Modern Automotive, Sansera Engineering	0.00%	No

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification	Experience (Yrs.)	Date of Commencement of employment with RACL Geartech Ltd.	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
9.	Navneet Sharma	Assistant General Manager	23.67	Permanent	B. Tech Mechanical	17	01.08.2008	40	RACL	0.00%	No
10.	Karun Sharma	Deputy General Manager	22.568	Permanent	Diploma in Production Engineering	22	01.09.2021	42	Mazak India, Kennametal, Gehring, Marposs	0.00%	No

B. Employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs. 1,02,00,000/-

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification	Experience (Yrs.)	Date of Commencement of employment with RACL Geartech Ltd.	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
1.	Gursharan Singh	Chairman & Managing Director	267.71	Permanent	Diploma in Mechanical Engineering, PGDM Export Management	43	05.10.1987	63	Escort Tractors Ltd. (Ford)	36.59%	Yes

Employed for part of the Financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- per month:

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification and Experience	Date of Commencement of employment	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
N.A.										

C. Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.

S. No	Name of Employees	Designation	Remuneration (Rs. in Lakhs)	Nature of employment (Contractual or otherwise)	Qualification and Experience	Date of Commencement of employment	Age (Yrs.)	Last employment before joining the Company	% of Equity shares held by such employee	Whether any such employee is a relative of any director or manager of the Company
N.A.										

FOR RACL GEARTECH LIMITED

DATE: 11th AUGUST, 2025

PLACE: NOIDA

GURSHARAN SINGH

CHAIRMAN & MANAGING DIRECTOR

(DIN: 00057602)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Economy in FY 2024–25: A Brief Detailed Note

The global economy witnessed modest yet uneven growth of around 2.7%, marked by persistent macroeconomic uncertainties, geopolitical tensions, and evolving trade dynamics. After a prolonged period of slowdown brought by COVID-19 pandemic, major economies like U.S., Europe, and Japan demonstrated tentative signs of stabilization with a sluggish growth of 1.5-2%. The recovery was supported by easing inflation, improved consumer confidence, and a moderate rebound in investment. In the European Union, the economy returned to positive growth territory after a period of stagnation, while the unemployment rate declined to 5.9%, indicating gradual labour market improvement. The United States economy maintained a relatively stronger performance, aided by resilient consumer spending, a robust labour market, and continued fiscal support. However, tighter monetary policy to control inflation kept growth moderated, and trade frictions, particularly with China, continued to influence global supply chains. On the other hand emerging markets such as India, Indonesia, and Vietnam played a pivotal role in global economic resilience as they outperformed with 5-7% growth driven by strong domestic demand, manufacturing expansion and foreign investment. While China's growth slowed due to its ongoing property sector crisis and declining domestic consumption, India stood out as the fastest-growing major economy, supported by infrastructure spending, manufacturing expansion, and a demographic location. Other developing nations, like Argentina, Turkey, and Egypt remained grappled in double-digit inflation.

Geopolitical conflicts such as the ongoing war in Ukraine and heightened tensions in West Asia disrupted energy markets and key shipping routes. It brought volatility in oil prices and fuelled food insecurity in vulnerable regions. Meanwhile, escalating U.S.-China trade tensions pushed multinational corporations to relocate supply chains to politically aligned countries like India, Vietnam, and Mexico emerging as alternative manufacturing bases. This prompted policymakers at Central banks worldwide to maintain restrictive monetary policies and delay major rate cuts. Global debt recorded highest in the year, surpassing $315 trillion with low income countries like Pakistan, Ethiopia, and Ghana struggling with debt defaults, forcing increased IMF and World Bank bailouts.

During the end of FY 2024, a renewed U.S.-China trade war intensified as both nations imposed reciprocal tariffs on critical sectors like semiconductors, electric vehicles, and renewable energy components. This disrupted global supply chains further, pushing manufacturing costs higher and delaying recovery in export-dependent economies. The European Union and ASEAN nations faced collateral damage, with trade volumes shrinking by an estimated 3-5% in early FY2026. While countries like India, Mexico, and Vietnam benefited from supply chain diversification, the overall impact on global GDP growth was negative, with projections revised downward by 0.4-0.6% for FY2026.

On a positive note, quick advancements in AI transformed industries such as finance, healthcare and logistics via productivity boos while displacing jobs in Customer Service and Content Creation sectors. We saw rapid move in green energy transition causing major surge in investments in solar, wind and electric vehicles. In summary, FY 2024–25 was a year of cautious optimism for the global economy. The momentum heading into FY 2026 will largely depend on policy continuity, geopolitical stability, and the ability of economies to balance growth with fiscal and monetary discipline.

The automobile industry is currently navigating a period of heightened volatility and uncertainty, driven by tariff and non-tariff variances that impact supply chains, input costs and market access. These disruptions are further intensified by ongoing geopolitical tensions, including the Russia-Ukraine conflict and instability in the Middle East, which have led to fluctuating raw material and energy prices. Within this complex environment, the industry is witnessing divergent trends the internal combustion engine (ICE) vehicle segment continues to grow, supported by robust demand in various markets, while electric vehicles (EVs), particularly in the commuter segment, are experiencing rapid adoption driven by policy support, technological advancements, and changing consumer

preferences. This dual growth trajectory, coupled with external macroeconomic pressures, underscores the need for agility, resilience, and forward-looking investment across the value chain.

Indian Economy in FY 2024–25: A Brief Detailed Note

The Indian economy in the financial year (FY) 2024–25 performed well, maintaining its position as one of the fastest-growing major economies in the world. Despite global challenges like high inflation in some countries and slow growth in Europe and China, India's economy grew at around 6.5% to 7%, supported by strong domestic demand, government reforms, and increased investments in infrastructure. The country's large population, rising middle class, and digital transformation were key factors driving this growth. One of the biggest contributors to India's economic growth post the COVID-19 pandemic was the manufacturing sector. Government initiatives like "Make in India" and Production-Linked Incentive (PLI) schemes continued to boost local manufacturing in electronics, automobiles, and pharmaceuticals. Many global companies have now set up factories in India, reducing dependence on imports and creating jobs. The services sector, including IT, finance, and tourism, also grew rapidly. India remained a top destination for IT outsourcing with companies expanding in artificial intelligence (AI), cloud computing, and digital services. Agriculture, the backbone of nearly half of India's workforce, performed better due to good monsoon rains and government support. Schemes like direct cash transfers to farmers, crop insurance, and better irrigation facilities helped increase farm incomes. Higher rural demand boosted sales of consumer goods, two-wheelers, and tractors, supporting overall economic growth. Inflation, which had been a concern in previous years, was brought under better control this fiscal year. The Reserve Bank of India (RBI) kept interest rates stable to balance growth and price stability. Lower inflation (around 4–5%) helped common people afford daily necessities while encouraging businesses to invest. The banking sector remained strong, with increased loans for homes, vehicles, and small businesses, indicating growing consumer confidence. Infrastructure development remained on priority for the government. Projects like new highways, railways, airports, and smart cities improved connectivity and reduced business costs. The Gati Shakti plan envisioned by the government helped integrate road, rail, and port networks for faster movement of goods. Investments in renewable energy (solar, wind, and green hydrogen) reduced India's dependence on expensive oil imports and created new job opportunities. Foreign investments continued to flow into India as global companies saw it as a stable and growing market. Additionally, the government eased business rules, improved tax policies, and promoted startups to attract more investors. Strong initiatives by the Government helped digital economy expand rapidly, with Unified Payments Interface (UPI) and e-commerce transforming how people shop and pay.

However, challenges remained, such as unemployment, especially among youth, and the need for more skilled workers in new-age industries. Global economic slowdowns and rising oil prices also impacted India's growth. The government addressed these issues through policies that encouraged job creation, skill development, and self-employment schemes like Startup India.

In conclusion, the Indian economy in FY 2024–25 performed strongly, driven by manufacturing, services, agriculture, and digital transformation. While global risks existed, India's focus on infrastructure, reforms, and domestic demand helped maintain steady growth. With these trends, India moved closer to its goal of becoming the world's third-largest economy and achieving a $5 trillion GDP in the coming years.

Global Trends

In FY2025, the global automobile and auto ancillary industries showed strong growth, driven by rising demand for vehicles, especially electric cars (EVs), and improved supply chains after years of disruptions. Car sales increased worldwide, with emerging markets like India and China leading the way, while developed markets focused on electric and hybrid vehicles due to stricter environmental rules. The auto ancillary sector, which supplies parts to car manufacturers, benefited from this growth, particularly in EV components like batteries,

motors, and lightweight materials, as companies invested heavily in new technologies to meet automakers' needs. Supply chains stabilized compared to previous years, reducing delays in production and delivery, though higher costs for raw materials like steel and aluminium, along with rising logistics expenses, put pressure on profit margins, forcing firms to cut costs and improve efficiency. The automobile industry saw major shifts, with traditional carmakers and new EV companies competing fiercely, while governments in regions like North America and Europe offered incentives to boost green vehicle adoption. Asia remained the largest market, with China and India driving sales, while the U.S. and Europe saw steady growth in premium and electric vehicles. Challenges included economic uncertainties, trade tensions, and the need for continuous innovation, pushing smaller players to merge or adopt advanced technologies like AI and automation to stay competitive. The auto ancillary sector also faced demands for smarter, more connected vehicle parts, leading to increased investment in research and development. Looking ahead to FY2026, both industries are expected to grow further, supported by the global shift to EVs, better technology, and stronger supply chains, with companies focusing on sustainability and digital transformation to meet future demands. Overall, FY2025 was a year of recovery and progress for the automobile and auto ancillary sectors, marked by higher sales, technological advancements, and adaptation to a changing market.

Domestic Trends (Indian Automobile Industry)

During the FY2025, India's automobile and auto ancillary sectors demonstrated robust growth, driven by strong domestic demand, government support, and a global shift toward electric vehicles (EVs). The automobile industry saw a significant rise in sales across segments, with passenger vehicles (PVs) and two-wheelers leading the recovery as consumer confidence improved and financing options expanded. The commercial vehicle (CV) segment also grew, supported by infrastructure development and increased freight movement. A key highlight was the rapid adoption of EVs, fueled by government incentives like the FAME-II scheme, state subsidies, and growing consumer awareness, leading to higher sales of electric two-wheelers and cars, with major automakers launching new models to capture this expanding market. EV sales grew by 40-45% compared to the previous year. About 1.5 million EVs were sold, with electric two-wheelers leading at nearly 65% of total sales, followed by electric cars (25%) and electric three-wheelers (10%).The auto ancillary industry, which supplies components to domestic and global manufacturers, benefited from this growth, especially in EV-related parts such as batteries, motors, and charging infrastructure, while traditional suppliers adapted by diversifying into electric and electronic components. Exports of vehicles and auto parts also increased, with India strengthening its position as a manufacturing hub for cost-effective, high-quality components, particularly in markets like Europe, North America, and Southeast Asia. However, challenges such as rising input costs, semiconductor shortages in early FY2025, and fluctuating raw material prices impacted profit margins, pushing companies to focus on localization, operational efficiency, and supply chain resilience. The government's Production-Linked Incentive (PLI) scheme for advanced automotive technologies attracted investments in local manufacturing and R&D, helping the industry transition to cleaner and smarter mobility solutions. Rural demand played a crucial role, with improved agricultural income driving sales of entry-level cars and two-wheelers, while urban markets saw trends shifting to premium segment with higher sales of SUVs and feature-rich vehicles. Looking ahead, the industry is prepared for sustained growth in FY2026, supported by favourable policies, infrastructure development, and increasing EV adoption, though global economic uncertainties and competition from cheaper imports remain key concerns. Overall, FY2025 was a year of strong recovery and transformation for India's automobile and auto ancillary sectors, marked by innovation, export growth, and a gradual shift toward sustainable mobility.

Financial Performance of the Indian Auto Component Industry

The Indian auto parts industry saw steady growth in FY2025, with total business increasing by 12-15% to reach about $70 billion. This growth came from good demand in India's vehicle market and more exports to other countries. Sales to Indian car and bike makers went up as vehicle sales improved, while replacement part sales

stayed stable. Foreign sales grew by 10-12% to over $20 billion, mainly to America and Europe, with engine and electrical parts being popular exports. Companies maintained decent profits (14-16%) by controlling costs and benefiting from stable material prices in the second half of the year. Electric vehicle parts became important, making up nearly 20% of total sales as companies made more batteries and electric motor parts. Some early-year problems with computer chips affected production, but companies managed their stock better later. Government incentives helped bring in new investments of Rs 25,000-30,000 crore for better technology and local manufacturing. Though loan interest rates were higher, companies had enough money from their operations (about 18-20% of sales) to pay debts and expand. The industry ended FY2025 in a careful but hopeful position, ready for future opportunities in new vehicle technologies and global business.

Localization and OEM Demand

The move toward more localized production in India's auto component industry grew stronger in FY 2025, supported by cost-saving goals, efforts to reduce supply chain risks, and government policies encouraging local manufacturing. Carmakers, especially in the passenger and utility vehicle segments, increased their focus on domestic sourcing to cut down on imports, shorten delivery times, and meet local content rules under various government programs.

For auto parts makers, this shift meant higher sales and better profits, particularly for key components like engine parts, drivetrain systems, infotainment units, safety electronics, and advanced driver-assistance systems (ADAS). The push for localization also opened new opportunities for Tier 1 and Tier 2 suppliers skilled in tooling, custom design, and just-in-time delivery. These suppliers became crucial to carmaker's plans to develop affordable, high-quality vehicles for both local and export markets.

Indian automakers took the lead in boosting local value addition and improving supplier capabilities. Their focus on building strong supply chains, along with frequent new model launches and upgrades, kept demand steady for component makers. The growth of hybrid and electric vehicles with locally made platforms further increased the need for precision parts and digital components.

Additionally, policies under the Automotive Mission Plan (AMP) pushed suppliers to improve quality and meet global standards, helping them join international supply chains. The combination of strong demand from automakers and localization incentives has strengthened India's auto parts industry, making it more self-sufficient and competitive worldwide.

Government Policies:

The Indian government introduced new policies in FY2024-25 to support the auto ancillary industry, which makes parts for vehicles. These policies aim to boost local manufacturing, create jobs, and reduce dependence on imports. One key policy is the Production Linked Incentive (PLI) scheme, which gives financial rewards to companies that increase production of auto parts in India. The government has also enhanced funding under the PLI scheme and the Automotive Mission Plan, helping businesses invest in new technology and infrastructure. This support encourages companies to expand operations and hire more workers.

Another important step is the duty exemptions for capital goods used in making EV batteries. By reducing import taxes on machinery and equipment, the government has lowered production costs for electric vehicle parts. This helps local manufacturers compete with cheaper imports and supports India's shift toward cleaner mobility.

To attract foreign investment, the government has introduced FDI-friendly policies, including new treaties with countries like Uzbekistan. These agreements promote joint ventures and technology transfers, bringing advanced manufacturing techniques to India. As a result, global companies are setting up factories here, creating more jobs and boosting exports.

The lower taxes on raw materials like steel and aluminium have also helped small and medium businesses by cutting production costs. The focus on EV parts, such as batteries and motors, has encouraged new investments in this sector. However, some smaller firms still struggle with high competition and the cost of upgrading to new technology.

Overall, these policies have strengthened the auto ancillary industry, increased exports, and positioned India as a key player in the global supply chain. While progress is strong, more support for small businesses will ensure wider benefits from these reforms.

Challenges and Risks Faced by Indian Auto Component Industry in FY2024-25

The Indian auto component industry faced several challenges and risks in FY2024-25 that made business difficult. One big problem was export headwinds. Many companies depend on sales to Europe and the US, but demand from these markets went down. This hurt their overall performance because fewer orders meant lower revenue. Another challenge was commodity price volatility. The prices of important materials like steel, copper, and aluminium kept going up and down. Since these are key inputs for making auto parts, the changing costs made it hard for companies to plan their budgets and set stable prices.

The ongoing trade wars between major economies (US & China) also created problems for the industry. Higher tariffs (import taxes) on auto parts in key markets like the US and Europe made Indian exports more expensive. At the same time, some countries started sourcing components locally instead of importing, reducing demand for Indian products. This trade tension added to the existing export challenges, making it harder for companies to rely on international sales for growth.

Forex sensitivity was also a major issue. The value of the Indian rupee (INR) kept changing against the US dollar (USD) and the Euro (EUR). For companies that export auto parts, this was a big problem. If the rupee became weaker, importing raw materials became more expensive. But if the rupee became stronger, their exports became less competitive in global markets. These currency fluctuations made it difficult to manage costs and profits.

Additionally, regulatory changes added pressure. Governments in India and other countries introduced stricter safety, emission, and quality standards. To follow these rules, companies had to keep investing in research and development (R&D) and quality improvement. This meant spending more money and resources, which increased costs. Smaller firms, in particular, found it tough to keep up with these changes.

All these challenges together created a tough year for the auto component industry. Falling exports, unstable material prices, currency risks, and strict regulations made it hard to grow and stay profitable. To deal with these problems, companies needed to find new markets, control costs, manage currency risks better, and keep improving their products. Only by adapting quickly could they remain competitive in a difficult global market.

Investments and Capital Allocation by Indian Auto Component Industry in FY2024-25

In FY2024-25, the Indian auto component industry planned big investments to grow and modernize. Companies expected to spend around ₹25,000-₹30,000 crore on key areas like increasing production capacity, making parts for electric vehicles (EVs), and improving digital technologies. This spending showed the industry's focus on preparing for future demands, especially as more people shift to EVs. A major positive sign was Tesla's talks to enter India, along with renewed foreign direct investment (FDI) interest. These developments boosted confidence in the sector, attracting more global players and creating new business opportunities.

To stay competitive, many Indian auto component firms formed strategic partnerships and joint ventures (JVs). These collaborations helped them adopt advanced technologies like hydrogen fuel cells, lightweight materials, and smart, data-driven manufacturing. Hydrogen fuel cells are important for clean energy vehicles, while lightweight materials improve fuel efficiency. Data-driven manufacturing uses digital tools to make production

faster and more efficient. By working with global tech leaders, Indian companies aimed to upgrade their skills and supply high-quality components for next-generation vehicles.

The industry's investment plans also focused on digitization to improve efficiency. Automation, Artificial Intelligence (AI), and the Internet of Things (IoT) were key areas where companies spent money to make factories smarter and reduce waste. These technologies help in better monitoring of production lines, predictive maintenance, and cost savings. Additionally, with stricter emission norms worldwide, firms invested in research and development (R&D) to create eco-friendly and high-performance auto parts.

Overall, the Indian auto component industry in FY2024-25 was in a phase of major transformation. Big investments, global partnerships, and a focus on new technologies showed a strong push towards innovation and sustainability. With Tesla's potential entry and growing FDI, the sector looked forward to more growth and job creation. By adopting advanced manufacturing techniques and cleaner technologies, Indian suppliers aimed to become key players in the global automotive market.

Indian Auto Component Industry Outlook for FY2025-26

The Indian auto component industry is entering FY2025-26 with cautious optimism. In the near term, positive factors like the 8th Pay Commission's implementation, possible tax relief and a normal monsoon forecast are expected to boost consumer spending. This will likely increase demand for entry-level cars and two-wheelers, especially in rural areas where rising incomes will drive sales. The industry expects steady growth as more people in smaller towns and villages buy vehicles. However, challenges like high raw material costs and global economic uncertainty remain, so companies are staying careful with their investments.

Exciting developments are happening as global automakers like Tesla prepare to enter the Indian market with great enthusiasm. At the same time, existing manufacturers are expanding their product lines to meet growing demand. This increased activity will create new opportunities for local auto component suppliers. As more companies set up production in India, the demand for high-quality parts will rise, benefiting the entire supply chain.

In the long term, the industry has bigger goals. India wants to become a major global player in auto components, targeting US$ 80 billion in exports by 2026. To achieve this, the sector must grow by 4–5% every year. Companies will focus on new technologies, sustainability and improving competitiveness to meet global standards. Electric vehicles (EVs) will play a key role, as more automakers shift to cleaner technologies. This means auto component suppliers must invest in EV parts like batteries, motors and charging systems. Digitalization will also transform the industry, with smart factories, data analytics and automation making production faster and more efficient.

The future of the Indian auto component industry depends on adapting to these changes. Companies that invest in R&D, adopt sustainable practices, and upgrade technology will lead the market. Partnerships with global firms and government support will also help the sector grow. While challenges like competition and changing regulations exist, the industry is moving in the right direction. With rising domestic demand, new players like Tesla entering the market, and a push for higher exports, FY2025-26 could be a turning point for India to become a top auto component hub in the world.

Conclusion

The Indian auto component industry experienced a year of adjustment in FY2024-25, with growth slowing to 5-7% after strong performance in the previous year due to weaker exports to key markets like the US and Europe and reduced domestic demand for commercial vehicles. However, the electric vehicle (EV) components segment showed remarkable growth, supported by government policies, expanding charging infrastructure, and increasing environmental awareness, with India producing 100,000 electric cars and 900,000 electric two-wheelers in 2024. The overall industry turnover reached ₹6.14 lakh crore in FY 2024, growing 9.8% from the

previous year, with exports rising to $21.2 billion and the first half of FY 2025 seeing an 11% growth to ₹3.32 lakh crore. India's position as the world's fastest-growing major economy helped drive domestic vehicle sales to record levels, including 43 lakh passenger vehicles and strong two-wheeler sales growth of 9.1% fueled by rural demand and new models. While car and bike parts manufacturers performed well, tractor parts makers saw mixed results, and commercial vehicle parts makers benefited from infrastructure projects. Government initiatives like duty exemptions on EV materials, tax-free import of 35 items, and the PLI scheme attracting ₹45,016 crore in investments provided significant support. Although traditional petrol/diesel vehicles still dominated with 20 million two-wheelers and 5 million cars produced in FY 2025, EV adoption grew rapidly, with total sales reaching 1.97 million units (16.9% growth), led by electric two-wheelers at 21.2% growth. Companies invested ₹25,000-₹30,000 crore in new factories, technology upgrades, and EV component production, with digitally advanced firms handling challenges better. Looking ahead to FY2025-26, the industry expects improved performance due to factors like the 8th Pay Commission implementation, potential tax relief, and good monsoon forecasts that should boost rural demand for entry-level vehicles. With India aiming for $80 billion in auto component exports by 2026, the industry is focusing on technological advancement, sustainability, and quality improvement to enhance global competitiveness. The entry of global players like Tesla and expansion by existing manufacturers presents new opportunities for local suppliers. Despite FY2024-25's challenges, the industry demonstrated resilience and adaptability, positioning itself for future growth by embracing EV transition, digital transformation, and innovation, supported by favorable government policies and strong domestic demand fundamentals that will drive India's mobility transformation in coming years.

Performance Overview

RACL Geartech Limited is a top automotive parts supplier in India and is known around the world. The company supplies auto parts as a Tier 1 provider to major vehicle manufacturers and key system makers globally. It has a strong presence in Europe, Asia-Pacific, and North America. In the financial year 2024-25, the company's total revenue was ₹427.28 Crore. Out of this, ₹290.97 Crore came from exports, ₹92.97 Crore from domestic sales, and ₹43.35 Crore from other sources. Exports made up 68% of total sales, while domestic sales contributed 32%. Compared to the previous year, revenue grew by 1%, but EBITDA fell by 8.02%, and Profit Before Tax dropped by 36.04%.

RACL has a loyal customer base that trusts the company as a dependable supplier. The company is known for its engineering skills and ability to design and improve products efficiently. It delivers high-quality products on time, every time. RACL holds a strong position in the competitive gear market, focusing on specialized products for this segment. To stay ahead, the company is working on upgrading technology, improving skills, enhancing quality, and developing its workforce. These efforts will help RACL meet future challenges, including the growing demand for electric mobility solutions. The company remains committed to strengthening its market position and serving its customers with excellence.

REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34 read with Schedule V of The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

At RACL Geartech Limited, we uphold a strong legacy of exemplary corporate governance, a tradition established by our visionary Chairman & Managing Director and seamlessly embedded into our day-to-day operations. This enduring commitment serves as the foundation of our business conduct and is reflected in our integrity, transparency, and respect for all stakeholders, including individuals, organizations, and the environment.

Our growth journey is driven by innovation and anchored in steadfast values. We firmly believe that the purpose of business extends beyond profitability; true success lies in creating meaningful and sustainable impact by addressing the world's most pressing challenges.

As a responsible corporate citizen, we foster a culture of ethical conduct, accountability, and fair disclosures-key elements in earning and maintaining the trust of our stakeholders. To ensure effective governance, the Company has implemented robust systems and processes that empower the Board to be well-informed and strategically oriented, enabling it to guide management in delivering long-term value to shareholders.

We recognize that good corporate governance is essential for corporate success and sustainable economic growth. A sound governance framework not only bolsters investor confidence but also enhances the Company's ability to raise capital efficiently. Our governance model is built on a balanced and competent Board, comprising members with diverse expertise, and is supported by regular, transparent disclosures of all material information to stakeholders.

RACL's Corporate Governance structure is underpinned by the principles of independence, accountability, and transparency. This includes:

- An independent and effective Board
- Clear segregation of the Board's supervisory role from day-to-day executive management
- Well-constituted Board Committees in compliance with applicable laws

The Company is fully compliant with the Corporate Governance requirements as prescribed under the Companies Act, 2013 (along with the rules made thereunder), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable regulatory frameworks.

In line with these standards, we present this Corporate Governance Report, prepared in accordance with the SEBI Listing Regulations (as amended), outlining the governance systems and processes currently in place at RACL Geartech Limited.

OUR CORPORATE GOVERNANCE STRUCTURE AND FRAMEWORK

RACL Geartech Limited's governance structure is multi-tiered and well-defined, comprising the Board of Directors, Board Committees, the Chairman & Managing Director (CMD), and the Senior Management team. This layered approach ensures strategic oversight, effective execution, and operational accountability at all levels of the organization.

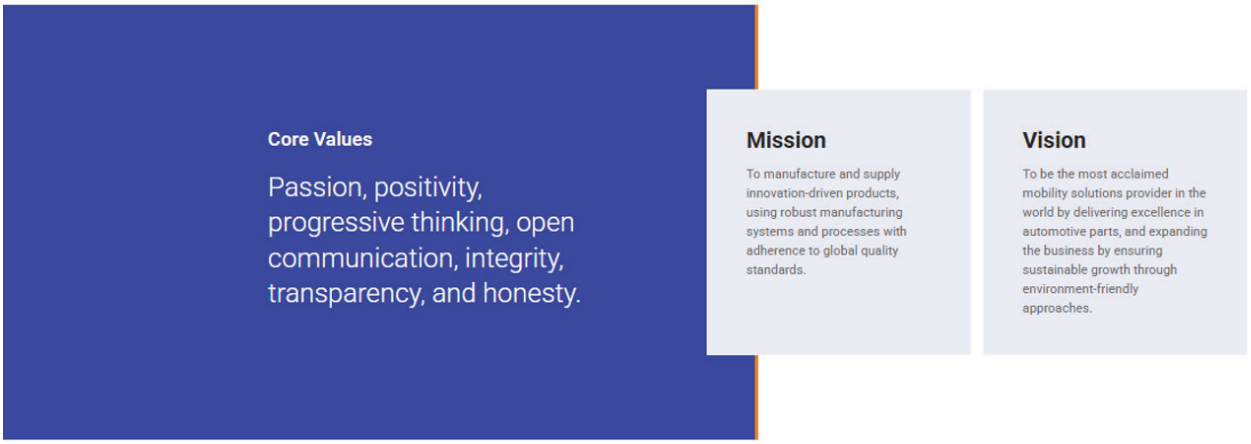
Our business has always been guided by a clear sense of purpose the belief that business must serve a greater good beyond profit. Our journey of growth is rooted in innovation, strong values and a commitment to creating meaningful impact.

- We are committed to upholding the highest standards of corporate conduct in all our interactions with business partners, communities and the environment. This principled approach supports sustainable performance and fosters long-term value creation for all stakeholders.
- Our corporate governance practices are continually reviewed and refined to align with evolving best practices, regulatory expectations and stakeholder needs, ensuring we remain among the best-in-class across the industry.

Our overarching objective is to manufacture and market products in a manner that consistently delivers sustainable value to all those associated with our business including consumers, shareholders, employees, dealers, distributors, agents and suppliers.

We recognize that the success of an organization is a direct reflection of the professionalism, integrity, and ethical commitment of its leadership and employees. Beyond meeting regulatory requirements, we are dedicated to promoting a culture of accountability, transparency and responsible business conduct throughout the organization.

Our Core Values:



BOARD OF DIRECTORS AND GOVERNANCE STRUCTURE

RACL Geartech Limited is a professionally managed company operating under the strategic direction and oversight of its Board of Directors. The Board's core responsibility is to ensure the long-term sustainable success of the Company for the benefit of all its stakeholders. Through its leadership, the Board along with its Committees provides guidance to the management team while overseeing the Company's overall performance and compliance.

The Company maintains an optimal balance of Executive and Non-Executive Directors, in line with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

As on March 31, 2025, the Board comprises seven (7) Directors, including:

- One (1) Executive Director
- Six (6) Non-Executive Directors, of whom
  - Four (4) are Independent Directors

The composition also reflects the Company's commitment to diversity and inclusivity, with the presence of an Independent Woman Director on the Board. The Chairperson of the Board is an Executive Director and the composition of the Board fully complies with the requirements of Regulation 17 of the Listing Regulations.

The tenure of Independent Directors is in accordance with the provisions of the Act and the Listing Regulations. Each Independent Director has submitted an annual declaration confirming their independence, as per Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. Based on these confirmations, the Board affirms that all Independent Directors meet the requisite criteria and are independent of the Company's management.

The Board comprises professionals with diverse expertise and industry experience, bringing a wide array of skills and perspectives to the table. Directors have unrestricted access to all information within the Company and are encouraged to participate actively in Board discussions. Each member enjoys complete freedom to express views on any agenda item, fostering robust and transparent deliberations. Matters can be freely discussed at meetings with the Chairperson's consent, ensuring informed and balanced decision-making.

It is hereby confirmed that:

- The composition of the Board is in compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
- Mr. Gursharan Singh, Chairman & Managing Director, and Ms. Narinder Paul Kaur, Non-Executive Non-Independent Director of the Company are related to each other. Other than them, none of the Directors are related to any other Director.
- The number of Directorships, Committee Memberships, and Chairmanships held by each Director is within the limits prescribed under the Act and the Listing Regulations.

S. No	Name of Director	Designation	Category
1	Mr. Gursharan Singh	Chairman & Managing Director	Executive Director
2	Mr. Anil Sharma	Non- Executive Non- Independent Director	Non- Executive
3	Ms. Narinder Paul Kaur	Non- Executive Non- Independent Director	Non- Executive
4	Mr. Shashank Ramesh Anikhindi	Independent Director	Non- Executive
5	Mr. Jagdish Keswani	Independent Director	Non- Executive
6	Brig. Harinder Pal Singh Bedi (Retd.)	Independent Director	Non- Executive
7	Ms. Malini Bansal	Independent Director	Non- Executive

ATTENDANCE OF EACH DIRECTOR AT THE MEETING OF THE BOARD OF DIRECTORS AND THE LAST ANNUAL GENERAL MEETING

The details of the attendance of the Directors at the Board meetings held during the Financial Year ended March 31, 2025 and at the last Annual General Meeting (AGM) are given below:

Name of the Director	Number of Board Meetings		Attendance at the last AGM
	Held	Attended	
Mr. Gursharan Singh	5	5	Present

Name of the Director	Number of Board Meetings		Attendance at the last AGM
	Held	Attended	
Mr. Anil Sharma	5	5	Present
Ms. Narinder Paul Kaur	5	5	Present
Mr. Shashank Ramesh Anikhindi	5	5	Present
Mr. Jagdish Keswani	5	5	Present
Brig. Harinder Pal Singh Bedi (Retd.)	5	5	Present
Ms. Malini Bansal	5	5	Present

NUMBER OF DIRECTORSHIPS, MEMBERSHIPS AND CHAIRMANSHIPS IN OTHER COMPANIES AND COMMITTEES

The number of Directorships and memberships in the Committees of other Companies held by the Directors as on March 31, 2025 are as under:

Name of the Director	No of other Directorships	In other Public Companies	
		Membership	Chairmanship
Mr. Gursharan Singh	0	0	0
Mr. Anil Sharma	1	0	0
Ms. Narinder Paul Kaur	0	0	0
Mr. Shashank Ramesh Anikhindi	0	0	0
Mr. Jagdish Keswani	0	0	0
Brig. Harinder Pal Singh Bedi (Retd.)	0	0	0
Ms. Malini Bansal	0	0	0

**Excludes directorship and membership in RACL Geartech Limited. Also excludes directorships in foreign Companies and Companies registered under Section 8 of the Act and Government Bodies.*

For the purpose of calculating, only Audit Committee and Stakeholders' Relationship Committee in public limited companies, whether listed or not, are considered – Regulation 26(1) of Listing Regulations.

NAME OF THE LISTED COMPANIES WHEREIN THE DIRECTORS OF THE COMPANY ARE DIRECTORS- None of the Directors are appointed in any other listed entity.

NUMBER OF BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on business policies, strategies and to review the financial performance of the Company. During the financial year 2024-25, five Board Meetings were held, with the interval between any two meetings remaining well within the maximum allowed gap of 120 days. In addition to these meetings, certain business matters were also addressed through resolutions passed by circulation. The necessary quorum was present at all meetings, ensuring valid and effective decision-making. Typically, Board

and Committee meetings are convened at the Company's Corporate Office in Noida, providing a consistent venue for deliberations on key issues and governance matters.

The dates on which the Board Meetings were held are as follows:

Name of the Members	Date of meeting					Attendance %
	27-05-2024	12-08-2024	11-09-2024	14-11-2024	31-01-2025	
Mr. Gursharan Singh	Y	Y	Y	Y	Y	100%
Mr. Anil Sharma	Y	Y	Through VC	Y	Y	100%
Ms. Narinder Paul Kaur	Y	Y	Y	Y	Y	100%
Mr. Shashank Ramesh Anikhindi	Y	Y	Through VC	Through VC	Y	100%
Mr. Jagdish Keswani	Y	Y	Y	Y	Y	100%
Brig. Harinder Pal Singh Bedi (Retd.)	Y	Through VC	Through VC	Through VC	Y	100%
Ms. Malini Bansal	Y	Y	Y	Y	Y	100%

NUMBER OF SHARES HELD BY NON- EXECUTIVE DIRECTORS

The number of equity shares of the Company held by Non-Executive Directors, as on March 31, 2025 are as follows:

Name of Director	No. of equity shares (face value INR 10 each) held in the company
Mr. Anil Sharma	21000
Ms. Narinder Paul Kaur	35318
Mr. Shashank Ramesh Anikhindi	0
Mr. Jagdish Keswani	0
Brig. Harinder Pal Singh Bedi (Retd.)	250
Ms. Malini Bansal	0

BOARD INDEPENDENCE

The term Independent Directors is defined under Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Company has obtained the necessary declarations from all its Independent Directors, confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 16(1)(b) of the Listing Regulations. Furthermore, each Independent Director has affirmed that they are not aware of any circumstance or situation that currently exists or could reasonably be anticipated in the future, which may impair or influence their ability to discharge their duties with objective independent judgment, free from any external influence. Based on these declarations and confirmations, the Board affirms that the Company's Independent Directors satisfy the requirements set forth under Schedule V of the Listing Regulations and maintain their independence from the management, as evidenced by the following:

- Annual declarations submitted by the Independent Directors pursuant to Regulation 25(8) of the Listing Regulations, confirming their compliance with the independence criteria.

- A certificate issued by M/s. Rosy Jaiswal, Practicing Company Secretaries, under Regulation 25(9) of the Listing Regulations, validating the authenticity and accuracy of the declarations received.

Additionally, all Independent Directors have confirmed their registration with the Independent Directors' Database maintained by the Indian Institute of Corporate Affairs. Upon appointment or re-appointment, the Company issues a formal letter of appointment to each Independent Director. The detailed terms and conditions governing their appointment are available on the Company's website at: www.raclgeartech.com.

As of March 31, 2025, the Board comprises 4 (four) Independent Directors.

APPOINTMENT AND TENURE

The Company follows a robust and transparent process for the appointment of Directors, both Executive and Non-Executive. The Nomination and Remuneration Committee (NRC) plays a pivotal role in this process by evaluating and recommending suitable candidates to the Board. The NRC sets the criteria, qualifications, and positive attributes required for the appointment of Executive, Non-Executive, and Independent Directors. It also identifies candidates qualified to become Directors or Key Managerial Personnel based on the skills needed and other relevant factors, and recommends their appointment to the Board.

For every appointment of an Independent Director, the NRC assesses the balance of skills, knowledge, and experience required on the Board and recommends candidates accordingly. Directors are appointed or re-appointed by the Board on the recommendation of the NRC, subject to the approval of the Shareholders at the General Meetings.

In accordance with the Articles of Association and the provisions of the Companies Act, 2013, all Directors, except the Managing Director and Independent Directors, retire by rotation at the Annual General Meeting (AGM) and, if eligible, offer themselves for re-appointment. During the year under review, none of the Independent Directors resigned before the expiry of their tenure.

The appointment and tenure of Independent Directors are fully compliant with the applicable provisions of the Act and the Listing Regulations. Similarly, the Executive Director is appointed in accordance with the provisions of the Act and Listing Regulations and serves as per the terms of employment agreed with the Company.

MEASURES TO ENSURE EFFECTIVE PARTICIPATION BY DIRECTORS

- Board and Committee meetings are pre-scheduled to facilitate timely and structured discussions.
- For urgent matters requiring immediate attention, approvals are obtained through resolutions passed by circulation.
- The meeting agenda is prepared by the Company Secretary in consultation with the Chairman & Managing Director and the Management Team.
- Detailed notes and background information are provided with the agenda to enable Directors to make well-informed decisions.
- The agenda also includes an Action Taken Report, highlighting follow-ups and status updates on decisions made in previous meetings.

NOTICE AND AGENDA OF BOARD AND COMMITTEE MEETINGS

The agenda for the Board and Committee meetings is prepared in accordance with the requirements of the Companies Act and the Listing Regulations. Typically, the Board agenda includes the consideration of key corporate matters such as:

- Quarterly and annual financial results announcements

- Oversight of overall business performance
- Declaration of dividends, if any
- Development and approval of the Company's business strategy
- Board succession planning
- Review of the functioning of various Board Committees
- Other strategic, transactional, and governance-related issues as necessary

This structured approach ensures that all significant aspects of the Company's operations and governance are addressed comprehensively during the meetings.

The information provided in the agenda and accompanying notes equips the Board with the necessary context to deliberate thoroughly and make well-informed decisions on all matters. Board meetings are typically held at the Company's Corporate Office. To facilitate full participation, audio and video conferencing facilities are made available for Directors who are traveling or based outside the Delhi-NCR region.

BOARD SUPPORT-COMPANY SECRETARY

The Company Secretary plays a vital role in supporting the Board by ensuring it has the necessary policies, processes, information, time, and resources to function efficiently and make effective decisions. Serving as the Secretary to the Board and all its Committees, the Company Secretary's responsibilities include:

- Preparing the agenda and convening Board and Committee meetings.
- Facilitating the smooth conduct of meetings, attending Board, Committee, and General Meetings, and ensuring accurate recording of minutes.
- Providing guidance to Directors, both collectively and individually, on their roles, responsibilities, and powers.
- Assisting the Chairperson with Board development activities such as Board evaluation, restructuring, succession planning, inductions, and training.
- Representing the Company before regulators and authorities in matters related to the Companies Act and SEBI Regulations.
- Supporting the Board in overseeing the Company's affairs and ensuring compliance with corporate governance requirements and best practices.

In addition to ensuring statutory and regulatory compliance, the Company Secretary acts as a formal link between the Board, management, and external stakeholders, facilitating seamless communication and governance.

SEPARATE INDEPENDENT DIRECTORS' MEETINGS

In accordance with Schedule IV of the Companies Act, 2013, and Regulation 25(3) of the SEBI Listing Regulations, the Independent Directors are required to hold at least one meeting each financial year without the presence of Non-Independent Directors and Management representatives. During the financial year 2024-25, the Independent Directors convened this meeting on January 31, 2025.

At this meeting, the Independent Directors reviewed the performance of the Non-Independent Directors and the Board as a whole, evaluated the performance of the Chairperson, and assessed the quality, quantity, and timely flow of information between the Company's management and the Board necessary for effective decision-making. Beyond these formal gatherings, there are also ongoing interactions between the Chairman and Independent Directors outside of Board meetings. Furthermore, the Independent Directors have unrestricted access to the Company's Statutory Auditors, Secretarial Auditors, Cost Auditors, Internal Auditor, and management to seek clarifications and engage in discussions as needed.

ATTENDANCE OF THE INDEPENDENT DIRECTOR MEETINGS

Name of the independent director	Date of meeting
Mr. Shashank Ramesh Anikhindi	31-01-2025
Mr. Jagdish Keswani	31-01-2025
Brig. Harinder Pal Singh Bedi (Retd.)	31-01-2025
Ms. Malini Bansal	31-01-2025

All IDs were present in person.

BOARD COMMITMENT

All Directors are expected to attend every Board Meeting as well as each Committee Meeting of which they are members, except in cases of exceptional circumstances that prevent their participation. While only Committee members have the right to attend Committee Meetings, other individuals may be allowed to participate at the discretion of the Committee Chairman.

FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS:

Upon their appointment to the Board, Directors undergo a comprehensive induction and familiarisation programme. This programme provides an in-depth overview of the Company's history, culture, background, and growth over the decades, highlighting major milestones, the current organisational structure, sustainability initiatives, and ESG goals. Directors are also briefed on the Company's various businesses, functions, people, and strategic direction. They are informed about key policies, including the Code of Conduct for Directors and Senior Management, the Code of Conduct regulating the trading of securities, the Code of Practices and Procedures for disclosure of Unpublished Price Sensitive Information (UPSI), Risk Management Policy, Whistleblower Policy, Anti-Bribery Policy, Business Responsibility Policy, CSR Policy, Dividend Distribution Policy, Grievance Redressal Policy, Policy for Determining Material Subsidiaries, Board Diversity Policy, Policy on Determination of Materiality, Familiarisation Programme Policy, Document Preservation Policy, Prevention of Sexual Harassment Policy, and the Related Party Transactions Policy. The Chairman & Managing Director and the Company Secretary ensure the effective delivery of these programmes, which include an overview of the organisation and its core values. Directors also visit manufacturing facilities to gain first hand understanding of operations and are kept informed about Board procedures, key risks, and mitigation strategies.

Details of the familiarisation programme attended by Independent Directors are available on the Company's website.

In alignment with Listing Regulations, the Board has meticulously identified the requisite skills, expertise, and competencies of its Directors.

Board Skills

Manufacturing & Operations - Extensive experience and knowledge in production and product development, with a strong focus on quality enhancement and continuous improvement.

Marketing and Human Resource Development- Strategic thinker with the ability to identify growth opportunities through deep insights in marketing, sales, and customer engagement.

Understanding of Emerging Markets and Consumer Insights- Strong understanding of emerging local and global market trends, with hands-on experience managing organisations that operate in diverse business and economic environments.

Financial Expertise and Risk Management- Proven leadership in financial and risk management, with a solid understanding of accounting principles and financial statements. Extensive experience across financial management, investment and commercial banking, and institutional affairs.

Leadership Expertise and Strategic Planning- Proven expertise in leading well governed organisations, with a deep understanding of organisational systems, operational processes, and the dynamics of complex business environments.

Compliance Management and Corporate Governance- Extensive experience in developing and upholding robust governance practices that align with corporate ethics, legal frameworks, and the best interests of all stakeholders.

The chart below highlights the core areas of expertise/skills/competencies of the Board members. However, absence of mention of a skill/expertise/competency against a member's name does not necessarily indicate that the member does not possess that competency or skill.



CONFIRMATION AND CERTIFICATION

The Company annually collects disclosures from each Director regarding their directorship and Committee positions held in other companies or bodies corporate, along with any changes thereto. Additionally, the Company has obtained a certificate from M/s. Rosy Jaiswal & Associates, Company Secretaries, in accordance with Schedule V of the Listing Regulations. This certificate confirms that none of the Directors have been debarred or disqualified from appointment or continuation as Directors by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA), or any other relevant authority. This certificate forms part of the Annual Report.

COMMITTEES OF THE BOARD

Board Committees play a pivotal role in ensuring sound corporate governance by providing focused oversight and specialised expertise in key functional areas. They contribute significantly to enhancing the Board's overall efficiency by facilitating in-depth deliberations and thorough evaluations on critical matters such as finance, audit, governance, and risk management. This structured delegation of responsibilities promotes informed decision-making, strategic focus, and comprehensive oversight, thereby strengthening the Company's overall Governance Framework.

In recognition of their essential contribution in supporting the Board of Directors in fulfilling its roles and responsibilities, and to maintain a targeted approach across various aspects of the business, the Board has constituted the following six (6) Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility (CSR) Committee
5. Risk Management Committee
6. Financial Affairs Committee

Where necessary, these Committees may invite special attendees to participate in meetings to provide expert insights and perspectives. During the year, the Board has reviewed and approved all recommendations put forth by its Committees, underscoring their strategic alignment and significance in guiding the Company's governance and decision-making processes.

AUDIT COMMITTEE

As on March 31, 2025, the Company's Audit Committee comprises 3 (three) Members and all the Members are Independent Directors. The Committee is chaired by Mr. Jagdish Keswani. Mr. Shashank Ramesh Anikhindi and Ms. Malini Bansal act as Members of the Committee. All the Members of the Committee are financially literate and have relevant expertise in finance, risk management and governance.

Composition of the Audit Committee of the Company meets the criteria laid down under Section 177 of the Act and Regulation 18 of the Listing Regulations.

Ms. Neha Bahal, the Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

TERMS OF REFERENCE OF AUDIT COMMITTEE

The terms of reference of the Audit Committee are framed in accordance with the provisions of Section 177 of the Companies Act, 2013, read with Rules 6A and 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The key responsibilities of the Audit Committee include:

1. Overseeing the Company's financial reporting process and ensuring the accuracy and integrity of financial statements.
2. Examination of financial statements and the Auditors' Report thereon.
3. Reviewing and monitoring the independence, performance and effectiveness of the audit process.
4. Recommending the appointment, re-appointment, remuneration, and terms of appointment of the Statutory Auditors and approval of any other permitted services rendered by them.
5. Reviewing the adequacy of the internal control systems and internal audit function.
6. Periodic discussions with Internal Auditors and Statutory Auditors regarding their audit scope, findings, and effectiveness of internal controls.
7. Evaluation of internal financial controls and risk management systems.
8. Approval or any subsequent modification of transactions of the Company with related parties, in accordance with the Related Party Transaction Policy.
9. Scrutiny of inter-corporate loans and investments.
10. Reviewing the findings of any internal investigations and management's response to the findings of auditors.
11. Reviewing the functioning of the Vigil Mechanism/Whistleblower Policy.
12. Approval of bank borrowings and review of the annual budget.

The Audit Committee ensures a robust and transparent oversight mechanism that supports the Board in maintaining the integrity of the Company's financial and governance practices.

The meetings of the Audit Committee are also attended by the Chief Financial Officer, Statutory Auditor, and Internal Auditor as special invitees. The minutes of each Audit Committee Meeting, are placed in the next meeting of the Board.

COMPOSITION AND ATTENDANCE OF THE AUDIT COMMITTEE

During the financial year 2024-25, the Audit Committee met 5 (five) times. All the decisions and recommendations made by the Committee were approved by requisite majority of the Members of the Committee.

Name of Directors	Designation	Category of Director	No of meetings held	Date of meetings & Attendance				
				27-05-2024	12-08-2024	11-09-2024	14-11-2024	31-01-2025
Mr. Jagdish Keswani	Chairperson	Non-Executive Independent Director	5	Y	Y	Y	Y	Y
Mr. Shashank Ramesh Anikhindi	Member	Non-Executive Independent Director	5	Y	Y	Through VC	Through VC	Y
Ms. Malini Bansal	Member	Non-Executive Independent Director	5	Y	Y	Y	Y	Y

NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2025, the Nomination and Remuneration Committee of the Company comprises three (3) members, out of which two are Independent Directors and one is a Non-Executive, Non-Independent Director. The Committee is chaired by Mr. Shashank Ramesh Anikhindi, with Mr. Anil Sharma and Mr. Jagdish Keswani serving as Members. The composition of the Committee is in compliance with the requirements of Section 178 of the Companies Act, 2013, and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ms. Neha Bahal, the Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

KEY TERMS OF REFERENCE

- Recommend criteria for appointment of Directors, Key Managerial Personnel (KMP), and Senior Management.
- Identify and recommend suitable candidates for appointment as Directors, KMPs, and Members of the Management Committee.
- Evaluate the Board's composition in terms of skills, knowledge, and experience; define the role and capabilities required for Independent Directors.
- Formulate criteria for determining qualifications, positive attributes, and independence of Directors.
- Review and recommend the remuneration policy for Directors, KMPs, and employees.
- Review and determine components of Executive Directors' remuneration, including salary, benefits, bonuses, stock options, pension, etc.
- Ensure succession planning for the Board and key leadership roles; maintain a diverse and capable leadership pipeline.
- Specify the process for evaluating the performance of the Board, its Committees, and individual Directors; review its implementation and compliance.
- Decide on extension or continuation of Independent Directors based on performance evaluation.
- Promote Board diversity through appropriate structuring and selection.
- Review and manage the talent pipeline for critical roles across the organisation.
- Overseeing familiarization programmes for directors.

COMPOSITION AND ATTENDANCE OF THE NOMINATION AND REMUNERATION COMMITTEE

During the financial year 2024-25, the Nomination and Remuneration Committee met twice. All the decisions and recommendations made by the Committee were approved by requisite majority of the Members of the Committee.

Name of Directors	Designation	Category of Director	No. of meetings held	Date of meetings & Attendance	
				27-05-2024	12-08-2024
Mr. Shashank Ramesh Anikhindi	Chairperson	Non-Executive Independent Director	2	Y	Y
Mr. Anil Sharma	Member	Non-Executive Non-Independent Director	2	Y	Y
Mr. Jagdish Keswani	Member	Non-Executive Independent Director	2	Y	Y

BOARD MEMBERSHIP CRITERIA AND CORE SKILLS, EXPERTISE & COMPETENCIES

The Nomination and Remuneration Committee (NRC) follows a structured and well-defined process for identifying, evaluating, and recommending candidates for appointment as Directors on the Board. The criteria for such appointments are aligned with the strategic needs of the Company and ensure compliance with regulatory requirements.

KEY CONSIDERATIONS FOR BOARD MEMBERSHIP INCLUDE:

- Ensuring an appropriate Board composition that aligns with the Company's size, business portfolio, geographic presence, and its status as a listed entity;
- Maintaining an optimal balance between Executive and Non-Executive Directors, with diverse skills and relevant experience as per statutory requirements;
- Assessing candidates based on professional qualifications, functional expertise, and experience in areas relevant to the Company's operations and strategic priorities;
- Avoiding any present or potential conflicts of interest;
- Evaluating the availability of time and commitment required to fulfil Board responsibilities effectively; and
- Ensuring alignment with the Company's core values, including integrity, respect, responsibility, and a pioneering mindset.

Additionally, the Board has adopted a Nomination and Remuneration Policy, which outlines the framework for appointment and evaluation of Directors, Key Managerial Personnel, and Senior Management. The Policy complies with Section 178 of the Companies Act, 2013, along with the relevant rules and Regulation 19 read with Paragraph A of Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PERFORMANCE EVALUATION AND SELECTION CRITERIA FOR INDEPENDENT DIRECTORS

The Nomination and Remuneration Committee (NRC) follows a rigorous and transparent process for the selection and evaluation of Independent Directors to ensure they contribute effectively to the governance and strategic oversight of the Company. The key criteria considered are:

- **Ethical Standards and Integrity:** Candidates must exhibit high ethical standards, integrity, and personal values aligned with the Company's ethos. Directors are expected to uphold confidentiality and disclose any conflicts of interest transparently.
- **Relevant Expertise and Qualifications:** Appointees should possess relevant professional qualifications, experience and skills that enhance the overall effectiveness of the Board. This includes strong domain expertise and leadership experience.
- **Independence Compliance:** The NRC assesses whether the candidate meets the independence criteria under the Companies Act, 2013, and SEBI Listing Regulations. Each Independent Director submits a declaration confirming their independence at appointment and annually thereafter.
- **Sound Business Judgment and Engagement:** Directors must demonstrate the ability and willingness to constructively challenge management, actively engage in Board discussions and provide independent judgment.
- **Interpersonal Skills and Commitment:** Strong interpersonal skills and a commitment of adequate time to fulfill Board responsibilities are essential. Regular and timely attendance at Board meetings is required.
- **Compliance with Legal Requirements:** The NRC ensures candidates are not disqualified under Section 164 of the Companies Act, 2013 or any other applicable regulations.

- **Evaluation of Performance:** Independent Directors are periodically evaluated on their knowledge and competency, understanding of their roles, teamwork and initiative, attendance and availability, commitment, contribution, and independence. This comprehensive assessment ensures that they fulfill their fiduciary duties effectively and add significant value to the Board and Company.

This integrated approach to selection and evaluation helps maintain a high standard of governance by appointing and retaining Independent Directors who possess the necessary integrity, expertise and commitment to support the Company's long-term success.

TERMS OF APPOINTMENT OF INDEPENDENT DIRECTORS:

In accordance with Regulation 46 of the SEBI Listing Regulations and Section 149 read with Schedule IV of the Companies Act, the terms and conditions of appointment and re-appointment of Independent Directors are available on the Company's website.

CRITERIA FOR DETERMINING THE FOLLOWINGS:

a. Qualifications for appointment of Directors (including Independent Directors):

The Company seeks to appoint individuals who bring a diverse set of skills, experience, and attributes to the Board, in alignment with the Company's strategic goals and governance standards. The following criteria are considered while appointing Directors:

- Individuals of eminence, integrity and proven track record with significant achievements in business, professions and/or public service;
- Financial or business acumen, with an understanding of the broader economic and industry environment;
- Relevant industry experience and expertise aligned with the Company's operations and strategic direction;
- Any other appropriate qualifications or experience necessary to meet the evolving needs of the Company;
- Compliance with the eligibility criteria as specified under the Companies Act, 2013, the rules made thereunder, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The Nomination and Remuneration Committee shall have the discretion to determine and apply additional criteria or norms to identify the most suitable candidates.

b. Positive attributes of Directors (including Independent Directors):

Directors are expected to uphold the highest standards of ethics, professionalism, and commitment in the discharge of their duties. The following attributes are considered desirable:

- Demonstrate integrity, credibility, and trustworthiness, with the ability to handle conflict constructively and proactively address issues;
- Maintain an active interest in updating knowledge and skills, including developments in the industry, market, and legal/regulatory environment;
- Exhibit willingness to devote adequate time and attention to the Company's business and responsibilities as a Director;
- Foster a collaborative working relationship with fellow Board members and senior management;
- Act within the scope of their authority and assist in protecting the legitimate interests of the Company, its shareholders, employees, and other stakeholders.

CRITERIA FOR APPOINTMENT OF KMP/SENIOR MANAGEMENT:

- Possess necessary qualifications, experience, skills, and expertise to effectively perform their roles and responsibilities.
- Promote professionalism and maintain a transparent working environment.
- Demonstrate ability to build cohesive teams and align team members towards achieving organizational goals and corporate mission.
- Adhere strictly to the Company's code of conduct.

TERM OF DIRECTORS AS WELL AS KEY MANAGERIAL PERSONNEL (KMPS):

The term of Directors including Managing Director, Whole-time Director, Independent Directors, and Key Managerial Personnel (KMPs) shall comply with the provisions of the Companies Act and the applicable Listing Regulations.

PERFORMANCE EVALUATION OF DIRECTORS

Pursuant to the applicable provisions of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board, in consultation with the Nomination and Remuneration Commmittee, has established a comprehensive framework. This framework includes the criteria for the performance evaluation of Independent Directors, the Board of Directors, Board Committees, individual Directors including the Managing Director, Non-Executive Directors and the Chairperson of the Board.

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS, BOARD OF DIRECTORS, COMMITTEES OF BOARD, INDIVIDUAL DIRECTORS, MANAGING DIRECTOR, NON-EXECUTIVE DIRECTORS AND CHAIRPERSON OF THE BOARD

The evaluation of all Board members is conducted annually. This process is carried out by the Board, the Nomination, Remuneration, Committee, as well as the Independent Directors, with a specific focus on the performance and effective functioning of both the Board as a whole and individual Directors.

In accordance with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated 5 January 2017, the Company has adopted the evaluation criteria recommended by SEBI.

Directors were provided with evaluation forms covering the following areas:

(i) Board Evaluation;

(ii) Evaluation of Board Committees;

(iii) Evaluation of Independent Directors;

(iv) Evaluation of the Chairperson;

For each criterion, Directors rate on the following scale:

5 – Outstanding;

4 – Very Good;

3 – Good;

2 – Satisfactory;

1 – Needs Improvement

Based on the evaluations received, the overall performance of the Directors was rated as outstanding.

DETAILS OF REMUNERATION TO ALL THE DIRECTORS:

i. There were no pecuniary relationship or transactions with any Non-Executive Director of the Company.

ii. The criteria for making payment to Non-Executive Directors is available on the website of the Company i.e., www.raclgeartech.com.

iii. Non-Executive Directors are paid Retainership fees and Sitting Fees:

iv. Following are the details of Sitting Fees and Commission paid to the Non-Executive Directors during the Financial Year ended March 31, 2025:

NON- EXECUTIVE DIRECTORS ARE PAID SITTING FEES FOR ATTENDING THE MEETINGS OF THE BOARD AND OF COMMITTEES OF WHICH THEY ARE MEMBERS AS BELOW MENTIONED:

(Amount in Rs. Lakhs)

Ms. Malini Bansal	Mr. Jagdish Keswani	Mr. Shashank Ramesh Anikhindi	Brig. Harinder Pal Singh Bedi (Retd.)	Mr. Anil Sharma	Ms. Narinder Paul Kaur
3.95	4.60	4.35	2.30	2.95	2.30

THE REMUNERATION PAID TO THE CHAIRMAN AND MANAGING DIRECTOR (EXECUTIVE DIRECTOR) DURING THE YEAR IS AS FOLLOWS:

Sl. No.	Name of the Director	Gross Salary (p.a.)	Perquisites, Provident Fund and other benefits (Rs. p.a.)	Bonus/ Commission	Total (p.a.)
1.	Mr. Gursharan Singh	193	3.21	71.5	267.71

There were no severance fees and stock option plan. The appointment of the Chairman and Managing Director is for a period of 5 years on the basis of terms and conditions laid down in the resolution passed by the Board/ Members in the General Meeting.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As of March 31, 2025, the Corporate Social Responsibility (CSR) Committee consists of three members, including one Independent Director and two Non-Executive Non-Independent Directors. The Committee is chaired by Brig. Harinder Pal Singh Bedi (Retd.), with Mr. Anil Sharma and Ms. Narinder Paul Kaur serving as members.

Ms. Neha Bahal, the Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of Companies Act, 2013 and its terms of reference as stipulated are set forth below.

KEY TERMS OF REFERENCE OF THE CSR COMMITTEE

- Formulate and recommend the Corporate Social Responsibility (CSR) Policy to the Board and periodically review and update it.
- Develop and recommend an Annual Action Plan aligned with the CSR Policy for Board approval and oversee its implementation.
- Recommend the budgeted amount to be spent on CSR activities.
- Monitor the execution of CSR projects and programmes, including the utilization of funds and adherence to implementation schedules.

- Establish mechanisms for impact assessment, monitoring and reporting of CSR initiatives to ensure effectiveness and transparency.

COMPOSITION AND ATTENDANCE OF THE CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the financial year 2024-25, the Committee met twice. All the decisions and recommendations made by the Committee were approved by requisite majority of the Members of the Committee.

Name of Directors	Designation	Category	No. of meetings held	Date of meetings & Attendance	
				27-05-2024	12-08-2024
Brig. Harinder Pal Singh Bedi (Retd.)	Chairperson	Non-Executive Independent Director	2	Y	Through VC
Ms. Narinder Paul Kaur	Member	Non-Executive Non-Independent Director	2	Y	Y
Mr. Anil Sharma	Member	Non-Executive Non-Independent Director	2	Y	Y

RISK MANAGEMENT COMMITTEE

As on March 31, 2025, the Risk Management Committee (RMC) of the Company comprises 4 (four) Members. The RMC is chaired by Mr. Shashank Ramesh Anikhindi. Mr. Jagdish Keswani, Mr. Gursharan Singh and Mr. Prabh Mehar Singh act as the Members of the Committee.

Ms. Neha Bahal, the Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

KEY TERMS OF REFERENCE OF THE COMMITTEE

The RMC Complies with Regulation 21 of the Listing Regulations and relevant provisions of the Companies Act on risk assessment and minimization.

- Identifies internal and external risks including financial, operational, sectoral, sustainability/ ESG, cyber security, legal, and regulatory risks.
- Oversees implementation and adequacy of the Company's Risk Management Policy and systems.
- Ensures appropriate methodologies, processes, and systems are in place to monitor and evaluate risks.
- Reviews and approves the Risk Management framework and the Company's risk appetite and strategy on key risks (market, cyber security, product, reputational).
- Evaluates risk governance structure, assessment practices, and mitigation policies.
- Formulates detailed risk management policy including risk identification, mitigation measures, internal controls, and business continuity planning.
- Periodically reviews the Risk Management Policy, at least every two years, considering industry dynamics and complexities.
- Keeps the Board informed about discussions, recommendations, and actions related to risk management.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

COMPOSITION AND ATTENDANCE AT THE RISK MANAGEMENT COMMITTEE MEETINGS

During the financial year 2024-25, the RMC met twice, for reviewing the Company level risks and mitigation plans and actions. The gap between two meetings was not more than 210 days as stipulated under the Listing Regulations. All the decisions and recommendations made by the Committee were approved by requisite majority of the members of the Committee.

Name of Directors	Designation	Category	No. of meetings held	Date of meetings & Attendance	
				27-05-2024	14-11-2024
Mr. Shashank Ramesh Anikhindi	Chairperson	Non-Executive Independent Director	2	Y	Through VC
Mr. Gursharan Singh	Member	Chairman & Managing Director	2	Y	Y
Mr. Jagdish Keswani	Member	Non-Executive Independent Director	2	Y	Y
Mr. Prabh Mehar Singh	Member	Vice- President Finance & Business Excellence	2	Y	Y

The policy on Risk Management is available on the Company's website, the web link for the same is www.raclgeartech.com.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

As on March 31, 2025, the Stakeholders' Relationship Committee comprises 3 (three) Members. The Committee is chaired by Ms. Malini Bansal. Mr. Jagdish Keswani and Mr. Gursharan Singh act as Members of the Committee.

Ms. Neha Bahal, Company Secretary and Compliance Officer of the Company, acts as the Secretary to the Committee.

Ms. Bahal is also appointed as the Nodal Officer under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

KEY TERMS OF REFERENCE OF STAKEHOLDER'S RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee was constituted according to Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and its terms of reference as stipulated are set forth below.

TERMS OF REFERENCE FOR STAKEHOLDERS' RELATIONSHIP COMMITTEE ARE:

- Resolve grievances of security holders, including issues related to share transfer/transmission, non-receipt of annual reports or dividends, issuance of new/duplicate certificates, and general meetings.
- Address grievances of debenture holders concerning creation of charge, interest/principal payments, security maintenance, and related covenants.
- Review and ensure adherence to service standards maintained by the Registrar & Share Transfer Agent.
- Evaluate measures for effective exercise of shareholders' voting rights.
- Monitor initiatives aimed at reducing unclaimed/unpaid dividends and ensuring timely receipt of dividends, annual reports, and statutory notices by shareholders.
- Recommend improvements to enhance investor service levels and overall shareholder satisfaction.

COMPOSITION AND ATTENDANCE OF THE STAKEHOLDERS' RELATIONSHIP COMMITTEE MEETINGS

During the financial year 2024-25, the Committee met once. All the decisions and recommendations made by the Committee were approved by requisite majority of the Members of the Committee.

Name of Directors	Designation	Category	No. of meetings held	Date of meetings & Attendance
				14-11-2024
Mrs. Malini Bansal	Chairperson	Non-Executive Independent Director	1	Y
Mr. Gursharan Singh	Member	Chairman & Managing Director	1	Y
Mr. Jagdish Keswani	Member	Non-Executive Independent Director	1	Y

DETAILS OF INVESTORS' COMPLAINTS

During the financial year 2024–25, the Company has received 1 complaint from an investor, which was duly resolved. In addition to monitoring investor grievances, the Committee regularly interacts with representatives of the Registrar and Transfer Agent (RTA) as well as shareholders. These interactions provide valuable feedback on the Company's investor service standards and help the Committee recommend improvements in processes and service delivery.

Details of investor complaints received and redressed during the year 2024-25:

No. of shareholder Complaints pending at the beginning of the year	No. of shareholder Complaints received during the year	No. of shareholder Complaints resolved during the year	No. of shareholder complaints pending at the end of the year
0	1	1	0

OTHER COMMITTEES

In addition to the aforementioned Committees, the Board has constituted the following Committees to enhance governance standards and address specific business needs. These Committees operate under defined charters and are accountable to the Board.

FINANCIAL AFFAIR COMMITTEE

The Composition of the Committee comprises as under: -

Name of Member	Category
Mr. Jagdish Keswani	Non-Executive Independent Director
Mr. Gursharan Singh	Chairman & Managing Director
Mr. Anil Sharma	Non-Executive Non-Independent Director

THE ROLE OF THIS COMMITTEE IS AS FOLLOWS:

The following matters fall within the delegated authority of the Committee, subject to compliance with applicable laws and shareholder approvals, where necessary:

- Approving borrowings by the Company, provided that the outstanding facilities do not exceed ₹250 crore (Rupees Two Hundred and Fifty Crore Only), excluding temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business.
- Creating security on the Company's assets to secure its borrowings, within the limits approved by the shareholders under Section 180(1)(a) of the Companies Act, 2013.
- Issuing corporate guarantees to secure borrowings of wholly owned subsidiaries and step-down subsidiaries of wholly owned subsidiaries.
- Changing authorised signatories for existing borrowings, including working capital facilities.
- Committing to capital expenditure items that fall within the Board, approved annual business plan for the financial year.
- Changing operating instructions for the Company's bank accounts and authorising the execution of all related documents, including Powers of Attorney.
- Changing authorised signatories for all transactions, contracts, agreements, and related documents entered into by the Company in the ordinary course of business.

SENIOR MANAGEMENT:

The following persons are the senior management the Company:

Name of the Senior Personnel	Designation
Mr. Prabh Mehar Singh	Vice President- Finance & Business Excellence (Re-designated as Chief Operating Officer with effect from August 1, 2025)
Mr. Jitender Jain	Vice President- Chief Financial Officer
Mr. Rajiv Goel	Vice President- Engineering & Product Development (Re-designated as Chief Technology Officer with effect from August 1, 2025)
Mr. Hemant Kumar	General Manager- Marketing & Sales
Mr. Abhishek Mehra	Deputy General Manager- Operations
Mr. Richie Pal Singh	Joint General Manager- Project (Costing & Management)
Mr. Vivek Tiwari	Joint General Manager- Purchase
Ms. Neha Bahal	Company Secretary & Compliance Officer

Resignations during the year:

Mr. Ritesh Arora, Joint General Manager - Human Resource & Admin, resigned from the Company on date February 10, 2025

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors of the Company was held on January 31, 2025, under the chairmanship of Brig. Harinder Pal Singh Bedi (Retd.), Independent Director. The meeting, inter alia, reviewed and discussed the following:

- Evaluation of the performance of Non-Independent Directors, including the Chairman and Managing Director
- Evaluation of the overall performance of the Board as a whole

- Assessment of the performance of the Chairman, taking into account the views of Executive and Non-Executive Directors
- Evaluation of the quality, content, and timeliness of the flow of information between the management and the Board, which is essential for the Board to perform its functions effectively and reasonably

The Independent Directors expressed satisfaction with the overall performance of the Board and its members. Inputs and suggestions provided during the meeting were placed before the Board and have since been considered and implemented.

SUCCESSION PLANNING

The Nomination and Remuneration Committee, in collaboration with the Board, is responsible for developing and overseeing the succession plan to ensure an orderly transition in appointments to the Board and senior management. The Company is committed to maintaining an appropriate balance of skills, experience, and diversity within the Board of Directors and the broader organisation. This approach helps introduce fresh perspectives while preserving institutional knowledge, continuity, and leadership stability. The Company is the process of adoption of the Succession policy.

CODE OF CONDUCT

In accordance with Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has laid down a 'Code of Conduct for Directors and Senior Management Personnel.' This Code incorporates the duties of Independent Directors as prescribed under the Companies Act, 2013, and is available on the Company's website.

The objective of the Code is to ensure ethical, efficient, and transparent conduct of business and to uphold the Company's commitment to its shareholders and other stakeholders. The Company recognises that reputation and integrity are built over time and must be continually reinforced through adherence to well-defined ethical standards and procedures. Cultivating a culture of integrity remains a key priority for the organisation.

A declaration by the Chairman & Managing Director, Mr. Gursharan Singh, has been received, confirming that all members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2025.

WHISTLE BLOWER POLICY

The Company is committed to upholding the highest standards of corporate governance and stakeholder responsibility. As part of this commitment, the Company has established a Vigil Mechanism through a comprehensive Whistle Blower Policy. This Policy provides a secure and confidential channel for Directors, employees, business associates, vendors, suppliers, and all other stakeholders to report concerns regarding unethical practices, actual or suspected fraud, or violations of the Company's Code of Conduct and Ethics.

The Policy ensures strict confidentiality of the identity of the whistle blower and the details of the complaint. It also provides adequate safeguards against victimisation of individuals who raise concerns in good faith. In exceptional cases, the Policy allows direct access to the Chairperson of the Audit Committee.

The Whistle Blower Policy was adopted by the Board of Directors. The Audit Committee of the Board periodically reviews the functioning of the whistle blower mechanism to ensure its adequacy and effectiveness.

During the financial year ended March 31, 2025, no complaint was received under the Whistle Blower Policy. Furthermore, no person was denied access to the Audit Committee.

The Policy embodies the Company's core values and sets the standard of conduct expected of all employees and stakeholders in their professional dealings. It reflects the Company's unwavering commitment to integrity,

transparency, and fairness.

The Whistle Blower Policy is available on the Company's website at: www.raclgeartech.com.

DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company is committed to fostering an inclusive, equitable, and respectful work environment where every employee has the opportunity to bring their best self to work. We strive to ensure that all individuals are treated with dignity, fairness, and respect, irrespective of gender or background.

To reinforce this commitment, the Company has implemented a Policy on Prevention of Sexual Harassment (POSH) in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The POSH Policy not only promotes diversity and equality but also seeks to build a culture of mutual trust and equal opportunity. It is inclusive and gender-neutral, covering all employees and individuals associated with the workplace. The Policy outlines a clear governance mechanism for the prevention, prohibition, and redressal of sexual harassment, ensuring that concerns are addressed sensitively, fairly, and promptly.

We have constituted Internal Committee as per the POSH Act.

Number of Complaints received during the financial year 2024-25	0
Number of Complaints disposed of during the financial year 2024-25	0
Number of Complaints pending as on March 31, 2025	0

COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS

- The Board: The Company has Mr. Gursharan Singh as the Chairman & Managing Director of the Company who is an Executive Director and is paid due remuneration in accordance with the provisions of the Act and listing Regulations.
- Shareholders' rights: The Company ensures that disclosure of all the information is made available to all the shareholders on a non-discretionary basis. The quarterly/half yearly and annual financial results along with the press release, investor presentations, recordings and transcripts of earnings call are published in leading newspapers and uploaded on the website of the Company at: www.raclgeartech.com.
- Audit qualifications: The auditors have not qualified the financial statements of the Company.
- Reporting of Internal Auditor: The Internal Auditor of the Company directly reports to the Audit Committee and Board of Directors on functional matters.

RELATED PARTY TRANSACTIONS:

Transactions with related parties are disclosed in the Notes to Accounts in the Financial Statements. All transactions with related parties are at arms' length. All Related Party Transactions are entered into by the Company only after obtaining the prior approval of the Audit Committee and Board of Directors and are entered into on an Arms' length basis. In terms of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a policy on Related Party Transactions. The Company has not entered into any transaction with any person or entity belonging to the Promoter/ Promoter Group which hold(s) 10% or more shareholding in the Company. Related Party Transaction policy is placed on the Company's website at: www.raclgeartech.com.

MATERIAL RELATED PARTY TRANSACTIONS:

During the year ended March 31, 2025, there were no materially significant related party transactions, which had potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Notes to the Annual Accounts.

DETAILS OF NON-COMPLIANCE ETC:

During the last three financial years, no penalties, strictures, or adverse orders have been imposed on the Company by the Stock Exchanges, the Securities and Exchange Board of India (SEBI), or any other statutory authority in connection with matters relating to the capital markets. This reflects the Company's strong commitment to regulatory compliance and sound corporate governance practices.

POLICY ON ARCHIVAL AND PRESERVATION OF DOCUMENTS

In compliance with Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of RACL Geartech Limited has adopted a Document Preservation and Archival Policy.

This Policy provides a comprehensive framework for the preservation, archival, and disposal of documents and records maintained by the Company. It outlines a clear Data Retention Schedule, detailing the timelines for retaining various categories of documents based on legal, regulatory, tax, audit, and business requirements. It also establishes the procedures to be followed to ensure compliance with the Policy.

The Policy reflects the Company's commitment to maintaining transparency and accountability in its documentation practices and is available in the Corporate Governance section of the Company's website.

DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED ALONG WITH NAME AND AMOUNT

The Company and its subsidiaries have not granted loans and advances in the nature of loans to firms/Companies in which Directors of the Company are interested.

THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:

Regulation	Particulars of Regulations	Compliance Status (Yes/No)
17	Board of Directors	Yes
17A	Maximum number of Directorships	Yes
18	Audit Committee	Yes
19	Nomination, and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24A	Secretarial Audit and Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

SHAREHOLDER INFORMATION

LISTING DETAILS

Name & Address of the Stock Exchange	Stock Code
BSE Limited (BSE)	520073
Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	
National Stock Exchange of India Limited (NSE)	RACLGEAR
Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	
ISIN	INE704B01017

The listing fees for the financial year 2024-25 have been paid to the above Stock Exchanges.

GENERAL BODY MEETINGS AND POSTAL BALLOT

Details of last three AGMs and the summary of Special Resolutions passed therein are as under:

Financial year	Location(s)	Meeting date	Time	Details of the special resolutions passed during previous three annual general meetings
2023-24	AGM through Video Conferencing and Other Audio-Visual Means	11th September, 2024	12 Noon	- Reappointment of Ms. Malini Bansal (DIN: 00167993) as Non- Executive Independent Director of the Company.
2022-23	AGM through Video Conferencing and Other Audio-Visual Means	19th September, 2023	11:00A.M.	- Appointment of Mr. Anil Sharma (DIN: 00157911) as the Non- Executive Non- Independent Director of the Company and payment of remuneration. - Remuneration of Mrs. Narinder Paul Kaur (DIN: 02435942) as the Non- Executive Non- Independent Director of the Company. - Remuneration of Mr. Gursharan Singh, Chairman & Managing Director (DIN: 00057602) of the Company. - Re-appointment of Mr. Jagdish Keswani (DIN: 02146267) as the Non- Executive Independent Director of the Company. - Appointment of Brig. H.P.S Bedi (Retd.) (DIN: 05217488) as the Non- Executive Independent Director of the Company. - To increase the borrowing limits of the Company. - To increase the limits of Creation of charges/ mortgages/ hypothecation or otherwise on the movable or immovable properties of the Company in respect of borrowings of the Company.
2021-22	AGM through Video Conferencing and Other Audio-Visual Means	29th August, 2022	10:30A.M.	- During the previous year, the Company did not pass any special resolution in the Annual General Meeting.

POSTAL BALLOT

During the financial year 2024-25, no Special Resolution was passed by the Company through Postal Ballot. No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this Annual Report.

ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2024-25

Day & Date:	Friday, September 26, 2025
Venue	Through other Audio Visual Means
Time	11:00 AM

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2025

Shares holding of Nominal Value of Rupees 10.00 each share		Shareholders		Total Shares	
		Number	% to Total	No. of Shares Held	% to Total
(1)		(2)	(3)	(4)	(5)
Upto 5000		14150	93.858	1174753	10.896
5001	10,000	462	3.064	372280	3.453
10,001	20,000	193	1.280	289254	2.683
20,001	30,000	93	0.617	230590	2.139
30,001	40,000	49	0.325	172845	1.603
40,001	50,000	22	0.146	102751	0.953
50,001	1,00,000	51	0.338	352593	3.270
1,00,001 and Above		56	0.371	8086534	75.003
TOTAL		**15076**	**100**	**10781600**	**100**

SHAREHOLDING PATTERN OF THE COMPANY AS ON MARCH 31, 2025 VIS-À-VIS AS ON MARCH 31, 2024

Category of Shareholder	March 31, 2025		March 31, 2024		Change (%)
	No of shares	% of total no of shares	No of shares	% of total no of shares	
Promoter & Promoter Group	5530627	51.30	5747519	53.31	2.01
Public	5250973	48.70	5034081	46.69	2.01
Total	**10781600**	**100**	**10781600**	**100**	**2.01**

RECLASSIFICATION OF PROMOTERS

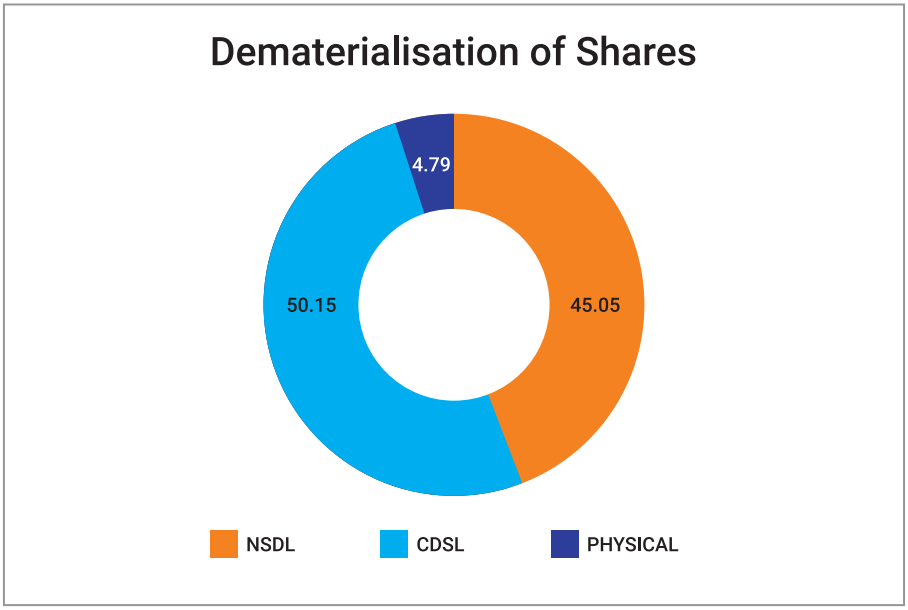
During the year, Mr. Dev Raj Arya and Ms. Raj Arya, who were part of the promoter and promoter group of the Company, had applied for reclassification from the "Promoter and Promoter Group" category to the "Public" category. The Company, upon obtaining necessary approvals from the stock exchanges in accordance with applicable regulations, has received the approval for such reclassification. Accordingly, Mr. Dev Raj Arya and Ms. Raj Arya have been reclassified from the Promoter and Promoter Group category to the Public category.

TOP 10 SHAREHOLDERS (OTHER THAN PROMOTERS) AS ON MARCH 31, 2025

Name of Shareholder	Category of investor	No of shares	%
Middleware Development Ltd.	Foreign Companies	728945	6.76
Dev Raj Arya	Individual	220554	2.05
Aniruddha Narayan Malpani	Individual	170981	1.59
Anjali Aniruddha Malpani	Individual	140438	1.3
Debashish Neogi	NRI Repat	133689	1.24
Suneel Vadlamudi	Individual	127553	1.18
Ashvinder Chowdhary	NRI Repat	98010	0.91
Satya Prakash Mittal	Individual	80000	0.74
Vivog Commercial Limited	Bodies Corporate	44073	0.41
Hemrekha Viswanathan	Individual	34435	0.32

BIFURCATION OF SHARES HELD IN PHYSICAL AND DEMAT FORM AS ON MARCH 31, 2025

The Company has established connectivity with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrar & Share Transfer Agent- MAS Services Ltd. This has facilitated the shareholders to hold and trade their shares in 'electronic form'. As on March 31, 2025, 1,02,64,520 Equity Shares of the Company, forming 95.20% of the shareholding stand dematerialized.



There are no outstanding Global Depository Receipts/ American Depository Receipts or Warrants or any convertible instruments as on March 31, 2025.

REDUCTION IN PHYSICAL SHAREHOLDERS

The Company, in alignment with regulatory initiatives by SEBI and other authorities, has been actively encouraging shareholders holding shares in physical form to convert their holdings into dematerialised (electronic) form. These efforts are aimed at improving transparency, efficiency, and security in securities transactions.

As a result of these sustained initiatives, there has been a significant reduction in the number of shareholders holding shares in physical form over the past five years.

As on 31st March 2025, the percentage of shareholders holding shares in physical form decreased from 5.67% in FY 2020–21 to 4.79 % in FY 2024–25.

DIVIDENDS PAID BY THE COMPANY IN THE LAST 5 YEARS

Year	In Rs per share (Face Value of Rs. 10 each)	Dividend Amount (Rs in Crore)
2019-20	1.00	10781600
2020-21	1.00	10781600
2021-22	1.00	10781600
2022-23	1.50	16172400
2023-24	1.50	16172400

COMMUNICATION WITH SHAREHOLDERS

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans with all stakeholders which promotes management-shareholder relations. The Company regularly interacts with Shareholders through multiple channels of communication such as:

Results Announcements	The quarterly, half yearly and annual financial results of the Company's performance are published in leading newspapers such as Financial Express and Jansatta.
Annual General Meeting	At the AGM, the Shareholders also interact with the Board and the Management.
Annual Report	Annual Report containing inter alia Financial Statements, Directors' Report, Auditors' Report, and Corporate Governance Report is circulated to the members and others entitled thereto.
Analysts Presentation/ Investor Call	As per the requirements of Listing Regulations, the presentations, audio and video recordings and transcripts of investor conferences are available of the website of the Company. The Company also conducts calls/meetings with investors post declaration of financial results to brief on the performance of the Company. These calls/meetings are attended by the CEO & MD and CFO of the Company.
Company's Website	The Company's website contains a dedicated section for Investors as per the requirements of Regulation 46 of Listing Regulations, where Annual Reports, quarterly and annual results, stock exchange filings, press releases, quarterly reports, all statutory policies, information relating to investor service requests, unclaimed unpaid dividends, Investor Grievance Redressal Mechanism are available, apart from the details about the Company, Board of Directors and Management. The Webcast/Transcript of the AGM is also available on the website of the Company.

Designated Email Ids	The Company has designated E-mail Id exclusive for shareholder/ investor servicing.
Stock Exchanges	All price sensitive information and matters that are material to Shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited. The Quarterly Results, quarterly reporting required under SEBI Regulations and all other corporate communications to the Stock Exchanges are filed through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS) for dissemination on their respective websites. The stock exchange filings are also made available on the website of the Company at: www.raclgeartech.com.
SEBI and Stock Exchanges' Investor Grievance Redressal System	SCORES and SMART ODR platforms of SEBI, 'Investor Complaints' sections of BSE and NSE websites facilitate investors to file complaints online and get end-to-end status update of their grievances. The Company endeavours to redress the grievances of the Investors as soon as it receives the same from the respective forums.

REGISTRAR AND SHARE TRANSFER AGENT

M/s. MAS Services Limited continues to act as the Registrar and Share Transfer Agent of the Company.

INVESTOR SERVICE REQUESTS

PROCESS FOR REQUESTS RELATED TO PHYSICAL SHARES

The Board has delegated the authority for approving requests pertaining to transmission, name deletion, issuance of duplicate shares, dematerialisation, etc. to the Stakeholder Relationship Committee.

As per the notifications/ circulars issued by SEBI from time to time, listed entities are required to issue securities in demat mode only while processing any investor service requests, such as transmission, name deletion, issuance of duplicate share certificates, exchange/ subdivision of securities and transposition of securities. SEBI had also clarified that listed entities/ RTAs shall issue a Letter of Confirmation (LOC) in lieu of physical share certificates while processing any of the aforesaid investor service requests.

REQUEST FOR UPDATION OF PAN, KYC DETAILS AND CHOICE OF NOMINATION

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC details (viz. Contact details, Mobile Number, Bank Account Details, Signature) and Nomination/ Opt-out of Nomination, before getting any Investor Service Request (ISR) processed.

Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC details or Choice of Nomination updated, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from April 01, 2024. Members may refer to the SEBI FAQs (FAQ Nos. 38 & 39) issued in this regard, available on its website at https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf.

Members who are yet to update the said details in their physical folios are, therefore, urged to furnish PAN, KYC details and Choice of Nomination by submitting the prescribed forms duly filled, to the RTA by e-mail from their registered e-mail id to www.masserv.com or by sending a physical copy of the prescribed forms duly filled and signed by the registered holders to the RTA at the below mentioned address:

MAS Services Limited
Address: T-34, 2nd Floor, Okhla Industrial Area, Phase- II, New Delhi - 110020
Email: investor@masserv.com

Web: www.masserv.com

REMINDER LETTERS TO HOLDERS OF PHYSICAL SHARES FOR UPDATION OF PAN, KYC DETAILS AND CHOICE OF NOMINATION

In accordance with the SEBI circular dated March 16, 2023, as amended, the Company has sent reminders to those Members, holding shares in physical form, whose PAN, KYC details and/ or Choice of Nomination are not updated, requesting them to update the details.

SUSPENSE ESCROW DEMAT ACCOUNT

As per the Circular(s) issued by SEBI, after due verification of the investor service requests received from the Shareholders/ Claimants, LOCs are issued in lieu of physical share certificate(s) by Companies/RTAs. The validity of such LOCs is 120 days from the date of issuance, within which the Shareholder/ Claimant is required to make a request to the Depository Participant (DP) for dematerialising the shares covered by the LOC. In case the demat request is not submitted within the aforesaid timeline of 120 days, companies are required to transfer such shares to Suspense Escrow Demat Account opened by companies for this purpose.

Shareholders/ Claimants can claim back their shares from Suspense Escrow Demat Account by submitting the required documents to the Company's RTA as per SEBI Advisory dated December 30, 2022, as amended.

Unclaimed Equity shares are held in Unclaimed Suspense Account maintained with SMC Global Securities Limited, New Delhi vide Client ID: 10318226.

As on March 31, 2025 the Company have 500 equity shares lying in the RACL Geartech Limited Unclaimed Suspense Account.

Details of shares transferred to/ released from SEDA during the financial year 2024-25 are as under:

No. of shareholders/claimant	No. of shares
3	500

The voting rights on these shares shall remain frozen till the rightful owner of the shares claims the shares. The Company has not transferred any shares to any other Suspense Account.

Rights of Shareholders

(As per Regulation 4(2)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended) The Company recognizes and upholds the rights of its shareholders as an essential part of good corporate governance. In accordance with the Listing Regulations, the rights of shareholders include the following:

1. **Participation in Fundamental Decisions:** The right to participate in, and be adequately informed about, decisions concerning fundamental corporate changes.
2. **Voting Rights:** The right to participate effectively and vote in general meetings of shareholders.
3. **Clarity on Procedures:** The right to be informed of the rules and procedures, including voting mechanisms, that govern general meetings.
4. **Board Participation:** The right to participate effectively in key governance decisions, including the nomination and election of Directors to the Board.
5. **Exercise of Ownership Rights:** The right of all shareholders, including institutional investors, to exercise ownership rights effectively.

6. **Grievance Redressal Mechanism:** Access to adequate mechanisms to address shareholder grievances.
7. **Protection of Minority Shareholders:** Protection from abusive actions by controlling shareholders and access to effective redressal mechanisms.
8. **Regulatory Escalation:** The right to approach the SEBI Complaints Redress System (SCORES) or avail the dispute resolution mechanisms provided by the Stock Exchanges in case of any unresolved grievances.

EQUITABLE TREATMENT OF SHAREHOLDERS AND SHAREHOLDER COMMUNICATION

The Company is committed to ensuring equitable treatment of all its shareholders, regardless of their shareholding size. No special rights have been granted to any shareholder, and during the financial year 2024-25, the Company did not undertake any transactions or actions that could be prejudicial to the interests of minority shareholders.

TIMELY AND TRANSPARENT COMMUNICATION

The Company strongly believes that informed shareholders contribute to the long-term success and governance of the Company. In line with this philosophy, all relevant information pertaining to the Shareholder Meeting(s) held during the financial year 2024–25 was provided in a timely, accessible, and comprehensive manner, ensuring full transparency and enabling shareholders to make informed decisions.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

Though the company has been in export business (sale of gears) but it always realizes the invoice value of its goods by way of availing packing credit/bill discounting from various banks and has natural hedging against Foreign Exchange Exposure. The Company does not over expose itself against foreign currency; however, there is natural risk of minor exchange fluctuation and company keeps a close watch on the exchange rate movement.

DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONAL PLACEMENTS AS SPECIFIED UNDER REGULATION 32 (7A) [PROCEEDS FROM PUBLIC ISSUE, RIGHTS ISSUE, PREFERENTIAL ISSUE, FCCB ISSUE]

During the year under review, the Company did not raise any funds through public issue, rights issue, preferential issue, or issuance of Foreign Currency Convertible Bonds (FCCBs).

However, the Company has raised ₹79.99 Crores by allotment of 10,06,480 equity shares to three Qualified Institutional Buyers (QIBs) and one non-QIB investor, all belonging to the non-promoter category, aggregating to ₹80 crore (approx.), on preferential basis, in the Board Meeting held on May 23, 2025. The Company has received all the requisite approvals from the respective stock exchanges. Thus, the paid up capital of the Company after the said allotment stands at ₹11,78,80,800.

The proceeds from the allotment were utilised for the repayment of loans and interest thereon, in accordance with the stated objectives of the issue.

IN CASE SECURITIES OF THE COMPANY ARE SUSPENDED FROM TRADING, REASONS THEREOF

During the year, no securities of the Company were suspended from trading.

PLANT LOCATIONS

Plant name	Location
Unit No. 1	A-3, Industrial Area, Gajraula, District Amroha, Uttar Pradesh - 244223, India
Unit No. 2	C- 32, Sector- 80, Noida, District Gautam Nagar, Uttar Pradesh - 201301, India

DISCLOSURE UNDER CLAUSE 5A OF PARAGRAPH A, PART A, SCHEDULE III OF SEBI LISTING REGULATIONS

During the year under review, no agreements have been entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or its subsidiaries, which either directly or indirectly impact, or have the potential to impact, the management or control of the Company or impose any restrictions or create any liability upon the Company, as specified under Clause 5A of Paragraph A, Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PREVENTION OF INSIDER TRADING CODE

The Company has adopted a Code of Conduct for Prevention of Insider Trading in line with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Code aims to prevent misuse of unpublished price-sensitive information and ensure transparent trading practices by designated persons and insiders. The Company Secretary has been designated as the Compliance Officer for monitoring adherence to the said Regulations.

The Code is available on the Company's website at: www.raclgeartech.com.

During the year under review, the Company has ensured due compliance with the Code.

ADDRESS FOR CORRESPONDENCE

All correspondence by Members should be forwarded to the Company's RTA,
M/s. MAS Services Limited
Address: T-34, 2nd Floor, Okhla Industrial Area, Phase- II, New Delhi - 110020
Email: investor@masserv.com
Web: www.masserv.com

Or to the Company at the below mentioned address:

RACL Geartech Limited
Investor Service Department
Business Pinnacle Towers, B-9, Sector 3, Noida
Phone: 0120-4588500
E-mail: investor@raclgeartech.com
Website: www.raclgeartech.com

Compliance Officer

Ms. Neha Bahal
Company Secretary & Compliance Officer
E-mail: investor@raclgeartech.com
Phone: 0120-4588500

GREEN INITIATIVE

As a responsible corporate citizen, your Company wholeheartedly supports the 'Green Initiative' launched by the Ministry of Corporate Affairs (MCA), Government of India, which promotes electronic delivery of documents, including the Annual Report and other shareholder communications, to shareholders at their registered e-mail addresses.

This initiative helps reduce environmental impact and ensures faster and more efficient communication. Shareholders who have not yet registered their e-mail addresses are encouraged to do so at the earliest:

- **For shareholders holding shares in dematerialised form:** Please register your e-mail address with your respective Depository Participant (DP).
- **For shareholders holding shares in physical form:** Please send a signed request letter, quoting your Folio Number, to our Registrar and Transfer Agent:

  MAS Services Limited

This small step will go a long way in supporting a sustainable future while ensuring seamless delivery of important shareholder documents.

CERTIFICATIONS

COMPLIANCE CERTIFICATE

(Issued in accordance with the provisions of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Board of Directors,

RACL Geartech Limited

Dear Sirs,

We have reviewed the Financial Statements together with the Cash Flow Statement of RACL Geartech Limited for the financial year ended 31st March, 2025 and that to the best of our knowledge and belief, we state that;

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2025 which is fraudulent, illegal or violative of the Company's code of conduct.
4. We accept the responsibility for establishing and maintaining internal controls for financial accounting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there had been no deficiency in design or operation of such internal controls during the period under review.

We further certify that the following information has been indicated to the Auditors and the Audit committee:

a. There have been no significant changes in internal control over financial reporting during the year;

b. There have been no significant changes in accounting policies during the year; and

c. There have been no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of

RACL Geartech Limited

Date: 11th August 2025

Place: Noida

Gursharan Singh
Chairman & Managing Director
DIN: 00057602

Jitender Jain
Chief Financial Officer

DECLARATION BY THE MANAGING DIRECTOR

(Under regulation 34(3) read with Schedule V of SEBI
(Listing Obligations and Disclosure Requirements) Regulations 2015)

I, Gursharan Singh, Chairman & Managing Director of RACL Geartech Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Company's "Code of Conduct for Directors and Senior Management Personnel" for the financial year ended on 31st March, 2025.

For and on behalf of
RACL Geartech Limited

Date: 11th August 2025
Place: Noida

Gursharan Singh
Chairman & Managing Director
DIN: 00057602

NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

To,

The Members,

RACL GEARTECH LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **RACL GEARTECH LIMITED** having CIN **L34300DL1983PLC016136** and having registered office at 15th Floor, Eros Corporate Tower, Nehru Place New Delhi South Delhi DL 110019 India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 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.

S. No	Name of Director	DIN	Designation	Date of appointment in Company
1.	*Mr. Gursharan Singh*	00057602	Managing Director	23/08/2002
2.	*Mr. Anil Sharma*	00157911	Non-Executive - Non-Independent Director	19/05/2006
3.	*Mr. Shashank Ramesh Anikhindi*	07787889	Independent Director	27/05/2017
4.	*Ms. Narinder Paul Kaur*	02435942	Non-Executive - Non Independent Director	31/01/2015
5.	*Mr. Jagdish Keswani*	02146267	Independent Director	11/11/2019
6.	*Brig. Harinder Pal Singh Bedi (Retd.)*	05217488	Independent Director	29/06/2020
7.	*Mrs. Malini Bansal*	00167993	Independent Director	13/08/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Date: 11th July 2025

For Rosy Jaiswal & Associates
Company Secretaries

Rosy Jaiswal
(Proprietor)
ACS No. 28432, C.P No. 21968
Peer Review Certificate no. 2298/2022
UDIN: A028432G000755862

CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members,

RACL GEARTECH LIMITED

We have examined the compliance of conditions of Corporate Governance by **RACL GEARTECH LIMITED** having CIN L34300DL1983PLC016136 and having registered office at 15th Floor, Eros Corporate Tower, Nehru Place New Delhi South Delhi DL 110019 India ("the Company"), for the purpose of certifying of the Corporate Governance under Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the period April 01, 2024 to March 31, 2025. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Place: New Delhi
Date: 11th July 2025

For Rosy Jaiswal & Associates
Company Secretaries

Rosy Jaiswal
(Proprietor)
ACS No. 28432, C.P No. 21968
Peer Review Certificate no. 2298/2022
UDIN: A028432G000755862

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L34300DL1983PLC016136
2.	**Name of the Listed Entity**	RACL Geartech Limited
3.	**Year of incorporation**	1983
4.	**Registered office address**	15th Floor, Eros Corporate Towers, Nehru Place, New Delhi-110019
5.	**Corporate address**	B-9, Sector-3, Noida-201301 Uttar Pradesh
6.	**E-mail**	investor@raclgeartech.com
7.	**Telephone**	0120-4588500
8.	**Website**	http://www.raclgeartech.com/
9.	**Financial year for which reporting is being done**	1st April 2024 to 31st March 2025
10.	**Name of the Stock Exchange(s) where shares are listed**	- Bombay Stock Exchange (BSE) - National Stock Exchange of India Limited (NSE) (listed on November 27, 2024)
11.	**Paid-up Capital**	As on March 31, 2025 - Rs. 107816000
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.**	**Name of Contact person** Ms. Neha Bahal **Contact Number:** 0120-4588500 **Email:** investor@raclgeartech.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	The Financial statements have been prepared on Consolidated Basis, which includes a Foreign Subsidiary (RACL Geartech GmbH). However, disclosures under this report have been made on a standalone basis.
14.	**Name of assurance provider**	NA
15.	**Type of assurance obtained**	NA

II. Products and 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 & services	Manufacturing of auto-components.	100%

17. Products/ Services sold by the entity (accounting for 90% of the entity's Turnover): It has to in an order.

S. No.	Product/Service	NIC Code	% of total Turnover
1	2 -Wheelers	34300	39%
2	Recreation (ATV/ RTV)	34300	13%
3	Tractor and Agriculture	34300	11%
4	Commercial Vehicle	34300	18%
5	Passenger Cars	34300	5%
6	E- Vehicles	34300	9%
7	3- Wheelers	34300	3%
8	Industrial Equipment's	34300	2%
	TOTAL		100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated.

Location Total	Number of plants	Number of offices	Total
National	2	2	4
International	Nil	1	1

19. Markets served by the entity.

a. Number of locations-

Location	Number
National (No. of States)	7
International (No. of Countries)	10

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Particulars	FY-2024-25	FY 2023-24
Export Revenues (in Rs.)	290.97 Cr.	308.52 Cr.
Total Revenues (in Rs.)	427.29 Cr.	423.03 Cr.
% of Export in Total revenue	**68%**	**72.93%**

c. A brief on types of customers

RACL Geartech Ltd. is an Indian company specializing in the manufacture of high-precision gears and automotive components. The Company serves a diverse customer base across multiple industries and geographies, catering to the auto component needs of two-wheelers, electric scooters, agricultural machinery, commercial vehicles, and passenger vehicles.

The primary clientele includes Original Equipment Manufacturers (OEMs) — such as manufacturers of cars, motorcycles, scooters, and commercial vehicles — as well as Tier-1 suppliers. RACL also serves Off-Highway Vehicle segments, including agricultural machinery and construction equipment manufacturers. Additionally, the Company supplies to industrial gearbox manufacturers, power transmission equipment producers, and passenger vehicle industries.

With a strong global footprint, RACL Geartech operates across India, Europe, the Asia-Pacific region, and other international markets.

IV. Employees

20. Details at the end of the financial year

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1	Permanent (D)	656	628	95.73%	28	4.26%
2	Other than Permanent (E)	91	78	85.71%	13	14.28%
3	**Total Emp. (D + E)**	747	706	94.51%	41	5.48%
Workers						
1	Permanent (D)	96	96	100%	Nil	Nil
2	Other than Permanent (E)	685	685	100%	Nil	Nil
3	**Total Emp. (D + E)**	781	781	100%	Nil	Nil

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled Employees						
1	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	**Total Emp. (D + E)**	Nil	Nil	Nil	Nil	Nil
Differently abled Workers						
1	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3	**Total Emp. (D + E)**	Nil	Nil	Nil	Nil	Nil

21. Details at the end of the financial year

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	7	2	28.57%
Key Management Personnel	2	1	50.00%

22. Turnover rate for permanent employees and workers.

	FY 24- 25			FY 23- 24			FY 22- 23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.7%	0.3%	9%	5%	1%	6%	Turnover rate we started calculating from FY 22- 23 onwards		
Permanent Workers	12%	Nil	12%	13%	Nil	13%			

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23a. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	RACL Geartech GMBH	Subsidiary Company	100%	No

VI. CSR Details

24 i. Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

24 ii. Turnover (in Rs. Crore): 427.29

24 iii. Net worth (in Rs Crore): 228.75

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:

Weblink: https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.pdf

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Same as above	0	0	NIL	0	0	NIL
Investors (other than shareholders)	Same as above	0	0	NIL	0	0	NIL
Shareholders	Same as above	1	0	NIL	0	0	NIL
Employees and workers	Same as above	0	0	NIL	0	0	Nil
Customers	Same as above	145	0	Most of the complaints were related to quality issues due to development and regular production and required corrective actions were implemented	100	0	Nil
Value Chain Partners	Same as above	0	0	NIL	0	0	Nil
Other (please specify)							

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Raw Material Sourcing	**Risk:** Environmental degradation from mining and extraction processes. **Opportunity:** Sustainable sourcing can enhance brand reputation and compliance with regulations.	Ethical and sustainable sourcing of raw materials minimizes environmental impact and aligns with increasing regulatory and consumer demand for sustainable products.	**1**- Conduct due diligence on suppliers. **2**- Source materials from certified and responsible suppliers. **3**- Implement a traceability system to ensure transparency.	**Cost:** Potential increase in material costs due to premium pricing of sustainably sourced materials. **Benefit:** Long-term savings from avoiding regulatory fines and enhancing brand value.
2	Energy Consumption	**Risk**: High energy consumption leading to increased operational costs and carbon footprint. **Opportunity**: Adopting renewable energy can reduce costs and emissions.	Energy efficiency and renewable energy adoption can significantly reduce greenhouse gas emissions and cost.	RACL mitigates energy-related risks by adopting 100% green energy at its Gajraula plant through a mix of rooftop solar (9%), offsite solar via PPA (24%), and green grid power, reducing emissions and stabilizing energy costs.	**Cost**: Initial investment in renewable energy infrastructure and energy-efficient technologies. **Benefit**: Reduced energy costs and potential tax incentives or subsidies for renewable energy use.
3	Water Usage and Management	**Risk:** Overuse and contamination of water resources. **Opportunity:** Water recycling and conservation can reduce costs and regulatory risks.	Efficient water management is crucial for reducing environmental impact and ensuring compliance with environmental regulations.	**1**- Implement water recycling and rainwater harvesting systems. **2**- Use water-efficient processes and equipment. **3**- Monitor and manage water usage.	**Cost:** Investment in water recycling and conservation technologies. **Benefit:** Lower water usage costs and reduced risk of regulatory penalties.
4	Waste Management	**Risk:** Improper waste disposal leading to pollution and regulatory fines. **Opportunity:** Recycling and waste reduction can lower disposal costs and environmental impact.	Ensuring fair labor practices and good working conditions is crucial for compliance, employee retention, and brand reputation.	**1**- Adhere to labor laws and standards. **2**- Provide fair wages, benefits, and safe working conditions. **3**- Offer training and development opportunities.	**Cost**: Increased costs related to wages, benefits, and workplace safety improvements. **Benefit**: Higher productivity, lower turnover, and enhanced reputation.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Labour Practices and Working Conditions	**Risk**: Shortage of trained workers impacts quality and timelines **Opportunity**: Good labour practices enhance employee satisfaction and productivity. environmental impact.	Effective waste management reduces environmental impact, complies with regulations, and can provide cost savings.	**1-** Implement recycling programs for metal scraps and other waste. **2-** Use waste-to-energy technologies. **3-** Adopt a circular economy approach.	**Cost:** Setting up recycling and waste management systems. **Benefit:** Reduced waste disposal costs and potential revenue from recycled materials.
6	Logistics & Supply Chain Disruptions	**Risk**: Geo-political issues, pandemics, or transportation bottlenecks can delay deliveries	1- Implementing just-in-time or vendor managed inventory; 2- Digitizing the supply chain for real time tracking and agility.	Build local supplier base - Inventory buffers - Digital supply chain tools	**Cost:** Production halts, higher logistics costs
7	Exchange Rate Fluctuations	**Risk**	For export-oriented units or those sourcing imports	Currency hedging - Shift to domestic vendors where possible	**Negative:** Profitability erosion if unmanaged

Summary

Addressing environmental and social sustainability challenges may involve initial investments; however, they offer substantial long-term benefits. By adopting responsible practices, RACL can mitigate risks, ensure regulatory compliance, enhance brand reputation, and achieve cost savings through increased operational efficiency and resource recovery. Embracing sustainable business practices not only supports environmental and social well-being but also strategically positions the Company as a responsible and future-ready leader in the industry.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

	Disclosure Questions	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	Yes: https://www.raclgeartech.com								
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 of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trusted) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	RACL Geartech Ltd. is accredited with several key certifications demonstrating its commitment to quality, safety, and environmental standards. These include the IATF 16949:2016 for Quality Management System (QMS), ISO 14001:2015 for Environment Management System, ISO 45001:2018 for Occupational Health and Safety Management System, ISO 9001:2015 for Quality Management System (QMS), ISO/IEC 27001:2022 for Information Security Management System (ISMS), ISO/IEC 17025:2017(NABL Accreditation of Metallurgy testing Lab) and TISAX (Trusted Information Security Assessment Exchange) at Permanent Level (AL3).								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.									

Answer for 5- P3: Health & Safety: By 2027, achieve zero workplace accidents and injuries through rigorous implementation of safety protocols, continuous training, and proactive hazard identification and mitigation measures.

Answer for 5- P5: Diversity & inclusion: By 2027, achieve a workforce composition reflective of diverse backgrounds and perspectives, ensuring that all employees have equal access to opportunities for advancement and development.

Answer for 5- P6: Environmental Goals: 1.GHG Emissions: Achieve absolute net-zero scope 2 GHG emissions for the Gajraula plant by 2026. 2. Water Management: Maintain 100% waste water recycling every year.

Answer for 5- P8: Supplier Evaluation: To achieve 100% supplier evaluation of RM & OSP by 2027.

Answer for 5- P9: Compliance: Maintain 100% statutory and regulatory compliance.

		P1	P2	P3	P4	P5	P6	P7	P8	P9
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.			Ongoing		Ongoing	Ongoing		Ongoing	Ongoing

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)	
	RACL Geartech, as a socially responsible organization, is committed to building a truly sustainable business by integrating the three core pillars of sustainability, Environmental, Social, and Economic into its operations. This integrated approach is aimed at generating long-term, positive impact for all stakeholders. The Company recognizes climate change as a critical business risk and proactively identifies and mitigates environmental and social risks across its operations and value chain. Key initiatives include: • Generation of renewable energy for captive use, supporting a shift toward clean energy sources. • Monitoring and tracking of greenhouse gas (GHG) emissions to reduce the Company's carbon footprint. • Evaluation of suppliers on environmental and social performance metrics to ensure responsible sourcing. • Continuous improvement in waste and water management to enhance operational sustainability. The Company also regularly reviews its ESG performance to ensure compliance with applicable statutory requirements and remains committed to timely submission of all necessary compliance reports to the relevant authorities. Aligned with its long-term vision, RACL aims to give back to society by operating as a philanthropic, service-oriented organization, with a special focus on healthcare and education, thereby contributing to inclusive and equitable community development.	
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Gursharan Singh Designation: Chairman & Managing Director DIN Number: 00057602 Telephone No:0120-4588500 Email id: info@raclgeartech.com
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, sustainability-related decisions are overseen by the Board of Directors, who are accountable for guiding the Company's approach in this area.

10	**Details of Review of NGRBCs by the Company:**									
	Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
		P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	Performance against above policies and follow up action	Any other Committee								
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	**Yes, the performance against policies and procedures are reviewed periodically by departmental heads and committees**								
	Subject for Review	**Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)**								
	Performance against above policies and follow up action	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR
	Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR	QTR
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	NO	NO	NO	NO	NO	NO	NO	NO
12	**If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated: Not Applicable**									

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 trainings and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	4	Business Strategy, Corporate Governance, programme aligned with the responsibilities of the Board, SEBI Listing Regulations and Statutory updates	100%
Key Managerial Personnel	4	Business Strategy, Corporate Governance, programme aligned with the responsibilities of the Board, SEBI Listing Regulations and Statutory updates	100%
Employees other than BoD's and KMPs	171	5S, MSA, ISMS, POSH, Kaizen, Auditing Skill, Automated Instrument Handling , SPC, APQP, Customer Complaint handling & lessons learnt, Productivity Improvement, Die Design, CQI-12, Visual Inspection, GD & T , TPM, 8-D problem Solving Technique, Total Productive, Maintenance , Part Inspection as control Plan, 16 types of losses , Fire Mock Drill, Instrument Gauge Uses, Calibration , Dent Damage Reason Controlling , Poke Yoke, Rejection & Rework and Process, Control awareness, Hobbing & Shaving Process Awareness	100%
Workers	430	5S, MSA, ISMS, POSH, Kaizen, Auditing Skill, Automated Instrument Handling, SPC, APQP, lessons learnt, Productivity Improvement, Die Design, CQI-12, Visual Inspection, GD & T, TPM, 8-D problem Solving Technique, Total Productive, Maintenance, Part Inspection as control Plan, 16 types of losses, Instrument Gauge Uses, Calibration, Dent Damage Reason Controlling, Poke Yoke, Rejection & Rework and Process, Control awareness, Hobbing & Shaving Process Awareness	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):**

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL				
Settlement					
Compounding Fee					

Non- Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL				
Punishment					

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N/A	N/A

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.**

At RACL Geartech Limited, we are committed to conducting our business with the highest standards of integrity, ethics, and transparency. Our Anti-Bribery Policy reflects this commitment and ensures compliance with all applicable anti-bribery and anti-corruption laws.

The policy explicitly prohibits offering, giving, soliciting, or receiving bribes or any form of improper advantage, whether in dealings with public officials or private entities. It is applicable to all employees, directors, and third-party representatives, including agents, consultants, suppliers, and others.

The weblink of the policy is as follows -

https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.pdf

5. **Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 24- 25	FY 23- 24
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. **Details of complaints with regard to conflict of interest.**

	FY 24- 25		FY 23- 24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NIL	0	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NIL	0	NIL

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable.

8. **Number of days of accounts payables ((Accounts Payable *365) / Cost of goods/ services procured) in the following format.**

	FY 24- 25	FY 23- 24
Number of days of accounts payable	62	55

9. **Open-ness of business**

Parameter	Metrics	FY 24- 25	FY 23- 24
Concentration of purchases	a. Purchases from trading houses as % of total purchases	NIL	NIL
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		

Parameter	Metrics	FY 24- 25	FY 23- 24
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	NIL	NIL
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers /distributors		
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	1.24%	1.02%
	b. Sales (Sales to related parties / Total Sales)	3.58%	1.86%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	d. Investments (Investments in related parties / Total Investments made)	NIL	1.17%

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
We regularly conduct various awareness programs for our value chain partners, including security staff, contractors, and non-permanent staff located within the factory premises. These programs cover topics such as the code of conduct and ethics, POSH, and basic environmental, health, and safety protocols.		

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

   RACL has robust processes to manage conflicts of interest among its Board and Senior Management. Directors disclose their interests annually and upon any change, including shareholdings and associations with other entities. They also submit annual declarations under the Company's *Code of Conduct*, affirming their commitment to act in the Company's best interest and avoid any conflicting associations.

   Senior Management similarly affirms annually that they have not engaged in any transactions that could pose a conflict with the Company's interests. During Board meetings, Directors abstain from discussions or decisions where they may be conflicted.

   The *Code of Conduct* outlines clear principles for identifying and managing conflicts of interest, and is available at www.raclgeartech.com. Annual declarations from Directors, Key Managerial Personnel, and Senior Management confirm adherence to this Code.

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.**

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	RACL Geartech does not categorise capital expenditures (capex) as research and development (R&D). All capex procurements are dedicated to specific parts or customers. Currently, the company does not track capex investments in specific technologies to assess their environmental and social impact.		
Capex			

2a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. RACL Geartech Limited follows a Green Procurement Guideline supported by a dedicated Environmental Declaration. Sustainability is a key component of the Company's supplier selection, assessment, and evaluation processes. This includes initial supplier surveys, ongoing risk assessments, and periodic audits.

As a result, 100% of new suppliers are evaluated on sustainability criteria during onboarding. Sustainability requirements are also embedded in standard purchase contracts, and suppliers are expected to comply with these as part of our commitment to responsible sourcing.

2b. If yes, what percentage of inputs were sourced sustainably?

RACL Geartech Limited has established a Green Procurement Guideline that includes a dedicated Environmental Declaration. The company's processes for supplier selection, assessment, and evaluation are designed to integrate sustainability criteria at every stage. This approach encompasses an initial supplier survey, ongoing risk assessments, and regular audits. Consequently, 100% of new suppliers are evaluated on sustainability parameters during onboarding through the supplier selection process. Additionally, sustainability requirements are embedded in standard purchase contracts, and all suppliers are expected to comply with these standards.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste © Hazardous waste and (d) other waste.**

a	Plastics (including packaging	Plastic materials, such as packing bins/trays/covers are returned to and from customers and suppliers for reuse. Discarded plastic bins/cans, packing covers and used barrels are sent to the authorised vendors for recycling. Vendor Name- Bharat Oil & Waste Management Ltd (http://www.bharatoil.com/)
b	E-waste	RACL Geartech Limited ensures that all e-waste is disposed of through authorized vendors, with a focus on recycling and compliance with applicable environmental regulations.

c	Hazardous waste	Hazardous waste generated by RACL Geartech Limited is responsibly disposed of through authorized vendors, in compliance with regulatory norms. Wherever possible, waste is directed for recycling to minimize environmental impact.
d	other waste	RACL Geartech Limited ensures responsible disposal of other waste materials—such as paper, corrugated boxes, boring scrap, and garden waste—through authorized vendors for recycling, supporting environmental sustainability.

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, Extended Producer Responsibility (EPR) for plastics is applicable to RACL Geartech Limited. The Company has obtained the EPR certificate under the 'Brand Owner' category from the Central Pollution Control Board (CPCB).

As a manufacturer in the automotive sector, RACL operates in alignment with its EPR plan submitted to the respective Pollution Control Boards. The Company's waste management strategy focuses on minimizing waste generation, reusing materials, and promoting recycling to optimize resource use.

Compliance with EPR guidelines is ensured through established collection points and active participation in environmentally sound disposal initiatives for automotive waste.

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.
NO					

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
NA	NA	NA

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 24- 25	FY 23- 24
Steel & Casting	90%	90%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 23- 24			FY 22- 23		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	No	No	No	No	No	No
E-waste	No	No	No	No	No	No
Hazardous waste	No	No	No	No	No	No
Other waste	No	No	No	No	No	No

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
No	No

PRINCIPLE-3

Businesses should respect and promote the well-being of all employees, including those in their value chains.

ESSENTIAL INDICATORS

1a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	628	628	100%	628	100%	-	0	-	0	-	-
Female	28	28	100%	28	100%	28	100%	-	0	-	-
Total	656	656	100%	656	100%	28	4.26%	-	0	-	-

Other than Permanent employees											
Male	78	42	53%	78	100%	-	-	-	0	-	-
Female	13	13	100%	13	100%	13	100%	-	0	-	-
Total	91	55	60.44%	91	100%	13	14%	-	0	-	-

1b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	96	96	100%	96	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	96	96	100%	96	100%	-	-	-	-	-	-
Other than Permanent workers											
Male	685	685	100%	685	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	685	685	100%	685	100%	-	-	-	-	-	-

1c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 24- 25	FY 23-24
Cost incurred on wellbeing measures as a % of total revenue of the company	0.40%	1.5%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
ESI	40%	100%	Yes	52.71%	100%	Yes
Others, please specify	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces.**

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   Yes, the required infrastructure for differently abled have access at offices and work locations of company

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.**

   RACL is committed to ethical hiring practices, promoting inclusivity and equal access to opportunities for all. The Company ensures a level playing field for candidates and employees, in accordance with the Rights of Persons with Disabilities Act, 2016, and its internal Equal Opportunity principles.

   RACL provides employment opportunities without discrimination based on age, colour, disability, marital status, nationality, race, religion, sex, or sexual orientation. A comprehensive Non-Discrimination Policy is in place and is accessible to all employees via the Company's website and internal portal.

   Weblink: https://www.raclgeartech.com/investors/corporate-governance

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

RACL has formal mechanisms in place to receive and address grievances from employees and workers. The Company's grievance redressal policy ensures a fair, transparent, and timely resolution process through dedicated channels and designated personnel. This reflects RACL's commitment to fostering a responsible, inclusive, and supportive work environment.

7. Membership of employees and worker 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	0	0	NA	0	0	NA
Male	0	0	NA	0	0	NA
Female	0	0	NA	0	0	NA
Total Permanent Workers	0	0	NA	0	0	NA
Male	0	0	NA	0	0	NA
Female	0	0	NA	0	0	NA

8. Details of training given to employees and workers.

Category	FY 24- 25					FY 23- 24				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	706	597	84%	232	33%	712	441	62%	172	24%
Female	41	32	78%	15	36%	26	20	77%	6	23%
Total	747	629	84%	247	33%	738	461	62%	178	24%
Workers										
Male	781	476	61%	584	75%	793	463	56%	625	79%
Female	-	-	-	-	-	0	0	0	0	0
Total	781	476	61%	584	75%	793	463	56%	625	79%

9. Details of performance and career development reviews of employees and worker:

Category	FY 24- 25			FY 23- 24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	683	683	100%	712	712	100%
Female	41	41	100%	26	26	100%
Total	724	724	100%	738	738	100%
Workers						
Male	781	781	100%	793	793	100%
Female	-	-	-	0	0	0
Total	781	781	100%	793	793	100%

10. Health and safety management system.

a. *Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?*

Yes, RACL has implemented a comprehensive system to uphold health and safety standards across all its locations. Key measures include:

- Company-sponsored medical insurance as part of broader health and wellness initiatives.
- Provision of Personal Protective Equipment (PPE), including gloves and safety gear, to ensure a secure working environment.
- Installation of essential safety features such as fire alarms, extinguishers, and clearly marked emergency exits.
- Ergonomically designed workspaces, along with accessible stairways and lifts, to promote employee safety and comfort.

b. *What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?*

Yes, HIRA is applicable to RACL Geartech Limited, and HIRA audits are conducted annually.

RACL has established a robust Hazard Identification and Risk Assessment (HIRA) system to identify workplace hazards, assess associated risks, and implement controls based on risk levels to minimize or eliminate potential harm. Regular assessments are carried out for all machinery and equipment in accordance with the Company's safety protocols.

Before any non-routine activity, a quick risk assessment is conducted, supported by the Work Permit System, to ensure appropriate controls are in place. The HIRA process systematically evaluates potential work-related incidents by assessing the likelihood and frequency of occurrence. Based on this evaluation, risk mitigation measures are implemented to either prevent incidents or minimize their impact and duration.

c. *Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)*

Yes, RACL Geartech Limited has integrated several mechanisms in line with ISO 45001 to identify and report workplace hazards. These include Safety Patrols, Risk Assessments, and Near Miss Reporting systems.

To mitigate identified risks, the Company conducts regular emergency and safety drills, along with capacity-building and awareness sessions for employees and workers. These initiatives ensure that all personnel are well-informed and prepared to follow established safety protocols for effective risk management.

d. *Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)*

Yes.

11. Details of safety related incidents, in the following format.

Safety Incident/Number	Category	FY 24- 25	FY 23- 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	5	8
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 work place.

RACL Geartech Limited has implemented a comprehensive management policy encompassing Quality, Environment, and Occupational Health & Safety, reflecting its commitment to protecting stakeholder well-being and preventing workplace injuries or health risks.

Key elements of the Company's Health and Safety Management System include:

- Provision of PPE and Health Access: All employees and workers are equipped with appropriate Personal Protective Equipment (PPE) and have access to occupational health centres for regular medical check-ups.
- Safe Maintenance Practices: Lockout Tagout (LOTO) procedures are strictly followed during maintenance activities to prevent accidents and enhance operational safety.
- Training & Awareness: Regular safety training is conducted on topics such as fire safety, chemical handling, and emergency response, ensuring staff are well-prepared for various scenarios.
- Incident Management: All incidents are thoroughly investigated to determine root causes, and corrective actions are implemented to prevent recurrence.
- Proactive Risk Mitigation: The Company emphasizes preventive measures and structured risk assessments to manage potential hazards before they lead to harm.

Safety Governance and Continuous Improvement:

- Regular management reviews of safety systems and performance metrics
- Routine site inspections, team-level safety discussions, and internal audits

- Simulated emergency drills to test preparedness
- Frequent medical check-ups and wellness initiatives
- Periodic audits of machinery, pressure vessels, and electrical systems
- Implementation of interlocks and safety barriers on equipment
- Clear accountability and defined safety response protocols

Monthly health and safety audits ensure ongoing compliance with legal and internal standards. This layered, proactive approach fosters a strong safety culture supported by leadership commitment and active employee participation.

13. Number of Complaints on the following made by employees and workers:

	FY 24-25			FY 23- 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.

	% 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 & safety practices and working conditions.

The Company has well-defined safety measures and procedures designed to actively reduce risks and maintain a secure working environment.

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).

a. Employees: Yes, the Company extends life insurance/compensatory package in the event of death of its employees.

b. Workers: Yes, the Company extends life insurance/compensatory package in the event of death of its workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

RACL Geartech ensures that all its onsite and offsite value chain partners adhere to applicable statutory requirements related to the Company. Compliance is monitored to maintain responsible and legally sound operations throughout the supply chain.

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)**

   RACL Geartech offers a structured retention program based on factors such as role criticality, business needs, and continuity requirements. In select cases, senior employees have been retained as consultants post-retirement, depending on individual circumstances.

   Additionally, the Company conducts regular capacity-building and skill enhancement programs for all employees, irrespective of their tenure, to support continuous professional development.

5. **Details on assessment of value chain partners.**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

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.**

   Working conditions and incident details are verified during supplier audits. Corrective actions are verified for the non-conformances raised during the audit through follow-up audits via virtual/onsite visits. There have been no significant risks/concerns identified to date.

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.**

   RACL Geartech Limited is committed to upholding the highest standards of transparency, accountability, and ethical conduct. The Company identifies key stakeholders as those who directly or indirectly impact, or are impacted by, its operations and value chain.

   Stakeholder groups are determined through a systematic evaluation involving senior management, department heads, and directors, based on their influence on value creation and the effect of the Company's operations on them. Key stakeholders include Promoters, investors, Employees, workers, Customers and

clients, vendors, suppliers, Government and regulatory authorities, local communities and CSR partners.

RACL actively engages with its stakeholders through tailored communication channels to understand their expectations, provide updates on business, social, and environmental performance, and gather feedback. This engagement enables the Company to address concerns proactively, seize opportunities for growth, and align business practices with stakeholder needs.

A particular focus is placed on inclusivity ensuring even underrepresented voices are heard thereby strengthening trust and fostering long-term partnerships that support sustainable development.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors and Shareholders	No	Annual General Meeting, Investor conferences/ calls/meetings, Investor communications/ press releases/relevant, Advertisements, Stock Exchange Intimations, Annual Reports, quarterly results, Company website	ongoing	Governance and financial performance, Business updates, Growth plans and product pipeline, Financial performance, business updates and dividends
Customers	No	Exhibitions and events, Interaction through digital media, Newspaper, Pamphlets, E-mail, Advertisements, Company Website and Personal meetings	ongoing	Gaining insight into operational difficulties faced by the business; Exploring ways to enhance the Company's products and services

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers	No	Routine Meetings, E-mail, Supplier audits, plant visits, dialogue on the industry initiative and training courses	ongoing	RACL Geartech fosters strong and collaborative relationships with its suppliers and vendors to support operational efficiency and mutual growth. The Company places emphasis on the supply of quality goods and materials, ensuring timely deliveries and prompt payments to maintain trust and reliability. Engagements with suppliers also extend to the introduction of new products and the exploration of new business opportunities. RACL prioritizes consistency in values, strategic direction, and day-to-day operations, while also working closely with its partners to effectively address and manage operational challenges. This approach helps reinforce a resilient and forward-looking supply chain ecosystem.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	RACL Geartech leverages a mix of digital and physical communication channels to ensure transparent and effective engagement across the organization. These include, but are not limited to: - Emails and video conferences - Townhalls and leadership touchpoints - Notice boards and WhatsApp groups - HR portal and internal messaging platforms - Appraisal discussions and training programs supporting personal and professional development This multi-channel approach fosters open communication, continuous learning, and alignment with organizational goals.	Ongoing basis	**Regular communication** on business operations and long-term strategic direction; **Opportunities for skill development** and continuous learning through training programs; **Promotion of an inclusive workplace** that respects and values diverse backgrounds **Enhanced safety awareness** through consistent implementation of safe work procedures; **Initiatives to build connection and involvement** among employees across all levels
Community	Yes	Community projects, gatherings and updates, surveys to see the effect of our actions, other ways of communication such as; emails, ads, magazines, websites, and social media.	as and when required	Community development programmes Implementation through CSR initiatives

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 Board has entrusted the responsibility of engaging with stakeholders on environmental and social matters to the respective functional heads of the Company. Insights and feedback gathered through these consultations are communicated to the relevant committees and, where appropriate, presented to the Board—particularly during quarterly Board meetings-to support informed decision-making.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, stakeholder consultation plays a pivotal role in identifying and prioritizing material issues for RACL Geartech. Each stakeholder group offers unique perspectives on materiality, and the Company has developed its strategic approach based on these priorities. An action plan and roadmap have been established to address stakeholder expectations and align business objectives accordingly.

Through its materiality assessment, RACL actively engages stakeholders on key economic, environmental, and social topics. The Company responds to stakeholder concerns by focusing on areas such as product quality and safety, product availability, development of environment-friendly solutions, employee training, transparent disclosures, and improving the energy efficiency of its manufacturing operations.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

RACL Geartech has a long-standing tradition of philanthropy and community service, with a strong focus on supporting underprivileged, disadvantaged, vulnerable, and marginalized groups—particularly in education and healthcare. The Company dedicates a portion of its income to social responsibility initiatives, continuously engaging with local communities to identify and prioritize their needs.

In the past fiscal year, RACL implemented various programs including providing infrastructure support to schools through refurbishing classrooms, and awarding scholarships to meritorious students facing financial constraints.

RACL's engagement with vulnerable communities near its plant operations is a core aspect of its social responsibility ethos. Through structured initiatives, the Company ensures these communities' voices are heard and integrated into decision-making processes. These efforts translate into tangible actions addressing access to education, eradication of hunger, poverty and malnutrition, healthcare, promotion of gender equality, women's empowerment, and enhancement of educational infrastructure.

PRINCIPLE-5

Businesses should respect and promote human rights.

ESSENTIAL INDICATORS

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 24- 25			FY 23- 24		
	Total (A)	No. of employees / workerscovered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	656	656	100%	560	560	100%
Other than permanent	91	91	100%	178	178	100%
Total employees	747	747	100%	738	738	100%

Category	FY 24- 25			FY 23- 24		
	Total (A)	No. of employees / workerscovered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Workers						
Permanent	96	96	100%	110	100	90.91%
Other than permanent	685	553	81%	683	543	79.50%
Total workers	781	649	83%	793	643	81.08%

2. Details of minimum wages paid to employees and workers, in the following format.

Category	FY 24- 25					FY 23- 24				
	Total (A)	= to min wage		> than min wage		Total (D)	= to min wage		> than min wage	
		#(B)	% (B/A)	#(C)	% (C/A)		#(E)	% (E/D)	#(F)	% (F/D)
Employees										
Permanent	656	0	0	656	100%	560	0	0	560	100%
Male	628	0	0	628	100%	540	0	0	540	100%
Female	28	0	0	28	100%	20	0	0	20	100%
Other than permanent	91	0	0	91	100%	178	0	0	178	100%
Male	78	0	0	78	100%	172	0	0	172	100%
Female	13	0	0	13	100%	6	0	0	6	100%
Workers										
Permanent	96	0	0	96	100%	110	0	0	110	100%
Male	96	0	0	96	100%	110	0	0	110	100%
Female	0	0	0	0	100%	0	0	0	0	0%
Other than permanent	685	217	31.67%	468	68.32%	683	220	32.21%	463	67.79%
Male	685	217	31.67%	468	68.32%	683	220	32.21%	463	67.79%
Female	0	0	0	0	0%	0	0	0	0	0%

3a. Details of remuneration/ salary/ wages, in the following format.

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	460000	2	1812500
Key Managerial Personnel	1	7641000	1	1325000
Employees* other than BoD and KMP	627	411002	27	282058
Workers*	96	451326	0	NIL

**Only permanent employees and workers have been considered.*

3b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 24- 25	FY 23- 24
Gross wages paid to females as % of total wages	2.54%	1.86%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the HR & Personnel Department is responsible for handling grievance investigations. They assess each case individually and take appropriate action. This team also oversees human rights matters within the organization.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has implemented a Human Rights Policy that comprehensively addresses grievances related to human rights issues. Additionally, RACL Geartech's Whistle Blower Policy and Code of Conduct outline the formation and functioning of committees responsible for conducting investigations when necessary.

6. Number of Complaints on the following made by employees and workers.

	FY 24-25			FY 23- 24
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year
Sexual Harassment	No	No	No	No
Discrimination at workplace	No	No	No	No
Child Labour	No	No	No	No
Forced Labour/ Involuntary Labour	No	No	No	No
Wages	No	No	No	No
Other human rights related issues	No	No	No	No

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format.

	FY 24-25	FY 23- 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.

RACL Geartech has established an Internal Committee under its POSH policy to address grievances related to discrimination and harassment. The Whistle-blower Policy provides Directors and Employees with a confidential channel to raise concerns, reflecting the Company's commitment to the highest standards of ethical, moral, and legal business conduct, as well as open communication. The Code of Conduct governs employee behavior and addresses related grievances in the workplace.

RACL prioritizes maintaining a safe and respectful work environment for all employees. In line with the Companies Act, 2013, the Company enforces a strict anti-harassment policy aimed at preventing and addressing sexual harassment. An Internal Complaints Committee manages complaints with discretion, ensuring protection for individuals who report concerns and safeguarding them against any retaliation.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, RACL Geartech places high importance on human rights, making it an integral part of its business agreements and contractual obligations. The Company ensures that its commitment to ethical practices and respect for human rights is upheld across its operations and value chain.

10. Assessments for the year.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100% of RACL Geartech's plants and offices are assessed for compliance with key human rights standards. These assessments are conducted by internal teams, including the HR Department, as part of regular reviews carried out by the Company's senior leadership. This ensures continuous monitoring and adherence to the Company's commitment to upholding human rights across all operations.
Discrimination at workplace	
Child Labour	
Forced Labour/ Involuntary Labour	
Wages	
Other human rights related issues	

11. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from the assessments at Question 10 above.

No significant human rights risks or concerns were identified during the year 2024–25. However, as a responsible organization, RACL Geartech remains committed to continuous monitoring and capacity building of its value chain partners to proactively manage potential risks and uphold ethical standards.

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

   The Company is dedicated to safeguarding fundamental human rights throughout its operations in alignment with its established codes and policies. Regular training sessions and awareness programs are conducted for employees to reinforce the importance of upholding the Code of Conduct, respecting human rights, and supporting the freedom of association. Furthermore, the Company communicates these compliance standards to many of its customers through contractual agreements. During the reporting period, no new business processes were introduced specifically for addressing grievances or complaints related to human rights.

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

   RACL Geartech ensures full compliance with applicable labour laws and provides comprehensive training to all newly onboarded employees on the Code of Conduct. This training covers key human rights issues, including the prohibition of child labour, promotion of gender diversity, and prevention of workplace discrimination. As part of its hiring process, the Company also conducts third-party background checks for all employees.

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, the Company's operating locations are accessible to differently abled employees, workers, and visitors. Corporate offices and plant facilities are equipped with ramps, sidewalks, elevators, and other necessary infrastructure to ensure ease of access. Signage is placed at key locations to support individuals using hearing aids, and wheelchairs are readily available at Occupational Health Centres across all major facilities, promoting a more inclusive and supportive work environment.

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	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/ Involuntary Labour	100%
Wages	100%
Other human rights related issues	100%

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   The Supplier Quality Assurance (SQA) team was tasked with conducting a comprehensive evaluation of the Company's value chain partners. During the assessment, several Non-Conformities (NCs) were identified and formally documented.

   In response, each value chain partner was required to submit an action plan outlining the corrective measures to address the identified NCs. Additionally, they were asked to provide closure evidence demonstrating the effective resolution of these issues.

Upon receiving the action plans and supporting documentation, the RACL SQA team performed a detailed review to assess the adequacy of the corrective actions and the validity of the evidence provided. Only after verifying that all necessary actions had been satisfactorily implemented were the NCs officially closed.

This structured approach reflects the Company's commitment to proactive risk mitigation and continuous improvement across its supply chain.

PRINCIPLE-6

Businesses should respect and make efforts to protect and restore the environment.

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format.**

Parameter	FY 24-25	FY 23-24
From renewable sources		
Total electricity consumption (A) - GJ	62545	2944
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	**62545**	**2944**
From non-renewable sources		
Total electricity consumption (D) GJ	3137	39939
Total fuel consumption (E) GJ	319	59626
Energy consumption through other sources (F)	0	0
Total energy consumption (D+E+F)	**3456**	**99565**
Total energy consumed (A+B+C+D+E+F)	**66001**	**102509**
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	**0.0000154**	**0.000024**
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	**0.0000158**	**0.00000106**
Energy intensity in terms of physical output	**0.01056**	**0.01694701**
Energy intensity (optional) – the relevant metric may be selected by the entity		

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.**

   No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 24-25	FY 23- 24
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	15496	16425
(iii) Third party water	2209	167
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		
Total volume of water consumption (in kilolitres)	**17705**	**16592**
Water intensity per rupee of turnover (Water consumed / turnover)	**0.0000041**	**0.00000392**
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	**0.0000042**	**0.00000017**
Water intensity in terms of physical output	**0.002832**	**0.00274**
Water intensity (optional) – the relevant metric may be selected by the entity		

4. Provide the following details related to water discharged.

Parameter	FY 24-25	FY 23- 24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Due to the implementation of a Zero Liquid Discharge (ZLD) system, water is treated, recycled, and reused within the facility, ensuring that no liquid waste is discharged into the environment.	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented a robust Zero Liquid Discharge (ZLD) mechanism to ensure sustainable water management across its operations. An Effluent Treatment Plant (ETP) with a capacity of 10 KLD and a Sewage Treatment Plant (STP) with a capacity of 80 KLD, integrated with a Reverse Osmosis (RO) treatment system, have been installed.

Both effluent and sewage water are treated and reused for various non-potable purposes within the factory premises, including bathroom flushing, gardening, and cooling tower operations. Additionally, a rainwater harvesting system is in place to facilitate groundwater recharge by channeling rainwater back into the ground.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format.

Parameter	Please specify unit	FY 24-25	FY 23- 24
NOx	µg/m³	41.62	35.6
Sox	µg/m³	21.75	19.5
Particulate matter (PM)	µg/m³	92.5	80.5
Persistent organic pollutants (POP)		0	0
Volatile organic compounds (VOC)		0	0
Hazardous air pollutants (HAP)		0	0
Others – please specify		0	0

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format.

Parameter	Unit	FY 24-25	FY 23- 24
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2299.74	2403.33
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	623.88	7943.33
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent/Rs	0.000000684	0.00000245
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent/Rs	0.00000070	0.000000107
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO2 equivalent / Total number of parts produced	0.0004676	0.00171053
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: - No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

RACL has made significant strides in its transition toward clean and sustainable energy, marking a major milestone with its primary manufacturing facility in Gajraula now operating entirely on 100% green energy. This achievement underscores the Company's steadfast commitment to environmental stewardship and decarbonizing its operations.

This transformation has been made possible through a diversified and integrated approach combining on-site and off-site renewable energy generation, as well as strategic procurement through green energy agreements. The key components of this green energy model include:

- 1.4 MW Rooftop Solar Plant: Installed at the Gajraula facility, this on-site solar infrastructure currently contributes approximately **9%** of the plant's total electricity requirement, reflecting RACL's early and proactive investment in solar energy.
- 4 MW Off-site Solar Plant (Sunsure): Operated under a long-term Power Purchase Agreement (PPA), this off-site facility now supplies 24% of the total electricity consumption. This partnership ensures reliable access to clean energy and further expands RACL's renewable portfolio.
- Green Power Procurement from the Grid: To meet the remaining energy needs, RACL procures certified green electricity from the grid by paying a green energy premium. This enables the Company to ensure that 100% of its electricity consumption at the Gajraula facility is sourced from renewable means, even when not directly generated on-site.

Through this comprehensive approach, RACL's Gajraula (mother) plant has become a fully green energy-powered facility-demonstrating industry leadership and alignment with both national renewable energy targets and global climate action commitments.

Looking ahead, RACL remains focused on further scaling its renewable energy footprint across all operational locations, reinforcing its vision for a sustainable, energy-resilient future.

9. Provide details related to waste management by the entity, in the following format.

Parameter	FY 24-25	FY 23- 24
Total Waste generated (in Kgs/ Litres/ Nos.)		
Plastic waste (A)	103 kgs	52 kgs
E-waste (B)	NA	13 nos.
Bio-medical waste (C)		NA
Construction and demolition waste (D	NA	NA
Battery waste (E)	NA	NA
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	Scrap grinding wheel - 763 kg Oil-Soaked cloth - 885 kg	Scrap grinding wheel - 360 kg Oil-Soaked cloth - 590 kg Waste polythene – 52 kg

Parameter	FY 24-25	FY 23- 24
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	ETP Sludge – 866kg Used Scrap Oil - 880 litres Scrap oil and Air filters - 86 Nos	ETP Sludge - 1110 kg Used Scrap Oil - 640 litres Scrap oil and Air filters - 37 Nos
Total (A+B + C + D + E + F + G + H)	**2617kg/880 litres / 125 Nos**	**2164 kg/ 640 litres / 37 Nos**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	**0.0000000009**	**0.000000066**
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	**0.0000000009**	**0.0000000029**
Waste intensity in terms of physical output	**0.0000005893**	**0.000463563**
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	All waste generated is handed over to authorized and approved vendors for appropriate processing and disposal. Detailed information regarding waste handling and vendor engagement is provided in the report above.	
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	All waste generated is handed over to authorized and approved vendors for appropriate processing and disposal. Detailed information regarding waste handling and vendor engagement is provided in the report above.	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency"

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

RACL has implemented a comprehensive waste management system aimed at ensuring environmental compliance, operational efficiency, and resource conservation. The key elements of the Company's waste management practices include:

1. Waste Segregation:
   - o All waste is segregated at the source using color-coded bins to facilitate efficient disposal and recycling processes.
2. Storage Protocols:
   - o Separate, clearly marked storage areas are designated for hazardous and non-hazardous waste.
   - o Both categories of waste are stored using the 3C method (Covered, Concrete Container) to prevent contamination and ensure safe handling.
3. Record Keeping:
   - o A waste quantity register is maintained to track the generation and disposal of waste in accordance with Form-6 and Form-10 guidelines, ensuring regulatory compliance.
4. Monitoring and Measurement Plan:
   - o Waste minimization initiatives include the recollection of cotton waste and used oil recovery using a centrifugal pump.
   - o Reuse of plastic bins and cans is actively promoted to reduce single-use waste.
   - o Continuous improvements are undertaken to minimize the use of oils, acids, and other consumables, thereby reducing environmental impact.
5. Procedural Compliance:
   - o All waste management activities are conducted in line with Environmental Occupational Health and Safety Procedures 20, 23A, and 24, ensuring consistency with established EHS standards.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format.

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.
RACL does not have any operations in or around these areas.		

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)
During FY 2024–25, there was no statutory requirement to conduct Environmental Impact Assessments (EIA) for any of the Company's projects, as per applicable environmental regulations.				

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, in the following format.

Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
The Company has complied with all applicable environmental laws, regulations, and guidelines in India, including the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, the Environment (Protection) Act, and the corresponding rules and notifications issued thereunder.			

LEADERSHIP INDICATORS

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres).

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format

As per the Water Assessment Report 2023 issued by the Central Groundwater Board (CGWB), Government of India, none of RACL Geartech's facilities are located in water-stressed zones.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 24- 25	FY 23- 24
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4475.52	5665
Total Scope 3 emissions per rupee of turnover		0.000000105	0.00000134

Parameter	Unit	FY 24- 25	FY 23- 24
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: - Yes - Planet Sustech Private Limited

3. **With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along -with prevention and remediation activities.**

   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.**

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
STP and ETP	• **Sewage Treatment Plant (STP):** Wastewater generated from domestic use is treated through the STP and the treated water is reused for gardening within the premises. • **Effluent Treatment Plant (ETP):** Industrial effluents are treated through the ETP. The treated water is partly reused for gardening, while the remaining treated effluents are handed over to an authorized agency for further processing and safe disposal.	Reduced water consumption
Solar and Green energy	Procured green energy by paying a green premium to ensure renewable power consumption. Signed a Power Purchase Agreement (PPA) with Sunsure for an additional 4 MW capacity off-site solar plant. Installed a 1.4 MW rooftop solar plant at the main manufacturing units to generate on-site renewable energy.	Greenhouse gases emission reduction (Scope 2)
Efficient preventive maintenance measures for DG and furnaces	Periodic maintenance is conducted regularly to prevent unexpected breakdowns and ensure smooth operations.	Increased the efficiency

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   RACL Geartech has established an integrated emergency procedure within its management system to effectively address and mitigate potential hazards to both the environment and human health. The key components of this procedure include:

   - Identification of Potential Emergencies:

     A comprehensive list of potential emergency scenarios has been identified to enable proactive planning.

   - Defined Roles and Responsibilities:

     Clear roles and responsibilities are assigned to all relevant personnel for effective emergency response.

   - Mock Drills and Safety Drills:

     Mock drills are conducted every six months under the supervision of the Safety Officer to test preparedness.

     Safety drills are carried out every two months, or as per the established schedule, to continuously evaluate and improve emergency response capabilities.

   - Training and Awareness:

     Regular training sessions and awareness programs are conducted for employees and emergency response teams to ensure readiness for real emergency situations.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

   No significant adverse impact on the environment has been observed.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   The Supplier Quality Assurance (SQA) team was tasked with conducting a comprehensive evaluation of RACL's value chain partners. During this assessment, Non-Conformities (NCs) were identified and duly documented.

   In response, each value chain partner was required to submit an action plan outlining the corrective measures they would implement. Along with these action plans, partners were asked to provide closure evidence demonstrating that the identified issues had been effectively resolved.

   Upon submission, the RACL SQA team conducted a thorough review of all action plans and supporting evidence. Only after verifying the adequacy of the corrective actions and confirming the resolution of the issues were the NCs officially closed.

   This systematic process reflects RACL's commitment to proactive risk mitigation and continuous improvement across its value chain.

PRINCIPLE-7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

1. **Number of affiliations with trade and industry chambers/ associations.**

   5

2. **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	National
2	Indo-German Chamber of Commerce	National
3	Engineering Export Promotion Council	National
4	Export Promotion Bureau	National
5	U P Export Promotion Council	State

3. **Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Not applicable		

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
NIL					

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 gency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No assessment undertaken.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format.**

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)
No project undertaken					

3. **Describe the mechanisms to receive and redress grievances of the community.**

   This is managed through our company-wide standardized grievance management system.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers**

	FY 24-25	FY 23- 24
Directly sourced from MSMEs/ small producers	12.5%	23.40%
Sourced directly from within the district and neighbouring districts	18%	22%
Directly from within India	64.5%	49.6%

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 24-25	FY 23- 24
Rural	Data will be prepared from the next year onwards	
Semi- Urban		
Urban		
Metropolitan		
(Place to be categorized as per RBI Classification system- rural/ semi-urban/ urban/ metropolitan)		

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).**

Details of negative social impact identified	Corrective action taken
No Incident identify	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

State	Aspirational District	Amount spent (In INR)
Our CSR initiatives are currently not operational in Aspirational Districts.		

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)** - NO

   (b) From which marginalized /vulnerable groups do you procure? – NOT APPLICABLE

   (c) What percentage of total procurement (by value) does it constitute? – NOT APPLICABLE

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.**

Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NIL			

5. **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.**

Name of authority	Brief of the case	Corrective action taken
NIL		

6. **Details of beneficiaries of CSR Projects.**

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
Education initiatives under the "*Bright Tomorrow*" computer education program.	400+ Students were benefited	100%
Women Empowerment/ Skill development under shining star	10+	100%

CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
Miscellaneous Activities In addition to the projects mentioned earlier, the Company has extended support to underprivileged students by covering expenses related to tuition fees, books, and uniforms. Special emphasis has been placed on promoting higher education by assisting meritorious yet financially challenged students. These initiatives aim to empower individuals through education, fostering long-term positive impacts and contributing to social upliftment within the communities we serve.	600+ student was benefited	100%

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.**

   Although the Company primarily operates in a B2B environment, we remain highly sensitive to the needs of the ultimate consumer. Our customers are valued greatly and are treated with the utmost diligence. They can directly log complaints by emailing customercare@raclgeartech.com. Any grievances related to business transactions are addressed promptly by our Sales and Vendor Management teams.

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	The products sold by the Company are components that form part of the final product (i.e., vehicles); therefore, this is not applicable.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following.

State	FY 24-25		Remarks	FY 23- 24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of e s-sential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	0	0		0	0	

4. Details of instances of product recalls on account of safety issues.

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	

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

RACL places a strong emphasis on cybersecurity, recognizing that while electronic communication is essential for effective business operations, it also carries inherent risks related to data protection and information security. The Company prioritizes safeguarding official documents and data from unauthorized access and misuse.

Employees are advised to exercise caution when using the internet, avoiding the retrieval or forwarding of content that could incite racial hatred, glorify violence, or contain offensive material.

RACL is committed to maintaining a secure and responsible online environment for all employees, supported by comprehensive policies outlined at –

https://www.raclgeartech.com/uploads/prospectus/393ipdctfile_RACLPoliciesManual.pdf

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.

The Company adheres to high-quality standards, which are closely monitored through productivity and quality metrics. Any quality issues identified are promptly addressed to minimize safety risks associated with its products.

Additionally, Regular reviews are conducted to assess and enhance the cybersecurity posture. Data privacy requirements are being evaluated in light of the proposed personal data protection law, and necessary actions will be implemented to ensure full compliance once the law is enacted.

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 customers

      NA

   c. Impact, if any, of the data breaches

      Nil

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The information is available on Company's website - https://www.raclgeartech.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   RACL Geartech is a B2B company that predominantly supplies products to major Original Equipment Manufacturers (OEMs). As part of its commitment to quality and safety, RACL Geartech provides formal declarations of compliance with REACH (Registration, Evaluation, Authorisation, and Restriction of Chemicals) and IMDS (International Material Data System) during the execution of business agreements with its customers.

   Furthermore, RACL Geartech undertakes rigorous business validation compliance checks throughout the product development phase to ensure product composition and safety standards are met. To guarantee the safe shipping of products, packaging dimensions and weights are mutually agreed upon between RACL Geartech and its customers, in accordance with global logistics and safety standards.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   NA

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)**

   RACL Geartech complies with all applicable regulations pertaining to product information disclosure.

   No, the entity did not carry out any survey related to consumer satisfaction concerning its major products, services, significant locations of operation, or the entity as a whole during the reporting period.

5. **Provide the following information relating to data breaches**

   a. Number of instances of data breaches along-with impact. Nil

   b. Percentage of data breaches involving personally identifiable information of customers. Nil

INDEPENDENT AUDITOR'S REPORT

To the Members of RACL GEARTECH Limited

Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS Financial Statements of **RACL GEARTECH LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS Financial Statements, including a summary of material accounting policy information and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards(Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025 and its profits, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the financial year ended 31st March, 2025. These matters were addressed in the context of our audit of the Standalone Ind AS 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. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Standalone Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Ind AS Financial Statements.

Key audit matters	How our audit addressed the key audit matter
A. Revenue Recognition	
Revenue recognition is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement in financial statements for the year. Risk that revenue from operations could be overstated due to booking of revenues pertaining to post year end i.e. cut-off risk is a Key Audit Matter.	Our Audit Procedures included and were not limited to the off following: • Assessed the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof. • Evaluated the design, implementation and operating effectiveness of Company's controls in respect of revenue recognition. • Tested the effectiveness of such controls over revenue cut off at year-end. • On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer purchase order and shipping documents. • Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end.

Information other than the Standalone Ind AS 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 Management Discussion and Analysis, Board's Report including Annexures to Board Report, Report on Corporate Governance, but does not include the Standalone Ind AS Financial Statements and our auditor's report thereon.

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

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

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

Responsibility of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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 Ind AS 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 Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS Financial Statements, including the disclosures, and whether the Standalone Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the Standalone Ind AS Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Matter

The balance confirmation(s) from suppliers and from customers have been requested, but the response is awaited and therefore such balances are subject to confirmation.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

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

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

   c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with related rules as amended from time to time.

e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 Ind AS Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which expresses an unmodified opinion.

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

i. The Company has no pending litigation which would impact its financial position;

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

iii. There were no amounts which were 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 57 to the Standalone Ind AS 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 57 to the Standalone Ind AS Financial Statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. During the year, the Company has declared and paid dividend of Rs. 161.72 Lakhs.

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

3. 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 Company has paid the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013

For Gianender & Associates
Chartered Accountants
(Firm 's Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)

UDIN: 25081603BMJJYT1513
Date: 7th May 2025
Place: New Delhi

Annexure 'A' to the Independent Auditor's Report of RACL GEARTECH LIMITED for the Year ended as on 31st March, 2025

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:-

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

i) In respect of the Company's Property, Plant and Equipment, Right-of-use Assets and Intangible Assets:

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

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

b) The Property, Plant and Equipment have been physically verified by the Management at end of the year and no material discrepancies were noticed on such verification.

c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Hence, reporting under Para 3(i)(d) is not applicable.

e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Hence, reporting under Para 3(i)(e) is not applicable.

ii) a) The Physical verification of inventory has been conducted at the end of the year by the management and in our opinion, the coverage and procedure of such verification is reasonable, and no material discrepancies were noticed on such physical verification.

b) The Company has been sanctioned with working capital limits in excess of ₹5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets. The periodic returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below.

a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, or stood guarantee to any other entity as below:

Particulars	Guarantees (Valid upto)	Security	Loans	Advances in nature of loans
Sunsure Solarpark Ten Private Limited	57.75 (07-01-2026)	Nil	Nil	Nil
Paschimanchal Vidyut Vitran Nigam Ltd, Meerut	11.39 (22-07-2025)	Nil	Nil	Nil

b) In our opinion, the investments made and guarantees provided, during the year are, prima facie, not prejudicial to the Company's interest.

During the year the company has not provided loans or provided advances in the nature of loans, to any other entity. Hence, reporting under paragraph 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company.

iv) In our opinion and according to the information and explanation given to us, in respect of loans, investment, guarantees and security, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.

v) The Company has not accepted deposits or amounts which are deemed to be deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Hence, reporting under paragraph 3(v) of the Order is not applicable to the Company.

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) The Company has been generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. As on 31st March, 2025, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable.

b) Details of statutory dues referred to in sub-clause (a) which have not been deposited on account of disputes are given below:

Name of the Statute	Nature of the dues	Period for which the amount relates	Forum where the dispute is pending	Amount (In Rs. Lakhs)
Income Tax Act, 1961	Traces Demand	Till date	With AO for Rectification	3.43 Lakhs

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) In respect to the borrowings:

a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

d) On an overall examination of the Standalone Ind AS Financial Statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the Standalone Ind AS Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) a) The Company has not raised the money by way of initial public offer/ further public offer (including debt instruments) during the year.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

xi) a) According to the information and explanations given to us by the management which have been relied by us, there were no frauds on or by the Company noticed or reported during the period under audit.

b) No report under sub-section (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, as amended, with the Central Government, during the year and up to the date of this report.

c) There are no whistle blower complaints received by the company during the year.

xii) The Company is not a Nidhi Company. Hence, reporting under paragraph 3(xii) of the Order is not applicable to the Company.

xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable accounting standards.

xiv) a) In our opinion and based on our examination, 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 for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 is 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 (2 of 1934). Hence, reporting under paragraph 3(xvi) (a) of the Order is not applicable to the Company.

b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under paragraph 3(xvi) (b) of the Order is not applicable to the Company.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under paragraph 3(xvi) (c) of the Order is not applicable to the Company.

d) There is no core investment company within the Group (as defined in the Core Investment

Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

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

xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under this clause is not applicable.

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 Ind AS Financial Statements to meet its liabilities as and when they fall due and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

xxi) Paragraph 3(xxi) of the Order is not applicable to the Company as the Ind AS Financial Statements under reporting are not consolidated Ind AS Financial Statements.

For Gianender & Associates
Chartered Accountants
(Firm 's Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)

UDIN: 25081603BMJJYT1513
Date: 7th May 2025
Place: New Delhi

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

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

We have audited the internal financial controls with reference to Standalone Ind AS Financial Statements of **RACL GEARTECH LIMITED** ("the Company") as of 31st March, 2025 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Ind AS 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 with reference to Standalone Ind AS Financial Statements issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Ind AS 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 system with reference to Standalone Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Ind AS 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 judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Ind AS 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 Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Ind AS 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, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Ind AS Financial Statements and such internal financial controls with reference to Standalone Ind AS Financial Statements were operating effectively as at 31st March, 2025, based on the internal control with reference to Standalone Ind AS 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 With reference to Standalone Ind AS Financial Statements issued by the Institute of Chartered Accountants of India.

For Gianender & Associates
Chartered Accountants
(Firm 's Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)

UDIN: 25081603BMJJYT1513
Date: 7th May 2025
Place: New Delhi

Standalone Balance Sheet as at March 31, 2025

(Rs. In Lakh)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	2	32,211.72	30,333.49
(b) Capital work-in-progress	3	461.10	641.17
(c) Intangible asset	4	47.37	44.99
(d) Financial assets			
i. Investments	5	176.54	36.54
ii. Other Financial Assets	6	205.94	176.36
(e) Other non-current assets	7	259.39	266.45
Total Non-current Assets		**33,362.06**	**31,499.00**
Current Assets			
(a) Inventories	8	13,315.65	11,880.18
(b) Financial assets			
i. Trade receivables	9	14,032.86	11,512.75
ii. Cash and cash equivalents	10	3.58	7.41
iii. Other Bank Balances	11	188.41	68.97
(c) Current tax assets (net)	12	-	15.49
(d) Other current assets	13	2,260.83	3,008.50
Total Current Assets		**29,801.33**	**26,493.29**
Total Assets		**63,163.39**	**57,992.29**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	1,120.11	1,120.11
(b) Other equity	15	21,755.75	19,406.73
Total Equity		**22,875.86**	**20,526.84**
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
i. Borrowings	16	8,510.37	10,522.86
ii. Lease liability	17	963.67	586.83
(b) Provisions	18	924.02	837.29
(c) Deferred tax liabilities (Net)	19	1,568.82	1,231.60

Standalone Balance Sheet as at March 31, 2025

(Rs. In Lakh)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
(d) Other Non- Current Liabilities	20	-	-
Total Non-current Liabilities		**11,966.88**	**13,178.58**
Current Liabilities			
(a) Financial liabilities			
i. Borrowings	21	20,892.52	17,601.90
ii. Lease Liability	22	232.31	156.32
iii. Trade payables			
-Total Outstanding dues to micro and small enterprises	23	618.75	1,101.86
-Total Outstanding dues to other than micro and small enterprises	23	4,330.04	3,693.14
iv. Other financial liabilities	24	1,545.81	1,296.34
(b) Other current liabilities	25	480.77	245.55
(c) Provisions	26	186.87	191.75
(d) Current tax Liabilities (Net)	27	33.58	0.00
Total Current Liabilities		**28,320.65**	**24,286.87**
Total Liabilities		**40,287.53**	**37,465.45**
Total Equity and Liabilities		**63,163.39**	**57,992.29**

Notes form intergral part of the Financial Statements
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
UDIN: 25081603BMJJYT1513

By Order of the Board for RACL Geartech Ltd

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
DIN: 02146267

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

JITENDER JAIN
(CFO)

MALINI BANSAL
(Director)
DIN: 00167993

ANIL SHARMA
(Director)
DIN: 00157911

NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Standalone Statement of Profit and Loss for the year ended March 31, 2025

(Rs. In Lakh)

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	28	41,736.76	41,728.68
Other income	29	992.15	574.87
Total Income		**42,728.92**	**42,303.55**
Expenses			
Cost of Material Consumed	30	12,428.51	12,854.00
Changes in inventories of finished goods WIP and Stock in Trade	31	(77.75)	(609.85)
Employee benefits expenses	32	**4,643.54**	**4,288.20**
Finance Costs	33	2,943.80	2,363.49
Depreciation and Amortisation Expenses	34	2,993.04	2,455.02
Other Expenses	35	16,360.47	15,579.15
Total expenses		**39,291.61**	**36,930.02**
Profit before exceptional items and tax		**3,437.31**	**5,373.54**
Add: Exceptional items		-	-
Profit before tax		**3,437.31**	**5,373.54**
Less: Tax expense			
(1) Current tax		(540.58)	(1,039.16)
(2) Deferred tax		(337.21)	(353.64)
Income Tax Expense		**(877.79)**	**(1,392.79)**
Profit for the period from continuing operations		**2,559.51**	**3,980.73**
Other Comprehensive Income			

Standalone Statement of Profit and Loss for the year ended March 31, 2025

(Rs. In Lakh)

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Remeasurements of the defined benefit plans		**(48.77)**	**(40.77)**
Total other comprehensive income		(48.77)	(40.77)
		2,510.74	3,939.96
Total comprehensive income for the period		**2,510.74**	**3,939.96**
Earnings per share (Face Value ₹10/- per share)			
(1) Basic (in Rs.)	36	**23.74**	**36.92**
(2) Diluted (in Rs.)		**23.74**	**36.92**

Notes form intergral part of the Financial Statements
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
UDIN: 25081603BMJJYT1513

By Order of the Board for RACL Geartech Ltd

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
DIN: 02146267

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

JITENDER JAIN
(CFO)

MALINI BANSAL
(Director)
DIN: 00167993

ANIL SHARMA
(Director)
DIN: 00157911

NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Standalone Cash Flow statement for the year ended March 31, 2025

(Rs. In Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A.CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,437.31	5,373.54
Adjustment for:		
Depreciation / Amortization	2,993.04	2,455.02
Interest charges	2,943.80	2,363.49
Interest on Deposits	(16.80)	(6.01)
Impairment/(Impairment reversal)	(6.84)	(5.45)
(Profit)/Loss on sale of asset	(82.89)	(2.29)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**9,267.62**	**10,178.31**
Increase/(Decrease) in other Liablities - Non Current	-	-
Increase/(Decrease) in other Financial Liablities	695.19	853.01
Increase/(Decrease) in Trade Payable - Current	153.79	929.62
Increase/(Decrease) in long-term provisions - Non current	37.96	(5.45)
Increase/(Decrease) in short-term provisions - current	(4.89)	428.51
Increase/(Decrease) in other current liabilities	235.21	(375.98)
(Increase)/Decrease in inventories	(1,435.48)	(2,353.31)
(Increase)/Decrease in trade Receivable	(2,520.11)	(3,063.72)
(Increase)/Decrease in other non current financial assets	-169.59	-52.43
(Increase)/Decrease in other non current assets	-	-
(Increase)/Decrease in other current assets	763.16	(1,478.72)
(Increase)/Decrease in other Current financial Asset	(119.45)	(52.76)
CASH GENERATED FROM OPERATIONS	**6,903.42**	**5,007.06**
Direct taxes paid	507.00	1,480.80
NET CASH GENERATED FROM OPERATIONS	**6396.42**	**3526.26**
B.CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE	(4,523.53)	(9,358.24)
Advance given for PPE	(259.39)	(266.45)
Proceeds from Sale of PPE	186.02	325.08
NET CASH GENERATED (USED IN) INVESTING ACTIVITIES	**(4,596.90)**	**(9,299.61)**
C.CASHFLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from long & short term borrowings	1,278.13	8,265.20
Proceeds from share capital	-	-

Standalone Cash Flow statement for the year ended March 31, 2025

(Rs. In Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on Deposits	16.80	6.01
Dividend Paid	(161.72)	(161.72)
Dividend Distribution Tax	-	-
Proceeds from share premium	-	-
Interest and finance charges paid	(2,936.57)	(2,360.94)
NET CASH FROM FINANCING ACTIVITIES	**(1,803.35)**	**5,748.54**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	**(3.83)**	**(24.81)**
Cash and cash equivalents as at beginning of the year	7.41	32.23
Cash and cash equivalents as at end of the year	3.58	7.41
Net Cash Flow	**(3.83)**	**(24.81)**

Notes:

1. Cash Flow statement has been prepared under "Indirect Method" as set out in the Ind-AS 7 Cash Flow Statements
2. Cash and cash equivalents respresents the followings:

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks	1.46	1.18
Cash on hand	2.12	6.23
Total	3.58	7.41

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
UDIN: 25081603BMJJYT1513

By Order of the Board for RACL Geartech Ltd

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
DIN: 02146267

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

JITENDER JAIN
(CFO)

MALINI BANSAL
(Director)
DIN: 00167993

ANIL SHARMA
(Director)
DIN: 00157911

NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: 7th May 2025

Statement of changes in equity for the year ended 31st March 2025

A. Equity share capital

(Rs. In Lakh)

Movement during the year	Number of shares	Share Capital (Amount)
Equity		
Authorised (Equity Shares of Rs.10/- each)	**20,000,000**	**2,000.00**
Issued & Subscribed (Equity Shares of Rs.10/- each)		
Balance at the beginning of the period as at 01.04.2024	**11,790,000**	**1,179.00**
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	11,790,000	1,179.00
Change during the year	-	-
Balance at the end of the period as at 31.03.2025	11,790,000	1,179.00
Paid up Share Capital		
Paid up value of Shares & Warrants Forfeited	-	**41.95**
Balance at the beginning of the period as at 01.04.2024	**10,781,600**	**1,078.16**
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	10,781,600	1,078.16
Change during the year	-	-
Balance at the end of the period as at 31.03.2025	**10,781,600**	**1,120.11**

Movement during the year	Number of shares	Share Capital (Amount)
Authorised (Equity Shares of Rs.10/- each)	**20,000,000**	**2,000.00**
Issued & Subscribed (Equity Shares of Rs.10/- each)		
Balance at the beginning of the period as at 01.04.2023	**11,790,000**	**1,179.00**
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	11,790,000	1,179.00
Change during the year	-	-
Balance at the end of the period as at 31.03.2024	**11,790,000**	**1,179.00**
Paid up Share Capital		
Paid up value of Shares & Warrants Forfeited	-	41.95
Balance at the beginning of the period as at 01.04.2023	10,781,600	1,078.16
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	10,781,600	1,078.16
Change during the year	-	-
Balance at the end of the period as at 31.03.2024	**10,781,600**	**1,120.11**

B. Other Equity

Movement in Other Equity **(Rs. In Lakh)**

Particulars	Reserves and Surplus			Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2024	**695.31**	**18,711.42**	**19,406.73**	**15,670.44**
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	**695.31**	**18,711.42**	**19,406.73**	**15,670.44**
Total Comprehensive income for the year	-	2510.74	2,510.74	**3,939.96**
Less: Dividend Paid		(161.72)	(161.72)	(161.72)
Less: Dividend Distribution Tax		-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31.03.2025	**695.31**	**21,060.44**	**21,755.75**	**9,448.68**

Particulars	Reserves and Surplus			Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2023	**695.31**	**14,933.17**	**15,628.48**	**12,061.92**
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	**695.31**	**14,933.17**	**15,628.48**	**12,061.92**
Total Comprehensive income for the year	-	3939.96	3,939.96	**3,716.34**
Less: Dividend Paid		(161.72)	(161.72)	(107.83)
Less: Dividend Distribution Tax		-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31.03.2024	**695.31**	**18,711.42**	**19,406.73**	**15,670.43**

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
UDIN: 25081603BMJJYT1513

By Order of the Board for RACL Geartech Ltd

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

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HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: 7th May 2025

NOTES TO ACCOUNTS

Note No 1.

GENERAL INFORMATION

RACL Geartech Ltd (referred to as 'RACL' or 'Company') was established in the year 1983 to produce automotive components in the fields of Motorcycles & Scooters, 3&4 Wheeler Passenger & Cargo Vehicles, Agricultural Machinery, Tractors, ATV, Light & Heavy Commercial Vehicles, etc. The company has also expanded into sub-assemblies, industrial Gears for electrical switch Gears and Circuit Breakers, Winches, and Cranes.

It is a customer-centric Organisation obsessed with world-class benchmarking and is supplying to top Global OEMs like BMW Mottarad, Germany, Kubota Corporation (Japan, Thailand, and USA), IT Switzerland (Same Group Company), KTM AG (Austria) Schneider Electric (Germany), Dana (Italy and China) amongst others.

A. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

a) Statement of Compliance

The shares of the company are listed on the Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).

The Company's financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013 (the Act).

b) Basis of Measurement

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

Item	Measurement
Certain financial assets and liabilities	At Fair value
Net defined benefit (asset)/liability	At the Present value of defined benefit obligations

c) Use of Estimates and Judgements

The preparation of these financial statements conforms with Ind AS. It requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income, and expenses. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialized. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, fair value measurement, etc.

d) Measurement of Fair Value

Accounting Policies and disclosures require measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Levels 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

e) Operating Cycle

Based on the nature of products/ activities of the Company and the normal time between the acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for classification of its assets and liabilities as current and non-current

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013modified by the requirements of Ind AS. The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements concerning items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees which is also Companies Functional Currency and all values are rounded to the nearest lakhs, except otherwise indicated.

B. Material Accounting Policy Information

B1 INCOME RECOGNITION

a. <u>Revenue from Contracts with customers:</u>

Revenue from contracts with customers is accounted for and recognized, observing the provisions of Ind AS 115 "Revenue from Contracts with Customers".

The Company derives revenue primarily from the sale of goods to the Customer. To recognize the revenue, the Company applies the following five steps approach:

(1) Identify the contract with a customer: The Company observes the following criteria:

a) Parties to the contract have approved the contract.

b) Parties are committed to performing their respective obligations.

c) Each party's rights and payment for the contract are identified.

d) A contract has commercial substance.

e) Probable collection of the consideration by the entity.

(2) Identify the performance obligations in the contract: The Company assesses its promise to transfer goods to a customer to identify separate performance obligations. The Company applies judgment to determine whether each good promised to a customer is capable of being distinct, and is distinct in the context of the contract, if not, the promised goods are combined and accounted as a single performance obligation.

(3) Determine the transaction price: The transaction price is fixed and determined based on the terms of the contract and the Company's customary practice and any consideration payable to the customers including cash amounts, credits, rebates, and other similar allowances is reduced from the transaction price.

(4) **Allocate the transaction price to the performance obligation in the contract.** The Company allocates the transaction price to each performance obligation identified in a contract on a relative stand-alone selling price basis.

(5) **Recognize revenue when a performance obligation is satisfied:** Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring promised goods or services to a customer (customer obtains control). For each performance obligation, The Company determines the performance obligation at a point in time when all the following conditions are satisfied:

1. The Company has a present right to pay for the goods.
2. The Customer has a legal title to the goods.
3. The Company has transferred physical possession of the goods.
4. Customer has significant risk and reward of ownership.
5. Customer has accepted the goods.

b. Other Income:

Dividend income from investments is recognized when the company's right to receive payment has been established.

Interest income is accrued on, a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

B2 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, plant, and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost of acquisition is inclusive of freight, duties, taxes, and other incidental expenses. Freehold land is not depreciated.

Management has reviewed the depreciation policy and machineries have been depreciated accordingly.

Properties in the course of construction for production, supply, or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes items directly attributable to the construction or acquisition of the item of property, plant, and equipment, and, for qualifying assets, borrowing costs capitalized by the Company's accounting policy. Such properties are classified into the appropriate categories of property, plant, and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. Depreciation is charged on a pro-rata basis at the straight-line method over estimated economic useful lives of its property, plant, and equipment generally per that provided in Schedule II to the Act.

Depreciation of an asset begins when it is available for use. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that it is classified as held for sale) per Ind AS 105 and the date that the asset is de-recognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

However, under usage methods of depreciation, the depreciation charge can be zero while there is no production.

Depreciation on additions/ deductions is calculated pro-rata from/ to the Date of additions/ deductions.

An item of property, plant, and equipment is derecognized upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss. The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

B3 INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

B4 IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

The carrying amount of assets is reviewed at each Balance Sheet date, to assess, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is charged to the statement of profit and loss Account in the year in which an asset is identified as impaired.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit or loss.

B5 INVENTORY

Inventories are valued at the lower of cost, determined on the weighted average basis and Net Realisable Value (NRV).

The cost of Finished Goods and Work in Progress comprises raw material, direct labour, another direct cost, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Costs of Inventories also include all the costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. NRV is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated cost necessary to make the sale.

B6 FOREIGN CURRENCY TRANSACTION

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences in monetary items are recognized in statements of profit or loss in the period in which they arise.

Foreign currency derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

B7 EMPLOYEE BENEFIT

Company's contributions paid/ payable during the year to Provident Fund and Employees' State Insurance Corporation (ESIC) are recognized in the statement of Profit & Loss Account; Provident Fund contributions are made to a Trust administered by the company. The interest rate payable to the members of this trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the company. The remaining contributions are made to a Government Administered Employee Pension Fund towards which the company has no further obligations beyond its monthly contributions.

Defined benefits and other long-term employee benefits are provided based on the actuarial valuation made at the end of each financial year. Actuarial gains or losses arising from such valuation are charged to Other Comprehensive Income in the year in which they arise.

B8 RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research activities is recognized as an expense in the period in which it is incurred where no internally generated asset can be recognized.

B9 FINANCIAL INSTRUMENT

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value are recognized in the statement of profit or loss.

a. Financial Assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

Investments in debt instruments that meet the following conditions are subsequently measured at amortized cost (unless the same are designated as fair value through the statement of profit or loss (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 instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments at FVTPL are a residual category for debt instruments and all changes are recognized in profit or loss.

Investments in equity instruments are classified as FVTPL unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income (OCI) for equity instruments that are not held for trading.

Interest income, dividend income, and exchange difference (on debt instrument) on Fair Value Through Other Comprehensive Income (FVTOCI) debt instruments are recognized in statements of profit or loss, and other changes in fair value are recognized in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to statement of profit & loss. However, in the case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to a statement of profit & loss on disposal of investments.

b. Financial Liabilities and Equity Instruments

(1) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or equity by the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(3) Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of the costs of an asset is included in the 'Finance Costs' Line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs, and other premiums or discounts) through the expected life of the financial liability.

- Loans and borrowings are subsequently measured at amortized costs using the Effective Interest Rate method.
- Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.
- Financial guarantee contracts are subsequently 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.
- Financial liability is derecognized when the obligation under the liability is discharged or canceled or expires.

B10 IMPAIRMENT OF FINANCIAL ASSETS (EXPECTED CREDIT LOSS MODEL)

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company under the contract/agreement and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are the portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When assessing whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition

B11 PROVISIONS

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, the Company will probably be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

B12 WARRANTIES

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency, and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claims will arise- typically six months to one year.

B13 CURRENT AND NON-CURRENT CLASSIFICATION

Current Assets

An asset shall be classified as current when it satisfies any of the following criteria:

(a) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;

(b) It is held primarily to be traded.

(c) It is expected to be realized within twelve months after the reporting date, or

(d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

(a) It is expected to be settled in the company's normal operating cycle;

(b) It is held primarily to be traded;

(c) It is due to be settled within twelve months after the reporting date: or

(d) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other liabilities shall be classified as non-current.

B14 DEFERRED TAX & CURRENT TAX

a. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that taxable profits will probably be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from how the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

b. Current and deferred tax for the year

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax are recognized in statements of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively

B15 EARNING PER SHARE (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. To calculate Diluted Earnings per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.

B16 LEASE

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at the 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 while in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- 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 include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include 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 before 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 the 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 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.

C. Cash Flow Statement

A cash flow statement is prepared segregating the cash flows from operating, investing, and financing activities. Cash flow from operating activities is reported using an indirect method. Under the indirect method, the net profit/ (loss) 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,
- All other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing, and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents that are not available for general use as of the date of the Balance Sheet are also included under this category with a specific disclosure.

D. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
UDIN: 25081603BMJJYT1513

By Order of the Board for RACL Geartech Ltd

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JITENDER JAIN
(CFO)

NARINDER PAUL KAUR
(Director)
DIN: 02435942

JAGDISH KESWANI
(Director)
DIN: 02146267

MALINI BANSAL
(Director)
DIN: 00167993

HPS BEDI
(Director)
DIN: 05217488

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

ANIL SHARMA
(Director)
DIN: 00157911

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: 7th May 2025

Notes to Standalone financial statements as at and for the Year ended 31st March 2025

Property, plant and equipment

(Rs. In Lakh)

Particulars	Note No.	Cost or Deemed cost				Accumulated depreciation				Impairment			Carrying Amount	
		Balance as at April 1, 2024	Additions	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Depreciation expense	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Impairment loss/ reversal during the year	Balance at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Building	2	4,165.90	474.81		4,640.71	437.37	187.86		625.23	-		-	4,015.47	3,728.53
Right To Use Buildings		1,034.14	579.68	318.78	1,295.04	347.84	120.01	318.78	149.07	-		-	1,145.97	686.31
Plant & Machinery		29,642.92	2,892.02	486.38	32,048.56	6,452.78	2,127.43	397.10	8,183.11	85.58	(6.84)	78.74	23,786.71	23,104.56
Furniture & Fixtures		3.25	34.31		37.56	2.61	3.24		5.85	-		-	31.71	0.64
Vehicles		359.02		21.92	337.10	75.37	71.21	8.57	138.01	(0.00)		(0.00)	199.09	283.65
Office Equipments		694.59	557.20	9.85	1,241.94	153.25	192.46	9.36	336.35	0.45		0.45	905.14	517.01
Electrical Installation		234.65	74.92		309.58	86.46	24.89		111.34	-		-	198.24	148.20
Capital Tool Support		1,389.37	318.54		1,707.90	573.74	234.67		808.42	-		-	899.49	815.62
Right To Use Leasehold - Land		1,144.37			1,144.37	95.41	19.07		114.47	-		-	1,029.90	1,048.96
Total		**38,668.21**	**4,931.48**	**836.93**	**42,762.76**	**8,224.81**	**2,980.85**	**733.80**	**10,471.86**	**86.03**	**(6.84)**	**79.18**	**32,211.72**	**30,333.49**
Previous Year		**29,188.81**	**10,420.06**	**964.54**	**38,644.33**	**6,418.75**	**2,447.81**	**641.75**	**8,224.81**	**91.48**	**(5.45)**	**86.03**	**30,333.49**	**30,333.49**

Capital Work In Progress

Particulars	Note No.	Cost or Deemed cost				Accumulated Amortisation				Impairment			Carrying Amount	
		Balance as at April 1, 2024	Additions	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Depreciation expense	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Impairment loss/ reversal during the year	Balance at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Intangible Asset	3	641.17	461.10	641.17	461.10	-	-		-	-	-	-	461.10	641.17
Total		**641.17**	**461.10**	**641.17**	**461.10**	-	-	-	-	-	-	-	**461.10**	**641.17**
Previous Year		**176.46**	**641.17**	**176.46**	**641.17**	-	-	-	-	-	-	-	**641.17**	**641.17**

Intangible Assets

Particulars	Note No.	Cost or Deemed cost				Accumulated Amortisation				Impairment			Carrying Amount	
		Balance as at April 1, 2024	Additions	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Depreciation expense	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Impairment loss/ reversal during the year	Balance at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Capital Work In Progress*	4	55.06	38.57		93.63	34.06	12.20		46.26	-	-	-	47.37	44.99
Total		**55.06**	**38.57**	-	**93.63**	**34.06**	**12.20**	-	**46.26**	-	-	-	**47.37**	**44.99**
Previous Year		**53.44**	**25.62**	-	**79.06**	**26.86**	**7.21**	-	**34.06**	-	-	-	**44.99**	**44.99**

*Refer note - 52 for ageing of CWIP

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
IATF 16949:2016

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Non Current Assets			
(d) Financial Asset			
(i) Investments	5		
Equity Instruments (Unquoted) (Fully paid) valued at FVTPL			
42500 Equity Shares (March 31, 2024: 42500) purchased at Euro 1/- each fully paid up in Wholly Owned Subsidiary Racl Geartech Gmbh, Austria		36.54	36.54
10622 Equity Shares (March 31, 2024: Nil) purchased at Rs. 1,318/- each (Face value Rs. 10 per share) fully paid up in Sunsure Solarpark Ten Private Limited		140.00	-
Total		**176.54**	**36.54**
(ii) Other Financial Assets	6		
Security Deposits with landlord against rented premises & Others		57.55	27.96
Security Deposits with UPPCL		148.40	148.40
Total		**205.94**	**176.36**
(e) Other Non Current Assets	7		
Capital Advances			
Advance for Machineries		259.39	266.45
Total		**259.39**	**266.45**
Current Assets			
(a) Inventories (Lower of Cost or Net Relisable Value)	8		
Raw Materials and components		1467.68	1607.31
Work-in-progress		1699.88	1772.17
Finished goods			
-In Hand		623.33	483.58
-In-Transit		2373.50	2363.21
Stores and spares		1129.17	930.33
Loose Tools		5419.29	4229.15
Jigs & fixtures		602.81	494.43
Total		**13,315.65**	**11,880.18**
(b) Financial Assets			
i . Trade Recievable*	9		
Unsecured, considered good		14084.49	11512.74
Less: Bad Debts		51.63	-
Total		**14,032.86**	**11,512.74**

*Refer Note No. 53 for ageing

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ii. Cash and Cash Equivalents	10		
Balances with banks		1.46	1.18
Cash on hand		2.12	6.23
Total		**3.58**	**7.41**
iii. Other Bank Balances			
Other Bank Balances - Unpaid Dividend Bank A/c	10	23.37	23.57
Deposits with maturity more than 3 months but less 12 months*		165.04	45.39
Total		**188.41**	**68.97**

**FDR amount includes margin money on Letter of Credit.

(c) Current Tax Assets (Net)	12		
Income Tax Refundable		0.00	15.49
Less: Income Tax Payable		0.00	0.00
Total		-	**15.49**
(d) Other Current Assets (Secured, considered good)	13		
Deposit with Government authorities		109.74	550.94
Interest Receivable		14.31	5.93
Prepaid Expenses		190.04	130.32
Advance to Suppliers		845.79	524.13
Other Advances		1.99	3.97
Balance with Government authorities		1098.96	1793.21
Total		**2,260.83**	**3,008.50**

Note No 14

Equity Share Capital

(Rs. In Lakh)

Particulars	Note No.	Number of Shares (In Lakh)		As at March 31, 2025	As at March 31, 2024
		As at March 31, 2025	As at March 31, 2024		
Equity					
Authorised (Equity Shares of Rs.10/- each)		20,000,000	20,000,000	2000.00	2000.00
Issued & Subscribed (Equity Shares of Rs.10/- each)		11,790,000	11,790,000	1179.00	1179.00
Fully Paid up Share Capital (Equity Shares of Rs.10/- each)	**14**	10,781,600	10,781,600	1078.16	1078.16
Shares Forfeited 10,08,400 (Mar' 24: 10,08,400) of Rs. 10/- each on 21.04.2003 and 19,00,000 Convertible Share Warrants having paid up value of Rs. 1 each on 19.04.2010.					
Total Paid Up Share Capital		**10,781,600**	**10,781,600**	**1,120.11**	**1,120.11**

i. Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders 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 his/its share in the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture. In the event of Liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding. The dividend proposed by the board of directors is to be adopted by the shareholders at the Annual General Meeting . In the event of liquidation, the equity shareholders are eligible to receive dividend proposed by the board of directors subject to the approval of shareholders.

The Company has declared and paid an amount of dividend for Rs. 161.72 Lakh during the FY 2024-25. (Previous year: Rs. 161.72 Lakh)

ii. Shares held by holding/Ultimate holding company and/or their subsidairies/associates : Nil

iii. Reconcillation of the number of shares and amount outstanding at the beginning and at the end of reporting Year

(Rs. In Lakh)

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Equity Shares	INR in Lakh	No of Equity Shares	INR in Lakh
Share outstanding at the beginning of the year	**10,781,600**	**1078.16**	**10,781,600**	**1078.16**
Share issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Share outstanding at the end of the year	**10,781,600**	**1,078.16**	**10,781,600**	**1,078.16**

iv. List of Shareholders having more than 5% equity shares

(Rs. In Lakh)

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No of Shares Held	% of Holding	No of Shares Held	% of Holding
GURSHARAN SINGH	3,944,879	36.59	3,942,829	36.57
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	1,503,300	13.94	1,503,300	13.94
Middleware Development Limited	728,945	6.76	740,000	6.87

(v) a. Details of Shareholders holding by promoters at the end of the year as at March 31, 2025

Shares held by the Promoters at the end of the year

(Rs. In Lakh)

Name of the Promoter	No of Shares	% of Total Shares	% Change during the year
Equity share capital			
GURSHARAN SINGH	3,944,879	36.59	0.05%
NARINDER PAUL KAUR	35,318	0.33	3.55%
AADHAR INFOSYSTEMS PVT. LTD.	47,130	0.44	6.42%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	1,503,300	13.94	0.00%
Total	**5,530,627**	**51.30**	**10.03%**

(v) b. Details of Shareholders holding by promoters at the end of the year as at March 31, 2024

Shares held by the Promoters at the end of the year

(Rs. In Lakh)

Name of the Promoter	No of Shares	% of Total Shares	% Change during the year
Equity share capital			
GURSHARAN SINGH	3,942,829	36.57	0.00%
NARINDER PAUL KAUR	34,107	0.32	0.00%
DEV RAJ ARYA	223,000	2.07	-1.37%
AADHAR INFOSYSTEMS PVT. LTD.	44,285	0.41	0.00%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	1,503,300	13.94	0.00%
Total	**5,747,521**	**53.31**	**-1.37%**

Other Equity

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Retained Earning	**15**	21,060.44	18,711.42
Securities Premium Reserve		695.31	695.31
Total		**21,755.75**	**19,406.73**

Movement in Other Equity

(Rs. In Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earning		
Opening Balance	18,711.42	14,933.17
Add: Comprehensive Income for the year	2,510.74	3,939.96
Less: Dividend Paid	(161.72)	(161.72)
	21,060.44	**18,711.42**
Securities Premium Reserve		
Opening Balance	695.31	695.31
Add: Comprehensive Income for the year	-	-
Closing Balance	**695.31**	**695.31**

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Non Current Liabilities			
(a) Financial Liabilities			
Borrowings			
Secured Loans			
Term Loans from Banks (Refer foot note-3)	16	13,217.71	14,749.40
Less: Unamortised Borrowing Cost		-23.71	-56.32
Less: Current Maturity of Term Loans		-4,855.21	-4,602.65
(i)		**8,338.79**	**10,090.43**
Vehicles Loans (Refer foot note-4)		146.05	211.26
Less: Current Maturity of Vehicles Loans		-61.70	-67.97
(ii)		**84.35**	**143.29**
1((i)+(ii))		**8,423.14**	**10,233.72**
Unsecured Loans			
Term Loans from Financial Institutions/ Banks		267.24	509.09
Less: Current Maturity of loans from Financial Institutions/ Banks		-180.01	-219.95
2		**87.23**	**289.14**

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Total (1+2)		**8,510.37**	**10,522.86**
Other Non current Financial Liabilities	17		
Lease Liabilties		1,195.98	743.15
Less: Current Maturities of Lease Liabilities		232.31	156.32
		963.67	**586.83**

1. Secured Term Loans from banks have been guaranteed by Whole Time Directors.
2. The Maturity Profile of Secured Term Loans and Other Loans are as under :
   - FY 25-26 49.17 Crores
   - FY 26-27 35.26 Crores
   - FY 27-28 27.54 Crores
   - FY 28-29 16.81 Crores
   - FY 29-30 6.00 Crores
3. Term Loans are secured on pari-passu Basis in the following manner:
   - First Charge over entire Fixed Assets of the company excluding Land and Building & vehicles (Both Present & Future)
   - Extension of Equitable mortgage of Company's land and building at Gajraula U.P.
4. Vehicles are directly hypothecated to the related lenders.

   The above Loans are also secured by the personal guarantee of Shri Gursharan Singh. (CMD of the Company)

   The Current Maturities of Long Term Borrowings have been shown as Current liabilities under Note No. 21
5. Unsecured Loans from Financial Institutions and Banks include Loan from Foreign Bank UBS(AG)- Switzerland & Luzerner Kantonal Bank - Switzerland in CHF currency. Maturity Profile of Unsecured term Loans and Other Loans in INR are as under :
   - FY 25-26 1.80 Crores
   - FY 26-27 0.46 Crores

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
(b) Long Term Provisions	18		
Gratuity		795.94	733.35
Leave Encashment		128.08	103.94
Total		**924.02**	**837.29**

(c) Deferred tax liabilities (Net)			
Deferred tax liabilities	19	2,149.45	1,677.66
Less: Deferred tax assets		-580.64	-446.06
Less Mat Credit Entitlement			
Total		**1,568.82**	**1,231.60**
(d)Other Non- Current Liabilities	20		
Long Term Advances from Customers		-	-
Less: Current Maturity of Long Term Advances from Customers		-	-
Total		**-**	**-**
Current Liabilities			
(a) Financial Liabilities			
(i). Secured Borrowings			
a. Pre-shipment Credit (Refer foot note-1)	21	6,805.63	7,838.52
Cash Credit (Refer foot note-1)		7,520.41	3,572.14
b. Current maturity of Long-term borrowings			
Current Maturity of Term Loans		4,855.21	4,602.65
Current Maturity of Car Loans		61.70	67.97
Current Maturity of Loans from Financial Institution/Banks		180.01	219.95
Total a.		**19,422.96**	**16,301.23**
c. Post-shipment Bill Discounting Facility (Refer foot note-2)		1,469.56	1,300.66
Total b.		1,469.56	1,300.66
Total (ia) {a.+b.}		**20,892.52**	**17,601.90**
Other current Financial Liabilities			
Lease Liabilties	22		
Current Maturity of Lease Liabilities		232.31	156.32
Total		**232.31**	**156.32**

1. Pre-shipment and cash credit are secured on PariPassu Basis in the following Manner:
   - First charge by way of Hypothecation on entire stock and Book Debt of the Company
   - Extension of EQM of Comapny's Land and Building at Gajraula U.P.

   The above Loans are also secured by personal guarantee of Shri Gursharan Singh (CMD of the Company).
2. The Company has taken a post-shipment finance (Bill Discounting) of Rs 1469.56 lakh from RBL Bank Limited & Citibank which are secured in the following manner:
   - First Charge on Trade Receivables as per the sanctioned terms

- Second charge on the entire current & movable Fixed Assets of the company
- Personal Guarantee of Mr Gursharan Singh (CMD of the Company)
- Extension of Equitable Mortgage of Comapny's Land and Building at Gajraula U.P.

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ii. Trade payables			
Due to micro and small enterprises		618.75	1,101.86
Due to other than micro and small enterprises	23	4,319.36	3,689.30
Due to Related Parties		10.68	3.84
Total		**4,948.79**	**4,795.00**

1. Disclosure for Micro and Small Enterprise

   The amount due to Micro & Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company.

   The disclosure relating to Micro, Small Enterprises as at March 31, 2025 are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
a) Principal amount remaining unpaid	618.75	1,101.86
b) Interest due on above and the unpaid interest*	Nil	Nil
c) Interest paid	Nil	Nil
d) Payment made beyond the appointed day during the year	Nil	Nil
e) Interest due and payable for the period of delay	Nil	Nil
f) Interest accrued and remaining unpaid	Nil	Nil
g) Amount of further interest remaining due and payable in succeeding years	Nil	Nil

*Interest has not been provided as per the MSME Act as due to MSME is paid within the agreed credit period with respective suppliers.

2. Refer Note no. 54 for Ageing **(Rs. In Lakh)**

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
iii. Other Financial liabilities - Current			
Payable to Staff			
Salary & Wages	24	263.86	39.26
Directors remuneration & sitting fees		225.34	109.50
Interest Payable on Foreign Currency Loan		7.23	2.55
Other payables		1,049.38	1,145.03
		1,545.81	**1,296.34**
(b) Other Current liabilities			
i. Statutory Dues			
Tax Collection At Source		0.69	0.89
TDS Payable		56.10	56.28
GST Payable	25	34.74	17.70
ESI & PF Payable		27.81	26.67
ii Advance received from Customers		338.07	120.43
iii Current Maturities of Long Term Advances from Customers		-	-
iv. Unpaid Interim Dividend (2019-20 to 2023-24)		23.37	23.57
Total		**480.77**	**245.55**
(c) Short Term Provisions	26		
Gratuity		153.12	162.39
Leave Encashment		33.75	29.37
Total		**186.87**	**191.75**
(d) Current Tax Liabilities (Net)	27		
Income Tax Payable		540.58	1,480.81
Less : Advance Taxes including TDS & TCS		-507.00	-1,480.80
		33.58	**0.00**

Revenue From Operations **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Sale of Products - Domestic	28	9,296.91	8,470.54
Sale of Products - Export		29,097.11	30,852.44
Other Operating Revenue		3,342.74	2,405.70
Total		**41,736.76**	**41,728.68**

Other Income **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Interest on Deposits	29	16.80	6.01
Interest on Advance paid to Supplier		20.50	100.23
Other Non Operating Income		14.80	40.73
Profit on Sales of Fixed Assets		82.89	2.29
Foreign Exchange Rate Fluctuation- Gain		857.15	425.61
Total		**992.15**	**574.87**

Cost of Raw Material Consumed **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock (Refer Note No. 8)	30	1,607.31	1,283.08
Add: Purchases		12,288.89	13,178.23
Less: Closing Stock (Refer Note No. 8)		(1,467.68)	(1,607.31)
Total		**12,428.51**	**12,854.00**

Change in Inventories **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Closing Stock			
Finished Goods		623.33	483.58
Materials in Transit		2,373.50	2,363.21
Work in Progress		1,699.88	1,772.17
		4,696.71	**4,618.96**
Less:			
Opening Stock	31		
Finished Goods		483.58	532.21
Materials in Transit		2,363.21	1,946.02
Work in Progress		1,772.17	1,530.87
		4,618.96	**4,009.10**
(Inc)/Dec in stock		**(77.75)**	**(609.85)**

Employee Benefits Expenses **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Salary & Incentives		3,935.23	3,581.02
Employer's Contribution to Provident Fund		53.93	47.06
Gratuity Contribution		134.50	123.05
Leave Encashment	32	46.40	52.20
Directors Remuneration		303.22	340.48
Staff Welfare Expenses		170.27	144.39
Total		**4,643.54**	**4,288.20**

Finance Cost **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Interest Expense	33	2,689.29	2,132.01
Foreign Exchange Rate Fluctuation on Long Term Borrowings Net Loss		19.55	70.05
Other Finance Cost		234.96	161.43
Total		**2,943.80**	**2,363.49**

Depreciation and Amortisation **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation	34	2,980.85	2,447.81
Amortisation		12.20	7.21
Total		**2,993.04**	**2,455.02**

Other Expenses **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Stores & Spares Consumed	35	1,311.33	1,650.44
Packing Material Consumed		912.34	830.18
Loose Tools Consumed		2,312.50	2,189.08
Power, Oil & Lubricants & LPG for furnance		2,600.84	2,673.67
Repairs & Maintainance (Plant & Machinery)		475.62	425.04
Job Work & Other Contractual Cost		5,258.75	4,809.34
Customs Duty		72.88	136.07
Others		32.64	20.62
		12,976.91	**12,734.43**
Total		**12,976.91**	**12,734.43**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Travelling & Conveyance	35	125.56	136.62
Vehicle Running and Maintenance		98.33	108.98
Telephone, Telex & Communication		29.69	38.95
Repairs & Maintainence -Buildings		81.06	92.89
Repairs & Maintainence -Others		40.51	19.75
Freight & Forwarding		1,356.18	1,165.40
Rework & Other Charges on Sales		32.44	141.24
Bad Debts		51.63	-
Impairment Loss/(Reversal of Impairment loss) over PPE		(6.84)	-
Warehouse Charges		347.63	215.91
Austrian Subsidiary Services		151.88	134.87
UPSIDC Maintenance Charges		15.10	15.10
Directors Sitting Fees		20.45	16.59
CSR Expenditure (Refer Note 44)		87.66	74.56
Insurance		131.55	140.27
Printing & Stationary		54.30	58.19
Electricity & Water		15.18	11.93
Legal & Professional Fees		405.39	313.55
Payments to Statutory Auditors*		9.75	9.45
Misc Expenses		336.13	150.49
Total		**3,383.56**	**2,844.72**
Total		**16,360.47**	**15,579.15**

***Payments to Statutory Auditors (Excluding GST)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Statutory Audit Fee	9.00	9.00
(b) Other Services	0.75	0.45
Total	9.75	**9.45**

36. Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars	Unit	As at Mar 31, 2025	As at Mar 31, 2024
Earnings Per Equity Share:			
Profit for the year attributable to owners of the Company	Rupees	255,951,246.36	398,073,237.04
Weighted average number of equity shares outstanding for calculating basic earnings per share	Numbers	10,781,600.00	10,781,600.00
Basic & Diluted Earnings per Share	**Rupees**	**23.74**	**36.92**

There are no potential diluters as on the date of balance sheet

37. Disclosure pursuant to Ind AS 19 "Employee Benefit"

The details of various employee benefit provided to employee areas under:

Defined Benefit Plans

By the Payment of Gratuity Act, of 1972, the Company provides for gratuity, as a defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of the vested year of employment i.e. five years. The liability of the gratuity plan is provided based on actuarial valuation at the end of each financial year.

These plans typically expose the Company to actuarial risks such as investment risk, inherent interest rate risk, longevity risk, salary risk, and Investment Risk.

Interest Rate Risk The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase Longevity Risk.

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk Higher than expected increases in salary will increase the defined benefit obligation.

The most recent actuarial valuation for determining the present value of the defined benefit obligation was carried out on March 31, 2025, by M/s MDPL Actuarial Services. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

The principal assumptions used for the purpose of the actuarial valuations were as follows:-

A. GRATUITY

(Rs. In Lakh)

Particulars	Gratuity	
	As at Mar 31, 2025	As at Mar 31, 2024
Reconciliation of opening & closing balances of PV of defined benefit obligation		
Opening defined benefit obligation	895.74	873.90
Current service Cost	70.90	58.38
Interest Cost on Benefit Obligation	63.60	64.67
Prior service cost-Vested benefit		
Net Actuarial gain/loss recognized during the year	48.77	40.77
Benefits paid	(129.94)	(141.98)
Closing defined benefit obligation	**949.06**	**895.74**
Current Liabilities	153.12	162.39
Non Current Liabilities	795.94	733.35
Expenses recognized in the statement of P&L Account		
Current Service Cost	70.90	58.38
Interest Cost on Benefit Obligation	63.60	64.67
Defined Benefit Cost included in P&L	**134.50**	**123.05**
Total Remeasurement in OCI	48.77	40.77
Total Defined Benefit Cost recognised in P&L and OCI	**183.27**	**163.82**
Summary of Actuarial Assumptions		
Retirement Age		
Discount Rate	7.00%	7.10%
Salary Escalation	6.00%	6.00%
Attrition Rate	58 Years	58 Years
Average Future Service	23.29	21.94
Mortality Table	IALM(2012-14) Table Ultimate	IALM(2012-14) Table Ultimate

Change in Fair Value of Plan Assets **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Fair Value of Plan Assets at beginning of year		-
Interest Income		-
Employer Contributions		-
Employer Direct Benefit Payments	129.94	141.98
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(129.94)	(141.98)
Settlement Payments from Plan Assets		-
Settlement Payments from Employer		-
Other (Employee Contribution, Taxes, Expenses)		-
Increase / (Decrease) due to effect of any business		-
Increase / (Decrease) due to Plan combination		-
Remeasurements - Return on Assets (Excluding Interest Income)		-
Fair Value of Plan Assets at end of year		-
Weighted Average Asset Allocations at the year end		
Equities		-
Bonds		-
Gilts		-
Insurance Policies		-
Total	0%	0%

Components of Defined Benefit Cost **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Current Service Cost	70.90	58.38
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	70.90	58.38
Interest Expense on DBO	63.60	64.67
Interest (Income) on Plan Assets	-	-

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	63.60	64.67
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	134.50	123.05
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	8.29	20.92
Remeasurements - Due to Experience Adjustments	40.48	19.85
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	48.77	40.77
Total Defined Benefit Cost recognized in P&L and OCI	183.27	163.82
Discount Rate	7.00%	7.10%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Defined Benefit Obligation	949.06	895.74
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	949.06	895.74
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	949.06	895.74

Summary of Financial & Demographic Assumptions

Particulars	Valuation Date	
	31.03.2025	31.03.2024
Discount Rate	7.00%	7.10%
Salary Escalation - First 5 Years	6.00%	6.00%
Salary Escalation - After 5 Years	6.00%	6.00%
Expected Rate of Return on Plan Assets	N/A	N/A
Mortality Table	IALM (2012-14) Table Ultimate	
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Retirement Age	58 Years	58 Years
Average Future Service	23.29	21.94

B. LEAVE ENCASHMENT **(Rs. In Lakh)**

Particulars	Leave Encashment	
	As at Mar 31, 2025	As at Mar 31, 2024
Reconciliation of opening & closing balances of PV of defined benefit obligation	133.31	132.97
Opening defined benefit obligation		
Current service Cost	31.06	26.03
Interest Cost on Benefit Obligation	9.46	9.84
Prior service cost-Vested benefit		
Net Actuarial gain/loss recognized during the year	5.88	16.33
Benefits paid	(17.89)	(51.86)
Closing defined benefit obligation	**161.83**	**133.31**
Current Liability	33.75	29.37
Non Current Liability	128.08	103.94
Expenses recognized in the statement of P&L Account		
Current Service Cost	31.06	26.03
Interest Cost on Benefit Obligation	9.46	9.84
Defined Benefit Cost included in P&L Account	**40.53**	**35.87**
Total Remeasurement in OCI	5.88	16.33
Total Defined Benefit Cost recognised in P&L and OCI	**46.40**	**52.20**

Particulars	Leave Encashment	
	As at Mar 31, 2025	As at Mar 31, 2024
Summary of Actuarial Assumptions		
Retirement Age		
Discount Rate	7.00%	7.10%
Salary Escalation	6.00%	6.00%
Retirement Age	58 Years	58 Years
Average Future Service	23.29	21.94
Mortality Table	IALM (2012-14) Table Ultimate	

Change in Fair Value of Plan Assets **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	17.89	51.86
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(17.89)	(51.86)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets (Excluding Interest Income)	-	-
Fair Value of Plan Assets at end of year	-	-
Weighted Average Asset Allocations at the year end		
Equities	-	-
Bonds	-	-
Gilts	-	-
Insurance Policies	-	-
Total	0%	0%

Components of Defined Benefit Cost **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Current Service Cost	31.06	26.03
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	**31.06**	**26.03**
Interest Expense on DBO	9.46	9.84
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	9.46	9.84
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	**40.53**	**35.87**
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	1.25	2.79
Remeasurements - Due to Experience Adjustments	4.63	13.54
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	5.88	16.33
Total Defined Benefit Cost recognized in P&L and OCI	**46.40**	**52.20**
Discount Rate	7.00%	7.10%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Defined Benefit Obligation	161.83	133.31
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	**161.83**	**133.31**
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	**161.83**	**133.31**

Summary of Financial & Demographic Assumptions

Particulars	Valuation Date	
	31.03.2025	31.03.2024
Discount Rate	7.00%	7.10%
Salary Escalation - First 5 Years	6.00%	6.00%
Salary Escalation - After 5 Years	6.00%	6.00%
Expected Rate of Return on Plan Assets	N/A	N/A
Mortality Table	IALM (2012-14) Table Ultimate	
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Retirement Age	58 Years	58 Years
Average Future Service	23.29	21.94

C. SENSITIVITY ANALYSIS

A quantitative sensitivity analysis for significant assumptions as 31st March 2025

Particulars	GRATUITY PLAN	
	CHANGE IN ASSUMPTIONS	IMPACT ON DEFINED BENEFIT OBLIAGATION
	Increase/ (Decrease)	Increase/ Decrease in Assumptions
	%	(Rs. In Lakh)
UNDER BASE SCENARIO		949.06
SALARY ESCALATION	1.00%	1017.66
	-1.00%	890.21
WITHDRAWAL RATES	1.00%	954.08
	-1.00%	946.60
DISCOUNT RATES	1.00%	890.11
	-1.00%	1020.22

D. RISKS ASSOCIATED WITH DEFINED BENEFIT PLAN

Where there is a benefit being promised and benefit being provided, there will always be some uncertainty for the benefit provider and the benefit recipient.

Benefit Risks in Defined Benefit Schemes

1. Risk to the beneficiaries (i.e. for employees)

Insufficient funds: The greatest risk to the beneficiary is that there are insufficient funds available to provide

the promised benefits.

This may be due to :

- The insufficient funds set aside, i.e. underfunding
- The insolvency of the Employer
- The holding of investments which are not matched to the liabilities; Or
- A combination of these events

Changes to tax rates or status

2. Risks to the Benefit provider (i.e. for employer)

Parameter risk: Actuarial valuation is done basis some assumptions like salary inflation, discount rate and withdrawal assumptions. In case the actual experience varies from the assumptions, fund may be Insufficient to pay off the

For example: Suppose the plan's liability is calculated with salary inflation assumption of 5% per annum. However,Company's' actual practice is to provide increment of 10% per annum. This will result into underfunding.

Similarly, reduction in discount rate in subsequent future years can increase the plan's liability. Further, actual withdrawals may be lower or higher than what was assumed in the valuation, which may also impact the plan's liability.

Risk of illiquid assets: Another risk is that the funds, although sufficient, are not available when they are required to finance the benefits. This may be due to assets being locked for longer period or in illiquid assets.

Risk of benefit change: There may be a risk that a benefit promised is changed or is changeable within the terms of the contract. For e.g. the prevailing Act / Regulation may increase the benefits payable under defined benefit plans.

Asset liability mismatching risk: ALM risk arises due to a mismatch between assets and liabilities either due to liquidity or changes in interest rates or due to different duration.

For example: When the liability duration is, say, 10 years and with assets locked in 5-year g-sec securities. After 5years, there is huge reinvestment risk to invest maturity proceeds of assets due to uncertainty about the market prevailing yields at that time.

38. Disclosure of Segmental reporting pursuant to Ind AS 108 "Segmental Reporting"

The Company is engaged in manufacturing of Automotive Components meant for two wheeled, three wheeled and four wheeled Vehicles. Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting Systems. The company has structured its operations into single operating segment geographic distribution of however based on the activities, the chief operating decision maker identified India and outside India as two geographical segments.

Revenue from Customers	As at Mar 31, 2025	As at Mar 31, 2024
Within India	**9,296.91**	**8,470.54**
Outside India		
AUSTRIA	10219.51	15004.73
JAPAN	2373.10	3053.65
GERMANY	12419.88	7858.37
SWITZERLAND	335.91	544.30

Revenue from Customers	As at Mar 31, 2025	As at Mar 31, 2024
ITALY	1137.71	360.41
THAILAND	2.09	17.56
VIETNAM	6.50	12.86
USA	376.38	622.80
CHINA	1949.56	3372.10
CANADA	276.47	
SWEDEN		5.66
Total Outside India	**29,097.11**	**30,852.44**

39. Disclosure of Related parties / Related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

A. List of Related Parties

Wholly Owned Subsidiary

Name of the Subsidiary	Country	Holding As at Mar 31, 2025
Racl Geartech Gmbh	Austria	100%

Name of the Other Related Party
SUN-UP FOUNDATION (CSR TRUST)

Name of the Key Management Personnel	Designation
Mr Gursharan Singh	Chairman and Managing Director
Ms. Neha Bahal	Company Secretary
Mr. Jitender Jain	CFO
Name of the Directors	**Designation**
Mr Gursharan Singh	Chairman and Managing Director
Mr. Anil Sharma	Non- Executive Director
Ms. Narinder Paul Kaur	Non- Executive Director
Mr. Shashank Ramesh Anikhindi	Independent Director
Mr. Jagdish Keswani	Independent Director
Mr. H.P.S. Bedi	Independent Director
Ms. Malini Bansal	Independent Director

Name of the Subsidiary	Country	Holding As at Mar 31, 2025

Names of Relatives of KMPs with whom transactions have taken place during the year:-

Name of Relatives of Key Managerial Personnel	Relations
Mr Prabh Mehar Singh	Son of Mr.Gursharan Singh
Ms. Narinder Paul Kaur	Wife of Mr.Gursharan Singh

During the current as well as previous year, the Company did not have any related party transaction with any enterprise wherein any director has any significatnt influence.

B. Transactions with related parties: **(Rs. In Lakh)**

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Business Support Services availed from **Racl Geartech Gmbh - Austria**	151.88	134.87
Sales made to **Racl Geartech Gmbh - Austria**	1530.75	789.03
Purchases from **Racl Geartech Gmbh - Austria**	0.73	0.16
CSR Expenditure to **Sun-UP Foundation (CSR Trust)**	73.50	79.70
Remuneration and Perks - Key Managerial Personnel & Directors		
- Mr. Gursharan Singh, Chairman & Managing Director	267.71	275.93
- Ms. Neha Bahal, Company Secretary	13.25	10.14
- Ms. Narinder Paul Kaur (as retainership fees)	30.00	30.00
- Mr. Anil Sharma, Non-Executive Director (as retainership fees)	30.00	27.20
- Mr. Jitender Jain, CFO	76.41	46.25
Remuneration and Perks - Relatives of Key Managerial Personnel		
- Mr. Prabh Mehar Singh	27.03	28.67
Directors Sitting Fees		
- Mr. Anil Sharma	2.95	2.25
- Ms. Narinder Paul Kaur	2.30	1.95
- Mr. Shashank Ramesh Anikhindi	4.35	2.95
- Mr. Jagdish Keswani	4.60	4.09
- Mr. H.P.S. Bedi	2.30	1.95
- Ms. Malini Bansal	3.95	3.35

C. Closing Balances with related parties: **(Rs. In Lakh)**

Name of the Subsidiary	Outstanding As at Mar 31, 2025		Outstanding As at Mar 31, 2024	
	Receivable	Payable	Receivable	Payable
Racl Geartech Gmbh - Austria	**751.91**	**10.68**	802.47	3.84
	Investment in Equity As at March 31, 2025		Investment in Equity As at March 31, 2024	
	36.54		36.54	

Name of the Key Management Personnel	Outstanding As at Mar 31, 2025		Outstanding As at Mar 31, 2024	
	Receivable	Payable	Receivable	Payable
Mr Gursharan Singh	-	220.84	-	105.00
Mr. Anil Sharma	-	2.25	-	2.25
Ms. Narinder Paul Kaur	-	2.25	-	2.25

Financial Instruments

40. Capital Managment

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, opitimisation of working capital requirements and deployment of surplus funds into various investment options.

The capital structure of the company consists of debt (long term borrowings and short term borrowings), capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

40(a). Gearing Ratio

The gearing ratio at the end of the reporting period was as follows

(Rs. In Lakh)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Debt	29,402.89	28,124.75
Cash and Bank Balances	3.58	7.41
Net Debt (i)	**29,399.31**	**28,117.34**
Equity (ii)	**22,875.86**	**20,526.84**
Net Debt To Equity Ratio	**1.29**	**1.37**

40(b). Changes in liabilities arising from financing activities as per Ind-AS 7

Particulars	As at April 1st, 2023	NON CASH		Charged to P&L	As at Mar 31, 2024
		CASH FLOW	FOREIGN EXCHANGE MOVEMENTS		
Borrowings	28,528.38	1,278.13	-	-	29,806.51
Interest	2.55	(2,936.57)	-	2,943.80	7.23
Total liabilities	**28,530.93**	**(1,658.43)**	-	**2,943.80**	**29,813.74**

Particulars	As at April 1st, 2023	NON CASH		Charged to P&L	As at Mar 31, 2024
		CASH FLOW	FOREIGN EXCHANGE MOVEMENTS		
Borrowings	20,263.18	8,265.20	-	-	28,528.38
Interest	4.00	(2,360.94)	-	2,363.49	2.55
Total liabilities	**20,267.18**	**5,904.26**	-	**2,363.49**	**28,530.93**

40(c). (a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs). The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

(Rs. In Lakh)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Net Debt	29,399.31	28,117.34
EBITDA	9374.15	10192.05
Net Debt to EBITDA	3.14	2.76

(b) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.

(c) Dividends **(Rs. In Lakh)**

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
On Equity shares of Rs. 10/- each		
Final dividend		
Amount of dividend paid (pertains to previous financial year) (Rs In Lakh)	161.72	161.72
Dividend per equity share (in Rs.)	1.50	1.50
Interim Dividend		
Amount of dividend paid		
Dividend per equity share	-	-

41. Catagories of Financial Instruments **(Rs. In Lakh)**

Financial instruments by categories	31.03.2025			31.03.2024		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset						
Non-Current Financial Asset						
Investment in Equity Instruments	140.00			-		-
Security Deposit	-	-	205.94	-	-	176.36
Current Financial Asset						
i.Trade receivables	-	-	14,032.86	-	-	11,512.75
ii.Cash and cash equivalents	-	-	3.58	-	-	7.41
iii.Other Financial asset	-	-	**188.41**	-	-	**68.97**
Total Financial Asset	140.00	-	14,430.79	-	-	11,765.48
Financial liability						
Non-Current Financial Liabilities						
Borrowings	-	-	8,510.37	-	-	10,522.86
Other	-	-	963.67	-	-	586.83
Current Financial Liabilities						
i.Borrowings	-	-	21,124.83	-	-	17,758.22
ii.Trade payables	-	-	4,948.79	-	-	4,795.00
iii.Other financial liabilities	-	-	**1,545.81**	-	-	**1,296.34**
Total Financial Liabilities	-	-	**37,093.47**	-	-	**34,959.24**

42. Fair value of Financial Assets and Liabilties at amortized cost **(Rs. In Lakh)**

Financial instruments by categories	31.03.2025		31.03.2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial asset				
Non-Current Financial Asset				
Investment in Equity Instruments	140.00	140.00	-	-
Security Deposit	205.94	205.94	176.36	176.36
Current Financial Asset				
i.Trade receivables	14,032.86	14,032.86	11,512.75	11,512.75
ii.Cash and cash equivalents	3.58	3.58	7.41	7.41
iii.Other Financial asset	188.41	188.41	68.97	68.97
Total Financial Asset	**14,570.79**	**14570.79**	**11,765.48**	**11765.48**
Financial liability				
Non-Current Financial Liabilities				
Borrowings	8,510.37	8,510.37	10,522.86	10,522.86
Others	963.67	963.67	586.83	586.83
Current Financial Liabilities				
i.Borrowings	21,124.83	21,124.83	17,758.22	17,758.22
ii.Trade payables	4,948.79	4,948.79	4,795.00	4,795.00
iii.Other financial liabilities	1,545.81	1,545.81	1,296.34	1,296.34
Total Financial Liabilities	**37,093.47**	**37,093.47**	**34,959.24**	**34,959.24**

The carrying amount of financial assets/liabilities including trade receivables and payables and others; measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying value of Rupee Term Loan approximate fair value as the instruments are at prevailing market rate.

The Fair values are all measured at Level 3

43. Financial Risk Management Objectives

The company's activities expose it to variety of financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed annually to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company operates internationally and a major portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through its sales and services in the several countries and purchases from overseas suppliers in various foreign currencies.

The company has incurred expenditure in Foreign Currency **(Rs. In Lakh)**

Particulars	FY 2024-25	FY 2023-24
Raw Material/ Tools/ Machines	2462.5	6636.41
Foreign Travelling & Services	559.67	387.29
Interest	21.48	24.19

The company has Earnings in Foreign Currency **(Rs. In Lakh)**

Particulars	FY 2024-25	FY 2023-24
Export of Goods on FOB basis	28990.31	30955.31

The foreign currency risk from financial instruments as at Mach 31, 2025 is as follows:

(Rs. In Lakh)

Particulars	As on 31.03.2025									
	USD	EURO	CHF	GBP	Yuan	JPY	Thai Baht	Hong Kong Dollar	NT DOL-LAR	Cana-dian Dollar
Cash & Cash Equivalents (INR)						0.52	0.04			
Trade Receivables (INR)	5,909.96	5,765.96	-	-	-	-	-	-		-
Trade Payables (INR)	-	121.55	-	-	-	-	-	-		-
Interest Payables (INR)	-	-	7.23	-	-	-	-	-		-
Borrowings in Foreign Currency (INR)	7,526.74	35.29	267.23	-	-	-	-	-		-
Total	**13436.70**	**5922.80**	**274.46**	**0.00**	**0.00**	**0.52**	**0.04**	**0.00**	**0.00**	**0.00**

The foreign currency risk from financial instruments as at Mach 31, 2024 is as follows:

(Rs. In Lakh)

Particulars	As on 31.03.2024									
	USD	EURO	CHF	GBP	Yuan	JPY	Thai Baht	Hong Kong Dollar	NT DOL-LAR	Cana-dian Dollar
Cash & Cash Equivalents (INR)		0.35			0.01	0.04	0.01	0.01	1.13	
Trade Receivables (INR)	6,422.05	3,061.51	-	-	-	-	-	-		-
Trade Payables (INR)	-	172.45	27.06	-	-	-	-	-		-
Interest Payables (INR)	-	-	2.55	-	-	-	-	-		-
Borrowings in Foreign Currency (INR)	6,045.67	793.15	508.52	-	-	-	-	-		-
Total	**12467.72**	**4027.46**	**538.13**	**0.00**	**0.01**	**0.04**	**0.01**	**0.01**	**1.13**	**0.00**

Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

Particulars	March 31, 2025		March 31, 2024	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign Currency in Lakh	Amount (Rs. In Lakh)	Amount in Foreign Currency in Lakh	Amount (Rs. In Lakh)
USD	**18.89**	1,616.78	**(4.51)**	(376.38)
EURO	**(60.76)**	(5,609.12)	**(23.23)**	(2,095.91)
CHF	**2.84**	274.46	**5.82**	538.13

Sensitivity analysis based on average outstanding Foreign currency loan **(Rs. In Lakh)**

Particulars	Impact on profit/ loss after tax	
	FY 2024-25	FY 2023-24
Increase or decrease in exchange rate by Rs.1	39.95	22.44

Note: Profit will increase in case of decrease in foreign currency rate and vice versa

ii Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from borrowings with variable rates. The company measures risk through sensitivity analysis.

Currently, Lending by Commercial Banks is at variable rate, which is an inherent business risk.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

(Rs. In Lakh)

Particulars	FY 2024-25	FY 2023-24
Debt from Banks/FIs - Variable rate borrowings	29,402.89	28,124.75

Sensitivity analysis based on average outstanding Debt **(Rs. In Lakh)**

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2024-25	FY 2023-24
Increase or decrease in interest rate by 25 basis points	71.91	59.98

Note: Profit will increase in case of decrease in interest rate and vice versa

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities **(Rs. In Lakh)**

As at March 31, 2025	Carrying Amount	upto 1 year	From 2 to 4 Year	For 5th Year	More than 5 years	Total
Non Derivative Financial Liability						
Term Loan from Banks	13,194.00	4,855.21	7,738.79	600.00	-	**13,194.00**
Term Loan from Financial Institutions	267.24	180.01	87.23	-	-	**267.24**
Lease Liabilities	1,195.98	232.31	963.67	-	-	**1,195.98**
Car Loan	146.05	61.70	84.35	-	-	**146.05**
Loan Repayable on Demand	14,326.04	14,326.04	-	-	-	**14,326.04**
Bill Discounting	1,469.56	1,469.56	-	-	-	**1,469.56**
Trade Payables	4,948.79	4,948.79	-	-	-	**4,948.79**
Other Financial Liabilities	1,545.81	1,545.81	-	-	-	**1,545.81**
Total	**37,093.47**	**27,619.43**	**8,874.04**	**600.00**	-	**37,093.47**

(Rs. In Lakh)

As at March 31, 2024	Carrying Amount	upto 1 year	From 2 to 4 Year	For 5th Year	More than 5 years	Total
Non Derivative Financial Liability						
Term Loan from Banks	14,693.08	4,602.65	9,333.97	756.46	-	**14,693.08**
Term Loan from Financial Institutions	509.09	219.95	289.14	-	-	**509.09**
Lease Liabilities	743.15	156.32	586.83	-	-	**743.15**
Car Loan	211.26	67.97	138.33	4.96	-	**211.26**
Loan Repayable on Demand	11,410.66	11,410.66	-	-	-	**11,410.66**
Bill Discounting	1,300.66	1,300.66	-	-	-	**1,300.66**
Trade Payables	4,795.00	4,795.00	-	-	-	**4,795.00**
Other Financial Liabilities	1,296.34	1,296.34	-	-	-	**1,296.34**
Total	**34,959.24**	**23,849.56**	**10,348.27**	**761.42**	-	**34,959.24**

C) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks. Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

44. Expenditure on Corporate Social Responsibility (CSR) **(Rs. In Lakh)**

Particulars	FY 2024-25	FY 2023-24
a) Gross amount required to be spent for the year	87.66	74.56
Add Shortfall of last year	-	-
Total amount required to be spent	**87.66**	**74.56**
b) Amount actually spent during the year	73.50	74.56
c) Amount provisioned for ongoing projects	14.16	0
Unspent Amount	-	-
Reason for Shortfall	There is no Shortfall	There is no Shortfall

Movement in CSR Provision: **(Rs. In Lakh)**

Particulars	FY 2024-25	FY 2023-24
Remaining Provision for CSR Made during the last year	0.00	5.14
Less: Actual Expenditure made during the year against the remaining provision of last year	-	(5.14)
Add: Remaining Provision for CSR made during the current year	14.16	-
Closing figure of Provision	**14.16**	**-**

The Company is promoting education and empowering vocational skills as on ongoing project. Further, doing activities towards medical assistance, sanitation etc as other than ongoing projects.

IND AS -12 Income tax- Disclosures

45. Income tax expense **(Rs. In Lakh)**

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Current tax		
Current income tax charged	542.85	1,019.10
Adjustments for current tax of prior years	(2.27)	20.06
Total current tax expense	**540.58**	**1,039.16**
Decrease/ (increase) in deferred tax Assets/ Liabilities (net)	(337.21)	(353.64)
Income tax expense	**877.79**	**1,392.79**

Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	Movement Recognised in Statement of Profit and Loss	As at Mar 31, 2025
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment and Intanigble Assets	(1,677.66)	(471.79)	(2,149.45)
Defined benefit obligation	446.06	134.58	580.64
Deferred Tax Asset / (Liabilities) (Net)	**(1,231.60)**	**(337.21)**	**(1,568.82)**

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

(Rs. In Lakh)

Particulars	Year ended Mar 31, 2025	Year ended Mar 31, 2024
Profit before income tax expense	**3437.31**	**5373.54**
Tax at India's tax rate	865.10	1352.41
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	839.21	685.45
Tax effect of amounts which are deductible in calculating taxable income	(1,163.96)	(1,021.28)
Adjustments for current tax of prior periods	(2.27)	20.06
Interest	2.50	1.76
Income tax expense	**540.58**	**1038.40**

44. Property, Plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method over estimated useful lives of the assets:

Assets		Useful lives (years)*
Leasehold improvements		Over the period of lease or useful life, whichever is lower
Plant & Machinery: Category		
	A	20
	B	15
	C	10
	D	5
	E	3
ELECTRICAL INSTALLATION : CATEGORY		
	A	15
	B	10
	C	5
BUILDING		30
CAPITAL TOOL SUPPORT		5
FURNITURE & FIXTURES		5
VEHICLES		5
OFFICE & MISC. EQUIPMENTS : CATEGORY		
	A	10
	B	5
	C	3

*Useful life of certain assets are different than the life prescribed under Schedule II to the Companies Act, 2013 and those have been determined based on technical evaluation by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

47. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful live of intangible assets are as follows:

Assets	Useful lives (years)
Software & Licenses	3

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

48. Contingent liabilities

1. Income Tax Demands

Demand raised by Income Tax Authorities of Rs. 3.43 Lakh outstanding as of 31/03/2025. The matter is being pursued with the Income Tax authorities for necessary rectification and correction.

2. Bank Guarantees

The Company has issued bank guarantees totaling Rs. 69.14 Lakh to below mentioned Beneficiaries. These guarantees are contingent in nature and are not recognized in the balance sheet unless there is a definite obligation to pay.

Beneficiary Name	Amount	BG Issue Date	Valid Upto	Claim Expiry Date
Managing Director Paschimanchal Vidyut Vitran Nigam Ltd, Meerut	1,139,312.00	7/23/2024	7/22/2025	7/22/2026
Sunsure Solarpark Ten Private Limited	5,775,000.00	1/8/2025	1/7/2026	4/7/2026

49. DISCLOSURE NOTE- IND AS 116

The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on April 01, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Company has leases contracts for land and premises. These lease arrangements for land are for a period upto 99 years and for premises are for a period upto 5 years. The Company also has certain leases of machinery and equipments with lease terms of 12 months or less with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The following impacts are recognised in financial position on account of recognition of right of use assets and lease liabilities.

(Rs. In Lakh)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Right To Use Buildings	1145.97	686.31
Right To Use Leasehold - Land	1029.90	1048.96
Current lease liabilities	232.31	156.32
Non-current lease liabilities	1195.98	743.15

Amount recognised in statement of profit and loss during the year on account of Ind AS 116

(Rs. In Lakh)

Particulars	FY 2024-25	FY 2023-24
Interest expense on lease liabilities (included in finance cost)	72.83	18.67
Depreciation of Right of Use assets	139.08	101.64

50. Capital Commitments

The Company entered into contracts for addition in fixed assets for Rs. 536.28 Lakh as of 31st March 2025 against which advance payments of Rs. 259.39 have already been paid.

(Rs. In Lakh)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Capital Advances	259.39	266.45

51. Ratio's **(Rs. In Lakh)**

	Particulars	As on Mar 31, 2025		As on Mar 31, 2024	
(i)	**Current Ratio:**				
	Current Assets (a)				
	Inventories	13,315.65		11,880.18	
	Trade receivables	14,032.86		11,512.75	
	Cash and cash equivalents	3.58		7.41	
	Other Financial asset	188.41		68.97	
	Other current assets	2,260.83		3,008.50	
	Current Tax Assets (Net)	-	**29,801.33**	15.49	**26,493.29**
	Current Liabilities (b)				
	Current Borrowings	21,124.83		17,758.22	
	Trade Payable	4,948.79		4,795.00	
	Other financial liabilities	1,545.81		1,296.34	
	Other current liabilities	480.77		245.55	
	Current tax Liabilities (Net)	33.58		0.00	
	Provisions	186.87	**28,320.65**	191.75	**24,286.87**
	Current Ratio (a/b)		**1.05: 1**		**1.09: 1**
	a. Variance : -7.9%				
	b. Reason for Changes more than 25%: NA				
ii)	**Debt Service coverage Ratio :**				
	Net Profit/ (Loss) After Taxes (a)	2559.51		3980.73	
	Depreciation and Amortization Expense (b)	2993.04		2455.02	
	Interest Expense ('c)	2943.80		2363.49	
	Other non cash adjustment (d)	0.00		0.00	
	Earnings available for Debt Services (e) (a+b+c+d)		**8496.35**		**8799.25**

	Particulars	As on Mar 31, 2025		As on Mar 31, 2024	
	Total Debt repaid (f)	4,890.57		3,965.22	
	Interest Liability repaid (g)	2,936.57		2,360.94	
	Total Debt including Interest (h) (f+g)		**7,827.14**		**6,326.16**
	Debt Service Coverage Ratio (e/h)		**1.09 Times**		**1.4 Times**
	a. Variance : -21.6%				
	b. Reason for Changes more than 25%: NA				
iii)	**Return on Equity Ratio :**				
	Net Profit after Taxes (a)	2,510.74		3,939.96	
	Average Equity Shareholder's Fund (b)	21,701.35		18,658.69	
	Return on Equity Ratio (%) (a/b)		**11.57%**		**21.12%**
	a. Variance : -45.2%				
	b. Reason for Changes more than 25%: Due to decline in profit				
iv)	**Inventory Turnover Ratio : NA**				
	Revenue from Operations (a)	41,736.76		41,728.68	
	Average Inventory (b)	12,597.92		10,703.52	
	Inventory Turnover Ratio (times) (a/b)		**3.32 Times**		**3.9 Times**
	a. Variance : -15%				
	b. Reason for Changes more than 25%: NA				
v)	**Trade Receivables turnover Ratio :**				
	Annual net Credit Sales (a)	41,736.76		41,728.68	
	Opening Accounts Receivable (b)	11,512.75		8,449.03	
	Closing Accounts Receivable (c)	14,032.86		11,512.75	
	Average Accounts Receivable (d) (b+c/2)	12772.801		9980.886	
	Trade Receivables turnover Ratio (Times) (a/d)		**3.27 times**		**4.19 times**

	Particulars	As on Mar 31, 2025		As on Mar 31, 2024	
	a. Variance : -21.8%				
	b. Reason for Changes more than 25%: NA				
vi)	**Trade Payables turnover Ratio**				
	Annual net Credit Purchases:				
	Cost of Material Consumed	12,428.51		12,854.00	
	Changes in inventories of finished goods WIP and Stock in Trade	(77.75)		(609.85)	
	Other Expenses	16,360.47		15,579.15	
	Annual net Credit Purchases(a)	**28,711.22**		**27,823.30**	
	Opening Accounts Payable (b)	4,795.00		3,865.39	
	Closing Accounts Payable(c)	4,948.79		4,795.00	
	Average Accounts Payable (d) (b+c/2)	4,871.90		4,330.19	
	Trade Payable turnover Ratio (Times) (a/d)		**5.9 times**		**6.43 times**
	a. Variance : -8.4%				
	b. Reason for Changes more than 25%: NA				
vii)	**Net Capital turnover Ratio :**				
	Sales (a)	41,736.76		41,728.68	
	Working capital (Current Assets - Current Liabilities) (b)	1,480.68		2,206.42	
	Net Capital turnover Ratio (a/b)		**28.19**		**18.91**
	a. Variance : -49%				
	b. Reason for Changes more than 25%: Better efficiency				
viii)	**Net Profit Ratio :**				
	Profit after Tax (a)	2,559.51		3,980.73	
	Sales (b)	41,736.76		41,728.68	
	Net Profit Ratio (%) (a/b)		**6.13%**		**9.54%**

	Particulars	As on Mar 31, 2025		As on Mar 31, 2024	
	a. Variance : -35.7%				
	b. Reason for Changes more than 25%: Due to increase in cost				
ix)	**Return on Capital Employed :**				
	Profit/ (Loss) before Tax (a)	3,437.31		5,373.54	
	Finance Cost (b)	2,943.80		2,363.49	
	Earnings before Interest and Taxes (c) (a+b)		**6,381.11**		**7,737.03**
	Total Assets (d)	63,163.39		57,992.29	
	Less : Total Liabilities (e)	40,287.53		37,465.45	
	Less : Intangible Assets (f)	47.37		44.99	
	Tangible Net Worth (g = d-e-f)	**22,828.49**		**20,481.85**	
	Deferred Tax Liability (h)	1,568.82		1,231.60	
	Total Debt (i)	29,402.89		28,124.75	
	Capital Employed (j) (g+h+i)		**53,800.20**		**49,838.21**
	Return on Capital Employed (%) (c/f)		**11.86%**		**15.52%**
	a. Variance : -23.6%				
	b. Reason for Changes more than 25%: N.A.				
x)	**Debt - Equity Ratio**				
	Total Debt (a)		**29,402.89**		**28,124.75**
	Share Capital	1,120.11		1,120.11	
	Reserve and Surplus	21,755.75		19,406.73	
	Shareholder's Equity (b)		**22,875.86**		**20,526.84**
	Debt - Equity Ratio (Times) (a/b)		**1.29 Times**		**1.38 Times**
	a. Variance : -6%				
	b. Reason for Changes more than 25%: NA				
xi)	**Return on Investments: NA**				

52. Capital Work-In-Progress

As at 31.3.2025 **(Rs. In Lakh)**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	461.10	-	-	-	461.10
Projects Temporarily Suspended	-	-	-	-	-
Total	**461.10**	-	-	-	**461.10**

Particulars	To be completed in				Total
	< 1 yr	1-2 Yrs	2-3 Yrs	>3 Yrs	
Projects in Progress	461.10	-	-	-	461.10
Projects Temporarily Suspended	-	-	-	-	
Total	**461.10**	-	-	-	**461.10**

As at 31.3.2024 **(Rs. In Lakh)**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	641.17	-	-	-	641.17
Projects Temporarily Suspended	-	-	-	-	-
Total	**641.17**	-	-	-	**641.17**

Particulars	To be completed in				Total
	< 1 yr	1-2 Yrs	2-3 Yrs	>3 Yrs	
Projects in Progress	641.17	-	-	-	641.17
Projects Temporarily Suspended	-	-	-	-	
Total	**641.17**	-	-	-	**641.17**

53. Trade receivables outstanding

As at 31.3.2025 **(Rs. In Lakh)**

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	
(i) Undisputed Trade receivables – considered good	10,028.32	4,040.18	15.99	-	-	-	**14,084.49**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

As at 31.3.2024 **(Rs. In Lakh)**

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	
(i) Undisputed Trade receivables – considered good	8,870.15	2,622.31	20.29	-	-	-	**11,512.75**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

54. Trade Payable outstanding

As at 31.3.2025 **(Rs. In Lakh)**

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	
(i) MSME (Micro & Small Enterprise)	618.75	-	-	-	-	618.75
(ii) Others	3,452.94	877.11	-	-	-	4,330.05
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-

As at 31.3.2024 **(Rs. In Lakh)**

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	
(i) MSME (Micro & Small Enterprise)	1,101.86	-	-	-	-	1,101.86
(ii) Others	3,233.51	373.16	-	-	-	3,606.67
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-

55. Previous year figures have been re-grouped, re-worked and re-classified wherever necessary, to make them comparable with current year/period figures.

a

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Equity and Liabilities				
Equity share capital	1078.16	41.95	1120.11	P.F Payable has been regrouped from Other Financial liabilities-Current to Other Current liabilities
Equity and Liabilities				
Other Equity	19448.68	-41.95	19406.73	

b

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Current Assets				
Cash and Cash Equivalents				Balance with banks have been regrouped from cash and cash equivalents to other financial liabilities-current
Balance With Banks	29.8	-28.62	1.18	
Other Financial Liabilities-Current				
Secured Borrowings				
Cash Credit	3600.76	-28.62	3572.14	

c

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Current Assets				
Current Tax Assets	33.2	-17.71	15.49	Current Tax Assets has been regrouped from current assets to current tax liabilities
Current Liabilities				
Current Tax Liabilities				
Advance taxes including TDS & TCS	-1463.09	-17.71	-1480.8	

d

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Profit & Loss Statement				
Expenses	323	-9.45	313.55	Statutory audit fee has been regrouped from legar & professional fee to statutory audit fee
Legal & Professional Fee				
Profit & Loss Statement				
Expenses	0	9.45	9.45	
Statutory Audit Fee				

56. Going concern

Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern therefore financials have been prepared on going concern basis.

57. Other Statutory Information

i) There are no proceedings initiated or pending against the company under section 24 of the Prohibition of Benami Property Transactions Act, 1988 and rules made there under for holding any benami property.

ii) The Company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

iii) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with Companies (restriction on number of layers) Rules, 2017.

iv) The Company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

v) The Company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.

vi) The Company has not been sanctioned working capital limit in the form of term loans and overdraft facilities.

vii) There is no immovable property in the books of the Company whose title deed is not held in the name of the company.

viii) The Company has borrowings from banks or financial institutions and the Company has filed quarterly returns or statements with such banks/financial institutions.

ix) 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.

x) 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.

xi) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Further, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xii) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.

xiii) The Company does not have any transactions with Companies struck off under Section 248 of the Companies Act, 2013.

xiv) There is no charge which is yet to be registered with ROC beyond the statutory period.

58. Audit Trail

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except the audit trail feature is enabled, for certain direct changes to ERP application and its underlying database when using certain privileged / administrative access rights by authorised users where the process is started during the year. Further, there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

59. Approval of Financial Statements

The financial Statement are approved for issue by the company's Board of Directors on 7th May, 2025.

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
UDIN: 25081603BMJJYT1513

By Order of the Board for RACL Geartech Ltd

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JITENDER JAIN
(CFO)

NARINDER PAUL KAUR
(Director)
DIN: 02435942

JAGDISH KESWANI
(Director)
DIN: 02146267

MALINI BANSAL
(Director)
DIN: 00167993

HPS BEDI
(Director)
DIN: 05217488

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

ANIL SHARMA
(Director)
DIN: 00157911

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: 7th May 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of RACL GEARTECH Limited

Report on the audit of the Consolidated Ind AS Financial Statements

We have audited the Consolidated Ind AS Financial Statements of **RACL GEARTECH LIMITED** ("here in after referred to as "the Holding Company"), which includes unaudited Financial Statements of its subsidiary (incorporated outside India) RACL Geartech Gmbh (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Ind AS Financial Statements, including a summary of material accounting policy information and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards(Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2025 and their consolidated profit, total comprehensive income, consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the financial year ended 31st March, 2025. These matters were addressed in the context of our audit of the Consolidated Ind AS 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. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Consolidated Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Ind AS Financial Statements.

Key audit matters	How our audit addressed the key audit matter
A. Revenue Recognition	
Revenue recognition is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement in Consolidated Ind AS Financial Statements for the year. Risk that revenue from operations could be overstated due to booking of revenues pertaining to post year end i.e. cut-off risk is a Key Audit Matter.	Our Audit Procedures included and were not limited to the off following: • Assessed the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof. • Evaluated the design, implementation and operating effectiveness of Company's controls in respect of revenue recognition. • Tested the effectiveness of such controls over revenue cut off at year-end. • On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices, customer purchase order and shipping documents. • Performed an increased level of substantive testing in respect of sales transactions recorded during the period closer to the year end and subsequent to the year end.

Information other than the Consolidated Ind AS 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 Management Discussion and Analysis, Board's Report including Annexures to Board Report, Report on Corporate Governance, but does not include the Consolidated Ind AS Financial Statements and our auditor's report thereon.

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

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

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

Responsibility of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated Ind AS Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the 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 Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Ind AS Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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 Ind AS 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 Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Consolidated Ind AS Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

(i) planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the Consolidated Ind AS Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

We did not audit the financial information of RACL Geartech GmbH (a Wholly owned Subsidiary Company), whose financial information reflects total assets (before consolidation adjustments) of Rs. 1,387.14 Lakhs as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. 1,596.22 Lakhs and net profit/(loss) (before consolidation adjustments) amounting to Rs. (170.79) Lakhs for the year ended on that date, According to the consolidated financial statements. These financials have been audited by other auditors till December 31, 2024 however, they are unaudited for the last quarter of FY s2024-25, which ranges from Jan'25 to Mar'25. The Holding Company's management has converted the financial information of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with related rules as amended from time to time.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors of the Holding Company, and of its subsidiary, none of the directors of the Group Companies, incorporated in India, is disqualified as on 31st March, 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 Ind AS Financial Statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which expresses an unmodified opinion.

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, in its consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The respective management of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, as disclosed in the Note 57 to the Standalone Ind AS 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 or any such subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective management of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of their knowledge and belief, as disclosed in the Note 57 to the Standalone Ind AS Financial Statements, no funds have been received by the Company or any such subsidiaries from any other persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. During the year, the Holding Company has declared and paid dividend of Rs. 161.72 Lakhs.

vi. Based on our examination which included test checks, the Holding Company uses an accounting software called MAWAI for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

vii. With respect to the other matters to be included in the Auditors' 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 Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, the CARO report is not applicable on RACL Geartech GmbH ("Subsidiary") included in the consolidated financial statements of the Company. However, based on the CARO reports issued by us for the Company, we report that there are no qualifications or adverse remarks in the CARO report.

For Gianender & Associates
Chartered Accountants
(Firm 's Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)

UDIN: 25081603BMJJYS6947
Date: 07th May, 2025
Place: New Delhi

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

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

We have audited the internal financial controls with reference to Consolidated Ind AS Financial Statements of **RACL GEARTECH LIMITED** ("here in after referred to as "the Holding Company"), (and not of the sole subsidiary of the Holding Company since it is incorporated outside India) as of 31st March, 2025 in conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Ind AS 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 system with reference to Consolidated Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Ind AS 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 judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Consolidated Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements

A Company's internal financial control with reference to Consolidated Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Consolidated Ind AS 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 Consolidated Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Ind AS Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Ind AS 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 Ind AS Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Ind AS 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, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to Consolidated Ind AS Financial Statements and such internal financial controls with reference to Consolidated Ind AS Financial Statements were operating effectively as at 31st March, 2025, based on the internal control with reference to Consolidated Ind AS Financial Statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Consolidated Ind AS Financial Statements issued by the Institute of Chartered Accountants of India.

For Gianender & Associates
Chartered Accountants
(Firm 's Registration No. 004661N)

G.K Agrawal
(Partner)
(M No. 081603)

UDIN: 25081603BMJJYS6947
Date: 07th May, 2025
Place: New Delhi

Consolidated Balance Sheet as at March 31, 2025

(Rs. In Lakh)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	2	32,211.69	30,333.49
(b) Capital work-in-progress	3	461.10	641.17
(c) Intangible asset	4	47.37	44.99
(d) Financial assets			
i. Investments	5	140.00	-
ii. Other Financial Assets	6	205.94	176.36
(e) Other non-current assets	7	259.39	266.45
Total Non-current Assets		**33,325.49**	**31,462.46**
Current Assets			
(a) Inventories	8	15,329.35	12,671.32
(b) Financial assets			
i. Trade receivables	9	12,518.30	10,722.78
ii. Cash and cash equivalents	10	68.45	9.20
iii. Other Bank Balances	11	188.41	68.97
(c) Current tax assets (net)	12	-	15.49
(d) Other current assets	13	2,280.91	3,014.66
Total Current Assets		**30,385.41**	**26,502.41**
Total Assets		**63,710.90**	**57,964.86**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	1,120.11	1,120.11
(b) Other equity	15	21,539.79	19,361.56
Total Equity		**22,659.90**	**20,481.67**
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
i. Borrowings	16	8,510.37	10,522.86
ii. Lease liability	17	963.67	586.83
(b) Provisions	18	924.02	837.29
(c) Deferred tax liabilities (Net)	19	1,568.82	1,231.60

Consolidated Balance Sheet as at March 31, 2025

(Rs. In Lakh)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
(d) Other Non- Current Liabilities	20	-	-
Total Non-current Liabilities		**11,966.88**	**13,178.58**
Current Liabilities			
(a) Financial liabilities			
i. Borrowings	21	21,644.93	17,601.90
ii. Lease Liability	22	232.31	156.32
iii. Trade payables			
-Total Outstanding dues to micro and small enterprises	23	618.75	1,101.86
-Total Outstanding dues to other than micro and small enterprises	23	4,323.15	3,707.74
iv. Other financial liabilities	24	1,545.81	1,296.34
(b) Other current liabilities	25	498.72	248.69
(c) Provisions	26	186.87	191.75
(d) Current tax Liabilities (Net)	27	33.58	0.00
Total Current Liabilities		**29,084.12**	**24,304.61**
Total Liabilities		**41,051.00**	**37,483.19**
Total Equity and Liabilities		**63,710.90**	**57,964.86**

Notes form intergral part of the Financial Statements
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
UDIN: 25081603BMJJYS6947

By Order of the Board for RACL Geartech Ltd

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
DIN: 02146267

SHASHANK RAMESH ANIKHINDI
(Director)
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JITENDER JAIN
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MALINI BANSAL
(Director)
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ANIL SHARMA
(Director)
DIN: 00157911

NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Consolidated Statement of Profit and Loss for the year ended March 31, 2025

(Rs. In Lakh)

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	28	41,506.82	40,952.21
Other income	29	992.15	574.87
Total Income		**42,498.98**	**41,527.08**
Expenses			
Cost of Material Consumed	30	12,113.84	12,902.47
Changes in inventories of finished goods WIP and Stock in Trade	31	(63.25)	(1,398.88)
Employee benefits expenses	32	**4,748.99**	**4,347.10**
Finance Costs	33	2,986.53	2,363.32
Depreciation and Amortisation Expenses	34	2,993.04	2,455.02
Other Expenses	35	16,454.48	15,513.62
Total expenses		**39,233.63**	**36,182.65**
Profit before exceptional items and tax		**3,265.36**	**5,344.43**
Add: Exceptional items		-	-
Profit before tax		**3,265.36**	**5,344.43**
Less: Tax expense			
(1) Current tax		(553.88)	(1,050.71)
(2) Deferred tax		**(337.21)**	**(353.64)**
Income Tax Expense		**(891.09)**	**(1,404.34)**
Profit for the period from continuing operations		**2,374.26**	**3,940.08**
Other Comprehensive Income			
Remeasurements of the defined benefit plans		**(48.77)**	**(40.77)**
Foreign exchange translatation difference		**14.46**	**(3.78)**
Total other comprehensive income		(34.31)	(44.55)

Consolidated Statement of Profit and Loss for the year ended March 31, 2025

(Rs. In Lakh)

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
		2,339.95	3,895.53
Total comprehensive income for the period		**2,339.95**	**3,895.53**
Earnings per share (Face Value Rs. 10/- per share)			
(1) Basic (in Rs.)	36	**22.02**	**36.54**
(2) Diluted (in Rs.)		**22.02**	**36.54**

Notes form intergral part of the Financial Statements
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
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(Company Secretary)
ICSI MEM. NO. 40272

Consolidated Cash Flow statement for the year ended March 31, 2025

(Rs. In Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A.CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	3,265.36	5,344.43
Adjustment for:		
Depreciation / Amortization	2,993.04	2,455.02
Interest charges	2,986.53	2,363.32
Interest on Deposits	(16.80)	(6.01)
Impairment/(Impairment reversal)	(6.84)	(5.45)
(Profit)/Loss on sale of asset	(82.89)	(2.29)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**9,138.39**	**10,149.03**
Increase/(Decrease) in other Liablities - Non Current	-	-
Increase/(Decrease) in other Financial Liablities	695.19	852.90
Increase/(Decrease) in Trade Payable - Current	132.30	951.54
Increase/(Decrease) in long-term provisions - Non current	37.96	(5.45)
Increase/(Decrease) in short-term provisions - current	(4.89)	430.78
Increase/(Decrease) in other current liabilities	250.03	(375.11)
(Increase)/Decrease in inventories	(2,658.03)	(3,141.59)
(Increase)/Decrease in trade Receivable	(1,795.52)	(2,273.75)
(Increase)/Decrease in other non current financial assets	-169.59	-30.08
(Increase)/Decrease in other non current assets	-	-
(Increase)/Decrease in other current assets	749.24	(1,481.68)
(Increase)/Decrease in other Current financial Asset	(119.45)	(52.76)
CASH GENERATED FROM OPERATIONS	**6,255.64**	**5,023.82**
Direct taxes paid	520.30	1,494.62
NET CASH GENERATED FROM OPERATIONS	**5735.34**	**3529.19**
B.CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE	(4,523.50)	(9,316.17)
Advance given for PPE	(259.39)	(266.45)
Proceeds from Sale of PPE	186.02	325.08
NET CASH GENERATED (USED IN) INVESTING ACTIVITIES	**(4,596.87)**	**(9,257.54)**
C.CASHFLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from long & short term borrowings	2,030.54	8,127.61
Proceeds from share capital	-	-
Interest on Deposits	16.80	6.01

Consolidated Cash Flow statement for the year ended March 31, 2025

(Rs. In Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Dividend Paid	(161.72)	(161.72)
Dividend Distribution Tax	-	-
Proceeds from share premium	-	-
Interest and finance charges paid	(2,979.30)	(2,360.77)
NET CASH FROM FINANCING ACTIVITIES	**(1,093.67)**	**5,611.12**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	**44.79**	**(117.23)**
Cash and cash equivalents as at beginning of the year	9.20	130.22
Effect of exchange rate changes on cash and cash equivalents	(14.46)	3.78
Cash and cash equivalents as at end of the year	68.45	9.20
Net Cash Flow	**44.79**	**(117.23)**

Notes:

1. Cash Flow statement has been prepared under "Indirect Method" as set out in the Ind-AS 7 Cash Flow Statements
2. Cash and cash equivalents respresents the followings:

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks	66.34	2.97
Cash on hand	2.12	6.23
Total	**68.45**	**9.20**

Notes form intergral part of the Financial Statements
As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
UDIN: 25081603BMJJYS6947

By Order of the Board for RACL Geartech Ltd

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(Chairman & M.D.)
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NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: 7th May 2025

Statement of changes in equity for the year ended 31st March 2025

A. Equity share capital

Movement during the year	Number of shares	Share Capital (Amount in Lakh)
Equity		
Authorised (Equity Shares of Rs.10/- each)	**20,000,000**	**2,000.00**
Issued & Subscribed (Equity Shares of Rs.10/- each)		
Balance at the beginning of the period as at 01.04.2024	**11,790,000**	**1,179.00**
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	11,790,000	1,179.00
Change during the year	-	-
Balance at the end of the period as at 31.03.2025	**11,790,000**	**1,179.00**
Paid up Share Capital		
Paid up value of Shares & Warrants Forfeited	-	41.95
Balance at the beginning of the period as at 01.04.2024	**10,781,600**	**1,078.16**
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	10,781,600	1,078.16
Change during the year	-	-
Balance at the end of the period as at 31.03.2025	**10,781,600**	**1,120.11**

Movement during the year	Number of shares	Share Capital (Amount in Lakh)
Authorised (Equity Shares of Rs.10/- each)	**20,000,000**	**2,000.00**
Issued & Subscribed (Equity Shares of Rs.10/- each)		
Balance at the beginning of the period as at 01.04.2023	**11,790,000**	**1,179.00**
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	11,790,000	1,179.00
Change during the year	-	-
Balance at the end of the period as at 31.03.2024	**11,790,000**	**1,179.00**
Paid up Share Capital		
Paid up value of Shares & Warrants Forfeited	-	41.95
Balance at the beginning of the period as at 01.04.2023	**10,781,600**	**1,078.16**
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	10,781,600	1,078.16
Change during the year	-	-
Balance at the end of the period as at 31.03.2024	**10,781,600**	**1,120.11**

B. Other Equity

Movement in Other Equity **(Rs. In Lakh)**

Particulars	Reserves and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2024	**695.31**	**18,666.25**	**19,361.56**
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the reporting period	**695.31**	**18,666.25**	**19,361.56**
Total Comprehensive income for the year	-	2339.95	**2,339.95**
Less: Dividend Paid		(161.72)	(161.72)
Less: Dividend Distribution Tax		-	-
Transfer to retained earnings	-	-	-
Balance at the end of the reporting period i.e. 31.03.2025	**695.31**	**20,844.48**	**21,539.79**

Particulars	Reserves and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
Balance at the beginning of the reporting period i.e. 01.04.2023	**695.31**	**14,932.45**	**15,627.76**
Changes in accounting policy or prior period errors	-	-	-
Restated balance at the beginning of the reporting period	**695.31**	**14,932.45**	**15,627.76**
Total Comprehensive income for the year	-	3895.53	**3,895.53**
Less: Dividend Paid		(161.72)	(161.72)
Less: Dividend Distribution Tax		-	-
Transfer to retained earnings	-	-	-
Balance at the end of the reporting period i.e. 31.03.2024	**695.31**	**18,666.25**	**19,361.56**

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
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NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: 7th May 2025

NOTES TO ACCOUNTS

Note No 1.

GENERAL INFORMATION

RACL Geartech Ltd (referred to as 'RACL' or 'Company') was established in the year 1983 to produce automotive components in the fields of Motorcycles & Scooters, 3&4 Wheeler Passenger & Cargo Vehicles, Agricultural Machinery, Tractors, ATV, Light & Heavy Commercial Vehicles, etc. The company has also expanded into sub-assemblies, industrial Gears for electrical switch Gears and Circuit Breakers, Winches, and Cranes.

It is a customer-centric Organisation obsessed with world-class benchmarking and is supplying to top Global OEMs like BMW Mottarad, Germany, Kubota Corporation (Japan, Thailand, and USA), IT Switzerland (Same Group Company), KTM AG (Austria) Schneider Electric (Germany), Dana (Italy and China) amongst others.

RACL has acquired 100% shares of Racl Geartech Gmbh (Austria), making it as a wholly owned subsidiary.

A. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

a) Statement of Compliance

The shares of the company are listed on the Bombay Stock Exchange (BSE) & National Stock Exchange (NSE).

The Company's financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013 (the Act).

b) Basis of Measurement

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

Item	Measurement
Certain financial assets and liabilities	At Fair value
Net defined benefit (asset)/liability	At the Present value of defined benefit obligations

c) Use of Estimates and Judgements

The preparation of these financial statements conforms with Ind AS. It requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income, and expenses. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/materialized. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, fair value measurement, etc.

d) Measurement of Fair Value

Accounting Policies and disclosures require measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Levels 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that

the entity can access at the measurement date.

- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

e) Operating Cycle

Based on the nature of products/ activities of the Company and the normal time between the acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the classification of its assets and liabilities as current and non-current

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 modified by the requirements of Ind AS. The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements concerning items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees which is also Companies Functional Currency and all values are rounded to the nearest lakhs, except otherwise indicated.

B. Material Accounting Policy Information

B1 INCOME RECOGNITION

a. <u>Revenue from Contracts with customers:</u>

Revenue from contracts with customers is accounted for and recognized, observing the provisions of Ind AS 115 "Revenue from Contracts with Customers".

The Company derives revenue primarily from the sale of goods to the Customer. To recognize the revenue, the Company applies the following five steps approach:

(1) Identify the contract with a customer: The Company observes the following criteria:

a) Parties to the contract have approved the contract.

b) Parties are committed to performing their respective obligations.

c) Each party's rights and payment for the contract are identified.

d) A contract has commercial substance.

e) Probable collection of the consideration by the entity.

(2) Identify the performance obligations in the contract: The Company assesses its promise to transfer goods to a customer to identify separate performance obligations. The Company applies judgment to determine whether each good promised to a customer is capable of being distinct, and distinct in the context of the contract, if not, the promised goods are combined and accounted as a single performance obligation.

(3) Determine the transaction price: The transaction price is fixed and determined based on the terms of the contract and the Company's customary practice and any consideration payable to the customers including cash amounts, credits, rebates, and other similar allowances is reduced from the transaction price.

(4) **Allocate the transaction price to the performance obligation in the contract.** The Company allocates the transaction price to each performance obligation identified in a contract on a relative stand-alone selling price basis.

(5) **Recognize revenue when a performance obligation is satisfied:** Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring promised goods or services to a customer (customer obtains control). For each performance obligation, The Company determines the performance obligation at a point in time when all the following conditions are satisfied:

1. The Company has a present right to pay for the goods.
2. The Customer has a legal title to the goods.
3. The Company has transferred physical possession of the goods.
4. Customer has significant risk and reward of ownership.
5. Customer has accepted the goods.

b. Other Income:

Dividend income from investments is recognized when the company's right to receive payment has been established.

Interest income is accrued on, a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition

B2 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, plant, and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost of acquisition is inclusive of freight, duties, taxes, and other incidental expenses. Freehold land is not depreciated.

Management has reviewed the depreciation policy and machineries have been depreciated accordingly.

Properties in the course of construction for production, supply, or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes items directly attributable to the construction or acquisition of the item of property, plant, and equipment, and, for qualifying assets, borrowing costs capitalized by the Company's accounting policy. Such properties are classified into the appropriate categories of property, plant, and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. Depreciation is charged on a pro-rata basis at the straight-line method over estimated economic useful lives of its property, plant, and equipment generally per that provided in Schedule II to the Act.

Depreciation of an asset begins when it is available for use. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that it is classified as held for sale) following Ind AS 105 and the date that the asset is de-recognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

However, under usage methods of depreciation, the depreciation charge can be zero while there is no production.

Depreciation on additions/ deductions is calculated pro-rata from/ to the Date of additions/ deductions.

An item of property, plant, and equipment is derecognized upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss. The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

B3 INTANGIBLE ASSETS

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

B4 IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

The carrying amount of assets is reviewed at each Balance Sheet date, to assess, if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the assets exceeds the recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

An impairment loss is charged to the statement of profit and loss Account in the year in which an asset is identified as impaired.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit or loss.

B5 INVENTORY

Inventories are valued at the lower of cost, determined on the weighted average basis and Net Realisable Value (NRV).

The cost of Finished Goods and Work in Progress comprises raw material, direct labour, another direct cost, and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated based on normal operating capacity. Costs of Inventories also include all the costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. NRV is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated cost necessary to make the sale.

B6 FOREIGN CURRENCY TRANSACTION

In preparing the financial statements of the Company, transactions in currencies other than the company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences in monetary items are recognized in statements of profit or loss in the period in which they arise.

Foreign currency derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the statement of profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

B7 EMPLOYEE BENEFIT

Company's contributions paid/ payable during the year to Provident Fund and Employees' State Insurance Corporation (ESIC) are recognized in the statement of Profit & Loss Account; Provident Fund contributions are made to a Trust administered by the company. The interest rate payable to the members of this trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the company. The remaining contributions are made to a Government Administered Employee Pension Fund towards which the company has no further obligations beyond its monthly contributions.

Defined benefits and other long-term employee benefits are provided based on the actuarial valuation made at the end of each financial year. Actuarial gains or losses arising from such valuation are charged to Other Comprehensive Income in the year in which they arise.

B8 RESEARCH AND DEVELOPMENT EXPENDITURE

Expenditure on research activities is recognized as an expense in the period in which it is incurred where no internally generated asset can be recognized.

B9 FINANCIAL INSTRUMENT

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value are recognized in the statement of profit or loss.

a. Financial Assets

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

Investments in debt instruments that meet the following conditions are subsequently measured at amortized cost (unless the same are designated as fair value through the statement of profit or loss (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 instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments at FVTPL are a residual category for debt instruments and all changes are recognized in profit or loss.

Investments in equity instruments are classified as FVTPL unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income (OCI) for equity instruments that are not held for trading.

Interest income, dividend income, and exchange difference (on debt instrument) on Fair Value Through Other Comprehensive Income (FVTOCI) debt instruments are recognized in statements of profit or loss, and other changes in fair value are recognized in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to statement of profit & loss. However, in the case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to a statement of profit & loss on disposal of investments.

b. Financial Liabilities and Equity Instruments

(1) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or equity by the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(3) Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of the costs of an asset is included in the 'Finance Costs' Line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs, and other premiums or discounts) through the expected life of the financial liability.

- Loans and borrowings are subsequently measured at amortized costs using the Effective Interest Rate method.
- Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.
- Financial guarantee contracts are subsequently 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.

- Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

B10 IMPAIRMENT OF FINANCIAL ASSETS (EXPECTED CREDIT LOSS MODEL)

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company under the contract/agreement and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are a portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When assessing whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition

B11 PROVISIONS

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, the Company will probably be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When the provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

B12 WARRANTIES

The estimated liability for product warranties is recorded when products are sold. These estimates are

established using historical information on the nature, frequency, and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claims arise- typically six months to one year.

B13 CURRENT AND NON-CURRENT CLASSIFICATION

Current Assets

An asset shall be classified as current when it satisfies any of the following criteria:

(a) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;

(b) It is held primarily to be traded.

(c) It is expected to be realized within twelve months after the reporting date, or

(d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

(a) It is expected to be settled in the company's normal operating cycle;

(b) It is held primarily to be traded;

(c) It is due to be settled within twelve months after the reporting date: or

(d) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other liabilities shall be classified as non-current.

B14 DEFERRED TAX & CURRENT TAX

a. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that taxable profits will probably be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from how the Company expects, at the end of the reporting period, to recover or settle the carrying

amount of its assets and liabilities.

b. Current and deferred tax for the year

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax are recognized in statements of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively

B15 EARNING PER SHARE (EPS)

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. To calculate Diluted Earnings per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.

B16 LEASE

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at the 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 some 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:

- The contract involves the use of an identified asset
- The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- 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 include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include 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 before 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 the 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 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.

C. Cash Flow Statement

A cash flow statement is prepared segregating the cash flows from operating, investing, and financing activities. Cash flow from operating activities is reported using an indirect method. Under the indirect method, the net profit/ (loss) 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,
- All other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing, and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents that are not available for general use as of the date of the Balance Sheet are also included under this category with a specific disclosure.

D. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized during the period that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 7th May 2025
UDIN: 25081603BMJJYS6947

By Order of the Board for RACL Geartech Ltd

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
DIN: 02146267

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

JITENDER JAIN
(CFO)

MALINI BANSAL
(Director)
DIN: 00167993

ANIL SHARMA
(Director)
DIN: 00157911

NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: 7th May 2025

Notes to Standalone financial statements as at and for the Year ended 31st March 2025

Property, plant and equipment

(Rs. In Lakh)

Particulars	Note No.	Cost or Deemed cost				Accumulated depreciation				Impairment			Carrying Amount	
		Balance as at April 1, 2024	Additions	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Depreciation expense	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Impairment loss/ reversal during the year	Balance at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Building	2	4,165.90	474.81		4,640.71	437.37	187.86		625.23	-		-	4,015.47	3,728.53
Right To Use Buildings		1,034.14	579.68	318.78	1,295.04	347.84	120.01	318.78	149.07	-		-	1,145.97	686.31
Plant & Machinery		29,642.92	2,891.99	486.38	32,048.53	6,452.78	2,127.43	397.10	8,183.11	85.58	(6.84)	78.74	23,786.68	23,104.56
Furniture & Fixtures		3.25	34.31		37.56	2.61	3.24		5.85	-		-	31.71	0.64
Vehicles		359.02		21.92	337.10	75.37	71.21	8.57	138.01	(0.00)		(0.00)	199.09	283.65
Office Equipments		694.59	557.20	9.85	1,241.94	153.25	192.46	9.36	336.35	0.45		0.45	905.14	517.01
Electrical Installation		234.65	74.92		309.58	86.46	24.89		111.34	-		-	198.24	148.20
Capital Tool Support		1,389.37	318.54		1,707.90	573.74	234.67		808.42	-		-	899.49	815.62
Right To Use Leasehold - Land		1,144.37			1,144.37	95.41	19.07		114.47	-		-	1,029.90	1,048.96
Total		**38,668.21**	**4,931.45**	**836.93**	**42,762.73**	**8,224.81**	**2,980.85**	**733.80**	**10,471.86**	**86.03**	**(6.84)**	**79.18**	**32,211.69**	**30,333.49**
Previous Year		**29,188.81**	**10,420.06**	**964.54**	**38,644.33**	**6,418.75**	**2,447.81**	**641.75**	**8,224.81**	**91.48**	**(5.45)**	**86.03**	**30,333.49**	**30,333.49**

Capital Work In Progress*

Particulars	Note No.	Cost or Deemed cost				Accumulated Amortisation				Impairment			Carrying Amount	
		Balance as at April 1, 2024	Additions	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Amortisation	Disposals	Balance at March 31, 2025	Balance as at April 1, 2024	Impairment loss/ reversal during the year	Balance at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Capital Work In Progress*	3	641.17	461.10	641.17	461.10	-	-		-	-	-	-	461.10	641.17
Total		**641.17**	**461.10**	**641.17**	**461.10**	-	-	-	-	-	-	-	**461.10**	**641.17**
Previous Year		**176.46**	**641.17**	**176.46**	**641.17**	-	-	-	-	-	-	-	**641.17**	**641.17**

*Refer note- 52 for ageing of CWIP

Intangible Assets

Particulars	Note No.	Cost or Deemed cost				Accumulated Amortisation				Impairment			Carrying Amount	
		Balance as at April 1, 2024	Additions	Disposals/ Capitalized	" Balance at March 31, 2025 "	Balance as at April 1, 2024	Amortisation	Disposals/ Capitalized	Balance at March 31, 2025	Balance as at April 1, 2024	Impairment loss/ reversal during the year	Balance at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Intangible Asset	3	55.06	38.57		93.63	34.06	12.20		46.26	-	-	-	47.37	44.99
Total		**55.06**	**38.57**	-	**93.63**	**34.06**	**12.20**	-	**46.26**	-	-	-	**47.37**	**44.99**
Previous Year		**53.44**	**25.62**	-	**79.06**	**26.86**	**7.21**	-	**34.06**	-	-	-	**44.99**	**44.99**

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
IATF 16949:2016

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Non Current Assets			
(d) Financial Asset			
(i) Investments			
Equity Instruments (Unquoted) (Fully paid) valued at FVTPL	5		
10622 Equity Shares (March 31, 2024: Nil) purchased at Rs. 1,318/- each (Face value Rs. 10 per share) fully paid up in Sunsure Solarpark Ten Private Limited		140.00	-
Total		**140.00**	**-**
(ii) Other Financial Assets			
Security Deposits with landlord against rented premises & Others	6	57.55	27.96
Security Deposits with UPPCL		148.40	148.40
Total		**205.94**	**176.36**
(e) Other Non-Current Assets			
Capital Advances	7		
Advance for Machineries		259.39	266.45
Total		**259.39**	**266.45**
Current Assets			
(a) Inventories (Lower of Cost or Net Relisable Value)			
Raw Materials and components		1467.68	1607.31
Work-in-progress		1699.88	1772.17
Finished goods	8		
- In Hand		623.33	483.58
- In-Transit		3148.03	3152.24
Stores and spares		1129.17	930.33
Loose Tools		6658.45	4231.26
Jigs & fixtures		602.81	494.43
Total		**15,329.35**	**12,671.32**

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
(b) Financial Assets			
i . Trade Recievable*	9		
Unsecured, considered good		12662.13	10722.77
Less: Bad Debts		143.83	-
Total		**12,518.30**	**10,722.77**

*Refer Note No. 53 for ageing

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ii. Cash and Cash Equivalents			
Balances with banks	10	66.34	2.97
Cash on hand		2.12	6.23
Total		**68.45**	**9.20**
iii. Other Bank Balances			
Other Bank Balances - Unpaid Dividend Bank A/c	11	23.37	23.57
Deposits with maturity more than 3 months but less 12 months*		165.04	45.39
Total		**188.41**	**68.97**

*FDR amount includes margin money on Letter of Credit.

(c) Current Tax Assets (Net)			
Income Tax Refundable	12	0.00	15.49
Less: Income Tax Payable		0.00	0.00
Total		**-**	**15.49**
(d) Other Current Assets (Secured, considered good)			
Deposit with Government authorities	13	109.74	550.94
Interest Receivable		14.31	5.93
Prepaid Expenses		190.04	130.32
Advance to Suppliers		845.79	524.13
Other Advances		1.99	3.97
Balance with Government authorities		1119.04	1799.37
Total		**2,280.91**	**3,014.66**

Note No 14

Equity Share Capital **(Rs. In Lakh)**

Particulars	Note No.	Number of Shares		As at March 31, 2025	As at March 31, 2024
		As at March 31, 2025	As at March 31, 2024		
Equity					
Authorised (Equity Shares of Rs.10/- each)		20,000,000	20,000,000	2000.00	2000.00
Issued & Subscribed (Equity Shares of Rs.10/- each)		11,790,000	11,790,000	1179.00	1179.00
Fully Paid up Share Capital (Equity Shares of Rs.10/- each)	14	10,781,600	10,781,600	1078.16	1078.16
Shares Forfeited 10,08,400 (Mar'24: 10,08,400) of Rs. 10/- each on 21.04.2003 and 19,00,000 Convertible Share Warrants having paid up value of Rs. 1 each on 19.04.2010.				41.95	41.95
Total Equity Share Capital		**10,781,600**	**10,781,600**	**1,120.11**	**1,120.11**

i. Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share. All equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders 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 his/its share in the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture. In the event of Liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding. The dividend proposed by the board of directors is to be adopted by the shareholders at the Annual General Meeting . In the event of liquidation, the equity shareholders are eligible to receive dividend proposed by the board of directors subject to the approval of shareholders.

The Company has declared and paid an amount of dividend for Rs. 161.72 Lakh during the FY 2024-25. (Previous year: Rs. 161.72 Lakh)

ii. Shares held by holding/Ultimate holding company and/or their subsidairies/associates : Nil

iii. Reconcillation of the number of shares and amount outstanding at the beginning and at the end of reporting Year

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of Equity Shares	INR in Lakh	No of Equity Shares	INR in Lakh
Share outstanding at the beginning of the year	**10,781,600**	**1078.16**	**10,781,600**	**1078.16**
Share issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Share outstanding at the end of the year	**10,781,600**	**1,078.16**	**10,781,600**	**1,078.16**

iv. List of Shareholders having more than 5% equity shares

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No of Shares Held	% of Holding	No of Shares Held	% of Holding
GURSHARAN SINGH	3,944,879	36.59	3,942,829	36.57
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	1,503,300	13.94	1,503,300	13.94
Middleware Development Limited	728,945	6.76	740,000	6.87

(v) a. Details of Shareholders holding by promoters at the end of the year as at March 31, 2025

Shares held by the Promoters at the end of the year

Name of the Promoter	No of Shares	% of Total Shares	% Change during the year
Equity share capital			
GURSHARAN SINGH	3,944,879	36.59	0.05%
NARINDER PAUL KAUR	35,318	0.33	3.55%
AADHAR INFOSYSTEMS PVT. LTD.	47,130	0.44	6.42%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	1,503,300	13.94	0.00%
Total	**5,530,627**	**51.30**	**10.03%**

(vi) b. Details of Shareholders holding by promoters at the end of the year as at March 31, 2024

Shares held by the Promoters at the end of the year

Name of the Promoter	No of Shares	% of Total Shares	% Change during the year
Equity share capital			
GURSHARAN SINGH	3,942,829	36.57	0.00%
NARINDER PAUL KAUR	34,107	0.32	0.00%
DEV RAJ ARYA	223,000	2.07	-1.37%
AADHAR INFOSYSTEMS PVT. LTD.	44,285	0.41	0.00%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	1,503,300	13.94	0.00%
Total	**5,747,521**	**53.31**	**-1.37%**

Other Equity

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Retained Earning	15	20,844.48	18,666.25
Securities Premium Reserve		695.31	695.31
Total		**21,539.79**	**19,361.56**

Movement in Other Equity

(Rs. In Lakh)

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earning		
Opening Balance	18,666.25	14932.447
Add: Comprehensive Income for the year	2,339.95	3895.525
Less: Dividend Paid	(161.72)	(161.72)
Total	**20,844.48**	**18666.252**
Securities Premium Reserve		
Opening Balance	695.31	695.31
Add: Comprehensive Income for the year	-	-
Closing Balance	**695.31**	**695.31**

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Non Current Liabilities			
(a) Financial Liabilities			
Borrowings			
Secured Loans			
Term Loans from Banks (Refer foot note-3)		13217.71	14749.40
Less: Unamortised Borrowing Cost		(23.71)	(56.32)
Less: Current Maturity of Term Loans	16	(4,855.21)	(4,602.65)
(i)		**8,338.79**	**10,090.43**
Vehicles Loans (Refer foot note-4)		146.05	211.26
Less: Current Maturity of Vehicles Loans		(61.70)	(67.97)
(ii)		**84.35**	**143.29**
1((i)+(ii))		**8,423.14**	**10,233.72**
Unsecured Loans			
Term Loans from Financial Institutions/ Banks		267.24	509.09
Less: Current Maturity of loans from Financial Institutions/ Banks		(180.01)	(219.95)
2		**87.23**	**289.14**
Total (1+2)		**8,510.37**	**10,522.86**
Other Non current Financial Liabilities	17		
Lease Liabilties		1195.98	743.15
Less: Current Maturity of Lease Liabilities		232.31	156.32
Total		**963.67**	**586.83**

1. Secured Term Loans from banks have been guaranteed by Whole Time Directors.
2. The Maturity Profile of Secured Term Loans and Other Loans are as under :
   - FY 25-26 49.17 Crores
   - FY 26-27 35.26 Crores
   - FY 27-28 27.54 Crores
   - FY 28-29 16.81 Crores
   - FY 29-30 6.00 Crores
3. Term Loans are secured on pari-passu Basis in the following manner:
   - First Charge over entire Fixed Assets of the company excluding Land and Building & vehicles (Both Present & Future)
   - Extension of Equitable mortgage of Company's land and building at Gajraula U.P.
4. Vehicles are directly hypothecated to the related lenders.

The above Loans are also secured by the personal guarantee of Shri Gursharan Singh. (CMD of the Company)

The Current Maturities of Long Term Borrowings have been shown as Current liabilities under Note No. 21

5. Unsecured Loans from Financial Institutions and Banks include Loan from Foreign Bank UBS(AG)- Switzerland & Luzerner Kantonal Bank - Switzerland in CHF currency. Maturity Profile of Unsecured term Loans and Other Loans in INR are as under :

- FY 25-26 1.80 Crores
- FY 26-27 0.46 Crores

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
(b) Long Term Provisions			
Gratuity	18	795.94	733.35
Leave Encashment		128.08	103.94
Total		**924.02**	**837.29**
(c) Deferred tax liabilities (Net)			
Deferred tax liabilities	19	2149.45	1677.66
Less: Deferred tax assets		(580.64)	(446.06)
Less Mat Credit Entitlement			
Total		**1,568.82**	**1,231.60**
(d) Other Non- Current Liabilities			
Long Term Advances from Customers	20	0.00	0.00
Less: Current Maturities of Long Term Advances from Customers		-	-
Total		-	-
Current Liabilities			
(a) Financial Liabilities			
(i). Secured Borrowings			
a. Pre-shipment Credit (Refer foot note-1)		6805.63	7838.52
Cash Credit (Refer foot note-1)		8272.82	3572.14
b. Current maturity of Long-term borrowings	21		
Current Maturity of Term Loans		4855.21	4602.65
Current Maturity of Car Loans		61.70	67.97
Current Maturity of Loans from Financial Institution/Banks		180.01	219.95
Total a.		**20,175.37**	**16,301.23**
c. Post-shipment Bill Discounting Facility (Refer foot note-2)		1469.56	1300.66
Total b.		1,469.56	1,300.66
Total (ia) {a.+b.}		**21,644.93**	**17,601.90**

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Other current Financial Liabilities			
Lease Liabilties	22		
Current Maturities of Lease Liabilities		232.31	156.32
Total		**232.31**	**156.32**

1. Pre-shipment and cash credit are secured on pari-passu basis in the following manner:
   - First charge by way of Hypothecation on entire stock and Book Debt of the Company
   - Extension of Equitable Mortgage of Comapny's Land and Building at Gajraula U.P.

   The above Loans are also secured by personal guarantee of Shri Gursharan Singh (CMD of the Company).
2. The Company has taken a post-shipment finance (Bill Discounting) of Rs 1469.56 lakh from RBL Bank Limited & Citibank which are secured in the following manner:
   - First Charge on Trade Receivables as per the sanctioned terms
   - Second charge on the entire current & movable Fixed Assets of the company
   - Personal Guarantee of Mr Gursharan Singh (CMD of the Company)
   - Extension of Equitable Mortgage of Comapny's Land and Building at Gajraula U.P.

(Rs. In Lakh)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ii. Trade payables			
Due to micro and small enterprises		618.75	1101.86
Due to other than micro and small enterprises	23	4312.47	3703.90
Due to Related Parties		10.68	3.84
Total		**4,941.90**	**4,809.60**

1. Disclosure for Micro and Small Enterprise

   The amount due to Micro & Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company.

The disclosure relating to Micro, Small Enterprises as at March 31, 2025 are as under:

Particulars	As at March 31, 2025	As at March 31, 2024
a) Principal amount remaining unpaid	618.75	1,101.86
b) Interest due on above and the unpaid interest*	Nil	Nil
c) Interest paid	Nil	Nil
d) Payment made beyond the appointed day during the year	Nil	Nil
e) Interest due and payable for the period of delay	Nil	Nil
f) Interest accrued and remaining unpaid	Nil	Nil
g) Amount of further interest remaining due and payable in succeeding years	Nil	Nil

*Interest has not been provided as per the MSME Act as due to MSME is paid within the agreed credit period with respective suppliers.

2. Refer Note no. 54 for Ageing **(Rs. In Lakh)**

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
iii. Other Financial liabilities - Current			
Payable to Staff		Nil	Nil
Salary & Wages		263.86	39.26
Directors remuneration & sitting fees	24	225.34	109.50
Interest Payable on Foreign Currency Loan		7.23	2.55
Other payables		1049.38	1145.03
Total		**1,545.81**	**1,296.34**
(b) Other Current liabilities			
i. Statutory Dues			
Tax Collection At Source		0.69	0.89
TDS Payable		74.05	56.01
GST Payable	25	34.74	17.70
ESI & PF Payable		27.81	30.08
ii Advance received from Customers		338.07	120.43
iii Current Maturities of Long Term Advances from Customers		0.00	0.00
iv. Unpaid Interim Dividend (2019-20 to 2023-24)		23.37	23.57
Total		**498.72**	**248.69**
(c) Short Term Provisions	26		
Gratuity		153.12	162.39
Leave Encashment		33.75	29.37
Total		**186.87**	**191.75**

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
(d) Current Tax Liabilities (Net)	27		
Income Tax Payable		553.88	1,494.63
Less : Advance Taxes including TDS & TCS		(520.30)	(1,494.62)
Total		**33.58**	**0.00**

Revenue From Operations **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Sale of Products - Domestic	28	9,296.91	8,470.54
Sale of Products - Export		28,867.17	30,075.97
Other Operating Revenue		3,342.74	2,405.70
Total		**41,506.82**	**40,952.21**

Other Income **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Interest on Deposits	29	16.80	6.01
Interest on Advance paid to Supplier		20.50	100.23
Other Non Operating Income		14.80	40.73
Profit on Sales of Fixed Assets		82.89	2.29
Foreign Exchange Rate Fluctuation- Gain		857.15	425.61
Total		**992.15**	**574.87**

Cost of Raw Material Consumed **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock (Refer Note No. 8)	30	1,607.31	1,283.08
Add: Purchases		11,974.22	13,226.70
Less: Closing Stock (Refer Note No. 8)		(1,467.68)	(1,607.31)
Total		**12,113.84**	**12,902.47**

Change in Inventories **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Closing Stock	31		
Finished Goods		623.33	483.58
Materials in Transit		3,148.03	3,152.24
Work in Progress		1,699.88	1,772.17
		5,471.24	**5,407.99**
Less:			
Opening Stock			
Finished Goods		483.58	532.21
Materials in Transit		3,152.24	1,946.02
Work in Progress		1,772.17	1,530.87
		5,407.99	**4,009.10**
(Inc)/Dec in stock		**(63.25)**	**(1,398.88)**

Employee Benefits Expenses **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Salary & Incentives	32	4,040.68	3,639.92
Employer's Contribution to Provident Fund		53.93	47.06
Gratuity Contribution		134.50	123.05
Leave Encashment		46.40	52.20
Directors Remuneration		303.22	340.48
Staff Welfare Expenses		170.27	144.39
Total		**4,748.99**	**4,347.10**

Finance Cost **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Interest Expense	33	2,732.02	2,132.01
Foreign Exchange Rate Fluctuation on Long Term Borrowings Net Loss		19.55	70.05
Other Finance Cost		234.96	161.26
Total		**2,986.53**	**2,363.32**

Depreciation and Amortisation **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation	34	2,980.85	2,447.81
Amortisation		12.20	7.21
Total		**2,993.04**	**2,455.02**

Other Expenses **(Rs. In Lakh)**

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Stores & Spares Consumed	35	1,311.33	1,650.44
Packing Material Consumed		912.34	830.18
Loose Tools Consumed		2,312.50	2,189.08
Power, Oil & Lubricants & LPG for furnance		2,600.84	2,673.67
Repairs & Maintainance (Plant & Machinery)		475.62	425.04
Job Work & Other Contractual Cost		5,258.75	4,809.34
Customs Duty		72.88	136.07
Others		32.64	20.62
		12,976.91	**12,734.43**
Total		**12,976.91**	**12,734.43**
Travelling & Conveyance		125.56	136.62
Vehicle Running and Maintenance		98.33	108.98
Telephone, Telex & Communication		29.69	38.95
Repairs & Maintainence -Buildings		81.06	92.89
Repairs & Maintainence -Others		40.51	19.75
Freight & Forwarding		1,356.18	1,165.40
Rework & Other Charges on Sales		32.44	141.24
Bad Debts		143.83	-
Impairment Loss/(Reversal of Impairment loss) over PPE		(6.84)	-
Warehouse Charges		347.63	215.91
UPSIDC Maintenance Charges		15.10	15.10
Directors Sitting Fees		20.45	16.59
CSR Expenditure (Refer Note 44)		87.66	74.56
Insurance		131.55	140.27

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Printing & Stationary		54.30	58.19
Electricity & Water		15.18	11.93
Legal & Professional Fees	35	405.39	313.55
Payments to Statutory Auditors*		9.75	9.45
Misc Expenses		489.82	219.82
Total		**3,477.57**	**2,779.19**
Total		**16,454.48**	**15,513.62**

***Payments to Statutory Auditors (Excluding GST)**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Statutory Audit Fee	9.00	9.00
(b) Other Services	0.75	0.45
Total	9.75	**9.45**

36. Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars	Unit	As at Mar 31, 2025	As at Mar 31, 2024
Earnings Per Equity Share:			
Profit for the year attributable to owners of the Company	Rupees	237,425,515.29	394,007,823.43
Weighted average number of equity shares outstanding for calculating basic earnings per share	Numbers	10,781,600.00	10,781,600.00
Basic & Diluted Earnings per Share	**Rupees**	**22.02**	**36.54**

There are no potential diluters as on the date of balance sheet

35. Disclosure pursuant to Ind AS 19 "Employee Benefit"

The details of various employee benefit provided to employee areas under:

Defined Benefit Plans

Defined Benefit Plans

By the Payment of Gratuity Act, of 1972, the Company provides for gratuity, as a defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of the vested year of employment i.e. five years. The liability of the gratuity plan is provided based on actuarial valuation at the end of each financial year.

These plans typically expose the Company to actuarial risks such as investment risk, inherent interest rate risk, longevity risk, salary risk, and Investment Risk.

Interest Rate Risk The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase Longevity Risk.

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk Higher than expected increases in salary will increase the defined benefit obligation.

The most recent actuarial valuation for determining the present value of the defined benefit obligation was carried out on March 31, 2025, by M/s MDPL Actuarial Services. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

The principal assumptions used for the purpose of the actuarial valuations were as follows:-

A. GRATUITY **(Rs. In Lakh)**

Particulars	Gratuity	
	As at Mar 31, 2025	As at Mar 31, 2024
Reconciliation of opening & closing balances of PV of defined benefit obligation		
Opening defined benefit obligation	895.74	873.90
Current service Cost	70.90	58.38
Interest Cost on Benefit Obligation	63.60	64.67
Prior service cost-Vested benefit		
Net Actuarial gain/loss recognized during the year	48.77	40.77
Benefits paid	(129.94)	(141.98)
Closing defined benefit obligation	**949.06**	**895.74**
Current Liabilities	153.12	162.39
Non Current Liabilities	795.94	733.35
Expenses recognized in the statement of P&L Account		
Current Service Cost	70.90	58.38
Interest Cost on Benefit Obligation	63.60	64.67
Defined Benefit Cost included in P&L	**134.50**	**123.05**
Total Remeasurement in OCI	48.77	40.77
Total Defined Benefit Cost recognised in P&L and OCI	**183.27**	**163.82**
Summary of Actuarial Assumptions		
Retirement Age		

Particulars	Gratuity	
	As at Mar 31, 2025	As at Mar 31, 2024
Discount Rate	7.00%	7.10%
Salary Escalation	6.00%	6.00%
Retirement Age	58 Years	58 Years
Average Future Service	23.29	21.94
Mortality Table	IALM(2012-14) Table Ultimate	IALM(2012-14) Table Ultimate

Change in Fair Value of Plan Assets **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Fair Value of Plan Assets at beginning of year		-
Interest Income		-
Employer Contributions		-
Employer Direct Benefit Payments	129.94	141.98
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(129.94)	(141.98)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets(Excluding Interest Income)	-	-
Fair Value of Plan Assets at end of year	-	-
Weighted Average Asset Allocations at the year end		
Equities	-	-
Bonds	-	-
Gilts	-	-
Insurance Policies	-	-
Total	0%	0%

Components of Defined Benefit Cost **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Current Service Cost	70.90	58.38
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	70.90	58.38
Interest Expense on DBO	63.60	64.67
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	63.60	64.67
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	134.50	123.05
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	8.29	20.92
Remeasurements - Due to Experience Adjustments	40.48	19.85
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	48.77	40.77
Total Defined Benefit Cost recognized in P&L and OCI	183.27	163.82
Discount Rate	7.00%	7.10%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Defined Benefit Obligation	949.06	895.74
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	949.06	895.74
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	949.06	895.74

Summary of Financial & Demographic Assumptions

Particulars	Valuation Date	
	31.03.2025	31.03.2024
Discount Rate	7.00%	7.10%
Salary Escalation - First 5 Years	6.00%	6.00%
Salary Escalation - After 5 Years	6.00%	6.00%
Expected Rate of Return on Plan Assets	N/A	N/A
Mortality Table	IALM (2012-14) Table Ultimate	
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Retirement Age	58 Years	58 Years
Average Future Service	23.29	21.94

B. LEAVE ENCASHMENT **(Rs. In Lakh)**

Particulars	Leave Encashment	
	As at Mar 31, 2025	As at Mar 31, 2024
Reconciliation of opening & closing balances of PV of defined benefit obligation	133.31	132.97
Opening defined benefit obligation		
Current service Cost	31.06	26.03
Interest Cost on Benefit Obligation	9.46	9.84
Prior service cost-Vested benefit		
Net Actuarial gain/loss recognized during the year	5.88	16.33
Benefits paid	(17.89)	(51.86)
Closing defined benefit obligation	**161.83**	**133.31**
Current Liability	33.75	29.37
Non Current Liability	128.08	103.94
Expenses recognized in the statement of P&L Account		
Current Service Cost	31.06	26.03
Interest Cost on Benefit Obligation	9.46	9.84
Defined Benefit Cost included in P&L Account	**40.53**	**35.87**
Total Remeasurement in OCI	5.88	16.33
Total Defined Benefit Cost recognised in P&L and OCI	**46.40**	**52.20**

Particulars	Leave Encashment	
	As at Mar 31, 2025	As at Mar 31, 2024
Summary of Actuarial Assumptions		
Retirement Age		
Discount Rate	7.00%	7.10%
Salary Escalation	6.00%	6.00%
Retirement Age	58 Years	58 Years
Average Future Service	23.29	21.94
Mortality Table	IALM (2012-14) Table Ultimate	

Change in Fair Value of Plan Assets **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	17.89	51.86
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(17.89)	(51.86)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divestiture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Return on Assets (Excluding Interest Income)	-	-
Fair Value of Plan Assets at end of year	-	-
Weighted Average Asset Allocations at the year end		
Equities	-	-
Bonds	-	-
Gilts	-	-
Insurance Policies	-	-
Total	0%	0%

Components of Defined Benefit Cost **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Current Service Cost	31.06	26.03
Past Service Cost	-	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	**31.06**	**26.03**
Interest Expense on DBO	9.46	9.84
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	9.46	9.84
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	**40.53**	**35.87**
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	1.25	2.79
Remeasurements - Due to Experience Adjustments	4.63	13.54
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	5.88	16.33
Total Defined Benefit Cost recognized in P&L and OCI	**46.40**	**52.20**
Discount Rate	7.00%	7.10%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position **(Rs. In Lakh)**

Particulars	Financial Year Ending 31/03/2025	Financial Year Ending 31/03/2024
Defined Benefit Obligation	161.83	133.31
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	**161.83**	**133.31**
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	**161.83**	**133.31**

Summary of Financial & Demographic Assumptions

Particulars	Valuation Date	
	31.03.2025	31.03.2024
Discount Rate	7.00%	7.10%
Salary Escalation - First 5 Years	6.00%	6.00%
Salary Escalation - After 5 Years	6.00%	6.00%
Expected Rate of Return on Plan Assets	N/A	N/A
Mortality Table	IALM (2012-14) Table Ultimate	
Disability Rate	5% of Mortality Rate	5% of Mortality Rate
Retirement Age	58 Years	58 Years
Average Future Service	23.29	21.94

C. SENSITIVITY ANALYSIS

A quantitative sensitivity analysis for significant assumptions as 31st March 2025

Particulars	GRATUITY PLAN	
	CHANGE IN ASSUMPTIONS	IMPACT ON DEFINED BENEFIT OBLIAGATION
	Increase/ (Decrease)	Increase/ Decrease in Assumptions
	%	(Rs. In Lakh)
UNDER BASE SCENARIO		949.06
SALARY ESCALATION	1.00%	1017.66
	-1.00%	890.21
WITHDRAWAL RATES	1.00%	954.08
	-1.00%	946.60
DISCOUNT RATES	1.00%	890.11
	-1.00%	1020.22

D. RISKS ASSOCIATED WITH DEFINED BENEFIT PLAN

Where there is a benefit being promised and benefit being provided, there will always be some uncertainty for the benefit provider and the benefit recipient.

Benefit Risks in Defined Benefit Schemes

1. Risk to the beneficiaries (i.e. for employees)

Insufficient funds: The greatest risk to the beneficiary is that there are insufficient funds available to provide

the promised benefits.

This may be due to :

- The insufficient funds set aside, i.e. underfunding
- The insolvency of the Employer
- The holding of investments which are not matched to the liabilities; Or
- A combination of these events

Changes to tax rates or status

2. Risks to the Benefit provider (i.e. for employer)

Parameter risk: Actuarial valuation is done basis some assumptions like salary inflation, discount rate and withdrawal assumptions. In case the actual experience varies from the assumptions, fund may be Insufficient to pay off the

For example: Suppose the plan's liability is calculated with salary inflation assumption of 5% per annum. However,Company's' actual practice is to provide increment of 10% per annum. This will result into underfunding.

Similarly, reduction in discount rate in subsequent future years can increase the plan's liability. Further, actual withdrawals may be lower or higher than what was assumed in the valuation, which may also impact the plan's liability.

Risk of illiquid assets: Another risk is that the funds, although sufficient, are not available when they are required to finance the benefits. This may be due to assets being locked for longer period or in illiquid assets.

Risk of benefit change: There may be a risk that a benefit promised is changed or is changeable within the terms of the contract. For e.g. the prevailing Act / Regulation may increase the benefits payable under defined benefit plans.

Asset liability mismatching risk: ALM risk arises due to a mismatch between assets and liabilities either due to liquidity or changes in interest rates or due to different duration.

For example: When the liability duration is, say, 10 years and with assets locked in 5-year g-sec securities. After 5years, there is huge reinvestment risk to invest maturity proceeds of assets due to uncertainty about the market prevailing yields at that time.

38. Disclosure of Segmental reporting pursuant to Ind AS 108 "Segmental Reporting"

The Company is engaged in manufacturing of Automotive Components meant for two wheeled, three wheeled and four wheeled Vehicles. Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting Systems. The company has structured its operations into single operating segment geographic distribution of however based on the activities, the chief operating decision maker identified India and outside India as two geographical segments.

Revenue from Customers	As at Mar 31, 2025	As at Mar 31, 2024
Within India	**9,296.91**	**8,470.54**
Outside India		
AUSTRIA	10219.51	15004.73
JAPAN	2373.10	3053.65
GERMANY	12419.88	7858.37

Revenue from Customers	As at Mar 31, 2025	As at Mar 31, 2024
SWITZERLAND	335.91	544.30
ITALY	1137.71	360.41
THAILAND	2.09	17.56
VIETNAM	6.50	12.86
USA	376.38	622.80
CHINA	1949.56	3372.10
CANADA	276.47	
SWEDEN		5.66
Total Outside India	**29,097.11**	**30,852.44**

39. Disclosure of Related parties/ Related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

A. List of Related Parties

Name of the Other Related Party
SUN-UP FOUNDATION (CSR TRUST)

Name of the Key Management Personnel	Designation
Mr Gursharan Singh	Chairman and Managing Director
Ms. Neha Bahal	Company Secretary
Mr. Jitender Jain	CFO
Name of the Directors	**Designation**
Mr Gursharan Singh	Chairman and Managing Director
Mr. Anil Sharma	Non- Executive Director
Ms. Narinder Paul Kaur	Non- Executive Director
Mr. Shashank Ramesh Anikhindi	Independent Director
Mr. Jagdish Keswani	Independent Director
Mr. H.P.S. Bedi	Independent Director
Ms. Malini Bansal	Independent Director

Names of Relatives of KMPs with whom transactions have taken place during the year:-

Designation	Relations
Chairman and Managing Director	Son of Mr.Gursharan Singh
Non- Executive Director	Wife of Mr.Gursharan Singh

During the current as well as previous year, the Company did not have any related party transaction with any enterprise wherein any director has any significatnt influence.

B. Transactions with related parties: **(Rs. In Lakh)**

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
CSR Expenditure to Sun-UP Foundation (CSR Trust)	73.50	79.70
Remuneration and Perks - Key Managerial Personnel & Directors		
- Mr. Gursharan Singh, Chairman & Managing Director	267.71	275.93
- Ms. Neha Bahal, Company Secretary	13.25	10.14
- Ms. Narinder Paul Kaur (as retainership fees)	30.00	30.00
- Mr. Anil Sharma, Non-Executive Director (as retainership fees)	30.00	27.20
- Mr. Jitender Jain, CFO	76.41	46.25
Remuneration and Perks - Relatives of Key Managerial Personnel		
- Mr. Prabh Mehar Singh	27.03	28.67
Directors Sitting Fees		
- Mr. Anil Sharma	2.95	2.25
- Ms. Narinder Paul Kaur	2.30	1.95
- Mr. Shashank Ramesh Anikhindi	4.35	2.95
- Mr. Jagdish Keswani	4.60	4.09
- Mr. H.P.S. Bedi	2.30	1.95
- Ms. Malini Bansal	3.95	3.35

C. Closing Balances with related parties: **(Rs. In Lakh)**

Name of the Key Management Personnel	Outstanding As at Mar 31, 2025		Outstanding As at Mar 31, 2024	
	Receivable	Payable	Receivable	Payable
Mr Gursharan Singh	-	220.84	-	105.00
Mr. Anil Sharma	-	2.25	-	2.25
Mrs. Narinder Paul Kaur	-	2.25	-	2.25

Financial Instruments

40. Capital Managment

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, opitimisation of working capital requirements and deployment of surplus funds into various investment options.

The capital structure of the company consists of debt (long term borrowings and short term borrowings), capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

40(a). Gearing Ratio

The gearing ratio at the end of the reporting period was as follows **(Rs. In Lakh)**

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Debt	30,155.30	28,124.75
Cash and Bank Balances	68.45	9.20
Net Debt (i)	**30,086.84**	**28,115.55**
Equity (ii)	**22,659.90**	**20,481.67**
Net Debt To Equity Ratio	**1.33**	**1.37**

40(b). Changes in liabilities arising from financing activities as per Ind-AS 7

		NON CASH			
Particulars	**As at 1st April, 2024**	**CASH FLOW**	**FOREIGN EXCHANGE MOVEMENTS**	**Charged to P&L**	**As at Mar 31, 2025**
Borrowings	28,390.79	2,030.54	-	-	30,421.33
Interest	2.55	(2,979.30)	-	2,986.53	7.23
Total liabilities	**28,393.34**	**(948.76)**	**-**	**2,986.53**	**30,428.56**

		NON CASH			
Particulars	**As at April 1st, 2023**	**CASH FLOW**	**FOREIGN EXCHANGE MOVEMENTS**	**Charged to P&L**	**As at Mar 31, 2024**
Borrowings	20,263.18	8,127.61	-	-	28,390.79
Interest	4.00	(2,360.77)	-	2,363.32	2.55
Total liabilities	**20,267.18**	**5,766.84**	**-**	**2,363.32**	**28,393.34**

40(c). (a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs). The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an

optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

(Rs. In Lakh)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Net Debt	30,086.84	28,115.55
EBITDA	9244.93	10162.78
Net Debt to EBITDA	3.25	2.77

(b) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.

(c) Dividends **(Rs. In Lakh)**

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
On Equity shares of Rs. 10/- each		
Final dividend		
Amount of dividend paid (pertains to previous financial year)	161.72	161.72
Dividend per equity share	1.50	1.50
Interim Dividend		
Amount of dividend paid		
Dividend per equity share	-	-

41. Catagories of Financial Instruments **(Rs. In Lakh)**

Financial instruments by categories	31.03.2025			31.03.2024		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset						
Non-Current Financial Asset						
Investment in Equity Instruments	140.00			-		-
Security Deposit	-	-	205.94	-	-	176.36
Current Financial Asset						
i. Trade receivables	-	-	12,518.30	-	-	10,722.78
ii. Cash and cash equivalents	-	-	68.45	-	-	9.20
iii. Other Financial asset	-	-	188.41	-	-	68.97
Total Financial Asset	**140.00**	**-**	**12,981.10**	**-**	**-**	**10,977.30**

Financial instruments by categories	31.03.2025			31.03.2024		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial liability						
Non-Current Financial Liabilities						
Borrowings	-	-	8,510.37	-	-	10,522.86
Other	-	-	963.67	-	-	586.83
Current Financial Liabilities						
i. Borrowings	-	-	21,877.24	-	-	17,758.22
ii. Trade payables	-	-	4,941.90	-	-	4,809.60
iii. Other financial liabilities	-	-	1,545.81	-	-	1,296.34
Total Financial Liabilities	**-**	**-**	**37,838.99**	**-**	**-**	**34,973.84**

42. Fair value of Financial Assets and Liabilties at amortized cost **(Rs. In Lakh)**

Financial instruments by categories	31.03.2025		31.03.2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial asset				
Non-Current Financial Asset				
Investment in Equity Instruments	140.00	140.00	-	-
Security Deposit	205.94	205.94	176.36	176.36
Current Financial Asset				
i. Trade receivables	12,518.30	12,518.30	10,722.78	10,722.78
ii. Cash and cash equivalents	68.45	68.45	9.20	9.20
iii. Other Financial asset	188.41	188.41	68.97	68.97
Total Financial Asset	**13,121.10**	**13121.10**	**10,977.30**	**10,977.30**
Financial liability				
Non-Current Financial Liabilities				
Borrowings	8,510.37	8,510.37	10,522.86	10,522.86
Others	963.37	963.37	586.83	586.83
Current Financial Liabilities				
i. Borrowings	21,877.24	21,877.24	17,758.22	17,758.22
ii. Trade payables	4,941.90	4,941.90	4,809.60	4,809.60
iii. Other financial liabilities	1,545.81	1,545.81	1,296.34	1,296.34
Total Financial Liabilities	**37,838.99**	**37,838.99**	**34,973.84**	**34,973.84**

The carrying amount of financial assets/liabilities including trade receivables and payables and others; measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying value of Rupee Term Loan approximate fair value as the instruments are at prevailing market rate. The Fair values are all measured at Level 3

43. Financial Risk Management Objectives

The company's activities expose it to variety of financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed annually to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company operates internationally and a major portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through its sales and services in the several countries and purchases from overseas suppliers in various foreign currencies.

The company has incurred expenditure in Foreign Currency **(Rs. In Lakh)**

Particulars	FY 2024-25	FY 2023-24
Raw Material/ Tools/ Machines	2462.5	6636.41
Foreign Travelling & Services	559.67	387.29
Interest	21.48	24.19

The company has Earnings in Foreign Currency **(Rs. In Lakh)**

Particulars	FY 2024-25	FY 2023-24
Export of Goods on FOB basis	28990.31	30955.31

The foreign currency risk from financial instruments as at Mach 31, 2025 is as follows:

(Rs. In Lakh)

Particulars	As on 31.03.2025									
	USD	EURO	CHF	GBP	Yuan	JPY	Thai Baht	Hong Kong Dollar	NT DOL-LAR	Cana-dian Dollar
Cash & Cash Equivalents (INR)						0.52	0.04			
Trade Receivables (INR)	5,909.96	5,765.96	-	-	-	-	-	-		-
Trade Payables (INR)	-	121.55	-	-	-	-	-	-		-
Interest Payables (INR)	-	-	7.23	-	-	-	-	-		-
Borrowings in Foreign Currency (INR)	7,526.74	35.29	267.23	-	-	-	-	-		-
Total	**13436.70**	**5922.80**	**274.46**	**0.00**	**0.00**	**0.52**	**0.04**	**0.00**	**0.00**	**0.00**

The foreign currency risk from financial instruments as at Mach 31, 2024 is as follows:

(Rs. In Lakh)

Particulars	As on 31.03.2023									
	USD	EURO	CHF	GBP	Yuan	JPY	Thai Baht	Hong Kong Dollar	NT DOL-LAR	Cana-dian Dollar
Cash & Cash Equivalents (INR)		0.35			0.01	0.04	0.01	0.01	1.13	
Trade Receivables (INR)	6,422.05	3,061.51	-	-	-	-	-	-		-
Trade Payables (INR)	-	172.45	27.06	-	-	-	-	-		-
Interest Payables (INR)	-	-	2.55	-	-	-	-	-		-
Borrowings in Foreign Currency (INR)	6,045.67	793.15	508.52	-	-	-	-	-		-
Total	**12467.72**	**4027.46**	**538.13**	**0.00**	**0.01**	**0.04**	**0.01**	**0.01**	**1.13**	**0.00**

Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

Particulars	March 31, 2025		March 31, 2024	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign Currency in Lakh	Amount (Rs. In Lakh)	Amount in Foreign Currency in Lakh	Amount (Rs. In Lakh)
USD	18.89	1,616.78	(4.51)	(376.38)
EURO	(60.76)	(5,609.12)	(23.23)	(2,095.91)
CHF	2.84	274.46	5.82	538.13

Sensitivity analysis based on average outstanding Foreign currency loan **(Rs. In Lakh)**

Particulars	Impact on profit/ loss after tax	
	FY 2024-25	FY 2023-24
Increase or decrease in exchange rate by Rs.1	39.95	22.44

Note: Profit will increase in case of decrease in foreign currency rate and vice versa

ii Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from borrowings with variable rates. The company measures risk through sensitivity analysis.

Currently, Lending by Commercial Banks is at variable rate, which is an inherent business risk.

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

(Rs. In Lakh)

Particulars	FY 2024-25	FY 2023-24
Debt from Banks/ FIs - Variable rate borrowings	30,155.30	28,124.75

Sensitivity analysis based on average outstanding Debt **(Rs. In Lakh)**

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2024-25	FY 2023-24
Increase or decrease in interest rate by 25 basis points	72.85	60.15

Note: Profit will increase in case of decrease in interest rate and vice versa

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities **(Rs. In Lakh)**

As at March 31, 2025	Carrying Amount	upto 1 year	From 2 to 4 Year	For 5th Year	More than 5 years	Total
Non Derivative Financial Liability						
Term Loan from Banks	13,194.00	4,855.21	7,738.79	600.00	-	**13,194.00**
Term Loan from Financial Institutions	267.24	180.01	87.23	-	-	**267.24**
Lease Liabilities	1,195.98	232.31	963.67	-	-	**1,195.98**
Car Loan	146.05	61.70	84.35	-	-	**146.05**
Loan Repayable on Demand	15,078.45	15,078.45	-	-	-	**15,078.45**
Bill Discounting	1,469.56	1,469.56	-	-	-	**1,469.56**
Trade Payables	4,941.90	4,941.90	-	-	-	**4,941.90**
Other Financial Liabilities	1,545.81	1,545.81	-	-	-	**1,545.81**
Total	**37,838.99**	**28,364.95**	**8,874.04**	**600.00**	-	**37,838.99**

(Rs. In Lakh)

As at March 31, 2024	Carrying Amount	upto 1 year	From 2 to 4 Year	For 5th Year	More than 5 years	Total
Non Derivative Financial Liability						
Term Loan from Banks	14,693.08	4,602.65	9,333.97	756.46	-	**14,693.08**
Term Loan from Financial Institutions	509.09	219.95	289.14	-	-	**509.09**
Lease Liabilities	743.15	156.32	586.83	-	-	**743.15**
Car Loan	211.26	67.97	138.33	4.96	-	**211.26**
Loan Repayable on Demand	11,410.66	11,410.66	-	-	-	**11,410.66**
Bill Discounting	1,300.66	1,300.66	-	-	-	**1,300.66**
Trade Payables	4,809.60	4,809.60	-	-	-	**4,809.60**
Other Financial Liabilities	1,296.34	1,296.34	-	-	-	**1,296.34**
Total	**34,973.84**	**23,864.16**	**10,348.27**	**761.42**	-	**34,973.84**

C) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks. Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

44. Expenditure on Corporate Social Responsibility (CSR) **(Rs. In Lakh)**

Particulars	FY 2024-25	FY 2023-24
a) Gross amount required to be spent for the year	87.66	74.56
Add Shortfall of last year	-	-
Total amount required to be spent	**87.66**	**74.56**
b) Amount actually spent during the year	73.50	74.56
c) Amount provisioned for ongoing projects	14.16	0
Unspent Amount	-	-
Reason for Shortfall	There is no Shortfall	There is no Shortfall

Movement in CSR Provision: **(Rs. In Lakh)**

Particulars	FY 2024-25	FY 2023-24
Remaining Provision for CSR Made during the last year	0.00	5.14
Less: Actual Expenditure made during the year against the remaining provision of last year	-	(5.14)
Add: Remaining Provision for CSR made during the current year	14.16	-
Closing figure of Provision	**14.16**	**-**

The Company is promoting education and empowering vocational skills as on ongoing project. Further, doing activities towards medical assistance, sanitation etc as other than ongoing projects.

IND AS -12 Income tax- Disclosures

45. Income tax expense **(Rs. In Lakh)**

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Current tax		
Current income tax charged	556.15	1,030.65
Adjustments for current tax of prior years	(2.27)	20.06
Total current tax expense	**553.88**	**1,050.71**
Decrease/ (increase) in deferred tax Assets/ Liabilities (net)	(337.21)	(353.64)
Income tax expense	**891.09**	**1,404.34**

Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(Rs. In Lakh)

Particulars	As at Mar 31, 2024	Movement Recognised in Statement of Profit and Loss	As at Mar 31, 2025
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment and Intanigble Assets	(1,677.66)	(471.79)	(2,149.45)
Defined benefit obligation	446.06	134.58	580.64
Deferred Tax Asset / (Liabilities) (Net)	**(1,231.60)**	**(337.21)**	**(1,568.82)**

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

(Rs. In Lakh)

Particulars	Year ended Mar 31, 2025	Year ended Mar 31, 2024
Profit before income tax expense	**3265.36**	**5344.43**
Tax at India's tax rate	821.82	1345.09
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	839.21	685.45
Tax effect of amounts which are deductible in calculating taxable income	(1,163.96)	(1,021.28)
Adjustments for current tax of prior periods	(2.27)	20.06
Interest	2.50	1.76
Income tax expense	**497.30**	**1031.08**

46. Property, Plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method over estimated useful lives of the assets:

Assets	Useful lives (years)*
Leasehold improvements	Over the period of lease or useful life, whichever is lower
Plant & Machinery: Category	
A	20
B	15
C	10
D	5
E	3
ELECTRICAL INSTALLATION : CATEGORY	
A	15
B	10
C	5
BUILDING	30
CAPITAL TOOL SUPPORT	5
FURNITURE & FIXTURES	5
VEHICLES	5

Assets	Useful lives (years)*
OFFICE & MISC. EQUIPMENTS : CATEGORY	
A	10
B	5
C	3

*Useful life of certain assets are different than the life prescribed under Schedule II to the Companies Act, 2013 and those have been determined based on technical evaluation by the management. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

47. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful live of intangible assets are as follows:

Assets	Useful lives (years)
Software & Licenses	3

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

48. Contingent liabilities

1. Income Tax Demands

Demand raised by Income Tax Authorities of Rs. 3.43 Lakh outstanding as of 31/03/2025. The matter is being pursued with the Income Tax authorities for necessary rectification and correction.

2. Bank Guarantees

The Company has issued bank guarantees totaling Rs. 69.14 Lakh to below mentioned Beneficiaries. These guarantees are contingent in nature and are not recognized in the balance sheet unless there is a definite obligation to pay.

49. DISCLOSURE NOTE- IND AS 116

The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on April 01, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Company has leases contracts for land and premises. These lease arrangements for land are for a period upto 99 years and for premises are for a period upto 5 years. The Company also has certain leases of machinery and equipments with lease terms of 12 months or less with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The following impacts are recognised in financial position on account of recognition of right of use assets and lease liabilities.

(Rs. In Lakh)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Right To Use Buildings	1145.97	686.31
Right To Use Leasehold - Land	1029.90	1048.96
Current lease liabilities	232.31	156.32
Non-current lease liabilities	1195.98	743.15

Amount recognised in statement of profit and loss during the year on account of Ind AS 116

(Rs. In Lakh)

Particulars	FY 2024-25	FY 2023-24
Interest expense on lease liabilities (included in finance cost)	72.83	18.67
Depreciation of Right of Use assets	139.08	101.64

50. Capital Commitments

The Company entered into contracts for addition in fixed assets for Rs. 536.28 Lakh as of 31st March 2025 against which advance payments of Rs. 259.39 have already been paid.

(Rs. In Lakh)

Particulars	As at Mar 31, 2025	As at Mar 31, 2024
Capital Advances	259.39	266.45

51. Ratio's **(Rs. In Lakh)**

	Particulars	As on Mar 31, 2025		As on Mar 31, 2024	
(i)	**Current Ratio:**				
	Current Assets (a)				
	Inventories	15,329.35		12,671.32	
	Trade receivables	12,518.30		10,722.78	
	Cash and cash equivalents	68.45		9.20	
	Other Financial asset	188.41		68.97	
	Other current assets	2,280.91		3,014.66	
	Current Tax Assets (Net)	-	**30,385.41**	15.49	**26,502.41**
	Current Liabilities (b)				
	Current Borrowings	21,877.24		17,758.22	
	Trade Payable	4,941.90		4,809.60	
	Other financial liabilities	1,545.81		1,296.34	
	Other current liabilities	498.72		248.69	
	Current tax Liabilities (Net)	33.58		0.00	
	Provisions	186.87	**29,084.12**	191.75	**24,304.61**
	Current Ratio (a/b)		**1.04: 1**		**1.09: 1**
	a. Variance : -8.8%				
	b. Reason for Changes more than 25%: NA				
ii)	**Debt Service coverage Ratio :**				
	Net Profit/ (Loss) After Taxes (a)	2374.26		3940.08	
	Depreciation and Amortization Expense (b)	2993.04		2455.02	
	Interest Expense ('c)	2986.53		2363.32	

	Particulars	As on Mar 31, 2025		As on Mar 31, 2024	
	Other non cash adjustment (d)	0.00		0.00	
	Earnings available for Debt Services (e) (a+b+c+d)		**8353.83**		**8758.42**
	Total Debt repaid (f)	4,890.57		3,965.22	
	Interest Liability repaid (g)	2,979.30		2,360.77	
	Total Debt including Interest (h) (f+g)		**7,869.87**		**6,325.99**
	Debt Service Coverage Ratio (e/h)		**1.07 Times**		**1.39 Times**
	a. Variance : -23.2%				
	b. Reason for Changes more than 25%: NA				
iii)	**Return on Equity Ratio :**				
	Net Profit after Taxes (a)	2,339.95		3,895.53	
	Average Equity Shareholder's Fund (b)	21,570.79		18,614.77	
	Return on Equity Ratio (%) (a/b)		**10.85%**		**20.93%**
	a. Variance : -48.2%				
	b. Reason for Changes more than 25%: Due to decline in profit				
iv)	**Inventory Turnover Ratio : NA**				
	Revenue from Operations (a)	41,506.82		40,952.21	
	Average Inventory (b)	14,000.33		11,100.52	
	Inventory Turnover Ratio (times) (a/b)		**2.97 Times**		**3.69 Times**
	a. Variance : -19.6%				
	b. Reason for Changes more than 25%: NA				
v)	**Trade Receivables turnover Ratio :**				
	Annual net Credit Sales (a)	41,506.82		40,952.21	

	Particulars	As on Mar 31, 2025		As on Mar 31, 2024	
	Opening Accounts Receivable (b)	10,722.78		8,449.03	
	Closing Accounts Receivable (c)	12,518.30		10,722.78	
	Average Accounts Receivable (d) (b+c/2)	11620.536		9585.901	
	Trade Receivables turnover Ratio (Times) (a/d)		**3.58 times**		**4.28 times**
	a. Variance : -16.4%				
	b. Reason for Changes more than 25%: NA				
vi)	**Trade Payables turnover Ratio**				
	Annual net Credit Purchases:				
	Cost of Material Consumed	12,113.84		12,902.47	
	Changes in inventories of finished goods WIP and Stock in Trade	(63.25)		(1,398.88)	
	Other Expenses	16,454.48		15,513.62	
	Annual net Credit Purchases(a)	**28,505.06**		**27,017.21**	
	Opening Accounts Payable (b)	4,809.60		3,858.07	
	Closing Accounts Payable(c)	4,941.90		4,809.60	
	Average Accounts Payable (d) (b+c/2)	4,875.75		4,333.83	
	Trade Payable turnover Ratio (Times) (a/d)		**5.85 times**		**6.24 times**
	a. Variance : -6.1%				
	b. Reason for Changes more than 25%: NA				
vii)	**Net Capital turnover Ratio :**				
	Sales (a)	41,506.82		40,952.21	
	Working capital (Current Assets - Current Liabilities) (b)	1,301.29		2,197.80	
	Net Capital turnover Ratio (a/b)		**31.90**		**18.63**

	Particulars	As on Mar 31, 2025		As on Mar 31, 2024	
	a. Variance : -26.3%				
	b. Reason for Changes more than 25%: Better efficiency				
viii)	**Net Profit Ratio :**				
	Profit after Tax (a)	2,374.26		3,940.08	
	Sales (b)	41,506.82		40,952.21	
	Net Profit Ratio (%) (a/b)		**5.72%**		**9.62%**
	a. Variance : -7.9%				
	b. Reason for Changes more than 25%: NA				
ix)	**Return on Capital Employed :**				
	Profit/ (Loss) before Tax (a)	3,265.36		5,344.43	
	Finance Cost (b)	2,986.53		2,363.32	
	Earnings before Interest and Taxes (c) (a+b)		**6,251.88**		**7,707.76**
	Total Assets (d)	63,710.90		57,964.86	
	Less : Total Liabilities (e)	41,051.00		37,483.19	
	Less : Intangible Assets (f)	47.37		44.99	
	Tangible Net Worth (g = d-e-f)	**22,612.53**		**20,436.68**	
	Deferred Tax Liability (h)	1,568.82		1,231.60	
	Total Debt (i)	30,155.30		28,124.75	
	Capital Employed (j) (g+h+i)		**54,336.65**		**49,793.03**
	Return on Capital Employed (%) (c/j)		**11.51%**		**15.48%**
	a. Variance : -25.7%				
	b. Reason for Changes more than 25%: N.A.				
x)	**Debt - Equity Ratio**				
	Total Debt (a)		**30,155.30**		**28,124.75**

	Particulars	As on Mar 31, 2025		As on Mar 31, 2024	
	Share Capital	1,120.11		1,120.11	
	Reserve and Surplus	21,539.79		19,361.56	
	Shareholder's Equity (b)		**22,659.90**		**20,481.67**
	Debt - Equity Ratio (Times) (a/b)		**1.34 Times**		**1.38 Times**
	a. Variance : -3%				
	b. Reason for Changes more than 25%: NA				
xi)	**Return on Investments: NA**				

52. Capital Work-In-Progress

As at 31.3.2025 **(Rs. In Lakh)**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	461.10	-	-	-	461.10
Projects Temporarily Suspended	-	-	-	-	-
Total	**461.10**	**-**	**-**	**-**	**461.10**

Particulars	To be completed in				Total
	< 1 yr	1-2 Yrs	2-3 Yrs	>3 Yrs	
Projects in Progress	461.10	-	-	-	461.10
Projects Temporarily Suspended	-	-	-	-	
Total	**461.10**	**-**	**-**	**-**	**461.10**

As at 31.3.2024 **(Rs. In Lakh)**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	641.17	-	-	-	641.17
Projects Temporarily Suspended	-	-	-	-	-
Total	**641.17**	**-**	**-**	**-**	**641.17**

Particulars	To be completed in				Total
	< 1 yr	1-2 Yrs	2-3 Yrs	>3 Yrs	
Projects in Progress	641.17	-	-	-	641.17
Projects Temporarily Suspended	-	-	-	-	
Total	**641.17**	-	-	-	**641.17**

53. Trade receivables outstanding

As at 31.3.2025 **(Rs. In Lakh)**

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	
(i) Undisputed Trade receivables – considered good	10,028.32	4,040.18	15.99	-	-	-	**14,084.49**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

As at 31.3.2024 **(Rs. In Lakh)**

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	
(i) Undisputed Trade receivables – considered good	8,870.15	2,622.31	20.29	-	-	-	**11,512.75**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

54. Trade Payable outstanding

As at 31.3.2025 **(Rs. In Lakh)**

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	
(i) MSME (Micro & Small Enterprise)	618.75	-	-	-	-	618.75
(ii) Others	3,452.94	877.11	-	-	-	4,330.05
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-

As at 31.3.2024 **(Rs. In Lakh)**

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	
(i) MSME (Micro & Small Enterprise)	1,101.86	-	-	-	-	1,101.86
(ii) Others	3,233.51	373.16	-	-	-	3,606.67
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-	-

55. Previous year figures have been re-grouped, re-worked and re-classified wherever necessary, to make them comparable with current year/period figures.

a

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Equity and Liabilities				
Equity share capital	1078.16	41.95	1120.11	Forfeited Shares have been regrouped from other equity to Equity Share Capital
Equity and Liabilities				
Other Equity	19448.68	-41.95	19406.73	

b

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Current Assets				
Cash and Cash Equivalents				Balance with banks have been regrouped from cash and cash equivalents to other financial liabilities-current
Balance With Banks	29.8	-28.62	1.18	
Other Financial Liabilities-Current				
Secured Borrowings				
Cash Credit	3600.76	-28.62	3572.14	

c

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Current Assets				
Current Tax Assets	33.2	-17.71	15.49	Current Tax Assets has been regrouped from current assets to current tax liabilities
Current Liabilities				
Current Tax Liabilities				
Advance taxes including TDS & TCS	-1463.09	-17.71	-1480.8	

d

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Current Liabilities				
Trade Payables				Trade payables have been regrouped from creditors to other payables
Due to other than micro and small enterprises	3602.83	86.47	3689.3	
Current Liabilities				
Other Financial Liabilities-Current				
Other Payables	1231.5	-86.47	1145.03	

56. Going concern

Management has determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern therefore financials have been prepared on going concern basis.

57. Other Statutory Information

i) There are no proceedings initiated or pending against the company under section 24 of the Prohibition of Benami Property Transactions Act, 1988 and rules made there under for holding any benami property.

ii) The Company does not have any transaction not recorded in the books of accounts that has been surrendered or not disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

iii) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with Companies (restriction on number of layers) Rules, 2017.

iv) The Company has not entered into any scheme of arrangement in terms of sections 230 to 237 of the Companies Act, 2013.

v) The Company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.

vi) The Company has not been sanctioned working capital limit in the form of term loans and overdraft facilities.

vii) There is no immovable property in the books of the Company whose title deed is not held in the name of the company.

viii) The Company has borrowings from banks or financial institutions and the Company has filed quarterly returns or statements with such banks/financial institutions.

ix) 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.

x) 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.

xi) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Further, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xii) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.

xiii) The Company does not have any transactions with Companies struck off under Section 248 of the Companies Act, 2013.

xiv) There is no charge which is yet to be registered with ROC beyond the statutory period.

58. Audit Trail

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except the audit trail feature is enabled, for certain direct changes to ERP application and its underlying database when using certain privileged/ administrative access rights by authorised users where the process is started during the year. Further, there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

59. Approval of Financial Statements

The financial Statement are approved for issue by the company's Board of Directors on 7th May, 2025.

As per our report of even date attached

For Gianender & Associates
Chartered Accountants
FRN 004661N

G.K. Agrawal
(Partner)
M.No : 081603

Place : Delhi
Date : 07th May, 2025
UDIN: 25081603BMJJYS6947

By Order of the Board for RACL Geartech Ltd

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

JAGDISH KESWANI
(Director)
DIN: 02146267

SHASHANK RAMESH ANIKHINDI
(Director)
DIN: 07787889

JITENDER JAIN
(CFO)

MALINI BANSAL
(Director)
DIN: 00167993

ANIL SHARMA
(Director)
DIN: 00157911

NARINDER PAUL KAUR
(Director)
DIN: 02435942

HPS BEDI
(Director)
DIN: 05217488

NEHA BAHAL
(Company Secretary)
ICSI MEM. NO. 40272

Place: Noida
Date: 07th May, 2025

FORM AOC-1

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

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

Part A: Subsidiaries

Reporting period: 1st April, 2024 to 31st March, 2025

S. No	Particulars	RACL Geartech GmbH, Austria
1.	Reporting currency	Euro
2.	Exchange rate	EURO/INR 92.32 As on March 31st, 2025
3.	Share capital	42500.00
4.	Reserves and surplus	-225452.87
5.	Total assets	1502537.22
6.	Total Liabilities	1502537.22
7.	Investments	1487.51
8.	Turnover	1767847.44
9.	Profit before taxation	(170321.07)
10.	Provision for taxation	(14675.09)
11.	Profit after taxation	(184996.16)
12.	Proposed Dividend	-
13.	Percentage of shareholding	100%

1. Names of subsidiaries which are yet to commence operations. NIL
2. Names of subsidiaries which have been liquidated or sold during the year. NIL

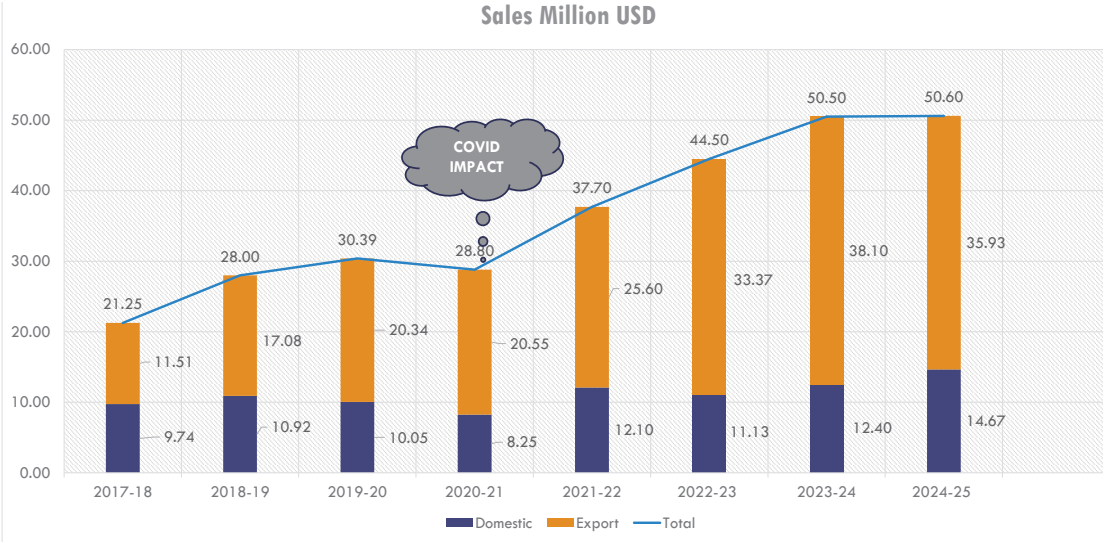
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
RACL GEARTECH LIMITED

Place: Noida
Date: 7th May 2025

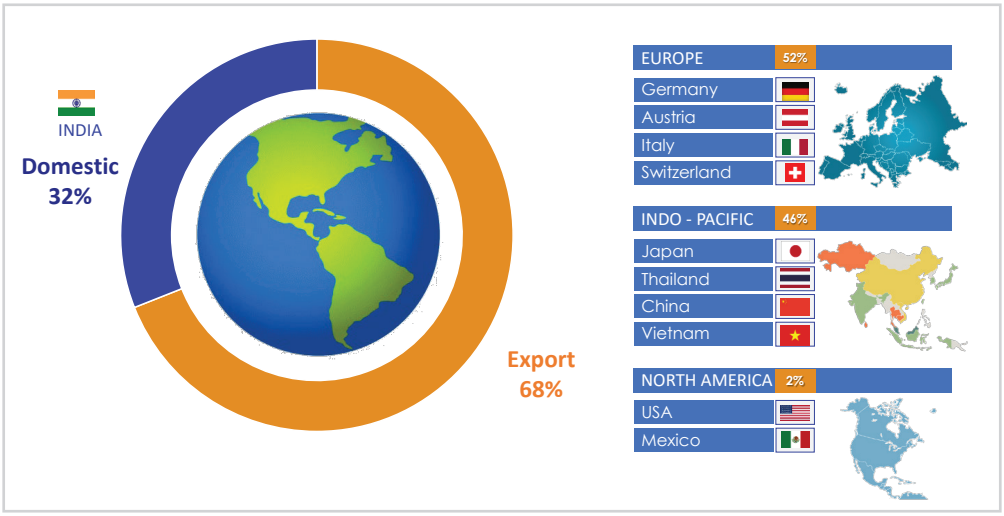
MR. GURSHARAN SINGH
CHAIRMAN & MANAGING DIRECTOR
DIN: 00057602

MR. JITENDER JAIN
CHIEF FINANCIAL OFFICER

RESULTS THAT SHOWCASE OPERATIONAL EXCELLENCE

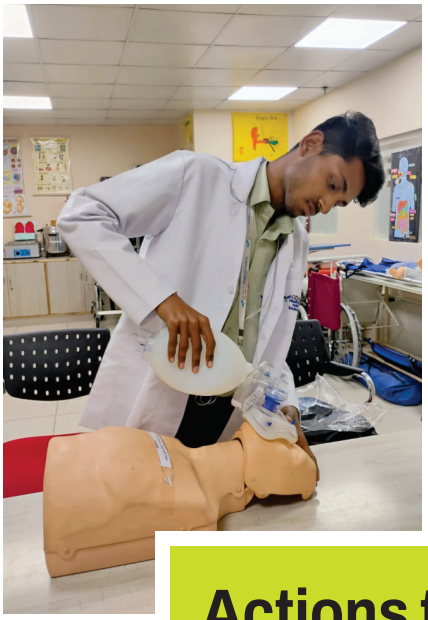


PRESENCE THAT POWERS SUCCESS



CUSTOMER CLASSIFICATION

	Total Sales								
FY 2021-22	USD 37.70 mil	49%	02%	19%	N/A	02%	18%	07%	03%
FY 2022-23)	USD 44.5 mil	47%	03%	16%	06%	05%	17%	04%	02%
FY 2023-24	USD 50.50 mil	44%	03%	17%	09%	09%	12%	03%	02%
FY 2024-25	USD 50.60 mil	39%	01%	13%	13%	17%	11%	03%	02%





Actions that Transform Communities

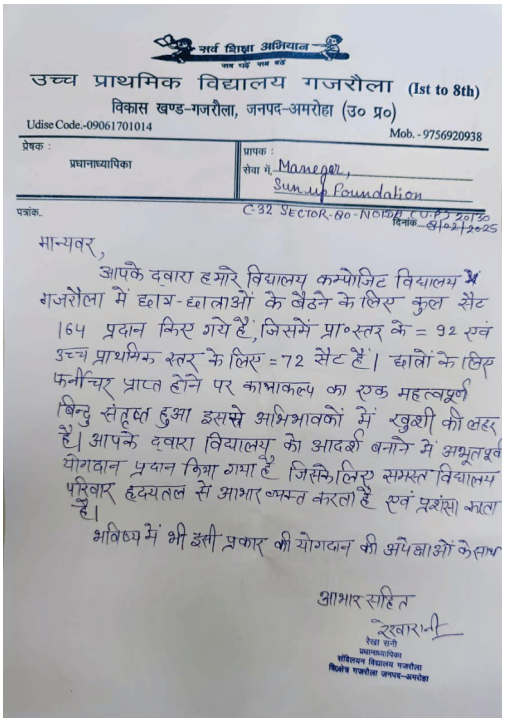












सर्व शिक्षा अभियान

उच्च प्राथमिक विद्यालय गजरौला (Ist to 8th)

विकास खण्ड-गजरौला, जनपद-अमरोहा (उ० प्र०)

Udise Code.-09061701014 Mob.-9756920938

प्रेषक : प्रधानाध्यापिका

प्राप्तक : सेवा में Manager, Sun up Foundation C-32 Sector-80 Noida (U.P.) 201305

पत्रांक- दिनांक- 04/02/2025

मान्यवर,

आपके द्वारा हमारे विद्यालय कम्पोजिट विद्यालय गजरौला में छात्र-छात्राओं के बैठने के लिए कुल सैट 164 प्रदान किए गये हैं, जिसमें प्रा० स्तर के = 92 एवं उच्च प्राथमिक स्तर के लिए = 72 सैट हैं। छात्रों के लिए फर्नीचर प्राप्त होने पर कार्यालय का एक महत्वपूर्ण बिन्दु संतुष्ट हुआ इससे अभिभावकों में खुशी की लहर है। आपके द्वारा विद्यालय को आदर्श बनाने में अभूतपूर्व योगदान प्रदान किया गया है जिसके लिए समस्त विद्यालय परिवार हृदयतल से आभार व्यक्त करता है एवं प्रशंसा करता है।

भविष्य में भी इसी प्रकार की योगदान की अपेक्षाओं के साथ

आभार सहित

रेखा रानी
प्रधानाध्यापिका
उच्च प्राथमिक विद्यालय गजरौला
विकास खण्ड गजरौला जनपद-अमरोहा

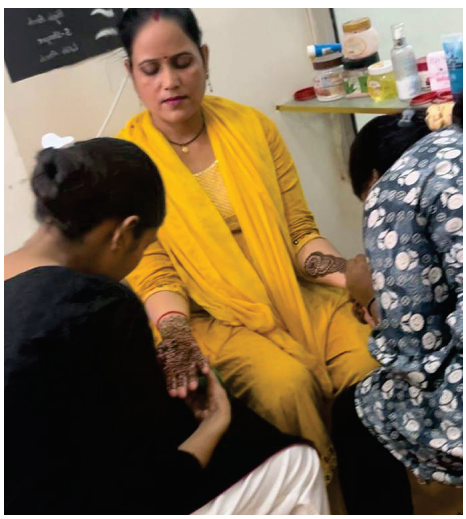


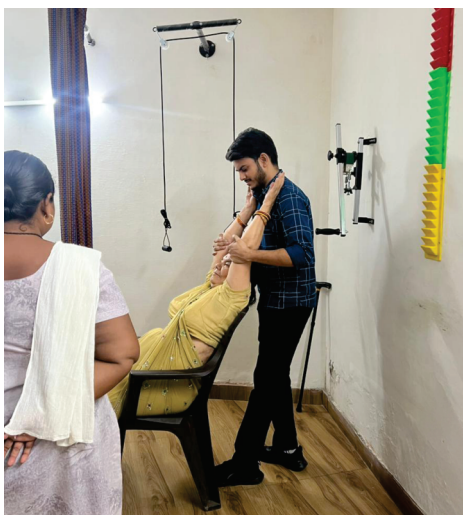




Actions that Transform Communities

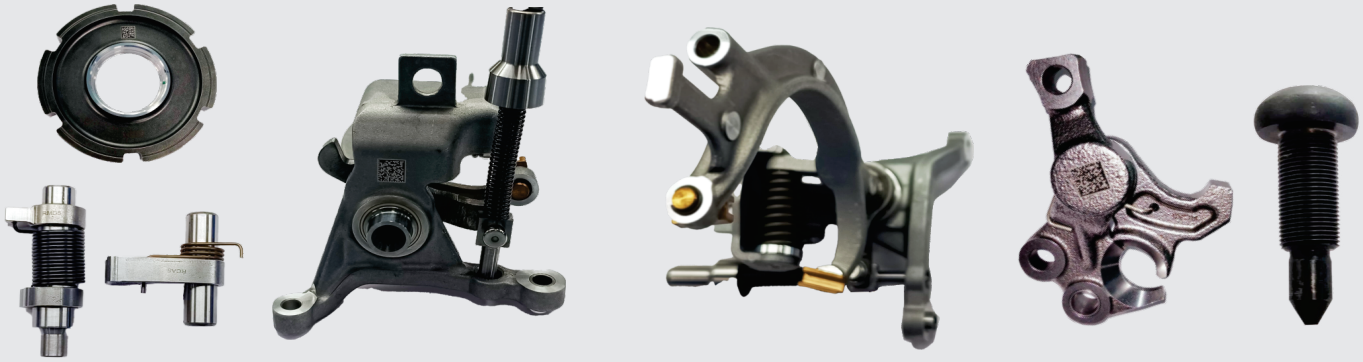






Product Portfolio















India's largest technology hub for providing **complex gear manufacturing solutions**



State of Art fully Automated Assembly Station



3 Station Power Skiving



Gear Teeth Grinding



Fully Automated Paint Shop



Hard turn & grinding



Induction Hardening



Laser Welding



Friction Welding

BRANDS WE SERVE

As Tier-1 and Tier-2 (via ZF)



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