



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@raclegeartech.com

August 21, 2026

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block, Bandra-Kurla Complex
Bandra (East), Mumbai- 400 051
cmlist@nse.co.in
Symbol: RACLGear

BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring, Rotunda Building,
P J Towers, Dalal Street, Mumbai-400 001
Corp.relations@bseindia.com
Scrip Code: 520073

Sub: Notice of the 43rd Annual General Meeting (AGM) and Annual Report (FY 2025-26)

Dear Sir/Madam,

The 43rd Annual General Meeting (AGM) of the Company will be held on Monday, September 14, 2026, at 11:30 A.M. (IST) via Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") the Notice of the AGM and the Annual Report for FY 2025-26 are being sent electronically to Members whose email addresses are registered with the Company/Depository Participants (DPs). The AGM Notice and Annual Report are also available on the Company's website at www.raclgeartech.com.

In compliance with Regulation 36(1)(b) of the Listing Regulations, the Company will send a letter to those members whose email addresses are not registered with the Company containing the web link and QR code to access the documents.

This is for your information and record purpose.

Yours faithfully,
For RACL GEARTECH LIMITED

Neha Bahal

Digitally signed by Neha Bahal
DN: cn=Neha Bahal, o=RACL Geartech, ou=Personal,
email=Neha.Bahal@raclegeartech.com,
serialNumber=1270820051, c=IN
Date: 2026.08.21 10:53:18 +05'30'

Neha Bahal
Company Secretary & Compliance Officer

Registered Office

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

Phone: +91-11-66155129

CIN: L34300DL1983PLC016136

D-U-N-S Number: 65-013-7086



TS 16949 : 2009
TS 518901 - 000



AI driven
Innovation
Towards
Sustainable
Growth

43RD
ANNUAL
REPORT
2025-26



RACL Geartech Ltd.

RACL Geartech Limited



SOCIAL



ENVIRONMENT



GOVERNANCE

A HISTORIC MILESTONE. A STRONGER TOMORROW.

The Company has achieved a historic business milestone by achieving a consolidated revenue of

₹512.42 CRORES

representing the highest revenue achieved in the history of the Company.



This achievement reflects the Company's sustained focus on **precision engineering, operational excellence** and **technological advancement**.



Driven by innovation.
Powered by people.
Built on excellence.



The Company has evolved into a **globally recognized** supplier of **high-precision automotive components** and continues to strengthen its position as a **trusted partner** to **premium automotive brands** worldwide.

PRECISION IN EVERY PART. TRUST IN EVERY RELATIONSHIP. PROGRESS IN EVERY MILESTONE.



OUR

BOARD OF DIRECTORS



Left to Right: Brig. Harinderpal Singh Bedi (Retd.), Mr. Rakesh Kapoor, Mr. Jagdish Keswani, Mr. Anil Sharma, Mr. Pravir Kumar, Ms. Narinder Paul Kaur, Mr. Gursharan Singh, Ms. Malini Bansal.



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INVESTOR INFORMATION

Market Capitalisation (December 31, 2025): Rs. 1191.62 Crores

CIN: L34300DL1983PLC016136

BSE Code: 520073

NSE Symbol: RACLGEAR

AGM Date: September 14, 2026

AGM Venue: Through Audio Visual Means



CHAIRMAN'S MESSAGE



“ When the going gets tough, the tough gets going ”

Dear Shareholders,

It gives me immense pleasure to connect with you once again and present the Annual Report of RACL Geartech Limited for the Financial Year 2025–26.

At the outset, I would like to express my sincere gratitude to our shareholders, customers, banking partners, employees, suppliers, business partners, and all other stakeholders for their unwavering trust, confidence, and continued support. Every milestone achieved by RACL in its journey of excellence reflects the collective commitment, resilience, and dedication of the entire RACL family.

The Financial Year 2025–26 has been a landmark year in the Company's journey. Despite geopolitical uncertainties, evolving global trade dynamics, and persistent macroeconomic challenges, RACL delivered one of its strongest performances to date. We crossed the historic milestone of ₹ 500 Crore in revenue, achieving our highest-ever consolidated turnover of over ₹ 512 Crore. This

achievement reaffirms the strength of our business model, our technological capabilities, and the continued confidence of our global customer base. It represents years of strategic planning, disciplined execution, well-conceived investments, and a relentless pursuit of operational excellence.

Our export business remained the cornerstone of our growth, contributing nearly 75% of total revenues and strengthening our position as a preferred global supplier of precision-engineered transmission components. For the year under review, your Company reported consolidated revenue of ₹ 512.42 Crore, EBITDA of ₹ 129.16 Crore at a margin of 25.21%, and Profit Before Tax (PBT) of ₹ 65.73 Crore, at a margin of 12.83% for the FY 2025-26. These figures reflect our strong operational performance and disciplined financial management.

Furthermore, during the year, the Company successfully raised approximately ₹ 80 Crore through a preferential allotment of 10,06,840 equity shares to Qualified

Institutional Buyers (QIBs) and individual investors. This capital infusion has significantly strengthened our balance sheet, enhanced our financial flexibility, and provided the necessary resources to accelerate future expansion plans and long-term strategic initiatives.

Our operational growth was driven by the onboarding of new projects from existing and new customers, higher production volumes, continuous improvements in manufacturing efficiencies, enhanced productivity, disciplined cost controls, and an uncompromised focus on quality. Throughout the year, our team remained dedicated to fortifying operational capabilities while upholding the highest standards of safety, reliability, and timely delivery.

A defining strength of RACL is our ability to continuously evolve alongside emerging technologies, ESG standards, and evolving customer expectations around vehicle comfort, safety, and regulatory compliance. During the year, we further consolidated our footprint in the premium mobility segment while expanding into compelling new opportunities:

• **Domestic Premium Segment:** We secured a prestigious long-term supply order for Transmission Gears for Premium Motorcycles from a globally renowned Indian manufacturer—marking our strategic entry into the domestic mass-market motorcycle segment while maintaining our core focus on high-end engineering.

• **Industrial & Heavy Engineering:** Our successful vendor registration with Bharat Heavy Electricals Limited (BHEL) represents another significant milestone, unlocking growth opportunities in the industrial sector and reinforcing our reputation as a trusted manufacturer of precision components.

Innovation remains central to our long-term strategy. We continue to invest in cutting-edge manufacturing technologies, automation, digitalization, and emerging domains—including the active deployment of Artificial Intelligence—to boost manufacturing efficiency, accelerate product development, and enhance value for our customers. Technology will undoubtedly remain one of our primary differentiators in shaping the future of mobility and industrial manufacturing.

Equally fundamental is our commitment to sustainable and responsible growth. Sustainability is deeply embedded in our business philosophy and informs every strategic decision. In FY 2025–26, we expanded our renewable energy footprint, achieving 100% renewable energy utilization, and further enhanced our waste management practices. Since FY 2022–23, we have successfully reduced our operational carbon emissions by 64.2%.

Beyond operational performance, we remain deeply committed to driving meaningful social impact. Our Corporate Social Responsibility (CSR) initiatives continue to focus on education, skill development, healthcare, and community welfare—positively impacting the lives of more than 500 students and supporting regional development. Operating as a responsible business is not merely an obligation for us; it is an integral part of our corporate identity.

I am particularly proud that our collective efforts earned notable industry recognition during the year. RACL received the EEPC India Northern Region Export Excellence Award as a Star Performer in the Automobile Component Product Group. Additionally, we were honored with the Outstanding Social Responsibility Award at the Gear Technology India Awards 2026 in recognition of our commitment to sustainability, ethical governance, and community upliftment.

As we enter FY 2026–27, we do so with confidence and optimism. Global mobility is undergoing a transformative shift driven by electrification, sustainability, localization, and technological innovation. Emerging opportunities arising from evolving international trade frameworks—including the India-EU trade agreement and anticipated pacts with the United States—present encouraging growth prospects for Indian engineering exporters. While we remain vigilant regarding global macroeconomic headwinds and supply chain dynamics, our strategic priorities are clear: strengthen technology leadership, expand our global footprint, deepen customer relationships, invest in our talent, and generate sustainable long-term value.

Over the past several years, RACL has consistently strengthened its balance sheet, diversified its product portfolio, expanded its global customer base, and built one of the strongest leadership teams in its history. Our aspiration to become one of the world's leading manufacturers of complex drivetrain and precision components continues to guide our vision.

RACL stands on a stronger footing than ever before and is well-positioned for its next phase of growth. On behalf of the Board of Directors, I thank all our shareholders for your trust and confidence as we work together to build an organization that all stakeholders can take pride in.

Thank you.

GURSHARAN SINGH
CHAIRMAN & MANAGING DIRECTOR



ENGINEERING PRECISION POWERING GLOBAL MOBILITY

ESTABLISHED

1983

HEADQUARTERED

Noida, India

REVENUE FY 2025-26

5.12 Billion

~USD 53.89 Million

WORKFORCE

1,200+

Employees

**A-rated by
CARE Ratings**

**Listed on
NSE & BSE**

POWERING THE WORLD WITH PRECISION

RACL Geartech Limited is a leading manufacturer of precision-engineered gears, shafts and automotive and industrial components, serving leading OEMs and Tier-1 suppliers across global mobility and industrial markets.

From two-wheelers and passenger vehicles to commercial vehicles, agricultural equipment and industrial applications, our engineering capabilities enable reliable, high-performance solutions across diverse sectors.



KEY HIGHLIGHTS*

40+

Years of Operations

29

Active Customers

75%

Export Revenue

9+

Countries Served

19%

Revenue CAGR
(FY21 - FY26)

18%

EBITDA CAGR
(FY21 - FY26)

15%

PAT CAGR
(FY21 - FY26)

RACL Geartech Limited is an A-rated Company by CARE Ratings and is listed on both the National Stock Exchange of India Limited (NSE) and BSE Limited. Guided by a strong commitment to quality, innovation and sustainability, the

Company continues to deliver world-class engineering solutions and create long-term value for customers, shareholders and other stakeholders.

OUR ENGINEERING CAPABILITIES

Precision Gear Manufacturing

Advanced gear-cutting and manufacturing technologies

Machining Excellence

In-house tooling, engineering and advanced machinery

Integrated Manufacturing

High-precision aluminium steel machining

Component Expertise

Gear, shafts subassemblies, chassis, suspension and braking components

OUR PRODUCT PORTFOLIO

TRANSMISSION
GEARS & SHAFTS

SUB-ASSEMBLIES

PRECISION
MACHINED PARTS

INDUSTRIAL
GEARS

CHASSIS
COMPONENTS



OUR GLOBAL FOOTPRINT

INDIA

Gajraula | Noida

Advanced manufacturing facilities supporting domestic and global customers



EXPANDING OUR REACH IN EUROPE

Five warehouses enabling efficient logistics across the continent.



QUALITY AT THE CORE

With a strong commitment to quality, innovation, sustainability and accountability, RACL Geartech continues to engineer solutions that move industries forward and create enduring value for customers, shareholders, employees and communities.

Certified & Trusted Quality Management System

Driving consistency across every stage of manufacturing and quality



















PRECISION TODAY. MOBILITY FOR TOMORROW.

KEY CORPORATE DETAILS

CIN: L34300DL1983PLC016136

Board of Directors	
Mr. Gursharan Singh Mr. Pravir Kumar Mr. Jagdish Keswani Brig. Harinder Pal Singh Bedi (Retd) Ms. Malini Bansal Mr. Anil Sharma Mr. Rakesh Kapoor Mrs. Narinder Paul Kaur	Chairman & Managing Director Independent Director Independent Director Independent Director Independent Director Non-Executive Non-Independent Director Non-Executive Non-Independent Director Non-Executive Non-Independent Director
Chief Technical Officer	Registered Office
Mr. Rajiv Goel	15th Floor, Eros Corporate Towers, Nehru Place, New Delhi - 110019
Chief Operating Officer	Corporate Office
Mr. Prabh Mehar Singh	B-9, Sector-3, Noida - 201301, Uttar Pradesh
Chief Financial Officer	Plants
Mr. Jitender Jain	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-201305, India
Company Secretary & Compliance Officer	COMMITTEES OF BOARD OF DIRECTORS
Ms. Neha Bahal	Audit Committee
Statutory Auditors	Mr. Pravir Kumar (Chairman) Mr. Jagdish Keswani Ms. Malini Bansal Mr. Rakesh Kapoor
Gupta Nayar & Co. Chartered Accountants Office No. 610, Plot No.3B1, Jakson Crown Height, Twin District Centre, Sector-10, Rohini, Delhi-110085	Nomination & Remuneration Committee
Secretarial Auditors	Mr. Jagdish Keswani (Chairman) Ms. Malini Bansal Mr. Anil Sharma
Rosy Jaiswal & Associates Practicing Company Secretaries, Adarsh Nagar, New Delhi	Stakeholders' Relationship Committee
Internal Auditors	Ms. Malini Bansal (Chairperson) Mr. Jagdish Keswani Mr. Gursharan Singh
Protiviti India Member Private Limited 15th Floor, Tower A, DLF Building No. 5, DLF Phase III, DLF Cyber City, Gurgaon-122002, Haryana, India	Corporate Social Responsibility Committee
Registrar & Share Transfer Agents	Brig. Harinder Pal Singh Bedi (Retd.) (Chairman) Mr. Pravir Kumar Mr. Anil Sharma Mrs. Narinder Paul Kaur
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	Risk Management Committee
Bankers	Mr. Pravir Kumar (Chairman) Mr. Jagdish Keswani Mr. Gursharan Singh Mr. Prabh Mehar Singh Mr. Jitender Jain
Bank of India Citi Bank Standard Chartered Bank State Bank of India	
RBL Bank IndusInd Bank Yes Bank	

NOTICE

Notice is hereby given that the 43rd (Forty-Third) Annual General Meeting ("AGM") of RACL Geartech Limited ("the Company") will be held on Monday September 14, 2026 at 11:30 AM through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS

1. **To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company along with the Reports of the Board of Directors and Auditors thereon;**

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

"RESOLVED THAT the Audited Financial Statements, including Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and of the Statutory Auditors thereon, be and are hereby received, considered, and adopted."

2. **Re-appointment of Mrs. Narinder Paul Kaur (DIN: 02435942) as a Director liable to retire by rotation**

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

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Narinder Paul Kaur (DIN: 02435942), who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

3. **Re-appointment of Mr. Gursharan Singh (DIN: 00057602) as the Managing Director of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 203 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V of the Act along with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")(including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company, and on such terms and conditions and modifications as may be prescribed and on the basis of the recommendations of the Nomination and Remuneration Committee ("NRC") and the Board of Directors of the Company ("Board"), the approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Gursharan Singh (DIN: 00057602), as the Chairman & Managing Director of the Company for a further period of five (5) years commencing from August 23, 2027 and ending on August 22, 2032, on the existing terms and conditions of appointment, including remuneration, as approved by the Members of the Company in the Annual Meeting held on September 26, 2025, with authority to the Board of Directors (including the Nomination and Remuneration Committee) to alter, vary or revise the terms and conditions of his appointment and/or remuneration from time to time, within the approved limits prescribed under the Companies Act, 2013 and other applicable laws."

"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."

**BY ORDER OF THE BOARD OF DIRECTORS
OF 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 7, 2026
Place: Noida**

NOTES:

1. The Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 20/2020 dated May 5, 2020, and the latest one being General Circular No. 03/2025 dated September 22, 2025 read with the subsequent circulars issued from time to time ("MCA Circulars"), and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, has allowed the Companies to conduct the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM").
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013("Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, from time to time, the Secretarial Standards on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 ("Listing Regulations") as amended, and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of e-voting (including the remote e-voting) to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL), which will act as the authorized agency for facilitating e-voting (including remote e-voting) through electronic means. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 23 below and is also available on the website of the Company at www.raclgeartech.com.
3. In accordance with the MCA circulars and Regulation 44 of the SEBI Listing Regulations, the facility of appointment of Proxy to attend and cast vote on behalf of the members is not available for this AGM. Hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. Pursuant to Section 113 of the Act, Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution or any other document authorizing its representatives to attend and vote at the AGM on their behalf and to cast the vote through e-voting (including remote e-voting), to the Company at investor@raclegeartech.com or info@masserv.com with a copy marked to evoting@nsdl.co.in.
5. The Members can join the AGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Members may note that the VC/ OAVM facility provided by NSDL, allows participation of atleast 1,000 Members on 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.
6. 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.
7. Any person holding shares in physical mode or a person who acquires shares and becomes member of the Company after the AGM is sent and holds shares as on the September 7, 2026 ("cut-off date") may obtain the login ID and password by sending a request to e-voting@nsdl.com. However if he/she is already registered with NSDL for remote e-voting, the he/ she can use his/her existing user ID and password.
8. The Explanatory Statement containing all the relevant details pursuant to Section 102 of the Act, Regulation 36 of the Listing Regulation and SS-2 issued by ICSI, as amended from time to time in respect of the Special Business under Item No. 3 along with Item No. 2 provided on Voluntary Basis, is annexed to this Notice.

Remote E-Voting, Scrutinizer and Voting Rights

9. The Members whose name appear in the Register of Members/Beneficial Owners as on Monday, September 7, 2026 ("Cut-off date") and who are not otherwise debarred to cast their vote, may cast their vote electronically either through remote e-voting or e-voting during the AGM.

Commencement of remote e-voting : From 9:00 a.m. (IST) on Friday, September 11, 2026

End of remote e-voting : To 5:00 p.m. (IST) on Sunday, September 13, 2026

The remote e-voting module shall be disabled by NSDL for voting thereafter and the member shall not be allowed to change the vote subsequently or cast vote again. A person who is not a member as on the Cut-off date may treat this notice for information purpose only.

10. 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>.
11. 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.
12. 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 7, 2026.
13. 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.
14. The register of members and share transfer books of the Company shall remain closed from September 6, 2026 to September 13, 2026 (both days inclusive) for the purpose of AGM.

ELECTRONIC DISPATCH OF ANNUAL REPORT

15. Pursuant to the MCA circulars read with Regulation 36 of the SEBI Listing Regulations, the requirement of sending physical copies of the AGM Notice and Annual Report to the members has been dispensed with. Accordingly, the Notice of the 43rd AGM along with the Annual Report for the Financial Year ("FY") 2025-26 are sent only by electronic mode to Members whose e-mail ids are registered with the Company or the Depository Participants (DPs). A letter is being sent to members who have not registered their email addresses with the Company or the DP, providing the exact access details, including the web-link, navigation path, and QR code, through which the Company's AGM notice and the Annual Report for the FY 2025-26 can be accessed.

The AGM Notice along with the Annual Report for the FY 2025-26, are also available on the website of the Company at www.raclgeartech.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the remote e-Voting facility) i.e. www.evoting.nsdl.com.

16. Physical copy of the Annual Report for the FY 2025-26, including the AGM Notice, shall be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy, may write to the Company at investor@raclegeartech.com, requesting for the same by providing their holding details.

DIVIDEND AND TDS RELATED INFORMATION

17. 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 MAS Services Limited (RTA)/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 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 to communicate 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.

Members are requested to note that as per Section 124 of the Act, the dividend remaining unclaimed/ unpaid for seven years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund ("IEPF"). In addition, as per Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to the **Investor Education and Protection Fund Authority (IEPFA)**.

During the financial year 2025-26, the Company participated in the "**Saksham Niveshak**" Campaign launched by the **IEPFA, Ministry of Corporate Affairs** and submitted timely reports to the IEPFA, aimed at enhancing shareholder awareness regarding unclaimed dividends, KYC updation, nomination registration, and investor protection. The campaign encouraged shareholders to update their PAN, bank account, contact details, and nomination information, and to claim unpaid/unclaimed dividends in a timely manner. These efforts will help ensure direct credit of dividends to rightful investors and prevent the transfer of unclaimed dividends and underlying shares to the IEPF.

For the purpose of ease of doing business, SEBI vide its circular no. : **HO/38/13/11(2)2026-MIRSD-POD/1/3750/2026** dated January 30, 2026 has opened a Special Window for Re-lodgement of Transfer Requests from February 5, 2026 to February 4, 2027 solely for re-lodgement of transfer deeds that were lodged prior to April 1, 2019 and were rejected or returned due to any deficiencies. The Company has disseminated information through various channels, including intimations to the Stock Exchanges, publication of newspaper advertisements, and display of relevant notices on the Company's website.

18. Pursuant to Finance Act, 2020, dividend income will be taxable at the hands of shareholders w.e.f. April 1, 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 Agent (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 25-26 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%.

SEBI MANDATE AND KYC COMPLIANCE

19. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of the listed companies can be transferred only in dematerialized form with effect from April 01, 2019. 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 convert their holdings into dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent ("RTA"), i.e. M/s. MAS Services Limited, for assistance in this regard.

Type of holder	Process to be followed												
Physical	For availing the investor services request, 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 <table> <tr> <td>1 Form for availing investor services and to register/update PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode</td><td>Form ISR-1</td></tr> <tr> <td>2 Update of signature of securities holder</td><td>Form ISR-2</td></tr> <tr> <td>3 For nomination as provided in the Rules 19 (1) of Companies (Share Capital and debenture) Rules, 2014</td><td>Form SH-13</td></tr> <tr> <td>4 Declaration to opt out of Nomination</td><td>Form ISR-3</td></tr> <tr> <td>5 Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee</td><td>Form SH-14</td></tr> <tr> <td>6 Form for requesting issuance of Duplicate Share Certificate and other service requests for shares / debentures/ bonds, etc., held in physical form</td><td>ISR-4</td></tr> </table>	1 Form for availing investor services and to register/update PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1	2 Update of signature of securities holder	Form ISR-2	3 For nomination as provided in the Rules 19 (1) of Companies (Share Capital and debenture) Rules, 2014	Form SH-13	4 Declaration to opt out of Nomination	Form ISR-3	5 Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14	6 Form for requesting issuance of Duplicate Share Certificate and other service requests for shares / debentures/ bonds, etc., held in physical form	ISR-4
1 Form for availing investor services and to register/update PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1												
2 Update of signature of securities holder	Form ISR-2												
3 For nomination as provided in the Rules 19 (1) of Companies (Share Capital and debenture) Rules, 2014	Form SH-13												
4 Declaration to opt out of Nomination	Form ISR-3												
5 Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14												
6 Form for requesting issuance of Duplicate Share Certificate and other service requests for shares / debentures/ bonds, etc., held in physical form	ISR-4												

For members who have not registered their e-mail IDs, may register the same as under:

For shares in Physical Form	The members would need to submit Form ISR-1 duly signed along with the requisite documents in the required format to the Registrar and Share Transfer Agent of the Company ("RTA"), the details of whom are given below: M/s. MAS Services Limited T-34, Second Floor, Okhla Industrial Area, Phase-II, New Delhi- 110020 info@masserv.com +91 11 2638 7281 /82 /83
For shares in Dematerialized Form	The members are requested to register/ update their e-mail ID with the Depository Participant with whom their respective accounts are maintained.

20. SEBI vide its master circular no. SEBI/HO/ OIAE/OIAE_IAD-1/P/CIR/2023/145 dated August 11, 2023 has established a common Online Dispute Resolution Portal - Smart ODR Portal, in addition to its existing SCORES 2.0 portal via which the investors and the Company can resolve disputes by harnessing online conciliation and / or online arbitration. In terms of said circular, the investors are advised to initiate dispute resolution through the ODR portal only if the Company does not resolve the issue itself or it is not resolved through SCORES 2.0 portal.

PROCEDURE FOR INSPECTION OF DOCUMENTS

21. Documents referred to in the accompanying Notice of the 43rd AGM and the Explanatory Statement and the other required documents 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 the date of meeting.
22. During the AGM, the following documents shall be available for inspection upon login at NSDL e-voting page at <https://www.evoting.nsdl.com>
- Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act
 - Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act

23. The instructions are as under:

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:

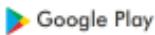
Step 1: Access to NSDL e-Voting system

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

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 advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. 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. - Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under IDeAS Section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are 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 - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under Shareholder/Member Section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number 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 company name or e-Voting service provider i.e. 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.

Type of shareholders	Login Method
	5. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) 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. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. 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 abovementioned 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.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting 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. Open the .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.com 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.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csrosy@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "**Physical User Reset Password?**" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Pallavi Mhatre, Assistant Vice President, NSDL at evoting@nsdl.com

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.com 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. Members are encouraged to join the Meeting through Laptops for better Experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.

SPEAKER REGISTRATION

4. Members, who would like to ask questions during the 43rd AGM with regard to financial statements or any other matter to be placed at the 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 Thursday, September 10, 2026. Those members who have registered themselves as a speaker shall be allowed to ask questions during the 43rd AGM depending upon the availability of time. Such questions shall be taken up during the meeting and replied by the Company suitably.

General Information for shareholders

- a. 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 not later than 2 (two) days of conclusion of the Meeting shall give a consolidated Scrutinizers Report. The Scrutinizer shall submit his report to the Chairperson of the Company or a person authorized by him in writing.
- b. The Chairperson or in his absence, a person authorized by him in writing shall declare the results after receiving the Scrutinizers Report.
- c. The results declared along with the Scrutinizers 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 and NSE.
- d. The proceedings of the AGM will be web-cast live for the members of the Company. The transcript of the AGM shall also be made available on the website of the Company at www.raclgeartech.com within the stipulated time.

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

Item No. 2: Re-appointment of Mrs. Narinder Paul Kaur (DIN: 02435942) as a Director liable to retire by rotation

Pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the rules made thereunder, and in terms of the Articles of Association of the Company, not less than two-thirds of the total number of Directors of the Company (excluding Independent Directors) are liable to retire by rotation. Further, at every Annual General Meeting ("AGM"), one-third of such Directors, or if their number is neither three nor a multiple of three, then the number nearest to three, shall retire by rotation and, being eligible, may offer themselves for re-appointment.

Presently, three Directors of the Company are liable to retire by rotation. Accordingly, one Director is required to retire by rotation at the ensuing AGM. Mrs. Narinder Paul Kaur, Non-Executive, Non-Independent Director, being the Director who has been longest in office since her last appointment, is liable to retire by rotation at the ensuing AGM. Being eligible, she has offered herself for re-appointment. She is also a member of the Corporate Social Responsibility Committee of the Company.

Mrs. Narinder Paul Kaur completed her graduation in Bachelor of Science from Kurukshetra University and Master of Arts from Punjab University and is looking after the functioning of Noida plant of the Company since 2011.

She has been providing overall administrative and supervisory leadership for the Noida unit and possesses deep knowledge of the business along with strong administrative and operational management skills. Over the past five years, she has played a pivotal role in improving the efficiency and effectiveness of the Noida unit's operations. She has been instrumental in the successful functioning of the Noida plant, and under her able guidance and leadership, the Company has significantly expanded and strengthened the plant's operations. Her dedication, expertise, and proactive approach have contributed substantially to the growth and success of the Noida unit.

The Nomination and Remuneration Committee and the Board of Directors, after considering her rich experience, expertise, valuable contribution to the Company and positive evaluation have recommended her re-appointment as a Director of the Company. The additional information of Mrs. Narinder Paul Kaur are provided in the "**Annexure-1**" to the Notice pursuant to the provisions of the Listing Regulations and SS-2 issued by the Institute of Company Secretaries of India ("ICSI").

The Company has received the following disclosures from Mrs. Narinder Paul Kaur:

1. Her consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
2. An intimation in Form DIR-8 confirming that she is not disqualified from being appointed or continuing as a Director under Section 164(1) and 164(2) of the Act and not been debarred or disqualified by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs, or any other statutory or regulatory authority from being appointed or continuing as a Director of any company.
3. All other necessary disclosures, declarations and confirmations required under the Companies Act, 2013, and other applicable statutory provisions in connection with her re-appointment as a Director of the Company.

Except Mrs. Narinder Paul Kaur, Mr. Gursharan Singh (her husband), and her relatives, none of the Directors, Key Managerial Personnel of the Company, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 2 of the Notice.

The Board recommends the resolution as set out in Item No. 2 for approval of the Members to be passed as an Ordinary Resolution.

Item No. 3: Re-appointment of Mr. Gursharan Singh (DIN: 00057602) as the Managing Director of the Company

Mr. Gursharan Singh (DIN: 00057602) was appointed as the Managing Director of the Company for a period of five (5) years with effect from August 23, 2022, up to August 22, 2027, by the Members of the Company with the designation "Chairman & Managing Director" of the Company.

In terms of Section 196(2) of the Companies Act, 2013 ("the Act"), the company shall not appoint or re-appoint any person as its managing director for a term exceeding five years at a time and the re-appointment of a Managing Director may be made not earlier than one year before the expiry of his current term.

The Board is of the opinion that Mr. Gursharan Singh possesses the requisite qualifications, expertise, and experience and satisfies all the conditions specified under Sections 196, 203 and other applicable provisions of the Act read with Schedule V thereto for his re-appointment as Managing Director of the Company and accordingly after considering his extensive experience, strategic vision, valuable guidance, and immense contribution to the growth and success of the Company, the Nomination and Remuneration Committee and the Board of Directors, at their respective meetings approved and recommended the re-appointment of Mr. Gursharan Singh as the Managing Director of the Company for a further term of five (5) years commencing from August 23, 2027 and ending on August 22, 2032 (both days inclusive), with the designation "Chairman & Managing Director" on such terms and conditions as previously approved by the Members of the Company in the Annual General Meeting held on September 26, 2025.

Mr. Gursharan Singh is a Mechanical Engineer and holds a Post Graduate Diploma in Export Management. With over 45 years of extensive experience in the industry, he possesses deep domain knowledge, strong business acumen and significant expertise in strategic planning, operations and business development. Over the years, he has played a pivotal role in guiding the Company's growth and expansion initiatives and has been instrumental in strengthening its operational capabilities, competitive position and long-term sustainability.

The Board is of the opinion that his continued association with the Company will be beneficial to the Company and its stakeholders. His vast industry experience, in-depth knowledge of the Company's operations, strategic vision, and leadership qualities have been instrumental in driving the Company's growth and strengthening its governance framework. The Board therefore considers his continued guidance and contribution to be invaluable to the Company.

Mr. Gursharan Singh does not hold any directorship or full-time position in any other body corporate.

The additional information relating to Mr. Gursharan Singh, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), is provided in **Annexure-1** forming part of this Notice.

The Company has received the following disclosures from Mr. Gursharan Singh:

1. His consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
2. An intimation in Form DIR-8 confirming that he is not disqualified from being appointed or continuing as a Director under Sections 164(1) and 164(2) of the Act. He has also confirmed that he has not been debarred or disqualified by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs, or any other statutory or regulatory authority from being appointed or continuing as a Director of any company.
3. All other necessary disclosures, declarations and confirmations required under the Companies Act, 2013, and other applicable statutory provisions in connection with his re-appointment as a Director of the Company.

Except Mr. Gursharan Singh, Mrs. Narinder Paul Kaur (his wife) and his relatives, none of the Directors, Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

The Board recommends the resolution as set out in Item No. 3 for approval of the Members to be passed as an Ordinary Resolution.

Annexure - 1

DETAILS OF DIRECTOR RECOMMENDED FOR RE-APPOINTMENT AS REQUIRED UNDER THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Particulars	Details of Directors	
Name	Narinder Paul Kaur	Gursharan Singh
DIN	02435942	00057602
Date of Birth	15/06/1963	07/09/1962
Age	63	64
Date of first Appointment on Board	January 31, 2015	August 23, 2002
Qualifications	- Bachelor of Science from Kurukshetra University - Master of Arts from Punjab University	- Diploma in Mechanical Engineering - PGDM in Export Management
Nature of expertise, experience in specific functional area	She is a professional with insight and almost 14 years of expertise in the domain of administration and instrumental in decision making pertaining to strategy, management and business development of the Company.	He has more than 45 years of experience in the field of auto component manufacturing, administration and business development activities.
Past Remuneration	₹ 36,75,000	₹ 2,72,33,299/-
Terms and conditions of appointment / re-appointment including Remuneration to be paid	Re-appointment as a Non-Executive Non-Independent Director, liable to retire to rotation. Mrs. Narinder Paul Kaur would be entitled to the sitting fees for attending the Board / Committee meetings.	Re-appointment as Managing Director of the Company with designation "Chairman & Managing Director" on the same remuneration and terms & conditions as previously approved by the members.
Number of shares held in the Company including shares held as a Beneficial Owner	35318	3946854
Relationship with other Directors / KMPs	Wife of Mr. Gursharan Singh, Chairman & Managing Director of the Company	Husband of Mrs. Narinder Paul Kaur, Non-Executive Non-Independent Director of the Company
Directorships held in other Companies including listed entity	1 Aadhar Infosystems Private Limited	-
Committee Membership / Chairmanship held in other Companies including listed entity	-	-
Resignation from Listed entities in the past three years	-	-
No. of Board Meetings attended during the Financial year ended March 31, 2026	6	6

BY ORDER OF THE BOARD OF DIRECTORS OF RACL GEARTECH LIMITED

NEHA BAHAL
COMPANY SECRETARY & COMPLIANCE OFFICER

ACS: 40272

Date: August 7, 2026

Place: Noida

ADD: B-9, SECTOR-3, NOIDA
GAUTAM BUDDH NAGAR, UTTAR PRADESH- 201301

BOARDS' REPORT

Dear Members,

The Board of Directors is pleased to present the Forty Third (43rd) Boards' Report of RACL Geartech Limited ("the Company") along with the Audited Financial Statements for the financial year ended March 31, 2026.

FINANCIAL PERFORMANCE

Key highlights of the standalone and consolidated financial performance for the year ended March 31, 2026 under review along with the numbers of previous financial year are summarized below:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Total Revenue	500.22	427.29	512.42	424.99
Total Expenses	436.86	392.92	446.46	392.19
Add: Exceptional Items (Not Included in above Total Expenses):	(0.22)	-	(0.22)	-
Finance Costs	29.69	31.92	29.91	32.21
Depreciation & Amortisation	33.52	29.93	33.52	29.93
Profit Before Tax	63.14	34.37	65.73	32.8
Tax Expenses:				
Current Tax	(14.05)	(5.53)	(14.25)	(5.65)
Deferred Tax	(2.53)	(3.37)	(2.53)	(3.37)
Profit After Tax	46.56	25.47	48.95	23.77
Total Comprehensive Income for the Period	46.63	25.11	49.03	23.4
Earnings Per Share (₹)				
1. Basic	39.98	23.63	42.04	22.05
2. Diluted	39.98	23.63	42.04	22.05

STATE OF AFFAIRS AND OPERATIONAL HIGHLIGHTS

On a standalone basis, the Company reported a Total Revenue of ₹ 500.22 crores for financial year 2025–26, as against ₹ 427.29 crores for the previous financial year, showing an increase of ₹ 72.93 crores. After accounting for taxes, the Profit After Tax (PAT) for the financial year stood at ₹ 46.56 crores, as against ₹ 25.47 crores for the previous financial year.

On a consolidated basis, the Company reported a Total Revenue of 512.42 crores for financial year 2025–26, as against ₹ 424.99 crores for the previous financial year, showing an increase of ₹ 87.43 crores from the previous year's income. The Consolidated Profit After Tax (PAT) for the financial year 2025-26 stood at ₹ 48.95 crores, as against ₹ 23.77 crores for the previous financial year.

SHARE CAPITAL

During the financial year under review, there was no change in the Authorised Share Capital of the Company, which continued to remain at 20,00,00,000 (Rupees Twenty Crore).

As on March 31, 2026, the Paid-up Equity Share Capital of the Company stood at 11,78,80,800 (Rupees Eleven Crores Seventy Eight Lakhs Eighty Thousand and Eight Hundred only), comprising 1,17,88,080 (One Crore Seventeen Lakhs Eighty Eight thousand and Eighty) equity shares of 10 each.

During the year, the Company raised approximately 80 Crore (79.99 Crore) through a preferential allotment of 10,06,480 equity shares to three Qualified Institutional Buyers ("QIBs") and one non-QIB individual investor, all belonging to the non-promoter category. The shares were allotted by the Board of Directors at its meeting held on May 23, 2025, pursuant to the approvals granted by the shareholders and the requisite in-principle approvals received from the stock exchanges. Consequent to the said allotment, the paid-up equity share capital of the Company increased to 11,78,80,800.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire profit as retained earnings. Accordingly, the Company has not transferred any amount to the reserves for the year ended March, 31 2026.

DEPOSITS

During the year under review, the Company did not accept any deposits from the public within the ambit of Section 73 of the Act, and the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modifications/ or re-enactments/ thereof) for the time being in force.

DIVIDEND

The Board of Directors of the Company approved the Dividend Distribution Policy on June 28, 2023, in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Policy is available on the Company's website at www.raclgeartech.com.

Pursuant to the said Policy, the Board of Directors, at its meeting held on February 13, 2026, declared an interim dividend of 1.50 per fully paid-up equity share for the financial year 2025-26. The said dividend has been paid to all eligible shareholders in accordance with the provisions of the Companies Act, 2013 and the parameters prescribed under the Dividend Distribution Policy.

In terms of the Income-tax Act, 1961, dividends are paid after deduction of applicable tax at source. Further, dividend remittances to shareholders residing outside India are governed by the applicable provisions of the Foreign Exchange Management Act, 1999 and are subject to withholding tax at the rates prescribed under the Income-tax Act, 1961 and other applicable laws.

BOARD OF DIRECTORS

The Board of Directors of your Company views Corporate Governance not merely as a regulatory obligation but as the cornerstone of sustainable value creation and long-term growth. By adopting governance standards that extend beyond statutory requirements, the Board seeks to ensure that the Company's operational excellence remains aligned with evolving global best practices. The Board bears overall responsibility for providing strategic direction and oversight, including matters relating to business strategy, capital expenditure, capital structure, financing, risk management, policy formulation, internal financial controls, and fostering the highest standards of ethics, integrity, and accountability.

The composition of the Board reflects an optimal blend of knowledge, experience, diversity of thought, professional expertise, and independent judgment. In compliance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board has an optimum mix of Executive and Non-Executive Directors, with Independent Directors as on the date of this Annual Report. The collective experience and varied competencies of the Directors enable the Board to provide effective guidance and exercise objective oversight in the best interests of the Company and all its stakeholders.

Details relating to the composition of the Board, declarations received from the Independent Directors, and the appointment and re-appointment of Directors are provided in the Corporate Governance Report, which forms an integral part of this Annual Report.

BOARD DIVERSITY

The Company believes that a balanced and diverse Board is integral to sound corporate governance and sustainable long-term value creation. A diverse Board brings together varied perspectives, professional expertise, industry experience, skills, and independent judgement, thereby enhancing the quality of deliberations and decision-making. Accordingly, the Company endeavours to maintain an appropriate mix of gender, age, educational qualifications, professional background, experience, and other relevant attributes while constituting its Board.

In identifying and recommending individuals for appointment to the Board, due consideration is given to merit, integrity, competence, expertise, experience, and the ability of prospective Directors to contribute diverse perspectives and constructive insights. The Company believes that Board diversity fosters innovation, strengthens strategic oversight, enhances governance practices, and enables the Board to effectively discharge its responsibilities while supporting the achievement of the Company's long-term strategic and business objectives in an evolving business environment.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the financial year under review, Six (6) Board Meetings were held, details of which are given in the Corporate Governance Report. The Board Meetings were convened and held in accordance with the provisions of the Act, SEBI Listing Regulations ("Act"), and Secretarial Standard-1("SS-1") issued by the Institute of Company Secretaries of India (ICSI). The time-gap between any two consecutive meeting was not more than 120 days as prescribed under the Act, SEBI Listing Regulations and SS-1.

KEY MANAGERIAL PERSONNEL

The following have been designated as the Key Managerial Personnel of the Company pursuant to the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

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 KMP of the Company.

BOARD COMMITTEES

In terms of the requirements of the Act and SEBI Listing Regulations and as a part of the best corporate governance practices, the Company has in place the following committees as on March 31, 2026:



Details of each of these committees outlining their composition, terms of reference and number of meetings held during the year along with attendance under review, are outlined in the Corporate Governance Report forming part of this Annual Report.

During the financial year under review, the Board has accepted all the recommendations made by the Committees after due deliberation.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Company has in place the Nomination and Remuneration Policy ("the Policy"), as recommended by the Nomination and Remuneration Committee ("the Committee") and approved by the Board of Directors. The Policy lays down the criteria for appointment / re-appointment of Directors, determines the qualifications, positive attributes and independence of Directors and provides the framework for performance evaluation. It also outlines the principles governing the remuneration of Directors, Key Managerial Personnel ("KMP") & Senior Management.

The Committee while recommending the appointment of the Directors, KMP or Senior Management to the Board ascertains and considers their integrity, qualification, expertise and experience.

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Directors based on the representations received from the Operating Management, confirms that:

- (a) in the preparation of the annual accounts for the Financial Year ended March 31, 2026, the applicable accounting standards have been followed;
- (b) they have in consultation with Statutory Auditors, selected accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down adequate Internal Financial Controls to be followed by the Company, and such Internal Financial Controls were operating effectively during the Financial Year ended March 31, 2026;
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the Financial Year ended March 31, 2026.

BOARD EVALUATION

Pursuant to the provisions of the Act, and Regulation 17(10) read with Schedule IV of the SEBI Listing Regulations, the Board of Directors carried out the annual performance evaluation of the Board, its Committees, and individual Directors, including the Chairman and Managing Director and the Independent Directors.

Evaluation Process

The annual performance evaluation was conducted through a structured evaluation mechanism designed to assess the effectiveness of the Board and its Committees in discharging their responsibilities. A comprehensive questionnaire was circulated to all the Directors covering various aspects of governance, including the Board's composition and functioning, strategic oversight, quality of deliberations, effectiveness of decision-making, corporate governance practices, risk management, compliance framework, leadership, and the discharge of statutory and fiduciary responsibilities. The evaluation was based on the responses received from the Directors.

Evaluation of the Board and its Committees

The performance of the Board was evaluated with reference to, among other things, its effectiveness in providing strategic direction, monitoring business performance, promoting ethical governance, ensuring robust internal controls and risk management, succession planning, stakeholder engagement, and overall Board dynamics.

The Committees of the Board were evaluated on parameters such as the appropriateness of their composition, attendance and active participation of members, effectiveness in discharging the responsibilities entrusted by the Board and under the applicable regulatory framework, adequacy of the agenda and supporting information, quality of deliberations, timeliness of recommendations, and contribution towards informed decision-making by the Board.

Evaluation of Individual Directors

A separate evaluation of the performance of each Director was undertaken. The Independent Directors evaluated the performance of the Non-Independent Directors, the Chairman and Managing Director, and the Board as a whole, taking into account the views of the Non-Executive Directors as required under the provisions of Act, and SEBI Listing Regulations.

The performance of each Director was assessed based on criteria including attendance and participation at Board and Committee meetings, professional expertise, knowledge of the Company's business and industry, strategic guidance, contribution to Board discussions, independent judgement, preparedness, leadership qualities, and adherence to the highest standards of integrity and ethical conduct.

The performance evaluation of the Independent Directors was carried out considering, inter-alia, their independence, objectivity, professional competence, governance oversight, contribution towards Board deliberations, ability to constructively challenge management, understanding of regulatory developments and industry trends, and their role in strengthening the Company's governance framework and long-term strategic direction.

The evaluation of the Chairman and the Managing Director included parameters such as leadership effectiveness, strategic vision, execution of business objectives, engagement with the Board and stakeholders, communication, succession planning, organisational culture, resource management, transparency, integrity, and commitment to the Company's vision, values, and long-term growth.

Outcome of the Evaluation

The outcome of the annual performance evaluation was discussed by the Board, the respective Committee Chairpersons, and the individual Directors. The evaluation reaffirmed the Board's strong commitment to effective corporate governance, strategic oversight, transparency, and sustainable value creation.

The Directors acknowledged the effectiveness of the Board's composition, the quality of deliberations, and the constructive contribution made by each Committee in discharging its responsibilities. It was observed that the Board Meetings were well planned, adequately supported with relevant information, and effectively conducted by the Chairman, enabling meaningful discussions and informed decision-making.

The evaluation also highlighted the significant role played by the Committees in strengthening governance practices, enhancing the internal control framework, monitoring risk management, and supporting the Board in fulfilling its oversight responsibilities. As part of the Company's annual strategic planning process, the Board continued to deliberate on long-term business strategy, emerging opportunities, execution of strategic initiatives, key business risks, and organisational priorities.

The Directors expressed their satisfaction with the evaluation process, and the Board concluded that it continues to function effectively, with a high degree of independence, professionalism, and commitment to the long-term interests of the Company and all its stakeholders.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2026, the Company had only one Wholly Owned Subsidiary, RACL Geartech GmbH, incorporated in Austria. The Company did not have any associate company or joint venture during the year under review. There was no material change in the nature of the business of the subsidiary, and no subsidiary, associate company, or joint venture was incorporated or ceased to exist during the financial year.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of the financial statements of the Company's subsidiary in **Form AOC-1** forms part of this Annual Report.

The Consolidated Financial Statements of the Company have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.

In accordance with the provisions of Section 136 of the Act and Regulation 46 of the SEBI Listing Regulations, the Standalone and Consolidated Financial Statements of the Company, together with the audited financial statements of its Wholly Owned after Subsidiary i.e. RACL Geartech GmbH, are available on the Company's website at www.raclgeartech.com.

The Policy for determining Material Subsidiaries, as approved by the Board of Directors and formulated in accordance with the SEBI Listing Regulations, is also available on the Company's website at www.raclgeartech.com.

AUDITORS & AUDITORS' REPORT

A. STATUTORY AUDITORS

At the 42nd Annual General Meeting ("AGM") of the Company, M/s. Gupta Nayar & Co., Chartered Accountants (Firm Registration No. 008376N), were appointed as the Statutory Auditors of the Company for a term of three consecutive years, commencing from the conclusion of the 42nd AGM and continuing until the conclusion of the 45th AGM, in accordance with the provisions of Section 139 and other applicable provisions of the Act. The remuneration is determined by the Audit Committee and/or the Board of Directors in consultation with the Statutory Auditors.

The Statutory Auditors have issued an unmodified audit opinion on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2026. The Audit Report do not contain any qualifications, reservation, adverse remarks, or disclaimers. Further, during the year under review, the Statutory Auditors have not reported any instance of fraud under Section 143(12) of the Act.

B. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and Regulation 24A of the SEBI Listing Regulations, M/s. Rosy Jaiswal & Associates, Company Secretaries (Peer Review Number: 2298/2022) were appointed as the Secretarial Auditors of the Company to hold office for a period of five (5) consecutive years from financial year 2025-26 to financial year 2029-30 with the approval of the Members at the 42nd AGM.

The Secretarial Audit Report in **Form MR-3**, issued by M/s. Rosy Jaiswal & Associates, Company Secretaries, pursuant to Section 204 of the Act, forms part of the Report and is enclosed as **Annexure-1**. The said Report does not contain any qualifications, reservation, adverse remarks or disclaimers.

Further, pursuant to Regulation 24A of the SEBI Listing Regulations, the Company has obtained the Annual Secretarial Compliance Report dated May 28, 2026, issued by M/s. Rosy Jaiswal & Associates, Company Secretaries. The said Report is also free from any qualifications, reservation, adverse remarks or disclaimer and is available on the website of the Company at www.raclgeartech.com.

C. INTERNAL AUDITOR

Protiviti India Member Private Limited, were appointed as the Internal Auditor of the Company for the financial year 2025-26, by the Board of Directors in its Meeting held on May 7, 2025, based on the recommendations of the Audit Committee, in accordance with Section 138 of the Act and rules framed thereunder at such terms & conditions as approved by Board in consultation with Auditor.

COST AUDIT AND MAINTENANCE OF COST RECORDS

Pursuant to the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company was not required to conduct the cost audit for the financial year 2025-26. However, the Company is required to maintain cost records as prescribed by the Central Government under the said provisions.

Accordingly, the Company has maintained the requisite cost records for the financial year under review and is in compliance with the applicable provisions of the Act, and the rules made thereunder.

OTHER DISCLOSURES

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;
- no proceedings are made or pending under the Insolvency and Bankruptcy Code, 2016;
- there is no instance of one-time settlement with any Bank or Financial Institution;
- the requirement to disclose the details of the difference between the amount of the valuation done at the time of one-

time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable;

- the Company has been compliant with the provisions relating to the Maternity Benefits Act, 1961;
- no shares with differential voting rights and sweat equity shares have been issued;
- there has been no change in the nature of business of the Company;
- there have been no material change or commitment affecting the financial position of the Company that have occurred between the end of the financial year on March 31, 2026, and the date of signing of this Report.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has in place adequate and robust internal financial controls and framework commensurate with the size and operations of the Company to ensure the orderly and efficient conduct of its business operations. These controls, systems, policies and procedures have been 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 Committee & Risk Management Committee and the Board periodically reviews the internal control systems to ensure their continued effectiveness and relevance and where any improvements are identified, prompt and corrective actions are taken. All audit observations and follow-up actions are tracked and reported to the Audit Committee for review and necessary action.

The Company's Code of Conduct emphasizes transparency in financial reporting, ethical behaviour, regulatory compliance, conflict of interest management, and structured reporting mechanisms.

The Company's 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 effectively identify, monitor and mitigate risks.

VIGIL MECHANISM

Pursuant to the provisions of Section 177(9) and 177(10) of the Act, and Regulation 22 of the SEBI Listing Regulations, the Company has established a Vigil Mechanism through a Whistle Blower Policy to promote ethical conduct, transparency and accountability in its business operations.

The Policy provides a secure and confidential mechanism for directors, employees and other stakeholders to report genuine concerns relating to unethical behaviour, actual or suspected fraud, violation of the Company's Code of Conduct or any other improper practices. It also incorporates adequate safeguards against victimisation of whistle-blowers, ensures confidentiality of disclosures and provides for a fair and impartial investigation of all reported concerns.

The Policy provides direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. During the year under review, no person was denied access to the Chairperson of the Audit Committee.

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

RISK MANAGEMENT

The Company has constituted a Risk Management Committee to oversee the risk management framework and assist the Board in ensuring that key business risks are identified, assessed, monitored, and effectively mitigated. The Committee is, inter-alia, responsible for reviewing the Company's risk profile, monitoring the effectiveness of the risk management framework, and recommending changes to the Risk Management Policy, whenever considered necessary.

The Company has adopted a comprehensive Risk Management Policy, approved by the Board, which provides a structured framework for identifying, evaluating, mitigating, and monitoring risks across the organisation. The framework covers strategic, operational, financial, regulatory, environmental, cyber security, and other emerging risks, including those which, in the opinion of the Board could threaten the Company's business or its continued operations.

Risk management is embedded across all major functions of the Company and forms an integral part of its decision-making and governance processes. Through a systematic and continuous approach, the Company assesses potential risks, implements appropriate mitigation measures, and periodically reviews the effectiveness of its risk management framework to ensure resilience against both internal and external risk factors.

The composition of the Risk Management Committee, its terms of reference, and other relevant details are provided in the Corporate Governance Report forming part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of SEBI Listing Regulations, as amended from time to time, the Management Discussion and Analysis Report forms part of this Annual Report.

CORPORATE GOVERNANCE

Driven by the values of Integrity, Respect, Responsibility, and Pioneering, the Company's Corporate Governance framework continues to evolve in line with global best practices. Integrity remains central to our operations, with transparency embedded as a core principle rather than a compliance requirement. A separate Report on Corporate Governance, together with a Certificate from the Secretarial Auditors confirming compliance with the Corporate Governance requirements under the Listing Regulations, forms part of this Annual Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Sustainability is not a parallel initiative but a foundational element of our operating model. Environmental, Social and Governance (ESG) considerations are embedded across strategy, risk management and execution to ensure long-term value creation for stakeholders and communities.

Sustainability risks and performance are overseen through strong governance mechanisms, with regular review by the senior leadership and the Risk Management Committee.

Under Regulation 34(2)(f) of SEBI Listing Regulations, the Business Responsibility & Sustainability Report (BRSR) for the FY 2025-26 forms part of this Annual Report and is given solely under the discretion of the Company.

ANNUAL RETURN

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company ('MGT-7') is available on the website of the Company at www.raclgeartech.com.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all the applicable provisions of Secretarial Standards on Meetings of Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2), 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

All related party transactions entered into during the financial year 2025-26 were in the ordinary course of business and on an arm's length basis. During the year, no materially significant related party transaction was entered into by the Company with its Promoters, Directors, Key Managerial Personnel or other related parties that could have had a potential conflict with the interests of the Company at large.

The Audit Committee reviews and approves all related party transactions in accordance with the provisions of the Act and SEBI Listing Regulations applicable SEBI Circulars and the Industry Standards framed by the Industry Standards Forum. For repetitive or foreseeable transactions, the Audit Committee grants omnibus approval, which is reviewed on a quarterly basis. Although transactions between the Company and its wholly-owned subsidiary, are exempt from the requirement of Audit Committee approval under Regulation 23(5) of the SEBI Listing Regulations, the Company, as a matter of good governance, places such transactions before the Audit Committee for its approval.

The particulars of contracts or arrangements with related parties as prescribed under Section 134(3)(h) read with Section 188 of the Act, and Rule 8(2) of the Companies (Accounts) Rules, 2014 are provided in **Form AOC-2** and is enclosed as **Annexure-2**. The transactions reported therein relate to the Company's wholly-owned subsidiary and were entered into in the ordinary course of business and on an arm's length basis.

Accordingly, such transactions are exempt from shareholders' approval under the fifth proviso to Section 188(1) of the Companies Act, 2013 and Regulation 23(5) of the SEBI Listing Regulations.

The disclosures on related party transactions as required under the applicable accounting standards form part of the notes to the financial statements.

The Policy on Related Party Transactions is available on the Company's website at www.raclgeartech.com.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility ("CSR") is an integral part of the Company's business philosophy and reflects its commitment to sustainable and inclusive growth. The Company strives to create a positive and lasting impact on the communities and environment in which it operates through initiatives focused on education, healthcare, women empowerment, skill development, livelihood generation, community infrastructure and other activities specified under Schedule VII of the Companies Act, 2013.

The Company's CSR activities are governed by a Board-approved Corporate Social Responsibility Policy framed in accordance with the provisions of Section 135 of the Act, and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Policy provides the framework for identifying, implementing, monitoring and evaluating CSR projects and programmes, including budgeting, treatment of unspent CSR amounts and selection of implementing agencies. The CSR Policy is available on the Company's website at www.raclgeartech.com.

A Corporate Social Responsibility Committee of the Board oversees the implementation of the CSR Policy, recommends the annual action plan and periodically reviews the progress and effectiveness of the CSR initiatives undertaken by the Company.

During the financial year 2025-26, the Company continued to undertake CSR programmes aligned with its core values and aimed at improving the well-being of the communities in which it operates. The amount spent by the Company towards CSR activities for the financial year 2025-26 was 86.99 Lakhs.

The Report on Corporate Social Responsibility (CSR) activities, containing the particulars prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is enclosed to this Report as **Annexure – 3**.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Information under clause (m) of sub-section (3) of Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed as **Annexure-4**.

HUMAN RESOURCE AND INDUSTRIAL RELATIONS

The Company firmly believes that its employees are its most valuable asset and the driving force behind its sustained growth and success. During FY 2025-26, the Company remained committed to fostering a positive, inclusive, and performance-driven work environment founded on its core values of integrity, collaboration, mutual respect, and continuous improvement.

The Company promotes a culture of open and transparent communication that encourages employees at all levels to share ideas, provide feedback, and raise concerns without hesitation. This collaborative approach supports informed decision-making, strengthens employee engagement, and contributes to operational excellence.

Recognising that people development is integral to long-term success, the Company continued to invest in capability building through a range of behavioural, functional, and technical training programmes. During the year, focused learning initiatives were conducted on critical areas such as anti-bribery and anti-corruption, human rights, prevention of sexual harassment (POSH), workplace safety, and other statutory and business-related topics, reinforcing ethical conduct and regulatory compliance across the organisation.

The Company also maintained a strong focus on employee health, safety, and well-being through regular annual medical check-ups, health awareness programmes, and initiatives aimed at promoting a safe and healthy workplace. In line with its commitment to employee welfare and organisational uniformity, uniforms were provided to employees across all locations. To strengthen a high-performance culture, the Company implemented a structured performance management framework with clearly defined goals and measurable performance parameters across all employee levels. This framework enhances accountability, encourages merit-based performance, and aligns individual objectives with the Company's strategic priorities. The Company continues to invest in human resource development by strengthening workplace infrastructure, enhancing employee engagement, and progressively digitising HR processes to improve efficiency and the overall employee experience. Industrial relations remained cordial and harmonious throughout the year across all manufacturing facilities and offices. The Company's proactive employee-centric practices, effective grievance redressal mechanisms, transparent communication, and unwavering focus on employee development have contributed to maintaining a motivated, engaged, and future-ready workforce.

DISCLOSURE UNDER SECTION 197 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been enclosed as **Annexure-5** to this Report.

REMUNERATION POLICY

The Company has in place a Nomination & Remuneration Policy adopted by the Board on the recommendation of Nomination and Remuneration Committee which enumerates the criteria for assessment and appointment/re-appointment of Directors, Key Managerial Personnel and Senior Management 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. The 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 also available on Company's website at www.raclgeartech.com.

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

The Company is committed to fostering a safe, respectful, inclusive and equitable workplace where every individual is treated with dignity and fairness. In furtherance of this commitment, the Company has adopted a comprehensive, gender-neutral Policy on Prevention of Sexual Harassment ("POSH Policy") in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules made thereunder. The Policy is applicable to all employees, including permanent, temporary and contractual employees, trainees and other individuals associated with the Company.

The POSH Policy provides a robust framework for the prevention, prohibition and redressal of complaints relating to sexual harassment and reinforces the Company's zero-tolerance approach towards any form of harassment, discrimination or intimidation. It promotes a culture of mutual respect, equality, diversity and equal opportunity while ensuring that all concerns are addressed in a fair, impartial, confidential and time-bound manner.

In compliance with the provisions of the POSH Act, the Company has constituted Internal Complaint Committee (ICC) to receive, investigate and redress complaints of sexual harassment. The Company also conducts regular awareness, sensitisation and training programmes, including induction and refresher sessions, to educate employees on workplace conduct, gender sensitisation, the Code of Conduct and the provisions of the POSH Act.

During the financial year under review, no complaint of sexual harassment was received by the ICC. Consequently, there were no cases required to be reported under Section 22 of the POSH Act.

The details of complaints received and disposed of during the financial year are as under:

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	Nature of action taken by the employer or district officer	NA
5	Number of workshops or awareness programme against sexual harassment carried out	1

To promote awareness and reinforce a respectful workplace culture, the Company regularly conducts training and sensitisation programmes, including induction and refresher sessions, across its offices and manufacturing locations. These programmes cover key topics such as gender sensitisation, the Company's Code of Conduct, the provisions of the POSH Act, and the prevention of sexual harassment at the workplace.

ENVIRONMENT, HEALTH AND SAFETY

The Company remains steadfast in its commitment to ensuring a safe, healthy, and sustainable work environment for all stakeholders and maintaining absolute respect of Environment, Health and Safety (EHS) as the Company's top priority. In 2025-26, the Company's Environment, Health, and Safety (EHS) initiatives have expanded both in scope and impact, reinforcing culture of safety, responsibility, and environmental stewardship. The Company is working hard to reduce the number of accidents to Zero and for this 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 this, the Company conducts 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.

ENVIRONMENT, SOCIAL & GOVERNANCE INITIATIVES (ESG)

At RACL Geartech Limited, sustainability is embedded within the Company's business strategy and operational framework. The Company continues to strengthen its commitments in integrating Environmental, Social and Governance (ESG) principles into its business practices, operations and decision-making processes. The Company continued its focus on generating renewable energy in order to promote a gradual transition towards the use of clean energy sources, reducing CHG emissions and continuous improvement towards water management, reduction of paper consumption, awareness campaigns to foster environmentally responsible behaviour among all employees, regulatory compliance, employee well-being and stakeholder value creation. The Company remains committed to enhancing its sustainability performance and creating long-term value for stakeholders through responsible growth.

Recognizing the evolving challenges arising from climate change and increasing stakeholder expectations, the Company continuously identifies, assesses, and manages ESG-related risks and opportunities across its operations and value chain.

LARGE COPRORATES

As on March 31, 2026, the Company does not fall in the category of Large Corporates for FY 2025-26, as it does not exceed the thresholds given in the SEBI circular SEBI/HO/DDHS/DDHS-RACPOD1/P/ CIR/2023/172 dated October 19, 2023.

CYBERSECURITY

In an increasingly digital business environment, the Company remains committed to safeguard its information & data assets and ensuring the security, reliability, and resilience of its systems, policies and controls. Cybersecurity risks are regularly evaluated as part of the Company's overall risk management approach, enabling the Company to respond effectively to the evolving threat landscape and maintain business continuity. Periodic IT audits are conducted to assess effectiveness of existing controls and identifies areas where improvements might be needed.

AWARDS AND RECOGNITIONS

During the FY 2025-26 the Company has received the following awards and recognitions:

- The Company has been recognized as the Star Performer in the Automobile Component Product Group under the Northern Region Export Excellence category and honoured with an award by EEPC India during the Northern Region's 52nd and 53rd Export Excellence Awards. 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.
- The Company has been recognized as a Star Performer in the Automobile Component Product Group under the Northern Region Export Excellence category and was conferred with an award by EEPC India at the Northern Region's 54th and 55th Export Excellence Awards. The award was presented by the Hon'ble Chief Minister of Rajasthan, Shri Bhajan Lal Sharma.
- The Company has been selected as the Winner in the "Outstanding Social Responsibility" category at the Gear Technology India Awards 2026. The Gear Technology India Awards are an initiative of Gear Technology India and are held alongside the IPTEX 2026 and GRINDEX 2026, recognizing organizations demonstrating excellence in technology, manufacturing, and responsible business practices.
- The Company was honoured with a "Silver" Rating and a Certificate of Appreciation by TVS Motor Company in recognition of its initiatives and performance in the area of Environmental, Social and Governance (ESG) practices. The recognition was conferred at the TVS Supplier Sustainability Summit 2025, held in Bengaluru, Karnataka, on December 15, 2025, based on the outcome of the TVS Manufacturing Performance Index Assessment.

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

Date: August 7, 2026

Place : Noida

GURSHARAN SINGH
(Chairman & Managing Director)
DIN: 00057602

ANNEXURE-1 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, 2026

To,
The Members,
M/s RACL Geartech Limited
CIN: L34300DL1983PLC016136
B-9, Sector-3, Noida, UP 201301

I 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, 2026 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I 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, 2026 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.

I/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")

I 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.

- a. Mr. Pravir Kumar (DIN: 000671671) has been appointed as a Non-Executive Independent Director, not liable to retire by rotation with effect from August 11, 2025*.
- b. Mr. Rakesh Kapoor (DIN: 00015358) has been appointed as a Non-Executive Non-Independent Director, liable to retire by rotation, with effect from August 11, 2025.*

* Appointments were approved by the shareholders of the Company at the 42nd Annual General Meeting of the Company held on September 26, 2025

- c. Mr. Shashank Ramesh Anikhindi, has completed his term as Independent Director of the Company with effect from the end of the day on September 28, 2025

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance 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.

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

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.

I further report that during the audit period there were no specific events or actions except for the following in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having any bearing on the company's affairs viz.,

- (i) Public/Right/Preferential issue of shares / debentures/sweat Equity, etc.
 - A. Issue of 830711 Equity shares on Preferential Basis to certain Qualified Institutional Buyers under 'Non-Promoter Category' dated 23-05-2025 on Preferential allotment Basis under **Chapter V** of the SEBI ICDR Regulations, 2018 and other Acts/ provisions/ regulations/ guidelines as applicable.
 - B. Issue of 175769 Equity shares on Preferential Basis to the certain non-qualified institutional buyers under 'Non-Promoter Category' dated 23-05-2025 on Preferential allotment Basis under **Chapter V** of the SEBI ICDR Regulations, 2018 and other Acts/ provisions/ regulations/ guidelines as applicable.

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.

**For Rosy Jaiswal & Associates
Company Secretaries**

**Rosy Jaiswal
(Proprietor)**

**FCS No. 13857, C.P No. 21968
UDIN: F013857H001049861**

ICSI Peer Review Certificate No:2298/2022

**Place: New Delhi
Date: August 7, 2026**

Annexure 1 (forming part of Secretarial Audit Report)

To,
The Members,
M/s RACL Geartech Limited
B - 9, Sector 3, Noida UP 201301

My 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, I 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, we 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.

For Rosy Jaiswal & Associates
Company Secretaries

Rosy Jaiswal
(Proprietor)

FCS No. 13857, C.P No. 21968

UDIN: F013857H001049861

ICSI Peer Review Certificate No:2298/2022

Place: New Delhi
Date: August 7, 2026

ANNEXURE-2 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, 2026. 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

Place : Noida
Date: August 7, 2026

ANNEXURE-3 TO THE BOARD REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE YEAR ENDED 31ST MARCH, 2026

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:

Sl. 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
3.	Mr. Anil Sharma	Non- Executive Non-Independent Director	Member	2	2
2.	Mrs. Narinder Paul Kaur	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)- ₹ 86.99 Lakhs

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years- ₹ 14.16 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): ₹ 101.15 Lakhs

8. a. CSR amount spent or unspent for the financial year: (₹ In Lakh)

Total Amount Spent for the Financial Year.	Amount Unspent (in ₹)				
	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
₹ 86.99 Lakhs	₹ 14.16 Lakhs	27/04/2026	-	-	-

b. Details of CSR amount spent against ongoing projects for the financial year:
(₹ In Lakh)

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project Duration	Amount Allocated for the project (p.a.)	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District						Name	CSR Regn No.
1.	Bright Tomorrow	Promoting Education and infrastructure	Yes	Uttar Pradesh	Noida	3 Years	64	50.99	13.01	Yes	NA	NA
2.	Shining Stars	Employment enhancing vocation skills	Yes	Uttar Pradesh	Noida	3 Years	5	4.40	0.60	Yes	NA	NA
3.	Medical Assistance	Health, Hygiene and wellness	Yes	Uttar Pradesh	Noida	3 years	6	5.45	0.55	Yes	NA	NA
TOTAL							75	60.84	14.16			

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

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent in the current financial Year (₹ In Lakh)	Mode of Implementation Direct(Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District			Name	CSR Registration
1.	Education & Healthcare Promotion	Healthcare and Promoting Education for Underprivileged children	Yes	Uttar Pradesh	Noida	26.15	No	Sun-Up Foundation	CSR00026305
TOTAL						26.15			

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)-

₹ 86.99 Lakhs

g. Excess amount for set off, if any-

NA

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

Sl. No.	Preceding FY	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting FY (in ₹)	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 ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2022-23	6.46	6.46	NA	NA	NA	NA
2.	2023-24	11.07	11.07	NA	NA	NA	NA
3.	2024-25	14.16	14.16	NA	NA	NA	NA

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

(₹ In Lakh)

Sl. 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	64	50.99	186.32	Ongoing
2.	-	Shining Stars	2020-21	4 years	5	4.40	14.39	Ongoing
3.	-	Medical Assistance	2020-21	4 years	6	5.45	29.45	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.

- Date of creation or acquisition of the capital asset(s)
- Amount of CSR spent for creation or acquisition of capital asset
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- 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 failed to 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: May 26, 2026

GURSHARAN SINGH
CHAIRMAN & MANAGING DIRECTOR
DIN: 00057602

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

ANNEXURE-4 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: -

- Successfully sustained an average **Power Factor of 0.99** during **FY 2025-26**, continuing the performance achieved in **FY 2024-25**.

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

- As on 31-03-2026, RACL has Commissioned a total of 1725 kWp Roof Top Solar Power Plant;
- Out of the total rooftop installation 340 kWp has been installed in FY 2025-26. The solar power plant generated significant savings. The incremental addition of rooftop solar capacity duly supported by offsite solar captive power generation has helped the company to maintain 100% green electrical energy from FY 2023-24 onwards.
- The Company has entered into a Power Purchase Agreement with Sunsare Solarpark Ten Private Limited on 7th July, 2023 for 4MW of solar energy. The solar power plant generated significant savings.
- The implementation of this solar power plant contributed to a substantial reduction in carbon footprint, with a decrease of over 5100 tons of CO₂ emissions annually

(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, 24-25 & 25-26, the Company entered into a Power Purchase Agreement for installation of a solar photo voltaic roof top power plant in Gajraula.

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

(i) Efforts made towards technology absorption;

- Enhancement of capacity by addition of high Speed CNC Gear Hobbing and Gear Shaping Machines with Auto loaders for maintaining quality requirement with very high productivity.
- Enhancement of capacity by addition of CNC CBN Cylindrical grinders which are highly capable for maintaining stringent quality requirement with very high productivity level thus meeting all requirements for EV application as well.
- Capacity Enhancement of Forging Plant by addition of 1600T Screw Press with Robotic unloading system to achieve High productivity for complex profile components;
- Addition of CNC Thread Grinding technology to fulfill customer needs for upcoming passenger car EV Business
- Addition of CNC Polishing (Micro Finishing) Machine to fulfill customer needs for upcoming passenger car EV Business
- Addition of CNC Dynamic Balancing Technology with Automatic Weight correction and laser marking to fulfill customer needs for upcoming passenger car EV Business
- Adoption of AI tools towards providing end to end traceability to fulfill customer needs for upcoming passenger car EV Business fulfilling customer specific requirements.

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

- **Cost Saving Through Internal PLC Projects & Automation Improvements** Successfully executed multiple in-house PLC modification and automation projects, eliminating the need for external support and reducing project costs.

- **Inhouse manufacturing , interfacing and software development for New Assembly stations for various projects**

(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 CBN cylindrical grinder from Erwin Junker Germany. (2023)
- 11 Axis CNC Gear Grinding Machine - Klingenberg Germany. (2023)
- High speed CNC Carbide Hobbing Machine – Gleason Switzerland (2023)
- High speed CNC Hobbing Machine – Nidec Japan. (2023)
- NC Guide CNC Gear Shaper Machine – Nidec Japan. (2023)
- 5 Axis CNC shaving machine - Nidec Japan. (2023)
- Power skiving machine - Gleason Switzerland. (2023)
- CNC Turn Grind Machine- EMAG Germany. (2023)
- CNC Hard Broaching Machine – Axisco Taiwan. (2023)
- 5 Axis CNC Turn mill center (Integrex I 100) - MAZAK Japan. (2023)
- CNC Vertical bore Honing Machine – Nissin Japan. (2024)
- 11 Axis CNC Gear Grinding Machine – Nidec Japan. (2024)
- CNC Turn-mill Center machine -Mazak Japan. (2024)
- Laser Welding Machine – Triumph Germany. (2025)
- CNC Vertical Turning Center – Emag Germany. (2025)
- CNC Turning Machine- Mazak Singapore (2025)
- CNC Gear Shaping- Nidec japan(2025)
- Digital Air Gauge Unit- Stortz Germany (2025)
- Internal Broaching Machine- Axisco Taiwan (2025)
- Forging Press 1600 Ton – Hongda China (2025)
- Gear Shaving Machine – Nidec Japan (2025)
- Laser Marking Machine- Trumpf Germany (2025)
- CMM - Mitutoyo Japan. (2026)

(b) Year of import: 2023-2026

(c) Whether the technology been fully absorbed: Yes

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

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

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 (₹ In Lakh)
Foreign Exchange Earnings	₹ 33415 Lakhs
Foreign Exchange Outgo	₹ 3284 Lakhs

ANNEXURE-5 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, 2026:

Sl. No.	Name of the Directors	Designation	Remuneration Paid during year ended March 31, 2026 (₹ In Lakhs) ⁽¹⁾	Ratio ⁽²⁾	% increase/(decrease) in remuneration for the financial year ended March 31, 2026
1	Mr. Gursharan Singh	Chairman & Managing Director	272.33	64.29	1.72%
2	Mr. Pravir Kumar ⁽³⁾	Independent Director	2.00	0.47	NA
3	Mr. Jagdish Keswani	Independent Director	4.92	1.16	6.96%
4	Brig. Harinder Pal Singh Bedi (Retd.)	Independent Director	3.75	0.88	63.04%
5	Mrs. Malini Bansal	Independent Director	5.5	1.30	39.24%
6	Mr. Anil Sharma	Non- executive Non-Independent Director	35.83	8.46	8.73%
7	Mr. Rakesh Kapoor ⁽³⁾	Non-executive Non-Independent Director	2.00	0.47	NA
8	Mrs. Narinder Paul Kaur	Non- executive Non-Independent Director	36.75	8.67	13.78%
9	Mr. Shashank Ramesh Anikhindi ⁽³⁾	Independent Director	3.5	0.83	NA
10	Mr. Jitender Jain	Chief Financial Officer	-	-	16.80%
11	Ms. Neha Bahal	Company Secretary & Compliance Officer	-	-	17.51%

Notes :

- (1) The remuneration of Non-Executive Directors includes sitting fees and retainerhip fees.
- (2) The calculation of ratio of remuneration of each director to median remuneration of employees is calculated on Gross Salary.
- (3) % increase/ (decrease) is not given for Mr. Shashank Ramesh Anikhindi as he ceased to be Director w.e.f. September 28, 2025 and Mr. Pravir Kumar and Mr. Rakesh Kapoor as they were appointed as Directors w.e.f. August 11, 2025.

2. The percentage change in the median remuneration of the employees during the year ended March 31, 2026:

The percentage increase in the median remuneration of the employees noted on March 31, 2025 and March 31, 2026 respectively is **3.8 %**.

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, 2026 is **771**.

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 increase in the salaries during the year ended March 31, 2026:

Managerial Personnel: **11.59 %**

Employees other than Managerial Personnel: **12.97%**

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 Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1. Names of Top Ten Employees in terms of Remuneration as on March 31, 2026:

S. No.	Name of Employees	Designation	Remuneration (₹ 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	272.33	Permanent Mechanical	Diploma in Engineering, PGDM in Export Management	44	05.10.1987	63	Escort Tractors Ltd. (Ford)	3945134	Yes
2.	Jitender Jain	Chief Financial Officer	89.25	Permanent	CA	24	01.09.2023	45	Citi Bank, RBL Bank	-	No
3.	Rajiv Kumar Goel	Chief Technical Officer	51.862	Permanent	B.Tech in Mechanical	35	01.10.1990	58	NA	17808	No
4.	Prabh Mehar Singh	Chief Operating Officer	46.62	Permanent	Master in Management (Finance)	14	15.02.2016	34	KPMG India	-	Yes
5.	Hemant Kumar	General Manager	38.34	Permanent	AME, Mechanical Engineering, Diploma in Mechanical Engineering	35	18.08.2008	57	Lumax Industries	-	No
6.	Udaya Kumar R.	Joint General Manager	30.48	Permanent	B.Tech in Mechanical	35	01.02.1996	57	Sara Services & Engineering Pvt. Ltd.	-	No
7.	Karun Sharma	Dy. General Manager	28.494	Permanent	Diploma in Production Engineering and Industrial Management	23	01.09.2021	43	Marposh India Private Limited	-	No

S. No.	Name of Employees	Designation	Remuneration (₹ 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
8.	Richie Pal Singh	Joint General Manager	28.058	permanent	B.Tech and PGD Business Administration	24	04.04.2023	45	Sansera Engineering Limited	-	No
9.	Navneet Kumar Sharma	Dy. General Manager	28.83	permanent	B.Tech in Mechanical	18	01.08.2008	40	NA	-	No
10.	Vivek Tiwari	Joint General Manager	26.413	permanent	M.TECH. in Engineering Materials	20	01.03.2024	46 yrs.	Piaggio Vehicles Private Limited	-	No

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

S. No.	Name of Employees	Designation	Remuneration (₹ 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
NA											

3. 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 ₹ 8,50,000/- per month:

S. No.	Name of Employees	Designation	Remuneration (₹ 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
NA											

4. 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 (₹ 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
NA											

FOR RACL GEARTECH LIMITED

GURSHARAN SINGH
CHAIRMAN & MANAGING DIRECTOR
(DIN: 00057602)

Place: Noida
Date: August 7, 2026

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Perspective

FY 2025–26 represented a defining year in RACL's growth journey. The Company crossed the INR 500 crore revenue milestone while delivering a significant improvement in profitability, demonstrating the strength of its business model and the resilience of its operating strategy. Our export business remained the key driver of growth, contributing nearly 75% of our revenue and reinforcing RACL's position as a preferred global supplier of precision-engineered transmission components. During the year, the Company recorded revenue of 512.42 Crores, EBITDA of 129.16 Crores with a healthy margin of 25.21%, and Profit After Tax of 48.95 Crores, reflecting sustained operational excellence and financial discipline. The year was characterised by heightened geopolitical uncertainty, evolving trade relationships, volatile commodity prices and continued realignment of global supply chains. Despite these external challenges, demand for high-precision, technology-intensive engineering solutions remained resilient, particularly among global OEMs seeking reliable manufacturing partners capable of consistently delivering quality, engineering expertise and supply chain stability.

These structural shifts continued to reinforce India's position as a preferred manufacturing destination. Global customers increasingly prioritised supplier capabilities over cost alone, placing greater emphasis on engineering competence, manufacturing quality, traceability, localisation and long-term partnerships. For RACL, whose business has been built on precision engineering, process discipline and customer collaboration over four decades, these changing industry dynamics translated into meaningful growth opportunities across domestic and international markets.

During the year, the Company strengthened its position across its core business segments while continuing to diversify its product portfolio and customer base. Export markets remained the primary growth engine, accounting for over 70% of revenue, supported by long-standing relationships with leading global automotive OEMs. Simultaneously, the Company continued to invest in manufacturing capabilities, automation, digitalisation and quality systems to enhance productivity, improve operational efficiency and support future growth.

Management believes that the automotive industry is entering a phase where competitive advantage will increasingly be determined by engineering capability, manufacturing excellence, technological adaptability and the ability to consistently deliver complex, high-value precision components at global quality standards.

Global Economic Environment

The global economy remained resilient but moderated during FY 2025–26 amid geopolitical tensions, evolving trade policies and persistent inflationary pressures. Although inflation eased compared to the previous year, higher interest rates across major economies continued to influence consumer demand, industrial investment and capital allocation, while volatility in energy, logistics and commodity prices remained a challenge for manufacturers worldwide.

At the same time, global supply chains continued to undergo structural transformation. The "China+1" strategy gathered further momentum as multinational corporations diversified manufacturing footprints to improve resilience and reduce geopolitical risks. This shift strengthened the strategic importance of manufacturing destinations such as India, supported by competitive costs, engineering capabilities and an expanding industrial ecosystem.

The automotive industry continued to invest in advanced manufacturing, digitalisation and next-generation vehicle technologies despite near-term macroeconomic headwinds. OEMs increasingly prioritised suppliers with strong engineering capabilities, manufacturing excellence and dependable global delivery, creating long-term opportunities for precision engineering companies capable of consistently meeting global quality standards.

Indian Economy

India continued to reinforce its position as one of the world's fastest-growing major economies during FY 2025–26, supported by resilient domestic demand, sustained public infrastructure investment and continued policy reforms. Government initiatives such as *Make in India*, the *Production Linked Incentive (PLI) Scheme* and PM Gati Shakti strengthened the country's manufacturing ecosystem, improved logistics infrastructure and enhanced India's attractiveness as a global investment and sourcing destination.

The automotive and engineering sectors continued to benefit from increasing localisation, expanding manufacturing capabilities and a growing focus on technology-led production. At the same time, India's skilled workforce, improving ease of doing business and deeper integration into global supply chains further strengthened its competitiveness as a preferred manufacturing hub for precision-engineered products.

These structural developments created a favourable operating environment for export-oriented manufacturers such as RACL Geartech. As global OEMs increasingly diversified their supply chains and sought reliable long-term partners, the Company's engineering expertise, manufacturing excellence and established international customer relationships positioned it well to capitalise on India's growing role in the global automotive and precision engineering ecosystem.

Automotive Industry Overview

The global automotive industry continued to evolve during FY 2025–26 as manufacturers balanced investments across electric mobility, hybrid technologies and next-generation internal combustion engine (ICE) platforms. While electric vehicle adoption continued to gain momentum, particularly in China, several global OEMs adopted a more balanced technology strategy, reflected in renewed investments in hybrid powertrains and the launch of cleaner, more efficient petrol and diesel engines. This reinforced the industry's transition towards a multi-powertrain ecosystem, where conventional, hybrid and electric vehicles are expected to coexist for the foreseeable future.

Vehicle architectures also continued to become more sophisticated, driven by premiumisation, stricter safety regulations and increasing consumer expectations. The growing adoption of advanced transmission systems, electric power steering, lightweight chassis technologies and performance-oriented drivetrains has significantly increased the engineering content per vehicle, creating sustained demand for high-precision, value-added automotive components.

India also witnessed a notable shift towards premium mobility. Rising disposable incomes, changing consumer preferences and a growing enthusiasm for leisure and performance motorcycling continued to drive demand in the premium two-wheeler segment. Domestic and international OEMs expanded their premium motorcycle portfolios, while exports from India strengthened the country's position as a global manufacturing hub for mid-sized and premium motorcycles. This trend presents significant long-term opportunities for precision engineering companies with specialised capabilities in transmission systems and drivetrain components.

At the same time, global OEMs continued to consolidate their supplier base, increasingly favouring partners with strong engineering capabilities, manufacturing excellence, product development expertise and reliable global delivery. As vehicle complexity continues to increase across all propulsion technologies, suppliers capable of consistently delivering high-quality precision-engineered components are expected to play an increasingly strategic role in the global automotive value chain.

RACL's Strategic Position

RACL has established itself as a trusted global manufacturer of precision-engineered transmission solutions, serving leading automotive OEMs across premium motorcycles, passenger vehicles and industrial applications. Over the years, the Company has built a diversified business portfolio supported by deep engineering expertise, advanced manufacturing capabilities and long-standing customer relationships. With exports contributing more than 70% of revenue, RACL continues to strengthen its position as a preferred supplier to global customers seeking high-quality, technology-driven manufacturing partners.

During FY 2025–26, the Company continued to expand its presence in high-value automotive segments. While premium motorcycles remain a key pillar of the business, RACL further strengthened its footprint in the passenger vehicle segment through increased participation in steering systems, chassis applications and advanced drivetrain components. As global OEMs increasingly focus on lightweighting, enhanced vehicle dynamics and higher safety standards, these product categories are expected to witness sustained long-term demand, creating significant opportunities for precision engineering companies with proven technical capabilities.

The Company also continued to strengthen its engineering ecosystem through strategic collaborations and customer partnerships. The collaboration with ARRK Engineering GmbH, Germany, marks an important step in enhancing RACL's product development capabilities and expanding engagement with global OEMs from the early stages of the product

lifecycle. By combining engineering expertise with advanced manufacturing capabilities, the Company is well positioned to deliver integrated solutions that create greater value for customers while supporting long-term growth across automotive and adjacent engineering sectors.

Supported by continued investments in technology, automation, manufacturing excellence and product development, RACL remains focused on increasing value addition, diversifying its business portfolio and strengthening its position as a globally competitive precision engineering company.

Financial Performance

During FY 2025–26, the Company delivered a robust financial performance, driven by strong operational execution and sustained customer demand. Total standalone income increased by 19.9% to 500.22 crore, supported by growth in both operating revenue and other income. Revenue from operations rose by 14.5% year-on-year to 477.76 crore, while export sales grew by 15.5% to 336.11 crore, continuing to contribute nearly 70–75% of the Company's operating revenue. Domestic sales also recorded a healthy 18.5% growth, reflecting balanced expansion across both domestic and international markets. The Company's operating profitability strengthened significantly during the year, with EBITDA increasing by 31.3% to 126.35 crore from 96.22 crore in FY 2024–25, while the EBITDA margin improved from 22.5% to 25.26%, reflecting higher operating leverage, an improved product mix and continued focus on operational efficiencies. Profit Before Tax increased by approximately 80%, while Profit After Tax grew by 82%, demonstrating the Company's ability to translate revenue growth into stronger earnings despite a challenging macroeconomic environment.

The year also marked continued progress in strengthening the Company's long-term strategic position. RACL Geartech deepened relationships with existing customers while expanding its presence across international markets, particularly in Europe, which continues to be its largest export destination. Supported by a strong financial performance, a diversified customer base and continued investments in technology and manufacturing excellence, RACL Geartech remains well positioned to capitalise on emerging opportunities in the global automotive industry and create sustainable long-term value for all its stakeholders.

Risks and Opportunities

The automotive industry continues to operate in an increasingly dynamic environment shaped by geopolitical developments, evolving trade policies, persistent inflationary pressures, raw material price volatility and currency fluctuations. Elevated inflation across several global economies continued to influence input costs, labour expenses and consumer demand, while higher interest rates impacted investment decisions and vehicle affordability in certain markets. At the same time, rapid technological advancements and increasing product complexity continue to redefine customer expectations and competitive dynamics across the automotive value chain.

Beyond macroeconomic factors, the availability of skilled manufacturing talent remains one of the key challenges for the precision engineering industry. The increasing adoption of automation, advanced machining and digital manufacturing requires a highly skilled workforce capable of operating sophisticated manufacturing systems. In addition, a significant portion of the Tier-2 and Tier-3 supplier ecosystem continues to face challenges in consistently meeting the stringent quality, process capability and traceability standards expected by global OEMs. As customers increasingly consolidate their supplier base, engineering excellence, manufacturing discipline and supply chain maturity are becoming critical competitive differentiators.

Despite these challenges, the long-term outlook remains favourable. Global supply chain diversification, increasing localisation, premiumisation across automotive segments, rising engineering content per vehicle and growing demand for precision-engineered components continue to create significant opportunities for Indian manufacturers. Supported by continuous investments in technology, automation, workforce development and supplier capability enhancement, RACL Geartech remains well positioned to strengthen its competitive advantage and deliver sustainable long-term value.

Key Financial Ratios

Name	FY 2025-26	FY 2024-25
Current Ratio	1.38	1.05
Debt Equity	0.63	1.30
Interest Coverage	4.26	3.01
Fixed Asset Turnover	1.56	1.42
Total Assets to Debt	3.13	2.12
DSCR	1.74	1.08
Debt/EBITDA	1.75	3.09

Explanation to key Financial Ratios

- **Current Ratio** - is a key liquidity metric that assesses a company's ability to meet its short-term obligations due within one year. It indicates the adequacy of current assets available to cover current liabilities. The ratio is calculated by dividing Current Assets by Current Liabilities.
- **Debt-to-Equity Ratio** - measures a company's financial leverage and indicates the extent to which its operations are financed through debt compared to shareholders' equity. A higher ratio may suggest greater financial risk. It is calculated by dividing Total Debt by Shareholders' Equity.
- **Interest Coverage Ratio** - evaluates a company's ability to meet its interest payment obligations from its operating earnings. It reflects the margin of safety available to creditors and lenders. The ratio is calculated by dividing Earnings Available for Debt Service by Interest Expense.
- **Fixed Asset Turnover Ratio** - measures how efficiently a company utilizes its fixed assets, such as property, plant, and equipment (PP&E), to generate revenue. A higher ratio indicates more effective asset utilization. It is calculated by dividing Net Sales by Average Net Fixed Assets.
- **Total Assets-to-Debt Ratio** - is a solvency measure that assesses the extent to which a company's total assets can cover its total debt obligations. It provides insight into the company's long-term financial stability and debt repayment capacity. The ratio is calculated by dividing Total Assets by Total Debt.
- **Debt Service Coverage Ratio (DSCR)** - evaluates a company's ability to meet its debt repayment obligations, including both interest and principal repayments, using its operating earnings. A higher DSCR indicates stronger debt-servicing capability. It is calculated by dividing Earnings Available for Debt Service by Total Debt Service.
- **Debt-to-EBITDA Ratio** - is a leverage metric that measures a company's ability to repay its debt using earnings generated from operations before interest, taxes, depreciation, and amortization (EBITDA). It indicates the number of years required to repay total debt, assuming EBITDA remains constant and is fully utilized for debt repayment. The ratio is calculated by dividing Total Debt by EBITDA.

Conclusion

FY 2025–26 was marked by a dynamic global business environment characterised by geopolitical uncertainties, evolving trade dynamics and changing market conditions. Despite these challenges, the global automotive industry demonstrated resilience through continued investments in technology, operational efficiency and supply chain optimisation. Against this backdrop, the Indian automotive and auto component industry sustained its growth momentum, supported by resilient domestic demand, a favourable policy environment and strengthening manufacturing capabilities.

In this evolving landscape, RACL Geartech Limited delivered another year of strong operational and financial performance, driven by its engineering excellence, customer-centric approach and disciplined execution. Growth in revenue, profitability and exports, coupled with improved operating margins, reflects the Company's ability to adapt to changing market conditions while consistently delivering value to its customers and stakeholders. Continued investments in manufacturing capabilities,

process excellence and quality enhancement have further strengthened its competitive position in both domestic and international markets.

Looking ahead, while the industry is expected to continue navigating evolving regulations, technological advancements and global economic uncertainties, the long-term fundamentals remain favourable. Supported by a strong financial foundation, diversified customer relationships and a clear strategic focus, RACL Geartech is well positioned to capitalise on emerging opportunities and continue creating sustainable long-term value for all its stakeholders.



PRECISION GEAR & COMPONENT CAPABILITIES

Trusted Across the Globe

CORPORATE GOVERNANCE REPORT

[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

RACL Geartech Limited ("RACL or the Company") has built and sustained a strong legacy of exemplary corporate governance, deeply embedded in its day-to-day operations. This culture was established by the Company's visionary Chairman & Managing Director and continues to guide every aspect of its business practices. The Company's unwavering commitment to integrity, transparency, and respect for all stakeholders, including employees, customers, shareholders, business partners, communities and the environment forms the cornerstone of its governance framework.

The Company's growth journey is driven by innovation and anchored in steadfast values. RACL firmly believes that the purpose of business extends beyond profitability. True and sustained success lies in creating long term value for stakeholders while contributing meaningfully to society by addressing economic, social, and environmental challenges.

As a responsible corporate citizen, the Company fosters a culture of ethical conduct, accountability, and transparent disclosures. These principles are fundamental to earning and maintaining the trust and confidence of stakeholders. To ensure effective governance, RACL has implemented robust systems, processes, and controls that enables the Board to be well-informed and strategically oriented, enabling it to guide management in delivering long-term value.

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

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

- An independent, diverse 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

RACL remains committed to maintain the highest standards of Corporate Governance and is fully compliant with the requirements 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 statutory and regulatory frameworks.

In accordance with the SEBI Listing Regulations, the Company is pleased to present the Corporate Governance Report, outlining the governance systems and processes currently in place at RACL Geartech Limited.

CORPORATE GOVERNANCE STRUCTURE AND FRAMEWORK

RACL Geartech Limited has established a robust and well-defined corporate governance framework that facilitates effective oversight, informed decision-making, and sustainable business management. The governance structure of the Company comprises of the Chairman & Managing Director (CMD), the Board of Directors, Board Committees, Key Managerial Personnel (KMPs), and the Senior Managements. This multi-layered approach ensures strategic oversight, effective execution, and operational accountability at all levels of the organization.

The governance framework is designed to support the Company's long-term strategic objectives through prudent oversight, risk management, regulatory compliance, and operational excellence. It enables seamless coordination between the Board and management, while ensuring that business decisions are taken in the best interests of all the stakeholders.

The key features of the Company's governance framework includes but not limited to:

- Clearly defined authority levels and responsibilities across the Board, Committees, and Management.
- Effective oversight of the Company's strategy, business performance, risks, and opportunities.
- Strong internal control systems and risk management processes.
- Compliance with applicable laws, regulations, and corporate governance requirements.

The Company's 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.

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. The Company is dedicated to promoting a culture of accountability, transparency, and responsible business conduct throughout the organization.

OUR CORE VALUES:



CODE OF CONDUCT

The Company's Code of Conduct continues to serve as the cornerstone of its governance framework, guiding expected behaviours and ensuring adherence to ethical and responsible business practices.

REPORTING OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company remains committed to maintaining the highest standards of corporate governance, founded on the principles of integrity, accountability, transparency, fairness, and ethical business conduct. The Company's governance framework promotes responsible decision-making, effective oversight, robust risk management, and sustainable value creation for all stakeholders.

During the financial year ended March 31, 2026, the Company has complied with the corporate governance requirements prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"). The details of the Company's corporate governance practices are set out below.

BOARD OF DIRECTORS

RACL Geartech Limited is led by a competent, diverse and experienced Board of Directors, which provides strategic direction and effective oversight of the Company's affairs. The Board is entrusted with the responsibility of driving the Company's long-term sustainable growth while safeguarding the interests of all the shareholders and stakeholders. Through its leadership and the support of its Committees, the Board oversees the Company's strategic initiatives, operational performance, risk management framework, internal controls, regulatory compliance and governance practices.

The Board comprises of professionals possessing extensive experience and expertise across diverse fields, including manufacturing, finance, business management, governance and strategy. Their collective knowledge and independent judgment enables the Board to make informed decisions in the best interest of the Company and its stakeholders.

The composition of the Board is in compliance with the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations. The Board has an optimum combination of Executive and Non-Executive Directors, including Independent Directors and a Woman Independent Director, thereby ensuring an appropriate balance between executive management and independent oversight.

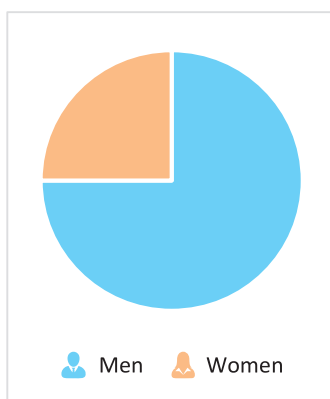
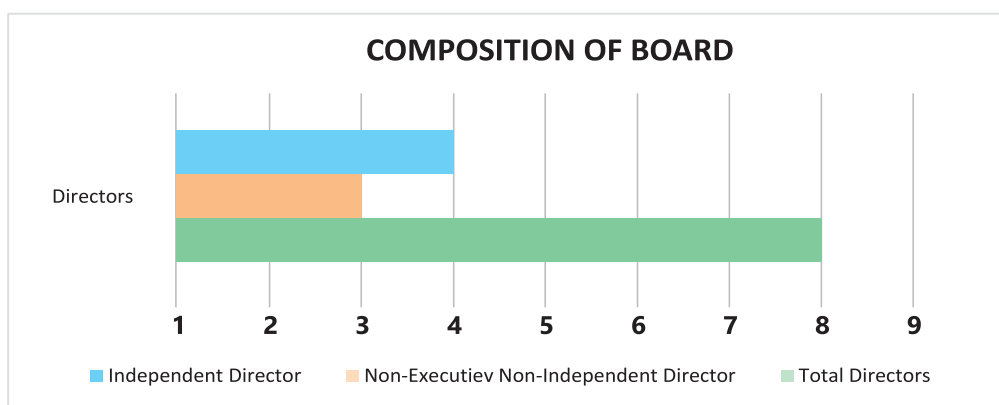
COMPOSITION OF THE BOARD

The composition of the Board is aligned with the requirements of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI Listing Regulations.

As on March 31, 2026, the Board comprised Eight (8) Directors, consisting of:

- One (1) Executive Director designated as the Chairman and Managing Director.
- Seven (7) Non-Executive Directors, comprising:
 - Four (4) Independent Directors, including one (1) Woman Independent Director; and
 - Three (3) Non-Independent Non-Executive Directors.

The Board continues to maintain an appropriate balance of executive, non-executive and independent directors, ensuring effective governance, objective decision-making and robust oversight of the Company's affairs.



The composition also reflects the Company's commitment to diversity and inclusivity, with the presence of an Independent Woman Director on the Board. Brief Profile of Directors is available on the website of the Company i.e. www.raclgeartech.com

DIVERSIFIED & EXPERIENCED BOARD

The Board comprises of professionals with rich and diverse experience across various disciplines, including manufacturing, finance, economics, law, corporate governance, technology, sales and marketing. The Directors possess the requisite qualifications, expertise, skills and industry knowledge to effectively discharge their fiduciary responsibilities and provide strategic guidance to the management.

While determining the composition of the Board, the Company ensures that there is an appropriate balance of skills, experience, professional background, industry knowledge, gender diversity and other attributes necessary to enable the Board to discharge its responsibilities effectively. The collective expertise of the Directors ensures robust oversight of the Company's business and supports informed decision-making in the best interests of all stakeholders.

The Directors actively participate in the deliberations of the Board and its Committees, providing valuable insights and

independent judgment on matters relating to business strategy, operational performance, financial management, risk management, corporate governance, regulatory compliance and long-term value creation. Directors have unrestricted access to information relating to the affairs of the Company and are encouraged to engage in open and constructive discussions during Board and Committee meetings. Each Director has the freedom to express independent views on all agenda items, thereby fostering transparent deliberations and well-informed decision-making.

Mr. Gursharan Singh, Chairman and Managing Director, is the Promoter and Executive Director of the Company.

The Board includes two Women Directors, Ms. Malini Bansal, Independent Director, and Ms. Narinder Paul Kaur, Non-Executive Non-Independent Director reflecting the Company's commitment to diversity and inclusive leadership.

As on March 31, 2026, the Board comprised four Independent Directors, namely Mr. Jagdish Keswani, Mr. Pravir Kumar, Brig. Harinderpal Singh Bedi, and Ms. Malini Bansal. The remaining Non-Executive Non-Independent Directors were Mr. Anil Sharma, Mr. Rakesh Kapoor, and Ms. Narinder Paul Kaur.

None of the Directors are related to each other within the meaning of the provisions of the Act and SEBI Listing Regulations.

CHANGE IN COMPOSITION OF BOARD

Resignation/Retirement:

During the year, Mr. Shashank Ramesh Anikhindi, Independent Director of the Company ceased to be a Director of the Company owing to completion of his second term on September 28, 2025. His strategic foresight, business acumen and unwavering integrity was instrumental in shaping the Company's long-term vision and fortifying its institutional values.

The Board expressed its deep gratitude and placed on record its sincere appreciation and acknowledged the valuable contribution and guidance provided by Mr. Shashank Ramesh Anikhindi.

Appointments/ Re-appointments:

1. Mr. Pravir Kumar (DIN: 00671671) was appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of three consecutive years commencing from August 11, 2025, up to August 10, 2028 (both days inclusive). His appointment was approved by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee ("NRC"), after evaluating his qualifications, relevant experience, expertise, integrity, and proficiency. The appointment was subsequently approved by the members of the Company through a Special Resolution passed at the 42nd Annual General Meeting held on September 26, 2025.
2. Mr. Rakesh Kapoor (DIN: 00015358) was appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation, with effect from August 11, 2025. His appointment was approved by the Board of Directors based on the recommendation of the NRC, after considering his experience, expertise, integrity, and proficiency. The appointment was subsequently approved by the members of the Company at the 42nd Annual General Meeting held on September 26, 2025.
3. Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Anil Sharma (DIN: 00157911), who retired by rotation at the 42nd Annual General Meeting of the Company held on September 26, 2025, and being eligible, offered himself for re-appointment. Based on the recommendation of the NRC, the Board recommended his re-appointment to the members, which was duly approved at the said Annual General Meeting.
4. Pursuant to the provisions of Section 152 of the Act, Mrs. Narinder Paul Kaur (DIN: 02435942) retires at the forthcoming AGM, and being eligible has offered herself for re-appointment, as the director of the Company liable to retire by rotation. Based on the recommendations of the NRC, the Board has recommended her re-appointment to the shareholders of the Company.

During the year under review, none of the Independent Directors of your Company resigned before the expiry of their respective tenure(s).

PROCESS OF APPOINTMENT AND TENURE OF DIRECTOR

The appointment of Directors in the Company is recommended by the Nomination and Remuneration Committee (NRC), approved by the Board of Directors and subsequently approved by the Shareholders in accordance with the provisions of the Act and the SEBI Listing Regulations.

Independent Directors are appointed for a term of up to 5 consecutive years and are eligible for reappointment for a further term of up to 5 consecutive years, subject to approval of the Shareholders by way of a Special Resolution and their continued compliance with the independence criteria prescribed under the Act and the SEBI Listing Regulations. Independent Directors are not liable to retire by rotation.

Chairman and Managing Director is appointed for a term of up to five years as approved by the Shareholders and may be reappointed based on the recommendation of the NRC and the Board.

Non-Executive Directors (other than Independent Directors) are liable to retire by rotation at every Annual General Meeting in accordance with the provisions of the Act.

ROLE OF THE BOARD OF DIRECTORS

The Company's Board holds a central responsibility in upholding high standards of governance, ensuring the efficient functioning of the organisation and driving long term value creation for all stakeholders. The roles, duties and obligations of the Board are clearly articulated and given its fiduciary nature, the Board ensures that the Company operates on strong ethical foundations and that its resources are deployed to foster sustainable growth, stakeholder value and a positive societal impact.

The Board is effectively supported by the management team, enabling it to oversee the Company's performance, provide strategic direction, guide executive actions towards defined objectives and maintain accountability. It also establishes expectations for responsible corporate conduct, promotes transparency in business operations and ensures adherence to applicable laws and regulatory requirements.

In fulfilling its mandate, the Board regularly reviews the information required under the Act and the SEBI Listing Regulations. This includes, inter-alia, consideration and approval of the financial statements, corporate strategies, business plans, business performance, annual budgets, major projects and capital expenditure proposals, thereby ensuring informed and timely decisionmaking.

SEPARATE ROLE OF CHAIRMAN AND MANAGING DIRECTOR

The position of Chairman and Managing Director is held by Mr. Gursharan Singh, an Executive Director.

ROLE OF CHAIRMAN

As a Chairman, Mr. Gursharan Singh serves as a mentor for the Senior Management especially in the areas of strategic planning, risk mitigation and external interface. He continues to play an important role in strengthening and building Brand RACL and provides feedback and counsel to the Senior Management on key issues facing the Company.

He plays a pivotal role in driving the Company's success by executing strategic initiatives in alignment with the Board's vision. Responsible for brand equity, strategic planning and external relations, he oversees all facets of the Company's Management. This includes achieving annual and long-term business targets, monitoring market dynamics and identifying growth opportunities.

In addition to leading and evaluating leaders, the Chairman and Managing Director acts as a vital link between the Board and the Management team. He champions the organization's vision and mission, ensuring that he guides every aspect of operations. By building strong customer relationships and exploring avenues for expansion and acquisition, the Chairman and Managing Director enhances shareholder value and drives the Company towards its strategic objectives.

The key responsibilities also include nurturing the Company's reputation, fostering stakeholder relationships and upholding corporate governance standards. By steering the organization with vision and purpose, the Chairman and Managing Director drives sustainable growth and excellence across all levels of the Company.

REGULATORY COMPLIANCE ON BOARD POSITIONS

The maximum tenure of Independent Directors is in compliance with the Act and the SEBI Listing Regulations. All Independent Directors meet the criteria of independence as mentioned in Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act.

Further, based on the declarations received from the Directors, none of them holds directorships (including alternate directorships) in more than 10 public limited companies as prescribed under Section 165 of the Act, nor serves as a Director in more than 7 listed entities or as an Independent Director in more than 7 listed entities, or more than 3 listed entities in cases where he/she serves as a Wholtime Director/Managing Director in any listed entity, as stipulated under Regulation

17A of the SEBI Listing Regulations.

Further, as confirmed through these declarations, none of the Directors is a member of more than 10 committees or a chairperson of more than 5 committees across all public limited companies in which he/she holds directorships, in accordance with Regulation 26 of the SEBI Listing Regulations.

COMPOSITION OF BOARD ALONG WITH OTHER DIRECTORSHIP, COMMITTEE MEMBERSHIP & CHAIRPERSONSHIP HELD IN OTHER PUBLIC COMPANIES

Composition of Board alongwith other Directorship, Committee Membership & Chairpersonship held in other public companies as on March 31, 2026 are provided as under:

S. No.	Name of the Directors	Designation	Public Companies ⁽¹⁾			No. of shares held in the Company
			No. of Directorship ⁽²⁾	Committee Chairpersonship ⁽²⁾	Committee Membership ⁽²⁾	
1	Mr. Gursharan Singh ⁽³⁾	Chairman & Managing Director	NIL	NIL	NIL	39,45,134
2	Mr. Pravir Kumar ⁽⁴⁾	Non- Executive Independent Director	1	1	NIL	NIL
3	Mr. Jagdish Keswani	Non- Executive Independent Director	NIL	NIL	NIL	NIL
4	Brig. Harinder Pal Singh Bedi (Retd.)	Non- Executive Independent Director	NIL	NIL	NIL	NIL
5	Mrs. Malini Bansal	Non- Executive Independent Director	NIL	NIL	NIL	NIL
6	Mr. Anil Sharma	Non- Executive Non-Independent Director	NIL	NIL	NIL	21000
7	Mr. Rakesh Kapoor ⁽⁴⁾	Non- Executive Non-Independent Director	NIL	NIL	NIL	NIL
8	Mrs. Narinder Paul Kaur ⁽³⁾	Non- Executive Non-Independent Director	NIL	NIL	NIL	35,318
9	Mr. Shashank Ramesh Anikhindi ⁽⁵⁾	Non- Executive Independent Director	NA	NA	NA	NIL

Notes:

- None of the Directors are appointed in any other listed entity except RACL Geartech Limited. In accordance with Regulation 26(1) of the SEBI Listing Regulations, directorships held in foreign companies, private limited companies and companies registered under Section 8 of the Act are excluded
- Excludes directorship and Committee Chairpersonship & Membership in RACL Geartech Limited.
For the purpose of calculating, only Audit Committee and Stakeholders Relationship Committee in public limited companies, whether listed or not, are considered as per Regulation 26(1) of Listing Regulations.
- Mr. Gursharan Singh, Chairman & Managing Director, and Ms. Narinder Pal 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.
- Mr. Pravir Kumar and Mr. Rakesh Kapoor were appointed as Additional Directors of the Company with effect from August 11, 2025, who were subsequently appointed as Directors by the shareholders in the 42nd AGM held on September 26, 2025.
- Mr. Shashank Ramesh Anikhindi ceased to be the Director of the Company with effect from September 28, 2025, pursuant to the completion of his second term as Independent Director of the Company.

SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD

The Company's Board has identified the core skills, expertise and competencies essential for providing effective strategic oversight and guiding the Company's long term growth. These capabilities, aligned with the nature of the Company's business and its strategic priorities, ensure that the Board collectively possesses the experience and professional strength required to operate efficiently and uphold the highest standards of governance.

The detailed list of these skills, expertise and competencies identified by the Board are given below:



The detailed list of above skills, expertise and competencies represented on the Board along with the name of Directors possessing such skills/expertise/competence as on 31st March 2026, is given below:

Name of Director	Mr. Gursharan Singh	Mr. Pravir Kumar	Mr. Jagdish Keswani	Brig. HPS Bedi (Retd.)	Ms. Malini Bansal	Mr. Anil Sharma	Mr. Rakesh Kapoor	Ms. Narinder Paul Kaur
Business Experience	✓	✓	✓	✓	✓	✓	✓	✓
Understanding of Emerging Markets and Consumer Insights	✓	✓	✓	✓	✓	✓	✓	✓
Financial Expertise and Risk Management	✓	✓	✓	-	✓	-	✓	-
Technology and Innovation	✓	-	✓	-	-	-	-	-
Corporate Governance and Legal Framework	✓	✓	✓	✓	✓	✓	✓	✓
Sales and Marketing Exposure	✓	-	✓	✓	-	-	✓	✓
Purposeful business & Sustainability / ESG	✓	✓	-	✓	-	-	-	-
Cyber Security, Digital/ Information Technology & Data Governance	✓	✓	-	-	-	-	✓	-
People & Talent Development	✓	✓	-	✓	✓	✓	-	✓

BOARD FUNCTIONING

The Board of the Company meets periodically and at least once every quarter to evaluate and review the Company's financial and operational performance and provide strategic guidance along with addressing other regulatory and governance matters.

The Company has established appropriate mechanisms and processes to facilitate active participation and informed decision-making by Directors, which are as follows:

- 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.
- The meeting agendas are circulated to all the directors well in advance to ensure efficient and effective decision making.
- 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.
- Draft minutes are circulated to all the directors to seek their comments, if any.

These measures help ensure transparency, accountability and active engagement of Directors in the governance and strategic oversight of the Company.

Additionally, video conferencing facilities are made available to enable Directors who are unable to attend in person to participate in the proceedings of the meetings.

MATTERS REVIEWED BY THE BOARD

The Board, inter-alia, periodically reviews / approves:

- Corporate strategy and business plans
- Annual operating and capital expenditure budgets
- Investment and exposure limits
- Compliance Reports on all applicable laws, including corrective actions for noncompliance, if any
- Performance review of operating divisions
- Major Legal Issues, if any
- Minutes of the board meetings and the Minutes of the Committees of the Board
- Significant transactions and arrangements undertaken by the Company or its subsidiaries
- Quarterly, half-yearly and annual financial results
- Safety and Risk Management updates
- Major accounting provisions and write-offs, if any
- Instances of material default in financial obligations, if any
- Reports on fatal or serious accidents, if any
- Review of Internal Audit Report and Secretarial Audit Report on Quarterly and Annual Basis
- Statutory updates and other matters requiring Board attention.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and Individual Directors on an annual basis and monitors the effectiveness of your Company's governance practices for enhancing the stakeholders value.

The Board closely monitors the performance of the Company and its Management, approves the plans, reviews the strategy and strives to achieve organisational growth. The Board ensures statutory and ethical conduct and places high importance on the internal financial reporting.

GOVERNANCE FRAMEWORK SUPPORT

The Company has a well-established framework for the meetings of the Board and its Committees which seeks to systematise the decision-making process at the meetings in an informed and efficient manner. Regular inputs and feedback from the Board Members are sought and duly considered while preparing the agenda and related documents for the Board and Committee Meetings. The Board also has access to the Members of the Management and to the Company related information. Apart from Board Members and the Company Secretary, the Board and Committee meetings are also attended by the Chief Financial Officer and by the Heads of various corporate and business functions as invitees, wherever required.

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 responsibilities of Company Secretary include:

- Preparing the agenda and convening Board and Committee meetings.

- Facilitating the smooth conduct of meetings by 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.

BOARD MEETINGS AND ATTENDANCE

During the financial year 2025-26, Six (6) Board Meetings were held at regular intervals to discuss and decide on business policies, strategies, and to review the financial performance of the Company. The maximum gap between any two consecutive meetings did not exceed 120 days as prescribed under the Act and Regulations. 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.

The details of the attendance of the Directors at the Board meetings held during the Financial Year ended March 31, 2026 and at the last Annual General Meeting (AGM) are given below:

Name of the Directors	Date of meeting						Attendance %	Attendance at the last AGM September 26, 2025
	April 10, 2025	May 7, 2025	May 23, 2025	August 11, 2025	November 14, 2025	February 13, 2026		
Mr. Gursharan Singh					VC		100%	☒
Mr. Pravir Kumar ⁽¹⁾	-	-	-	-	VC		100%	☒
Mr. Jagdish Keswani			VC		VC		100%	☒
Brig. Harinder Pal Singh Bedi (Retd.)	VC		VC	VC	VC		100%	☒
Mrs. Malini Bansal			VC		VC		100%	☒
Mr. Anil Sharma	VC		VC		VC		100%	☒
Mr. Rakesh Kapoor ⁽¹⁾	-	-	-	-	VC		100%	☒
Mrs. Narinder Paul Kaur	VC				VC		100%	☒
Mr. Shashank Ramesh Anikhindi ⁽²⁾	VC		VC	VC	-	-	100%	☒

Notes:

- Mr. Pravir Kumar and Mr. Rakesh Kapoor were appointed as Additional Directors of the Company with effect from August 11, 2025, who were subsequently appointed as Directors by the shareholders in the 42nd AGM held on September 26, 2025.
- Mr. Shashank Ramesh Anikhindi ceased to be the Director of the Company with effect from September 28, 2025, pursuant to the completion of his second term as Independent Director of the Company.

As per the Act and SEBI Listing Regulations, the Chairperson of the Audit Committee, Nomination & Remuneration Committee

and Stakeholders Relationship Committee are required to attend the AGM to address shareholders queries. In his/her absence, an authorised committee member may represent them.

All the members along with the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee were present at the 42nd AGM of the Company.

DIRECTORS SEEKING RE-APPOINTMENT

The Nomination and Remuneration Committee (NRC) has been entrusted with the responsibility for developing competency requirements for the Board, based on the industry, strategy and vision of your Company. The Board composition analysis reflects an in-depth understanding of the Company including its strategies, environment, operations, financial condition and compliance requirements.

The NRC advises the Board on the appointment and reappointment of Directors and also conducts periodic gap analyses to refresh the Board and review potential candidates profiles to ensure they have the required competencies. Upon receiving the NRCs recommendation, the Board considers the appointment and if approved, recommends the same to the Shareholders for their approval.

FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS

The Company has in place a comprehensive induction and familiarisation programme for Directors, aimed at enabling them to gain a thorough understanding of the Companys business. Upon appointment to the Board, the Directors are provided with in-depth overview of the Companys history, culture, background, and growth over the decades, highlighting major milestones, the current organizational structure, sustainability initiatives, and ESG goals. The familiarisation programme offers insights into the Companys various businesses, functions, people, various key policies, including but not limited to the Code of Conduct for Directors and Senior Management, the Code of Conduct regulating the trading of securities, Anti-Bribery Policy, Board Diversity Policy, Independent Directors are familiarized with their roles and responsibilities at the time of appointment and offered a detailed letter of appointment detailing the terms and conditions of their appointment.

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 is available on the Companys website at www.raclgeartech.com

DECLARATION BY INDEPENDENT DIRECTORS

The Company has established appropriate mechanisms and processes to facilitate active participation and informed decision-making by Directors, which are as follows:

All the Independent Directors of the Company have provided declarations and disclosures in pursuance of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, confirming that they fulfil the independence criteria as specified under Section 149(6) of the Act and Regulation 16 of the SEBI Listing Regulations.

They have also confirmed that they are not aware of any circumstance or situation, which exists or may reasonably be anticipated, that could impair or impact their ability to discharge their duties with an objective and independent judgement and without any external influence.

Based on the disclosure received from all the Independent Directors, the Board is of the opinion that all the Independent Directors fulfill the conditions specified in the Act and SEBI Listing Regulations and are Independent of the management of the Company.

Further, the Board after taking these declarations / disclosures on record and acknowledging the veracity of the same, has concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are independent of the management.

The detailed terms and conditions governing their appointment are available on the Company's website at: www.raclgeartech.com.

MEETINGS OF INDEPENDENT DIRECTORS

As per the provisions read with Schedule IV of the Act and Regulation 25(3) of Listing Regulations, the Independent Directors shall hold at least one meeting in a financial year without the presence of Non-Independent Directors and Management representatives.

During the financial year 2025-26, the Independent Directors met on February 13, 2026.

The Independent Directors inter alia discuss the issues arising out of the Committee Meetings and Board discussions including reviewing the performance of Non-Independent Directors and Board as a whole; performance of Chairperson; quality, quantity and timely flow of information between the Company Management and the Board that is necessary for the Board to effectively and efficiently perform its duties.

In addition to these formal meetings, interactions outside the Board Meetings also take place between the Chairman and Independent Directors. The Independent Directors also have access to Statutory Auditors, Secretarial Auditors, Internal Auditor and the Management of the Company for discussions and questions, if any.

CODE OF CONDUCT

The Company has adopted a comprehensive Code of Conduct ("the Code") applicable to all the Directors and Senior Management Personnel. The Code governing the Board of Directors also incorporates the Code for Independent Directors, formulated in accordance with the provisions of Section 149(8) read with Schedule IV of the Companies Act, 2013, which serves as a guiding framework for the professional conduct and responsibilities of Independent Directors.

The Code establishes the fundamental principles of ethical and professional conduct expected from Directors and Senior Management Personnel. It is designed to promote the highest standards of integrity, transparency, accountability, and ethical behaviour in the conduct of the Company's business and dealings with all stakeholders.

The objective of the Code is to ensure ethical, efficient, and transparent business practices while reinforcing the Company's commitment to its shareholders and other stakeholders. The Company recognises that its reputation and credibility are built upon a strong foundation of integrity and responsible corporate conduct. Accordingly, fostering a culture of ethics, compliance, and accountability continues to remain a key organisational priority.

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

All Directors and Senior Management Personnel have affirmed their compliance with the Code for the financial year ended March 31, 2026. A declaration confirming such compliance, signed by Mr. Gursharan Singh, Chairman and Managing Director, forms an integral part of this Report and is enclosed as **Annexure-1**.

CEO / CFO CERTIFICATE

The Chairman and Managing Director and Chief Financial Officer of the Company have jointly provided an annual certification on financial reporting and internal controls to the Board and Audit Committee in terms of Regulation 17(8) of the SEBI Listing Regulations and quarterly certification on financial results while placing the financial results before the Board and Audit Committee in terms of Regulation 33(2) of the SEBI Listing Regulations the certificate is enclosed as **Annexure-2** to this Report.

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Certificate dated July 31, 2026 obtained from M/s. Rosy Jaiswal & Associates, Company Secretaries, Secretarial Auditor of the Company confirming compliance with the Corporate Governance requirements as stipulated under Regulation 34 read with Schedule V of the Listing Regulations, is enclosed as **Annexure-3** to this report.

SENIOR MANAGEMENT

Particulars of Senior Management Personnel (SMP) as on March 31, 2026:

Name of the SMP of the Company	Designation
Mr. Prabh Mehar Singh	Chief Operating Officer
Mr. Jitender Jain	Chief Financial Officer
Mr. Rajiv Goel	Chief Technical Officer
Mr. Hemant Kumar	General Manager- Marketing & Sales
Mr. Abhishek Mehra	Deputy General Manager- Operations (Noida Plant)
Mr. Richie Pal Singh	Joint General Manager- Project (Costing & Management)
Mr. Vivek Tiwari	Joint General Manager- Purchase
Ms. Neha Bahal	Company Secretary & Compliance Officer

Changes in SMPs during the FY ended March 31, 2026:

Mr. Prabh Mehar Singh	Re-designated as Chief Operating Officer with effect from August 1, 2025
Mr. Rajiv Goel	Re-designated as Chief Technical Officer with effect from August 1, 2025

SMPs have made necessary disclosures to the Board confirming that there are no material financial and commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

REMUNERATION TO DIRECTORS

A. Remuneration Policy

The company has a well-defined Compensation policy for Directors, Key Managerial Personnel and all employees. The said Policy is uploaded on the Company's website and can be accessed at: www.raclgeartech.com.

The Board determines the compensation to Non-Executive Directors within the overall limits specified in the Shareholders Resolution. Nomination and Remuneration Committee (NRC), while deciding the basis for determining the compensation, both fixed and variable to the Non-Executive Directors, including Independent Directors, takes into consideration various factors such as Directors participation in the Board and Committee Meetings held during the year, other responsibilities undertaken, such as Membership or Chairmanship of the Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule IV of the Act and SEBI Listing Regulations and such other factors as the NRC deems fit.

The Non-Executive Directors are paid remuneration and sitting fees for attending the Meetings of the Board of Directors or any Committee thereof, as approved by the Board of Directors.

Based on the Shareholders approval, Mr. Gursharan Singh, as Chairman & Managing Director of the Company is entitled to Remuneration (by way of monthly payment) and Commission.

Details of Remuneration paid/payable to the Directors for the year ended March 31, 2026 are as follows:

Executive Director

(₹ in Crore)

Name of the Director	Gross Salary(p.a.)	Perquisites, Provident Fund and other benefits (₹ p.a.)	Bonus/ Commission	Total(p.a.)
Mr. Gursharan Singh	2.12	0.02	0.58	2.72

Non-Executive Directors

(₹ in Crores)

Name of Director	Sitting fees	Retainership fees	Total
Mr. Pravir Kumar	0.02	-	0.02
Mr. Jagdish Keswani	0.05	-	0.05
Brigd. Harinder Pal Singh Bedi (Retd.)	0.04	-	0.04
Ms. Malini Bansal	0.06	-	0.06
Mr. Anil Sharma	0.04	0.32	0.36
Mr. Rakesh Kapoor	0.02	-	0.02
Ms. Narinder Paul Kaur	0.04	0.33	0.37
Mr. Shashank Ramesh Anikhindi	0.04	-	0.04

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.

Payment of remuneration to the Executive/Whole-time Directors of the Company is governed by the terms and conditions of their appointment as recommended by the NRC and approved by the Board, subject to the approval of the shareholders.

Non-Executive/Independent Directors of the Company receive remuneration by way of fees for attending meetings of the Board or Committee thereof as approved by the Board from time to time within the prescribed limits. The criteria for making payment to Non-Executive Directors is available on the website of the Company i.e., www.raclgeartech.com.

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

COMMITTEES OF THE BOARD

The 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 in enhancing the Boards overall efficiency by facilitating in-depth deliberations and thorough evaluations on critical matters such as finance, audit, governance, and risk management.

Where necessary, the Committees 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 Companys governance and decision-making processes.

In recognition of 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 five (5) Statutory Committees. The composition of the Statutory

Committees is in line with the applicable provisions of the Act and SEBI Listing Regulations.

The Details of these Committees as on 31st March 2026 are as set out hereunder:

BOARD COMMITTEES

Nomination Remuneration Committee Mr. Jagdish Keswani Ms. Malini Bansal Mr. Anil Sharma	Stakeholders Relationship Committee Ms. Malini Bansal Mr. Jagdish Keswani Mr. Gursharan Singh	Corporate Social Responsibility Committee Brig. Harinder Pal Singh Bedi (Retd.) Mr. Pravir Kumar Mr. Anil Sharma Mrs. Narinder Paul Kaur	Audit Committee Mr. Pravir Kumar Mr. Jagdish Keswani Ms. Malini Bansal Mr. Rakesh Kapoor	Risk Management Committee Mr. Pravir Kumar Mr. Jagdish Keswani Mr. Gursharan Singh Mr. Prabh Mehar Singh Mr. Jitender Jain
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AUDIT COMMITTEE (AC)

Committee Composition

The Committee comprises of the following Directors viz. Mr. Pravir Kumar (Chairman of the Committee), Ms. Malini Bansal, Mr. Jagdish Keswani and Mr. Rakesh Kapoor. Three out of four Members of the Committee are Independent Directors and one is a Non-Executive Non Independent Director. All of the members of the Committee possess strong accounting and financial management knowledge.

The Company Secretary is the Secretary to the Committee.

During the year under review, the Board at its Meeting held on August 11, 2025, re-constituted the Committee owing to the appointment of Mr. Pravir Kumar and Mr. Rakesh Kapoor. Further on February 13, 2026, reconstituted the committee and appointed Mr. Jagdish Keswani, Non executive independent director as member of the Committee.

Further, the Meetings of the Audit Committee are also attended by the Chairman and Managing Director, Chief Operating Officer, Chief Financial Officer, the Statutory Auditors, and the Internal Auditors.

Key Terms of Reference

The terms of reference inter-alia, includes the following:

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/Whistle blower Policy.
12. Approval of bank borrowings and review of the annual budget.

Attendance at the Meeting

The Committee met 4 times during the year under review on May 7, 2025, August 11, 2025, November 14, 2025 and February 13, 2026. The gap between two Meetings did not exceed one hundred and twenty days as prescribed under the Act and SEBI Listing Regulations. The attendance at the Meetings was as under:

Name of Directors	Designation	Category of Director	Date of meetings & Attendance			
			May 7, 2025	August 11, 2025	November 14, 2025	February 13, 2026
Mr. Pravir Kumar ⁽¹⁾	Chairperson	Non-Executive Independent Director	-	-	VC	
Mr. Jagdish Keswani ⁽²⁾	Member	Non-Executive Independent Director			-	-
Ms. Malini Bansal	Member	Non-Executive Independent Director			VC	
Mr. Rakesh Kapoor ⁽³⁾	Member	Non-Executive Non-Independent Director	-	-	VC	
Mr. Shashank Ramesh Anikhindi	Member	Non-Executive Independent Director		VC	-	-
% of attendance at the Meeting			100%	100%	100%	100%

Notes:

- (1) Inducted as Chairperson of the Committee with effect from August 11, 2025;
- (2) Inducted as Member of the Committee with effect from February 13, 2026;
- (3) Inducted as member of the Committee with effect from August 11, 2025.
- (4) Mr. Shashank Ramesh Anikhindi ceased to be the Director of the Company with effect from September 28, 2025, pursuant to the completion of his second term as Independent Director of the Company.

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Committee Composition

The Committee comprises of the following Directors viz. Mr. Jagdish Keswani (Chairperson of the Committee), Ms. Malini Bansal, and Mr. Anil Sharma. The Committee is chaired by an Independent Director. The Chairman and Managing Director of the Company is permanent invitee to the Committee.

The Company Secretary is the Secretary to the Committee.

During the year under review, the Board at its Meeting held on August 11, 2025, re-constituted the Committee.

Accordingly, Mr. Jagdish Keswani was appointed as the Chairperson and Ms. Malini Bansal was inducted as a Member of the Committee with effect from August 11, 2025.

Key Terms of Reference

The terms of reference inter-alia, includes the following:

- 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.

Attendance at the Meeting

The Committee met once during the year under review on August 11, 2025. The attendance at the Meeting was as under:

Name of Directors	Designation	Category of Director	Date of meetings & Attendance
			August 11, 2025
Mr. Jagdish Keswani ⁽¹⁾	Chairperson	Non-Executive Independent Director	
Ms. Malini Bansal ⁽²⁾	Member	Non-Executive Independent Director	-
Mr. Anil Sharma	Member	Non-Executive Non-Independent Director	
Mr. Shashank Ramesh Anikhindi ⁽³⁾	Chairperson	Non-Executive Independent Director	VC
% of attendance at the Meeting			100%

Notes:

- (1) Inducted as Chairperson of the Committee with effect from August 11, 2025;
- (2) Inducted as Member of the Committee with effect from August 11, 2025;
- (3) Mr. Shashank Ramesh Anikhindi ceased to be the Director of the Company with effect from September 28, 2025, pursuant to the completion of his second term as Independent Director of the Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC)

Committee Composition

The Committee comprises of the following Directors viz. Ms. Malini Bansal (Chairperson of the Committee), Mr. Jagdish Keswani and Mr. Gursharan Singh. Majority of the Members of the Committee comprises of Independent Directors.

The Company Secretary of the Company is the Compliance Officer of the Company under SEBI LODR Regulations and is also the Secretary to the Committee.

As per Section 178(7) of the Act, Regulation 20(3) of SEBI LODR Regulations and Secretarial Standard on General Meetings, the Chairperson of the Committee shall attend the General Meetings of the Company. In his/her absence, the Chairperson may authorise any other Member of the Committee in this behalf to attend the General Meetings.

The Chairperson of the Committee, Ms. Malini Bansal was virtually present at the AGM of the Company held through Video Conferencing facility on September 26, 2025 to address the Shareholders queries, if any.

Apart from the Meetings, Circular Resolution(s), whenever required, are also passed by the Members. Subsequently, these Circular Resolution(s) are noted in the Meeting held after the date on which the Circular Resolution(s) are passed by the Members.

Key Terms of Reference

The terms of reference inter alia, includes the following:

- 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.

Attendance at the Meeting

The Committee met once during the year under review on February 13, 2026. The attendance at the Meetings was as under:

Name of the Directors	Designation	Category	Date of meetings & Attendance
			February 13, 2026
Mrs. Malini Bansal	Chairperson	Non-Executive Independent Director	
Mr. Jagdish Keswani	Member	Non-Executive Independent Director	
Mr. Gursharan Singh	Member	Chairman & Managing Director	
% attendance at the meeting			100%

DETAILS OF SHAREHOLDERS/ INVESTORS COMPLAINTS

During the financial year 2025-26, the Company has received 1 complaint from a shareholder, 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 2025-26 are given below:

No. of investor Complaints pending at the beginning of the year	No. of investor Complaints received during the year under review	No. of investor Complaints resolved during the year under review	Complaints not solved to the satisfaction of shareholders during the year	No. of investor complaints unresolved at the end of the year
0	1	1	0	0

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Committee Composition

This Committee comprises of the following Directors viz. Brig. HPS Bedi (Retd.) (Chairman of the Committee), Mr. Anil Sharma and Ms. Narinder Paul Kaur. The Committee is being chaired by an Independent Director, Brig. HPS Bedi (Retd.). Further, the Meetings of the CSR Committee are also attended by the Chairman and Managing Director, and Chief Financial Officer.

Mr. Pravir Kumar was inducted as a Member of the Committee with effect from August 11, 2025.

The Company Secretary is the Secretary to the Committee.

Key Terms of Reference

The terms of reference inter alia, includes the following:

- 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.

Attendance at the Meeting

The Committee met 2 times during the year under review on May 7, 2025 and August 11, 2025. The attendance at the Meetings was as under:

Name of Directors	Designation	Category	Date of meetings & Attendance	
			May 7, 2025	August 11, 2025
Brig. Harinder Pal Singh Bedi (Retd.)	Chairperson	Non-Executive Independent Director		VC
Mr. Pravir Kumar ⁽¹⁾	Member	Non-Executive Independent Director	-	-
Mr. Anil Sharma	Member	Non-Executive Non-Independent Director		
Mrs. Narinder Paul Kaur	Member	Non-Executive Non-Independent Director		
% of attendance at the meeting			100%	100%

Note:

(1) Inducted as a Member of the Committee with effect from August 11, 2025.

The CSR Policy of your Company, in alignment with the CSR provisions is uploaded on the Company's website and can be accessed at: www.raclgeartech.com.

Apart from the Meetings, Circular Resolution(s), whenever required, are also passed by the Members. Subsequently, these Circular Resolution(s) are noted in the Meeting held after the date on which the Circular Resolution(s) are passed by the Members.

RISK MANAGEMENT COMMITTEE (RMC)

Committee Composition

This Committee comprises of the following Directors viz. Mr. Pravir Kumar (Chairperson of the Committee), Mr. Gursharan Singh, Mr. Jagdish Keswani, Mr. Prabh Mehar Singh, and Mr. Jitender Jain.

The Company Secretary is the Secretary to the Committee.

During the year under review, the Board at its Meeting held on August 11, 2025, re-constituted the Committee and appointed Mr. Pravir Kumar as the Chairperson of the Committee and inducted Mr. Jitender Jain as a Member of the Committee with effect from August 11, 2025.

Mr. Shashank Ramesh Anikhindi, the erstwhile Chairperson of the Committee, ceased to be Director of the Company with effect from September 28, 2025 pursuant to completion of his second term as Independent Director of the Company.

Key Terms of Reference

The terms of reference inter alia, includes the following:

- 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.

Attendance at the Meeting

The Committee met thrice during the year under review on June 11, 2025, December 13, 2025 and March 13, 2026, 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. The attendance at the meetings was as under:

Name of Directors	Designation	Category	Date of meetings & Attendance		
			June 11, 2025	December 13, 2025	March 13, 2026
Mr. Pravir Kumar ⁽¹⁾	Chairperson	Non-Executive Independent Director	-		
Mr. Jagdish Keswani	Member	Non-Executive Independent Director			
Mr. Gursharan Singh	Member	Chairman & Managing Director			
Mr. Jitender Jain ⁽²⁾	Member	CFO	-		
Mr. Prabh Mehar Singh	Member	COO			
Mr. Shashank Ramesh Anikhindi ⁽³⁾	Former Chairperson	Non-Executive Independent Director		-	-
% of attendance at the Meeting			100%	100%	100%

Notes :

- Mr. Pravir Kumar was appointed as the Chairperson of the Committee wef. June 11, 2025.
- Mr. Jitender Jain was appointed as the Member of the Committee wef. August 11, 2025.
- Mr. Shashank Ramesh Anikhindi ceased to be the Director of the Company with effect from September 28, 2025, pursuant to the completion of his second term as Independent Director of the Company.

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

FINANCIAL AFFAIR COMMITTEE

The Financial Affair Committee, a non-statutory committee of the Company was dissolved on August 11, 2025 by the Board in its meeting held on August 11, 2025.

SUCCESSION PLANNING

Succession Planning forms an integral part of the Company's corporate governance framework, and is aimed at ensuring leadership continuity and supporting the long-term sustainability of the business. The Nomination and Remuneration Committee ("NRC"), in consultation with the Board, is responsible for developing, reviewing 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 across the organization. Through periodic assessments of current and future leadership requirements, the Company seeks to identify and develop potential internal talent while also considering external candidates.

By balancing the development of internal talent with the selective induction of external expertise, the Company seeks to introduce fresh perspectives and innovative ideas while preserving institutional knowledge, continuity of leadership and organisational stability. This structured approach helps ensure that the Company remains well-positioned to achieve sustainable growth and create long-term value for all stakeholders.

MATERIAL SUBSIDIARY

Regulation 16 of the SEBI Listing Regulations defines a "material subsidiary" to mean a subsidiary, whose turnover or net worth exceeds ten percent of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

There was no Subsidiary which falls under this definition of material subsidiary for the financial year ended March 31, 2026.

DISCLOSURES

A. Policy for Determining Material Subsidiaries

The Company has formulated a Policy for determining Material Subsidiaries as defined in Regulation 16 of the SEBI Listing Regulations. This Policy is uploaded on the Company's website and can be accessed at www.raclgeartech.com

B. Policy on Related Party Transactions

The Company has formulated a Policy on Dealing with Related Party Transactions (RPT Policy) which specifies the manner of entering into related party transactions.

During the year under review, the RPT Policy was reviewed and amended in alignment with the applicable regulatory updates.

The updated RPT Policy is uploaded on the Company's website and can be accessed at: www.raclgeartech.com

C. Disclosure of Transactions with Related Parties

During the year under review, there were no materially significant transactions or arrangements entered into between the Company and its Promoters, Directors or their Relatives or the Management, Subsidiaries, etc. that may have potential conflict with the interests of the Company at large.

Further, details of related party transactions are presented in Note No. 40 to Annual Accounts in the Annual Report.

In addition to the above and as required under the SEBI Listing Regulations, the Company is in compliance with the Accounting Standards on related party disclosures. It has been submitting disclosures of related party transactions to the Stock Exchanges in the prescribed format within prescribed timelines and also publishing it on the website of the Company.

D. Disclosure of Accounting Treatment in preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Act and other relevant provisions of the Act.

E. Code for Prevention of Insider Trading Practices

The Company has formulated and adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which, *inter-alia*, includes Policy for determination of Legitimate Purpose and Code of Conduct for Prevention of Insider Trading in Securities of RACL Geartech Limited (Code of Fair Disclosure and Conduct) in compliance with the SEBI PIT Regulations.

Code of Fair Disclosure and Conduct has been formulated to regulate, monitor and ensure reporting of trading by the Designated Persons and their immediate relatives towards achieving compliance with the PIT Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and caution them of the consequences of violations. The Code has been amended to, *inter-alia*, include and align with the provisions and amendment made to the SEBI PIT Regulations which has expanded the scope of Unpublished Price Sensitive Information (UPSI) and introduced flexibilities regarding information emanating from outside the Company.

F. Policy and procedure for inquiry in case of leak/ suspected leak of Unpublished Price Sensitive Information

The Company has formulated the Policy and Procedure for inquiry in case of leak / suspected leak of Unpublished Price Sensitive Information (the Policy). The Policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the Policy is to strengthen the internal control systems to ensure that UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak / suspected leak of UPSI.

G. 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 adopted by the Board of Directors. 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. It also provides adequate safeguards against victimisation of individuals who raise concerns in good faith.

The Policy ensures strict confidentiality of the identity of the whistle blower and the details of the complaint. In exceptional cases, the Policy allows direct access to the Chairperson of the Audit Committee.

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, 2026, 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.

H. 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.

MEANS OF COMMUNICATION

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.
Analysts Presentation/ Investor Call	The Company regularly conducts investor and analyst conference calls and meetings following the declaration of its financial results to provide an overview of its financial and operational performance. These interactions are attended by the Chairman & Managing Director, Chief Operating Officer, and Chief Financial Officer of the Company. In compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the presentations made to investors, together with the audio and video recordings and transcripts of such conference calls and meetings, are filed with the Stock Exchanges and uploaded on the Company's website, www.raclgeartech.com, ensuring timely, transparent, and equitable dissemination of information to all stakeholders.
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.
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.

GENERAL SHAREHOLDER INFORMATION

1. 43rd Annual General Meeting

In accordance with General Circular No. 20/2020 issued by Ministry of Corporate Affairs (MCA) dated 5th May 2020 read together with General Circular Nos. 14 & 17/2020 dated 8th April 2020 and 13th April 2020, respectively and subsequent circulars issued by MCA in this regard and latest being General Circular No. 03/2025 dated 22nd September 2025, the 43rd Annual General Meeting (43rd AGM) of the Company will be held on Monday, September 14, 2026 through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

2. Financial Year of the Company

The Company follows the financial year as prescribed under the Act, i.e. a period of 12 months starting from 1st day of April of a year and ending on the 31st day of March of the following year.

3. Date of Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed for AGM from September 6, 2026 to September 13, 2026 (both days inclusive).

4. Listing of Equity Shares, on Stock Exchanges

The Company's Ordinary (Equity) Shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The requisite listing fees has been paid in full to all these Stock Exchanges.

5. Credit Ratings obtained by the Company along with revisions for FY26

During the year under review, CARE Ratings Limited reviewed the Company's bank facilities and revised the outlook on its long-term credit rating from 'Stable' to 'Positive', while reaffirming the long-term rating at CARE A- and the short-term rating at CARE A2+. The revision reflects the Company's improved credit profile, supported by a significant reduction in its overall bank facilities/debt from 336.93 crore to 273.38 crore, representing a decrease of 63.55 crore.

REGISTRAR AND SHARE TRANSFER AGENT

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

Address: T-34, 2nd Floor, Okhla Industrial Area,

Phase- II, New Delhi - 110020

Email: investor@masserv.com

Web: www.masserv.com

PROCESS FOR REQUESTS RELATED TO PHYSICAL SHARES

The Board has delegated the authority to approve investor service requests, including transmission, deletion of name, issuance of duplicate share certificates, dematerialisation, transposition, subdivision/exchange of securities and other related matters, to the Stakeholders' Relationship Committee.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued by SEBI from time to time, investor service requests are processed only in dematerialised form, and the Company/Registrar and Share Transfer Agent issues a Letter of Confirmation in lieu of physical share certificates, wherever applicable. Further, transfer of equity shares is permitted only in dematerialised form, while requests for transmission or transposition of securities continue to be processed in accordance with the applicable regulatory framework.

The Stakeholders' Relationship Committee meets as and when required to consider and approve such investor service requests, review the quality and efficiency of services rendered by the Registrar and Share Transfer Agent, and oversee measures for enhancing shareholder services and effective exercise of shareholders' rights.

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

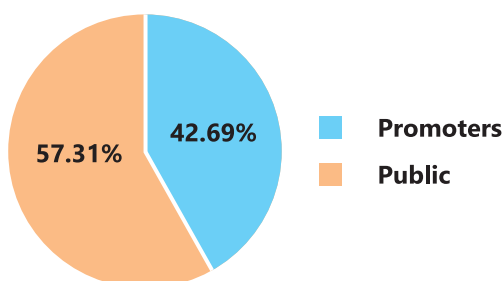
In accordance with the SEBI circular dated March 16, 2023, as amended, the Company has sent reminders to those Members, holding shares in physical form, whose PAN, KYC details and/ or Choice of Nomination are not updated, requesting them to update the details.

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2026

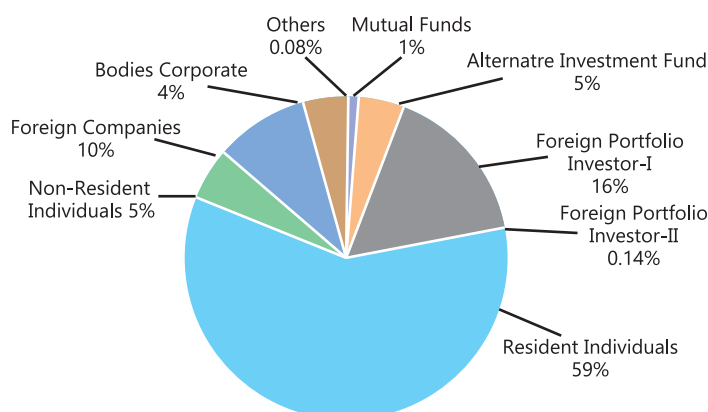
Shares holding of Nominal Value of Rupees 10.00 each share	Shareholders		Total Shares	
	Number	% to Total	No. of Shares Held	% to Total
Upto 5000	16615	94.575	1215825	10.314
5001-10,000	460	2.618	369963	3.138
10,001-20,000	208	1.183	311465	2.642
20,001-30,000	94	0.535	235793	2.000
30,001-40,000	43	0.244	151406	1.284
40,001-50,000	26	0.148	118171	1.002
50,001-1,00,000	54	0.307	371984	3.155
1,00,001 and Above	68	0.387	9013473	76.462
Total	17568	100	11788080	100

CATEGORY-WISE SHAREHOLDING AS ON MARCH 31, 2026

SHAREHOLDER CATEGORY

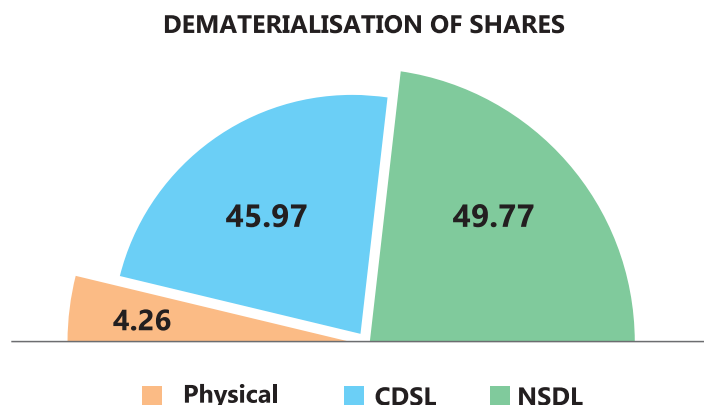


NON-PROMOTER BIFURCATION



DEMATERIALIZATION OF SHARES

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 31st March, 2026, 1,12,85,300 Equity Shares of the Company, forming 95.74% 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, 2026.

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.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

In terms of Regulation 39 of the SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate Number of Shareholders and outstanding shares in the Unclaimed Suspense Account	1	300

The voting rights on the shares in the suspense account shall remain frozen till the rightful owners claim the shares.

DIVIDENDS PAID BY THE COMPANY IN THE LAST 5 YEARS

Financial Year	In ₹ per share (Face Value of ₹ 10 each)	Dividend Amount (₹ in Crore)
2020-21	1.00	10781600
2021-22	1.00	10781600
2022-23	1.50	16172400
2023-24	1.50	16172400
2025-26	1.50	17682120

SAKSHAM NIVESHAK CAMPAIGN

During the financial year 2025-26, the Company supported in the "Saksham Niveshak" Campaign launched by the Investor Education and Protection Fund Authority (IEPFA), Ministry of Corporate Affairs and submitted timely report to the IEPFA, aimed at enhancing shareholder awareness regarding unclaimed dividends, KYC updation, nomination registration, and investor protection. The campaign encouraged shareholders to update their PAN, bank account, contact details, and nomination information, and to claim unpaid/unclaimed dividends in a timely manner. These efforts help ensure direct credit of dividends to rightful investors and prevent the transfer of unclaimed dividends and underlying shares to the Investor Education and Protection Fund (IEPF).

SPECIAL WINDOW FOR RELODGE MENT

Pursuant to the circular no. : HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 issued by Securities and Exchange Board of India dated January 30, 2026 relating to the Special Window for Re-lodgement of Transfer Requests, the Company has taken necessary steps to create awareness among shareholders regarding the facility available for re-lodgement of transfer deeds. The Company has disseminated information through various channels, including intimations to the Stock Exchanges, publication of newspaper advertisements, and display of relevant notices on the Company's website.

The Company has been proactively facilitating shareholders in availing the said facility and addressing their queries. As on the date of this Report, the Company has received one request from a shareholder under the Special Window for Re-lodgement of Transfer Requests, which has been duly processed in accordance with the applicable regulatory requirements.

DETAILS OF NON-COMPLIANCE

Your Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets. The Company has also complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part C and Parts D to G of Schedule V of the SEBI LODR Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) and (t) of the SEBI Listing Regulations in the respective places in this Report.

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 SEBI 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.

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 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 (post meeting issuance expenses) were utilised for the repayment of loans and interest thereon, in accordance with the stated objectives of the issue.

TOTAL FEES PAID FOR ALL SERVICES RENDERED BY THE STATUTORY AUDITORS

Total fees paid by the Company to the Statutory Auditor viz. Gupta Nayar & Co, Chartered Accountants, Firm Registration No. 008376N is as follows:

(₹ in Crores)

Particulars	Amount
Audit Fees	0.09
Other services	0.03
Reimbursement expenses	-
Total	0.12

DISCLOSURE IN RELATION TO RECOMMENDATION MADE BY ANY COMMITTEE WHICH WAS NOT ACCEPTED BY THE BOARD

During the year under review, there were no such recommendations made by any Committee of the Board which were mandatorily required and not accepted by the Board.

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE REGARDING NON-DEBARMENT AND NON-DISQUALIFICATION OF DIRECTORS

A Certificate from M/s. Rosy Jaiswal and Associates, Company Secretary in Practice and the Secretarial Auditors of the Company certifying that none of the Directors on the Board of the Company as on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Director of companies by the Board/ Ministry of Corporate Affairs or any such Statutory Authority, is enclosed at the end of this Report as **Annexure-4**.

PARTICULARS OF LOANS/ADVANCES/INVESTMENTS PURSUANT TO PARA A OF SCHEDULE V OF THE LISTING REGULATIONS

The particulars of loans/advances/investments required to be disclosed pursuant to Para A of Schedule V of the SEBI Listing Regulations are furnished separately in the Director Report and forms part of this Annual Report.

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

The Loans and advances by the Company and its subsidiaries in the nature of loans to firms/ companies in which directors are interested are disclosed separately in the Boards Report and forms part of this Annual Report.

DIRECTORS AND OFFICERS LIABILITY INSURANCE

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors and Officers of the Company to indemnify them against any personal liability coming onto them whilst discharging fiduciary responsibilities in relation to the Company.

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 Regulations, 2015.

NO SPECIAL RIGHTS TO SHAREHOLDERS

SEBI introduced Regulation 31B to the SEBI Listing Regulations, pursuant to which "Special Rights" granted to a Shareholder will be subject to the approval by the Shareholders in a general meeting by way of a special resolution once in every five years starting from the date of grant of such Special Right.

The Company ensures equitable treatment to all Shareholders and has not granted any special rights like Nomination Rights, Veto Rights / Affirmative voting, Information Rights, Anti-Dilution Rights, Right of First Refusal, Tag Along Rights, Divestment Rights, etc. to its Shareholders.

GENERAL BODY MEETINGS AND POSTAL BALLOT

Details of Annual General Meetings of the Company held through VC/OAVM during the past 3 years and Special Resolutions passed therein:

FINANCIAL YEAR	LOCATION(S)	MEETING DATE	TIME	DETAILS OF THE SPECIAL RESOLUTIONS PASSED
2024-25	AGM through Video Conferencing and Other Audio-Visual Means	September 26, 2025	11:00A.M.	- Appointment of Mr. Pravir Kumar (DIN: 00671671), as a Non-Executive Independent Director of the Company - Re-appointment of Mr. Anil Sharma (DIN: 00157911) as the Non- Executive Non-Independent Director of the Company and revision in remuneration - Approval of remuneration of Ms. Narinder Paul Kaur (DIN: 02435942) as the Non-Executive Non- Independent Director of the Company - Approval of remuneration of Mr. Gursharan Singh, Chairman & Managing Director (DIN: 00057602) of the Company
2023-24	AGM through Video Conferencing and Other Audio-Visual Means	September 11, 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	September 19, 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.

Notes:

- i. In compliance with the provisions of the Ministry of Corporate Affairs (MCA) General Circular No. 20/2020 dated 5th May 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April 2020 and 13th April 2020, respectively, MCA General Circular No. 10/2022 dated 28th December 2022 and MCA General Circular No. 09/2023 dated 25th September 2023 and MCA General Circular No. 09/2024 dated 19th September 2024 and SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May 2020 read with SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October 2023 and SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations 2024 dated 12th December 2024, the Company conducted the AGM(s) in the year 2023, 2024 and 2025 through Video Conferencing / Other Audio Visual Means (VC/OAVM).
- ii. Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI) read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April 2020 issued by the ICSI, the proceedings of the AGMs of the Company held in the year 2023, 2024 and 2025 were deemed to have been conducted at the Registered Office of the Company being the deemed venue of the AGM.

EXTRA-ORDINARY GENERAL MEETING

During the financial year under review, the Company convened an Extra-Ordinary General Meeting of the Company on May 7, 2025.

POSTAL BALLOT

During the financial year under review, 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.

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

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

ADVISORY TO INVESTORS / SHAREHOLDERS**1. Confidentiality of security details**

Folio Nos./DP ID/Client ID should not be disclosed to any unknown persons. Signed delivery instruction slips should not be given to any unknown persons.

2. Dealing with Registered Intermediaries

Members should transact through a registered intermediary. In case the intermediary does not act professionally, Member can take up the matter with SEBI.

3. Obtain documents relating to purchase and sale of securities

A valid Contract Note/Confirmation Memo should be obtained from the broker/sub-broker within 24 hours of execution of the trade. It should be ensured that the Contract Note/Confirmation Memo contains the order number, trade number, trade time, quantity, price and brokerage.

4. Prevention of Frauds

There is a possibility of fraudulent transactions relating to folios which lie dormant. Hence, we urge you to exercise diligence and notify the Company of any change in address, as and when required.

5. Non-Resident Shareholders

The non-resident shareholders are requested to notify the following details to the Company in respect of shares held in physical form and to their depository participants in respect of shares held in the dematerialized form:

- Indian address for sending all communications, if not provided earlier.
- Change in their residential status on return to India for permanent settlement.
- Particulars of bank account maintained with a Bank in India, if not furnished earlier.
- RBI permission reference number with the date to facilitate credit of dividend in their bank 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 2025-26, the Company did not undertake any transactions or actions that could be prejudicial to the interests of minority shareholders.

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 201305, India

ADDRESS FOR CORRESPONDENCE

All correspondence by Members should be forwarded to the Companys 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.

Annexure-1

DECLARATION BY MANAGING DIRECTOR
TO REGULATION 34(3) AND SCHEDULE V OF THE SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Gursharan Singh, Chairman and Managing Director of RACL Geartech Limited ("the Company"), hereby confirm that the Company has adopted a Code of Business Ethics and Conduct ("Code of Conduct") for its Board Members and Senior Management Personnel and the same is also available on the Company's website. I further confirm that all the Board Members and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the financial year ended on March 31, 2026.

For and on behalf of
RACL Geartech Limited

Gursharan Singh
Chairman and Managing Director
DIN: 00057602

Place: Noida
Date: August 7, 2026

Annexure-2

COMPLIANCE CERTIFICATE

BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
**The Board of Directors,
RACL Geartech Limited**

Dear Board Members,

1. We have reviewed the financial statements together with the cash flow statement of the Company for the financial year ended March 31, 2026 and to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year under review which are fraudulent, illegal or violative of the Company's code of conduct.
3. 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 deficiencies in the design or operation of such internal controls during the year under review.
4. We further certify that the following information has been indicated to the Auditors and the Audit Committee:
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware and that there is no involvement of the management or employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of
RACL Geartech Limited**

**Place: Noida
Date: August 7, 2026**

**Gursharan Singh
Chairman and Managing Director
DIN: 00057602**

**Jitender Jain
Chief Financial Officer**

Annexure-3

CERTIFICATE ON CORPORATE GOVERNANCE

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

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, 2025 to March 31, 2026. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance 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.

For Rosy Jaiswal & Associates
Company Secretaries

Place: New Delhi
Date: July 31, 2026

Rosy Jaiswal
(Proprietor)
FCS No. 13857, C.P No. 21968
Peer Review Certificate no. 2298/2022
UDIN: F013857H000990041

Annexure-4

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

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

The Members,
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 Director 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, 2026, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	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. Pravir Kumar	00671671	Independent Director	11/08/2025
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.	Mr. Harinder Pal Singh Bedi	05217488	Independent Director	29/06/2020
7.	Mrs. Malini Bansal	00167993	Independent Director	13/08/2021
8.	Mr. Rakesh Kapoor	00015358	Non-Executive - Non-Independent Director	11/08/2025

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these, based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Rosy Jaiswal & Associates
Company Secretaries**

**Rosy Jaiswal
(Proprietor)**

**FCS No. 28432, C.P No. 21968
UDIN: F013857H000989909**

**Place: New Delhi
Date :July 7, 2026**

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

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@raclegeartech.com
7.	Telephone	0120-4588500
8.	Website	http://www.raclegeartech.com/
9.	Financial year for which reporting is being done	1st April 2025 to 31st March 2026
10.	Name of the Stock Exchange(s) where shares are listed	- National Stock Exchange of India Limited (NSE) (listed on November 27, 2024) - Bombay Stock Exchange (BSE)
11.	Paid-up Capital	As on March 31, 2026 - ₹ 117880800
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report.	<u>Name of Contact Person:</u> Ms. Neha Bahal <u>Contact Number:</u> 0120-4588500 <u>Email:</u> investor@raclegeartech.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/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):

S. No.	Product/Service	NIC Code	%of total Turnover contributed
1	2 -Wheelers	34300	30%
2	Recreation (ATV/ RTV)	34300	18%
3	Tractor and Agriculture	34300	10%
4	Commercial Vehicles	34300	20%
5	Passenger Cars	34300	13%
6	E-Mobility & others	34300	1%
7	3- Wheelers	34300	3%
8	Industrial Equipments	34300	5%
	TOTAL		100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	2	4
International	Nil	1	1

19. Markets served by the entity:

a. Number of locations

Locations	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-2025-26	FY-2024-25
Export Revenues (in ₹)	336.11 Cr.	290.97 Cr.
Total Revenues (in ₹)	500.22 Cr.	427.29 Cr.
% of Export in Total revenue	67%	68%

c. A brief on types of customers

RACL Geartech Ltd. primarily operates as a business-to-business (B2B) manufacturer of precision-engineered automotive components, supplying products directly to leading Original Equipment Manufacturers (OEMs) and Tier-1 suppliers in India and overseas. The Company's products cater to a wide range of applications, including two-wheelers, passenger vehicles, commercial vehicles, electric mobility, off-highway vehicles, agricultural machinery, construction equipment, and industrial systems.

The company has built strong and lasting relationships with its customers in both local and international markets, including Europe and Asia, by always providing top-notch products, meeting deadlines, and showing great engineering skills. RACL teams up with its customers from the start of product development to the end of manufacturing to make sure everything meets the required technical specs, quality standards, and rules set by regulators.

The Company's diversified customer portfolio reflects its strong manufacturing capabilities, commitment to quality, operational excellence, and ability to meet the evolving requirements of global automotive and engineering customers while maintaining the highest standards of product quality, safety, and responsible business practices.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S.No.	Particulars	Total(A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
Employees						
1.	Permanent (D)	688	650	94.5%	38	5.5%
2.	Other than Permanent (E)	112	98	87.5%	14	12.5%
3.	Total Emp. (D + E)	800	748	93.5%	52	6.5%
Workers						
1	Permanent (F)	83	83	100%	Nil	Nil
2	Other than Permanent (G)	882	881	99.8%	1	0.1%
3.	Total Emp. (F+ G)	965	964	99.9%	1	0.1%

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 differently abled employees (D + E)	Nil	Nil	Nil	Nil	Nil
Differently abled Workers						
1	Permanent (F)	Nil	Nil	Nil	Nil	Nil
2	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
3	Total differently abled workers (F + G)	Nil	Nil	Nil	Nil	Nil

21. Participation/Inclusion/Representation of women

	Total (A)	No. and % of females	
		No. (B)	% (B/A)
Board of Directors	8	2	25%
Key Management Personnel	2	1	50%

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6.7%	0%	6.7%	8.7%	0.3%	9%	5%	1%	6%
Permanent Workers	12.4%	0%	12.4%	12%	Nil	12%	13%	Nil	13%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S.No.	Name of the holding/ subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	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

(ii) Turnover (in ₹ Crore): 500.22

(iii) Net worth (in ₹ Crore): 352.12

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: [393ipdctfile_RACL PoliciesManual.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 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaint spending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaint spending 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	1	0	NIL
Employees and workers	Same as above	0	0	NIL	0	0	NIL

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaint spending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaint spending resolution at close of the year	Remarks
Customers	Same as above	119	0	Most customer concerns related to marking, fitment, functionality, and NVH during development and production. Appropriate corrective actions were implemented to prevent recurrence.	145	0	Most of the complaints were related to quality issues due to development and regular production, and required corrective actions were implemented
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: Supply chain disruption, raw material price volatility, ESG non-compliance of suppliers, and environmental impacts associated with extraction.	Availability of quality raw materials and responsible sourcing practices are critical for business continuity, regulatory compliance, and meeting customer	- Conduct supplier ESG due diligence and periodic assessments. - Promote sourcing from compliant and responsible suppliers. - Enhance traceability of critical raw materials.	Cost: Higher procurement and supplier assessment costs. Benefit: Reduced supply chain risk, improved customer trust, lower compliance risk, and enhanced brand 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)
		Opportunity: Responsible sourcing enhances supply security, customer confidence, regulatory compliance.	sustainability expectations.	Strengthen supplier engagement through sustainability requirements.	
2	Energy Consumption	Risk: Increasing energy costs, climate-related regulations, and carbon transition risks. Opportunity: Renewable energy and energy efficiency improve operational resilience and reduce GHG emissions.	Energy is a major operational input and contributor to greenhouse gas emissions. Transitioning to renewable energy supports climate commitments and long-term cost optimization.	- Gajraula Plant operates on 100% renewable electricity - Expand renewable energy adoption. - Implement energy efficiency initiatives including HVLS fans, VRF cooling systems, LED lighting, and energy monitoring systems.	Cost: Capital investment in renewable energy and efficiency projects. Benefit: Lower electricity costs, reduced Scope 2 emissions, improved ESG performance, and protection against future carbon-related costs.
3	Water Usage and Management	Risk: Water scarcity, regulatory restrictions, and increasing water costs. Opportunity: Water conservation improves operational resilience and resource efficiency.	Water availability is becoming increasingly important due to climate variability and regulatory expectations. Efficient water management strengthens long-term business sustainability.	- Continuously monitor water consumption and identify conservation opportunities. - Improve awareness on responsible water usage - Maintain Zero Liquid Discharge (ZLD) by ensuring effective treatment, recycling, and reuse of waste water in compliance with applicable regulations.	Cost: Investment in water conservation and treatment infrastructure. Benefit: Reduced freshwater consumption, lower operating costs, improved compliance, and greater resilience against water stress.
4	Waste Management	Risk: Improper waste management may result in environmental impacts, regulatory action, and increased disposal costs. Opportunity: Circular economy practices improve resource efficiency and generate value from waste.	Efficient waste management supports regulatory compliance while reducing environmental impacts and improving material efficiency.	- Maximize recycling of metal scrap, packaging materials, and other recyclable waste. - Ensure disposal of hazardous waste through authorized recyclers and treatment facilities. - Promote waste minimization at source and improve segregation practices. - Increase awareness of circular economy principles across operations.	Cost: Investment in waste management systems and compliance requirements. Benefit: Reduced waste management costs, maximized resource recovery, strengthened regulatory compliance, and improved environmental performance.

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: Workplace injuries, shortage of skilled manpower, and labour compliance risks. Opportunity: Strong employee engagement, capability development, and safe workplaces improve productivity and retention.	Employees are critical to operational excellence. Strong occupational health & safety practices and responsible labour management improve business performance and customer confidence.	- Conduct regular safety, technical, and behavioural training. - Promote employee well-being, fair labour practices, and effective grievance mechanisms. - Continue monitoring occupational health and safety performance.	Cost: Investment in employee welfare, training, and safety improvements. Benefit: Higher productivity, improved retention, reduced incidents, and stronger customer confidence.
6	Logistics & Supply Chain Disruptions	Risk: Geopolitical developments, transportation disruptions, supplier constraints, and global market uncertainty. Opportunity: Resilient and digital supply chains improve operational continuity and customer service.	Manufacturing operations depend on reliable and resilient supply chains capable of responding to external disruptions.	- Strengthen local sourcing where feasible. - Maintain critical inventory for key materials. - Enhance digital monitoring and supplier performance management. - Periodically review business continuity plans.	Cost: Increased inventory carrying costs and digital investments. Benefit: Reduced disruption risk, improved delivery performance, and greater operational resilience.
7	Exchange Rate Fluctuations	Risk	Global sourcing and export operations	Regular monitoring of foreign exchange exposure, supplier localization, natural hedging, and use of hedging instruments, where appropriate.	Cost: Exchange rate volatility may increase procurement costs, impact export earnings, and reduce operating margins if not effectively managed.
8.	Climate Change & Regulatory Compliance	Risk: Increasing climate regulations, evolving ESG disclosure requirements, carbon pricing, and customer decarbonization expectations. Opportunity: Early climate action strengthens competitiveness and access to global markets.	Customers, investors, and regulators increasingly expect transparent climate disclosures and measurable emissions reduction initiatives.	- Monitor Scope 1 and Scope 2 GHG emissions. - Increase renewable energy adoption and improve energy efficiency. - Enhance ESG data quality and governance. - Strengthen climate-related disclosures and support long-term decarbonization planning.	Cost: Investment in monitoring systems, reporting, and decarbonization initiatives. Benefit: Improved ESG ratings, enhanced investor confidence, stronger customer relationships, and reduced long-term compliance costs.

Summary

The company knows that taking care of the environment and being socially responsible is crucial for its long-term success and for creating value for its stakeholders. It regularly reviews the important issues that affect its business, making sure it's ready to respond to changes in the business world, new regulations, and what its stakeholders expect. RACL Geartech will keep working to make its business practices more sustainable by doing things like using resources more efficiently, managing risks, and finding opportunities that will help it grow in a sustainable way and create value over time. This approach will help the company balance its need to make a profit with its responsibility to the environment and society, which is essential for its survival and success in the long run. By being proactive and responsible, RACL Geartech can reduce its negative impact on the environment, build trust with its stakeholders, and create a better future for itself and the communities it serves.

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									
1a- 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
1b- Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
1c- Web Link of the Policies, if available	Yes: https://www.raclgeartech.com/investors/corporate-governance								
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 Limited has adopted several internationally recognized management system standards that support its commitment to the National Guidelines on Responsible Business Conduct (NGRBC). These include IATF 16949:2016 and ISO 9001:2015 for quality management and responsible products and services, ISO 14001:2015 for environmental management and ISO 45001:2018 for occupational health and safety management. These certifications provide a structured framework for continual improvement, regulatory compliance, operational excellence, and responsible business practices across the Company's operations.								
5- Specific commitments, goals and targets set by the entity with defined timelines, if any.			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		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	Continue reducing Scope 1 GHG emissions through energy efficiency initiatives, maintain absolute net-zero Scope 2 GHG emissions at the Gajraula Plant, and sustain 100% wastewater recycling annually.		Supplier Evaluation: To achieve 100% supplier evaluation of RM & OSP by 2027	Compliance: Maintain 100% statutory and regulatory compliance

Disclosure Questions	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.			Achieved		Increase female workforce participation up to 10%.	Ongoing transition to renewable energy to reduce LPG dependence, while maintaining net-zero Scope 2 GHG emissions at the Gajraula Plant and 100% wastewater recycling.		100% supplier evaluation through Scope 1 & 2 GHG monitoring and Supplier Code of Conduct compliance.	100% complained
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) At RACL Geartech Ltd., being sustainable is a key part of how we do business and create value that lasts. We're dedicated to running our operations in a responsible way, while also making sure we're creating value that's good for the environment, society, and our stakeholders, by following strong environmental, social, and governance practices. We made big strides in our environmental, social, and governance efforts this year. One of the highlights was when our Gajraula factory started using 100% renewable energy - we did this by making our own solar power on site and also buying certified green power from elsewhere. We're also working hard to use less energy, reduce waste, and keep our workers safe. On top of that, we're making sure our business practices are honest and fair. We've been investing in new technologies that help the environment, training our employees, and making sure our suppliers are responsible too. All of these efforts are helping us become a more sustainable and responsible company. As global expectations on climate action, responsible sourcing, and regulatory compliance continue to evolve, we recognise these as both challenges and opportunities. Our focus remains on reducing our environmental footprint, strengthening ESG performance across our value chain, enhancing stakeholder engagement, and embedding sustainability into every aspect of our business. We remain committed to continual improvement, innovation, and responsible growth while contributing to a more sustainable and resilient future for our customers, employees, communities, and the environment.									
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 : 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. The Board of Directors has the overall responsibility for providing strategic direction and oversight on sustainability-related matters. The Board reviews key environmental, social, and governance (ESG) priorities, associated risks and opportunities, and guides the integration of sustainability considerations into the Company's business strategy, decision-making processes, and long-term growth objectives.								

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	YES	YES	YES	YES	YES	YES	YES	YES	YES
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	YES	YES	YES	YES	YES	YES	YES	YES	YES
Subject for Review	Frequency (Annually/ Half yearly/ Quarterly/ Any other)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
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	6	The Board deliberated on key matters relating to business strategy, sustainability and ESG priorities, business ethics, stakeholder engagement, corporate governance, and significant regulatory and statutory developments impacting the Company's operations. The Board also reviewed emerging business trends and received periodic updates on changes in applicable laws, regulations, and governance requirements to facilitate informed decision-making and effective oversight.	100%
Key Managerial Personnel	6	The Key Managerial Personnel (KMP) deliberated on a broad range of strategic and operational matters, including business strategy, business ethics, internal controls, compliance management, sustainability and ESG initiatives, stakeholder engagement, corporate governance, and key regulatory and statutory developments impacting the Company's operations. The discussions also covered emerging business trends and updates on applicable laws, regulations, and governance requirements. These deliberations were aimed at strengthening leadership oversight, enhancing regulatory compliance, supporting effective risk management, and enabling informed decision-making.	100%
Employees other than BOD and KMPs	515	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%

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
Workers	268	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	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.

RACL Geartech Ltd. has a policy in place to prevent bribery and corruption in all its business dealings. This policy is based on the principles of integrity, transparency, and compliance with relevant laws. The company has a zero-tolerance

approach to bribery, corruption, and unethical business practices, and it expects all its employees and partners to adhere to this policy. By adopting this policy, RACL Geartech Ltd. aims to ensure that its business activities are conducted in a fair and honest manner, and that it maintains the trust and confidence of its stakeholders. The policy also reinforces the company's commitment to ethical business practices and its determination to prevent any form of corruption or unethical conduct.

Our company has a policy that applies to everyone who works with us, including directors, employees, consultants, and business partners. This policy is simple: we don't allow anyone to offer, give, or accept any kind of payment, gift, or advantage that could unfairly influence our business decisions. We want to make sure that all our business dealings are fair and honest. If someone thinks that one of our policies has been broken, they can report it using our special complaint and whistleblower procedures. We take all these reports seriously and look into them carefully, following our company's rules and guidelines. This way, we can make sure that our company is always acting with integrity and transparency. We believe that this policy is essential for maintaining trust and respect in our business relationships. By following these guidelines, we can ensure that our company remains a place where people can work together fairly and honestly.

The weblink of the policy is as follows - [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.

Particulars	FY-2025-26	FY-2024-25
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6- Details of complaints with regard to conflict of interest.

Particulars	FY 2025-26		FY 2024-25	
	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.

Particulars	FY-2025-26	FY-2024-25
Number of days of accounts payable	61	62

9- Openness of business

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of purchases	a. Purchases from trading houses as % of total purchases	NIL	NIL
	b. Number of trading houses where purchases are made from	NIL	NIL
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NIL	NIL
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	NIL	NIL
	b. Number of dealers / distributors to whom sales are made	NIL	NIL
	c. Sales to top 10 dealers / distributors as % of total sales to dealers /distributors	NIL	NIL
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	2.79%	1.24%
	b. Sales (Sales to related parties / Total Sales)	4.23%	3.58%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	NIL	NIL
	d. Investments (Investments in related parties/Total Investments made)	25.70%	NIL

LEADERSHIP INDICATORS

1- Awareness programmers 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
RACL Geartech Ltd. holds regular training sessions to teach its partners about important issues. These partners include contractors, service providers, and other businesses that work with the company at its factories. The training covers key points from the company's Code of Conduct, business ethics, and rules to prevent sexual harassment and protect the environment, health, and safety. The goal is to promote responsible business practices, make sure everyone follows the rules, and align everything with the company's policies and standards. This way, all partners are on the same page and work together smoothly. By doing this, RACL Geartech Ltd. wants to make sure its business is run in a responsible and ethical way, not just within the company, but also with all its partners.		

2- Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes. RACL Geartech Ltd. has established a framework to identify, disclose, and manage potential conflicts of interest involving members of the Board of Directors, Key Managerial Personnel (KMP), and Senior Management.

The Directors are required to disclose their interests, relationships, shareholdings, and associations with other entities on an annual basis and whenever there is any material change. As per the Company's Code of Conduct, Directors, KMP, and Senior Management are required to act in the best interests of the Company and avoid situations that may result in actual or potential conflicts of interest.

Wherever a potential conflict exists, the concerned individuals are required to abstain from participating in related discussions or decision-making processes. The Company's Code of Conduct provides guidance on identifying and managing conflicts of interest and is available on the Company's website. Annual declarations are obtained from Directors, KMP, and Senior Management confirming adherence to the 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 Ltd. does not classify capital expenditure (CAPEX) investments as research and development (R&D) expenditure. The Company's CAPEX investments are primarily undertaken for specific products, customer requirements, capacity enhancement, process improvement, and operational needs.		
Capex	Currently, the Company does not have a separate mechanism to track CAPEX investments specifically attributable to technologies aimed at improving the environmental and social impacts of products and processes. Accordingly, such investments are not separately classified or reported under this category.		

2a- Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes. RACL Geartech Ltd. has established procedures for responsible sourcing through its supplier selection, evaluation, and monitoring processes. The Company considers parameters such as quality, statutory compliance, operational capability, and responsible business practices while engaging with suppliers.

The supplier assessment process includes evaluation of Key Raw Material and Outsourced Process suppliers, along with periodic reviews and monitoring to ensure adherence to applicable regulatory requirements, quality standards, and customer-specific requirements. Sustainability-related considerations are progressively being integrated into the supplier evaluation framework to strengthen responsible sourcing practices across the value chain.

2b- If yes, what percentage of inputs were sourced sustainably?

RACL Geartech Ltd. has integrated sustainability considerations into its procurement framework through its Green Procurement Guidelines and supplier assessment processes. Sustainability parameters are considered during supplier selection, evaluation, and onboarding, supported by supplier questionnaires, risk assessment, and periodic monitoring mechanisms.

During the reporting period, 100% of new suppliers were evaluated against defined sustainability-related criteria as part of the supplier selection process. Sustainability-related requirements are also incorporated into relevant supplier documentation and purchase contracts to promote responsible sourcing practices.

However, the Company currently does not separately quantify the percentage of total inputs sourced sustainably based on defined sustainability criteria.

3- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

A	Plastics (including packaging)	Plastic packaging materials, including bins, trays, covers, and other reusable packaging materials, are returned to and from customers and suppliers wherever applicable for reuse. Discarded plastic packaging materials, plastic containers, covers, and used barrels are segregated and sent to authorized recyclers for recycling and safe disposal. Vendor Name- Bharat Oil & Waste Management Ltd (http://www.bharatoil.com/)
B	E-waste	E-waste generated from the Company's operations is segregated and handed over to authorized e-waste recyclers/vendors for environmentally sound recycling and disposal in compliance with applicable regulatory requirements.
C	Hazardous waste	Hazardous waste generated from manufacturing activities is managed through authorized waste handlers in accordance with applicable environmental regulations. Wherever feasible, such waste is sent for recycling/recovery to minimize environmental impact.
D	other waste	Other waste streams, including paper waste, corrugated boxes, metal/machining scrap, and garden waste, are segregated and managed through authorized vendors for recycling, recovery, or appropriate disposal.

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. RACL Geartech Ltd. is covered under the applicability of Extended Producer Responsibility (EPR) requirements for plastic packaging and has obtained EPR registration from the Central Pollution Control Board (CPCB) under the Brand Owner category.

The Company has established processes to ensure compliance with its approved EPR plan submitted to the concerned authorities. Plastic packaging waste generated through the Company's activities is managed through segregation, recycling, and environmentally sound disposal practices in accordance with applicable regulatory requirements.

The Company promotes responsible plastic waste management by reducing plastic consumption wherever feasible, encouraging reuse of packaging materials, and ensuring recycling of plastic waste through authorized recyclers as per EPR obligations.

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 2025-26	FY 2024-25
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 2025-26			FY 2024-25		
	Re-Used	Recycled Disposed	Safely	Re-Used	Recycled Disposed	Safely
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	650	650	100%	650	100%	-	-	-	-	-	-
Female	38	38	100%	38	100%	38	100%	-	-	-	-
Total	688	688	100%	688	100%	38	5.5%	-	-	-	-
Other than Permanent employees											
Male	98	98	100%	98	100%	-	-	-	-	-	-
Female	14	14	100%	14	100%	14	100%	-	-	-	-
Total	112	112	100%	112	100%	14	12.5%	-	-	-	-

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	83	83	100%	83	100%	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	83	83	100%	83	100%	-	-	-	-	-	-
Other than Permanent Workers											
Male	881	881	100%	881	100%	-	-	-	-	-	-
Female	1	1	100%	1	100%	1	100%	-	-	-	-
Total	882	882	100%	882	100%	1	0.1%	-	-	-	-

1c- Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	FY-2025-26	FY-2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company	0.48%	0.40%

2- Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2025-26			FY 2024-25		
	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
ESI	34.4%	100%	Yes	40%	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. RACL Geartech Ltd. has provisions for accessibility of its offices and work locations for differently abled employees and workers in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016. The Company provides necessary infrastructure and support to facilitate safe and convenient access at its operational locations.

The Company remains committed to promoting an inclusive workplace and continuously evaluates opportunities to enhance accessibility and provide reasonable support wherever required.

4- Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes. RACL Geartech Ltd. is committed to promoting an inclusive, diverse, and equitable workplace by providing equal opportunities to all employees and candidates. The Company follows fair and ethical employment practices and ensures that employment decisions are based on merit, skills, qualifications, and business requirements.

The Company adheres to the principles of non-discrimination and equal opportunity in line with the requirements of the Rights of Persons with Disabilities Act, 2016. RACL promotes a workplace free from discrimination on the basis of disability and other protected characteristics and provides necessary support and reasonable accommodation wherever required.

The Company's Non-Discrimination Policy, which outlines its commitment towards inclusivity and equal opportunity, is accessible to employees through the Company's website and internal communication platforms. Weblink: 393ipdctfile_RACLPoliciesManual.pdf

5- Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	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

Yes. RACL Geartech Ltd. has established grievance redressal mechanisms to enable employees and workers to raise their concerns and grievances in a fair, transparent, and confidential manner.

The mechanism is available for permanent employees, other than permanent employees, permanent workers, and other than permanent workers. Employees and workers can raise their concerns through established channels, including the Human Resource Management System (HRMS), Human Resources function, and the Whistle Blower mechanism, as applicable.

All grievances received are reviewed and addressed by the concerned functions in accordance with defined processes to ensure timely resolution and appropriate corrective actions. The Company also has a Prevention of Sexual Harassment (POSH) framework supported by an Internal Committee to address complaints related to workplace harassment.

7- Membership of employees and worker in association(s) or Unions recognized by the listed entity.

Category	FY 2025-26			FY 2024-25		
	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 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/A)
Employees										
Male	748	606	81%	307	41%	706	597	84%	232	33%
Female	52	52	100%	23	44%	41	32	78%	15	36%
Total	800	658	82.25%	330	41%	747	629	84%	247	33%
Workers										
Male	964	964	100%	733	76%	781	476	61%	584	75%
Female	1	1	100%	1	100%	-	-	-	-	-
Total	965	965	100%	734	76%	781	476	61%	584	75%

9- Details of performance and career development reviews of employees and worker:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	748	748	100%	683	683	100%
Female	52	52	100%	41	41	100%
Total	800	800	100%	724	724	100%
Workers						
Male	964	964	100%	781	781	100%
Female	1	1	100%	-	-	-
Total	965	965	100%	781	781	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 Geartech Ltd. has implemented an Occupational Health and Safety (OHS) Management System across its manufacturing facilities, aligned with the requirements of ISO 45001:2018 Occupational Health and Safety Management System. The system provides a structured framework for identifying occupational health and safety risks, implementing preventive and mitigation measures, monitoring performance, and driving continual improvement.

The OHS Management System covers employees, permanent and non-permanent workers, and contractors engaged across the Company's operational locations. The system includes processes related to hazard identification and risk assessment, workplace safety inspections, incident reporting and investigation, emergency preparedness, occupational health monitoring, safety training, and provision of appropriate personal protective equipment (PPE).

The Company also undertakes initiatives to promote a strong safety culture through regular awareness programmes, employee engagement, and implementation of safety practices aimed at preventing workplace injuries and occupational health risks.

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. RACL Geartech Ltd. has implemented a structured Hazard Identification and Risk Assessment (HIRA) process as an integral part of its Occupational Health and Safety Management System. The Company follows a systematic approach to identify hazards, assess associated risks, and implement appropriate controls to prevent workplace incidents and occupational health risks.

HIRA assessments are conducted for routine and non-routine activities, including manufacturing processes, machinery and equipment operations, maintenance activities, and other workplace activities. The assessment considers the nature of hazards, likelihood of occurrence, and severity of potential consequences to determine the level of risk and required mitigation measures.

For non-routine activities, including maintenance and special operations, risk assessment is carried out through the Work Permit System before commencement of work to ensure that necessary safety precautions and controls are implemented.

The effectiveness of identified controls is periodically reviewed through safety inspections, HIRA reviews, audits, incident/near-miss analysis, and continual improvement initiatives. These practices enable the Company to proactively manage occupational health and safety risks and strengthen its safety culture across operations.

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 Ltd. has established processes that enable employees and workers to report work-related hazards, unsafe conditions, and potential risks through defined safety reporting mechanisms.

Workers are encouraged to promptly report unsafe acts, unsafe conditions, near misses, and workplace hazards to the concerned supervisors, safety team, or through established communication channels. Reported hazards are evaluated and appropriate corrective and preventive actions are implemented based on the level of risk.

The Company follows a proactive safety approach under its Occupational Health and Safety Management System, wherein workers are empowered to avoid or stop work in situations involving imminent danger until adequate safety controls are implemented. The Work Permit System and risk assessment processes further ensure that necessary precautions are established before undertaking high-risk or non-routine activities.

These practices support a strong safety culture and enable continuous improvement in workplace health and safety performance.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. RACL Geartech Ltd. provides access to non-occupational medical and healthcare services for its employees and workers through various employee welfare initiatives.

The Company extends medical insurance benefits to eligible employees and provides support for healthcare needs. In addition, the Company undertakes health and wellness initiatives, including periodic medical check-ups and awareness programmes, to promote the overall well-being of its workforce.

These initiatives are aimed at ensuring access to necessary healthcare support and enhancing employee health and well-being beyond workplace-related occupational health requirements.

11- Details of safety related incidents, in the following format.

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	5	0
	Workers	4	5
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 Ltd. is committed to providing a safe and healthy workplace through a structured Occupational Health and Safety (OHS) Management System aligned with the requirements of **ISO 45001:2018**. The Company follows a proactive approach towards prevention of workplace injuries and occupational health risks through continuous identification, assessment, and mitigation of safety risks.

Key measures implemented by the Company include:

- Conducting Hazard Identification and Risk Assessment (HIRA), safety inspections, and risk evaluations for routine and non-routine activities to identify potential hazards and implement appropriate controls.
- Providing necessary Personal Protective Equipment (PPE) and ensuring compliance with defined safety practices across manufacturing operations.
- Conducting regular safety training, awareness programmes, toolbox talks, and communication sessions to enhance safety awareness among employees, workers, and contractors.
- Implementing machine safety measures, workplace safety procedures, emergency preparedness plans, and periodic safety audits to strengthen operational safety.
- Following a Work Permit System for high-risk and non-routine activities to ensure adequate precautions are implemented before commencement of work.
- Monitoring workplace health through medical support, health check-ups, and employee wellness initiatives.

The Company continuously reviews its safety performance through incident reporting, near-miss analysis, corrective and preventive actions, and improvement initiatives to strengthen its safety culture across operations.

13- Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	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.

During the reporting period, **no significant safety-related incidents or material health and safety concerns were identified.** The Company continues to follow a proactive approach towards workplace safety through regular Hazard Identification and Risk Assessment (HIRA), safety inspections, internal audits, and employee awareness initiatives.

Wherever safety observations or improvement opportunities are identified, appropriate corrective and preventive actions (CAPA) are implemented to address the underlying causes and strengthen existing safety controls. The Company remains committed to continual improvement of its Occupational Health and Safety Management System and maintaining a safe and healthy workplace for employees, workers, and contractors.

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).

RACL Geartech Ltd. provides life insurance and applicable compensatory benefits to support employees and workers in the event of death, in accordance with the Company's policies and applicable statutory requirements.

(a) Employees:Yes

Eligible employees are covered under applicable life insurance and compensation benefits as part of the Company's employee welfare and social security initiatives.

(b) Workers:Yes

Eligible workers are provided applicable life insurance and compensation benefits in accordance with Company policies and statutory provisions.

The Company remains committed to ensuring financial security and support for the families of employees and workers through appropriate welfare measures.

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 Ltd. has established processes to encourage and monitor compliance with applicable statutory requirements among its relevant value chain partners, including contractors and service providers.

The Company incorporates statutory compliance obligations into contractual arrangements and expects its partners to adhere to applicable labour laws and regulatory requirements, including timely deduction and deposit of statutory

dues such as Provident Fund (PF), Employees' State Insurance (ESI), and other applicable contributions.

Compliance of relevant partners is monitored through periodic review of supporting documents and records. Any identified gaps or non-compliances are communicated to the concerned partners for necessary corrective actions.

Through these initiatives, RACL promotes responsible business conduct and strengthens compliance practices across its value 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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
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)

Yes. RACL Geartech Ltd. supports employee transition and continued employability through its human resource practices focused on skill development, knowledge retention, and employee well-being.

The Company promotes continuous learning and capability enhancement through training and development initiatives to support employees in building relevant skills and sustaining professional growth. The Company also follows structured processes for employee separation and retirement in accordance with applicable statutory requirements and internal policies, ensuring a fair and transparent transition.

Where required and based on business needs, the expertise and knowledge of experienced employees may be utilized to support knowledge transfer and business continuity.

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.

RACL Geartech Ltd. encourages responsible health and safety practices among its relevant value chain partners, including contractors and service providers engaged at its manufacturing facilities.

The Company monitors safety practices through defined engagement processes, including review of safety compliance requirements, workplace observations, inspections, and interaction with concerned partners. Any identified safety gaps, unsafe conditions, or improvement opportunities are communicated to the respective partners, and appropriate corrective and preventive actions are undertaken.

Corrective actions may include implementation of additional safety controls, awareness and training sessions, strengthening of safe work practices, and follow-up verification to ensure effective closure of identified observations.

Through these initiatives, RACL strives to promote a safe working environment and strengthen occupational health and safety practices across its value chain.

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 Ltd. follows a structured stakeholder identification and engagement process based on the principles of transparency, accountability, and responsible business conduct. The Company identifies stakeholders as individuals, groups, or entities that have a significant influence on, or are impacted by, its business operations, value creation process, and value chain.

The identification and prioritization of key stakeholder groups are carried out considering factors such as the nature of the relationship with the Company, level of influence, degree of impact, business relevance, and stakeholder expectations. The Company's key stakeholder groups include Promoters, Investors, Employees, Workers, Customers, Clients, Vendors, Suppliers, Government and Regulatory Authorities, Local Communities, and CSR partners.

The Company engages with stakeholders through various structured channels, including regular business interactions, meetings, feedback mechanisms, audits, and compliance processes. These engagements enable the Company to understand stakeholder concerns, receive feedback, communicate business and sustainability initiatives, and align its strategies with stakeholder expectations.

Through continuous stakeholder engagement, RACL strives to strengthen relationships, enhance transparency, identify areas of improvement, and create sustainable long-term value for its stakeholders.

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	Investor conferences/calls/meetings, Quarterly result calls, Presentations, Annual and Extra - Ordinary General Meeting, Designated email ID for redressal of grievances and queries, functional website, newspaper publications.	Annual, Quarterly, Need Basis	Governance and financial performance, profit, Business updates, risks Growth plans, future roadmap, and product pipeline
Customers (OEMs & Tier-1)	NO	Exhibitions & industry events, digital communication platforms, e-mail, company website, customer audits, technical discussions, and personal meetings.	Continuous	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	Continuous	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.
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 touch points - Notice boards, visuals and WhatsApp groups - HR portal and internal messaging platforms - Appraisal discussions and training programs supporting personal and professional development	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

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
		This multi-channel approach fosters open communication, continuous learning, and alignment with organizational goals.		
Community	No	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.

RACL Geartech Ltd. has established a structured stakeholder engagement process to understand and address the expectations of its key stakeholders on economic, environmental, social, and governance (ESG) matters. Stakeholder consultations are undertaken through various channels, including meetings, customer interactions, supplier engagements, employee communication forums, investor interactions, grievance mechanisms, audits, surveys, and regulatory discussions.

The responsibility for stakeholder engagement is primarily managed by the respective functional teams and senior management. Feedback and significant issues arising from these engagements are periodically reviewed and escalated to the Key Managerial Personnel (KMP) and the Board of Directors, as appropriate, for consideration during strategic planning, risk management, sustainability initiatives, and business decision-making.

This structured process enables the Company to integrate stakeholder expectations into its business strategies, strengthen governance practices, and support long-term sustainable value creation.

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. RACL Geartech Ltd. considers stakeholder consultation as an important input for identifying and managing material environmental and social topics. The Company regularly engages with key stakeholders, including customers, employees, suppliers, investors, regulatory authorities, and local communities, through structured communication and engagement mechanisms.

Feedback received from stakeholders is evaluated by the respective functional teams and management and, where relevant, is incorporated into the Company's policies, operational practices, and sustainability initiatives. For instance, customer expectations and regulatory developments have supported the strengthening of environmental initiatives such as renewable energy adoption, energy efficiency, waste management, and responsible sourcing practices. Similarly, feedback from employees and workers has contributed to enhancing workplace health and safety practices, employee welfare initiatives, and learning and development programmes.

The Company continues to integrate stakeholder inputs into its decision-making processes to strengthen responsible business practices and create sustainable long-term value.

3- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

RACL Geartech Ltd. considers engagement with vulnerable and marginalized stakeholder groups as an integral part of its Corporate Social Responsibility (CSR) strategy. The Company actively engages with local communities and other relevant stakeholders in the vicinity of its operations to understand their needs and identify priority areas for intervention before designing and implementing development programmes.

Based on these engagements, the Company undertook initiatives during the reporting period focusing on education, healthcare, and community development. As part of its education initiatives, RACL continued to support schools by strengthening educational infrastructure and promoting access to quality education for students from economically weaker sections. The Company also implemented community welfare and healthcare initiatives based on identified local needs.

Feedback received through these engagements is incorporated into the Company's CSR planning process, ensuring that its initiatives remain need-based, inclusive, and responsive to stakeholder expectations while contributing to sustainable socio-economic development.

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 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	688	688	100%	656	656	100%
Other than permanent	112	112	100%	91	91	100%
Total employees	800	800	100%	747	747	100%
Workers						
Permanent	83	83	100%	96	96	100%
Other than permanent	882	882	100%	685	553	81%
Total workers	965	965	100%	781	649	83%

2- Details of minimum wages paid to employees and workers, in the following format.

Category	FY 2025-26					FY 2024-25				
	= to min wage		> than min wage		Total (A)	= to min wage		> than min wage		Total (D)
	#(B)	%B/A	#C	%(C/A)		#(E)	%E/D	No.(F)	%F/D	
Employees										
Permanent	688	0	0	688	100%	656	0	0	656	100%
Male	650	0	0	650	100%	628	0	0	628	100%
Female	38	0	0	38	100%	28	0	0	28	100%
Other than permanent	112	0	0	112	100%	91	0	0	91	100%
Male	98	0	0	98	100%	78	0	0	78	100%
Female	14	0	0	14	100%	13	0	0	13	100%

Category	FY 2025-26					FY 2024-25				
	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	No.(F)	%F/D
Workers										
Permanent	83	0	0	83	100%	96	0	0	96	100%
Male	83	0	0	83	100%	96	0	0	96	100%
Female	0	0	0	0	100%	0	0	0	0	100%
Other than permanent	882	229	25.9%	653	74%	685	217	31.67%	468	68.32%
Male	881	229	25.9%	652	74%	685	217	31.67%	468	68.32%
Female	1	0	0	1	100%	0	0	0	0	0%

3a- Details of remuneration/salary/wages, in the following format.

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	6	4,33,500	2	21,12,500
Key Managerial Personnel	1	89,25,180	1	15,57,124
Employees* other than BOD and KMP	650	3,72,480	52	234570
Workers*	83	4,98,276	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:

Particulars	FY-2025-26	FY-2024-25
Gross wages paid to females as % of total wages	3.5%	2.54%

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. RACL Geartech Ltd. has designated the HR & Personnel Department as the focal point for overseeing human rights-related matters across the organization. The Department is responsible for facilitating the implementation of the Company's human rights commitments, addressing concerns raised by employees and workers, and promoting compliance with applicable laws and internal policies.

Human rights-related issues are addressed through established governance mechanisms, including employee grievance redressal processes, the Whistle Blower Mechanism, the Prevention of Sexual Harassment (POSH) framework, and the Code of Conduct. Reported concerns are reviewed by the concerned functions, and appropriate actions are taken based on the nature and severity of the issue.

Where necessary, significant matters are escalated to senior management for review, ensuring appropriate oversight, timely resolution, and continual improvement of the Company's human rights practices.

5- Describe the internal mechanisms in place to redress grievances related to human rights issues.

RACL Geartech Ltd. has established a structured grievance redressal framework to address human rights-related concerns in a fair, transparent, and timely manner. Employees, workers, and other relevant stakeholders can raise concerns

through multiple channels, including the HR & Personnel Department, the Whistle Blower Mechanism, the Prevention of Sexual Harassment (POSH) Internal Committee, and other designated grievance redressal mechanisms, as applicable.

All reported concerns are reviewed confidentially and impartially by the concerned function. Appropriate investigations are undertaken, and corrective and preventive actions are implemented based on the nature and severity of the issue. The Company also maintains safeguards against retaliation and encourages stakeholders to report concerns without fear of discrimination or adverse consequences.

The effectiveness of the grievance redressal process is periodically reviewed to strengthen human rights compliance, reinforce ethical business conduct, and promote a respectful, safe, and inclusive workplace.

6- Number of Complaints on the following made by employees and workers.

	FY 2025-26		FY 2024-25	
	Filed during the year	Pending resolution at the end of year	Remarks work rate	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.

Particulars	FY-2025-26	FY-2024-25
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 Ltd. is committed to maintaining a safe, inclusive, and respectful workplace free from discrimination, harassment, and retaliation. The Company has established appropriate governance mechanisms, including the **HR & Personnel Department**, the **Internal Committee** constituted under the Prevention of Sexual Harassment (POSH) Act, the **Whistle Blower Mechanism**, and the **Code of Conduct**, to address such concerns.

All complaints are handled in a fair, impartial, confidential, and time-bound manner through established grievance redressal processes. The Company maintains a **zero-tolerance approach** towards discrimination, harassment, and any form of retaliation against individuals who report concerns in good faith or participate in an investigation.

Appropriate corrective and disciplinary actions are taken, wherever required, based on the outcome of the investigation. Through these mechanisms, RACL strives to ensure that complainants and witnesses are protected from adverse consequences while promoting a workplace culture founded on dignity, respect, and ethical conduct.

9- Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. RACL Geartech Ltd. incorporates human rights and ethical business conduct expectations into its business relationships through applicable contractual terms, the Supplier Code of Conduct, and other relevant policies, wherever applicable.

The Company expects its suppliers, contractors, service providers, and other business partners to comply with applicable labour laws, respect internationally recognised human rights principles, prohibit child labour, forced labour, discrimination and harassment, and provide safe and healthy working conditions. These expectations are communicated through contractual obligations, supplier engagement processes, and applicable compliance requirements.

The Company continues to strengthen responsible business practices across its value chain by encouraging compliance with its human rights commitments and applicable regulatory requirements.

10- Assessments for the year.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100%
Discrimination at workplace	All manufacturing facilities and offices of RACL Geartech Ltd. have been assessed through internal assessments, statutory inspections, and/or third-party assessments, as applicable. These assessments cover relevant areas including workplace practices, occupational health and safety, statutory compliance, and adherence to applicable policies and standards.
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.

During the reporting period, no significant human rights-related risks or concerns were identified through the assessments conducted across RACL Geartech Ltd.'s plants and offices.

Any observations or improvement areas identified through internal reviews, grievance mechanisms, or compliance monitoring processes are evaluated and addressed through appropriate corrective and preventive actions (CAPA), wherever required. The Company continues to strengthen its human rights practices through regular monitoring and awareness initiatives.

LEADERSHIP INDICATORS

1- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

As part of the Company's ongoing human rights due diligence process, no material human rights grievances or complaints were identified that required modification or introduction of any business process. RACL Geartech Ltd. continues to strengthen its human rights management framework through established policies, periodic employee awareness programmes, training on the Code of Conduct and Human Rights Policy, regular compliance monitoring, and effective grievance redressal mechanisms. Human rights expectations are also communicated to relevant business partners through contractual requirements and ongoing business engagement.

2- Details of the scope and coverage of any Human rights due-diligence conducted.

RACL Geartech Ltd. undertakes human rights due diligence through its established governance and compliance processes across all its manufacturing facilities and offices. The scope covers key human rights aspects, including non-discrimination, prevention of child labour and forced labour, equal opportunity, freedom of association, workplace health and safety, prevention of sexual harassment, employee welfare, and compliance with applicable labour laws.

The due diligence process is supported through periodic internal assessments, employee grievance redressal mechanisms, the Whistle Blower Mechanism, POSH framework, statutory compliance reviews, and employee awareness programmes. Observations arising from these processes are reviewed by the concerned functions, and appropriate corrective and preventive actions are implemented wherever required.

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. RACL Geartech Ltd. is committed to providing an accessible and inclusive environment for differently abled visitors. The Company's offices and manufacturing facilities are equipped with accessible infrastructure, wherever applicable, in line with the requirements of the Rights of Persons with Disabilities Act, 2016. This includes barrier-free access through features such as ramps, lifts, accessible entry and exit points, and other necessary facilities to facilitate safe and convenient access for visitors.

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.

RACL Geartech Ltd. addresses observations arising from value chain partner assessments through a structured corrective and preventive action (CAPA) process. Where assessments identify non-conformities or improvement opportunities, the concerned value chain partners are required to implement time-bound corrective action plans and submit supporting evidence for review.

The effectiveness of corrective actions is verified through follow-up assessments, documentation reviews, and ongoing supplier performance monitoring, wherever applicable. This process enables the Company to strengthen supplier compliance, mitigate potential risks, and promote continuous improvement across its value chain.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

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.

Parameters	FY-2025-26	FY-2024-25
From renewable sources		
Total electricity consumption (unit GJ) (A)	65754	62545
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	65754	62545
From non-renewable sources		
Total electricity consumption (D) GJ	4616	3137
*Total fuel consumption (E) GJ	41006	319

Parameters	FY-2025-26	FY-2024-25
Energy consumption through other sources (F)	0	0
Total energy consumption (D+E+F) 45622	3456	
Total energy consumed (A+B+C+D+E+F)	111376	66001
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0000222	0.0000154
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0000233	0.0000158
Energy intensity in terms of physical output	0.01674	0.01056
Energy intensity (optional) – the relevant metric may be selected by the entity		

*Increase due to revised calculation methodology, including LPG under fuel consumption.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. NO

- 2- **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No. RACL Geartech Ltd. does not have any manufacturing facility identified as a Designated Consumer (DC) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India. Accordingly, the Company is not subject to PAT-specific energy reduction targets under the Scheme.

- 3- **Provide details of the following disclosures related to water, in the following format:**

Parameters	FY-2025-26	FY-2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	14248	15496
(iii) Third-party water	2316	2209
(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)	16564	17705
Water intensity per rupee of turnover (Water consumed / turnover)	0.0000033	0.0000041
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption /Revenue from operations adjusted for PPP)	0.0000035	0.0000042
Water intensity in terms of physical output	0.002489	0.002832
Water intensity (optional) – the relevant metric may be selected by the entity		

4- Provide the following details related to water discharged.

Parameters	FY-2025-26	FY-2024-25
Water discharge by destination and level of treatment (in kilolitres)	The Company has implemented a Zero Liquid Discharge (ZLD) system under which wastewater is treated, recycled, and reused within the facility, ensuring that no liquid effluent is discharged into the environment.	
(i) To Surface water		
- 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)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency. NO

5- Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. RACL Geartech Ltd. has implemented a Zero Liquid Discharge (ZLD) mechanism at its manufacturing facilities to promote responsible water management and minimize freshwater consumption. Wastewater generated from operations is treated through the Company's Effluent Treatment Plant (ETP) and Sewage Treatment Plant (STP), and the treated water is recycled and reused for appropriate non-potable applications within the premises.

The Company continuously monitors the performance of its treatment systems and undertakes periodic maintenance to ensure effective operation, regulatory compliance, and efficient utilization of water resources as part of its commitment to sustainable manufacturing.

6- Please provide details of air emissions (other than GHG emissions) by the entity, in the following format.

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	µg/m ³	40.21	41.62
Sox	µg/m ³	21.33	21.75
Particulate matter (PM) PM10	µg/m ³	84.33	92.5
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 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2794.15	2299.74
* Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	910.32	623.88
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 CO ₂ equivalent/Rs	0.000000741	0.000000684
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 CO ₂ equivalent/Rs	0.00000078	0.00000070
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO ₂ equivalent / Total number of parts produced	0.0005567	0.0004676
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

* Electricity consumption increased due to higher production at the Noida Plant. The Gajraula Plant has achieved net-zero Scope 2 GHG emissions, and renewable energy adoption is planned across all facilities.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency -NO

8- Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. RACL Geartech Ltd. has undertaken various initiatives to reduce greenhouse gas (GHG) emissions as part of its climate change mitigation and decarbonization strategy.

The key initiatives include:

- **Achieving 100% renewable electricity** usage at the Gajraula manufacturing facility through a combination of renewable energy sources, including on-site solar generation and procurement of certified green power from the grid by paying a green energy premium.
- **Installation of approximately 1.7 MW rooftop solar** capacity across manufacturing facilities to increase renewable energy utilization.
- **Implementation of a 4 MW off-site Solar** Power Purchase Agreement (PPA) to further strengthen renewable energy adoption and reduce Scope 2 GHG emissions.

The Company has implemented several energy efficiency initiatives, including the installation of HVLS (High Volume Low Speed) fans, a VRV (Variable Refrigerant Volume) air-conditioning system, process optimization, and energy monitoring systems. These initiatives have improved operational energy efficiency, optimized cooling performance, and contributed to the reduction of greenhouse gas emissions.

Undertook a large-scale plantation drive during FY 2025–26 by planting 4,800 saplings to enhance green cover, promote biodiversity, and support environmental conservation.

These initiatives support RACL's efforts towards reducing its carbon footprint, improving energy efficiency, and achieving its long-term decarbonization objectives.

9- Provide details related to waste management by the entity, in the following format.

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in Kgs/ Litres/ Nos.)		
*Plastic waste (A) kg	57 kg	103 kgs
E-waste (B)	48 kg	58.5kg
Bio-medical waste (C)	NA	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 -448 kg Oil-Soaked cloth -1084 kg	Scrap grinding wheel - 763 kg Oil-Soaked cloth - 885 kg
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	ETP Sludge –991 kg Used Scrap Oil -930litres (Scrap oil and Air) filters – 58kg	ETP Sludge – 866kg Used Scrap Oil - 880 litres Scrap oil and Air filters – 129kg
*Total (A+B + C + D + E + F +G + H)	3616 kg	3684.5 kg
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.0000000007	0.0000000009
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000008	0.0000000009
Waste intensity in terms of physical output	0.0000005435	0.0000005893
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 by RACL Geartech Ltd. is managed through authorised waste management vendors in accordance with applicable environmental regulations. The Company ensures proper segregation, collection, and responsible channelisation of waste for recycling, recovery, treatment, or disposal, as applicable.	
(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	Waste generated by RACL Geartech Ltd. is segregated and handed over to authorised waste management agencies for appropriate disposal in accordance with applicable environmental regulations. Disposal methods are selected based on the nature of waste and regulatory requirements, including authorised treatment, disposal, and other approved methods. Category-wise details of waste disposed by nature of disposal method are maintained and disclosed based on records received from authorised waste management partners.	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

**The calculation methodology has been revised to improve data accuracy and enhance the reliability of reporting.*

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 Geartech Ltd. has established a structured waste management framework focused on waste minimisation, resource recovery, regulatory compliance, and responsible disposal practices.

Waste generated from operations is segregated at source using designated systems and stored separately for hazardous and non-hazardous categories in identified storage areas following safe storage practices based on the 3C principle (Covered, Concrete, and Containerised). Waste handling, generation, and disposal records are maintained as per applicable regulatory requirements, including prescribed documentation wherever applicable.

The Company promotes resource efficiency through initiatives such as recovery and reuse of used oil through a centrifugal pump, reuse of cotton waste wherever feasible, and increased reuse of plastic bins and containers. Continuous improvement initiatives are undertaken to optimise the consumption of oils, acids, and other process consumables, thereby reducing waste generation and environmental impact.

Hazardous waste generated from operations is managed through authorised waste management agencies in compliance with applicable regulations. The Company follows its Environmental, Health and Safety (EHS) procedures to ensure safe handling, storage, and disposal of waste.

To reduce risks associated with hazardous and toxic chemicals, the Company follows controlled chemical usage, safe storage and handling practices, employee awareness programmes, and process optimisation measures to minimise consumption of chemicals and associated environmental and occupational health impacts.

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 the reporting period, RACL Geartech Ltd. did not undertake any projects requiring Environmental Impact Assessment (EIA) under the applicable provisions of the Environment Impact Assessment Notification, 2006 and its amendments. Accordingly, no statutory EIA studies were required during the reporting period. The Company continues to ensure compliance with applicable environmental regulations and statutory requirements.				

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
Yes. RACL Geartech Ltd. complies with applicable environmental laws, regulations, and statutory requirements related to its operations, including requirements under the Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, and applicable environmental regulations. The Company monitors key environmental parameters, including ambient air quality, through periodic monitoring and assessments. During the reporting period, no material environmental non-compliances were reported. The Company continues to ensure regulatory compliance through established Environmental, Health and Safety (EHS) practices and periodic reviews.			

LEADERSHIP INDICATORS

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4701.3	4475.52
Total Scope 3 emissions per rupee of turnover		0.000000940	0.000000105
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 NO

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.

RACL Geartech Ltd. has not identified any of its operational locations as being situated within or adjacent to notified ecologically sensitive areas. Therefore, no significant direct or indirect impact on biodiversity in such areas was identified during the reporting period.

The Company continues to implement responsible environmental management practices, including compliance with applicable environmental regulations, effective waste management, pollution control measures, and plantation initiatives to support environmental conservation.

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
Renewable Energy Adoption	RACL Geartech Ltd. has increased renewable energy utilisation through rooftop solar installations, off-site solar power procurement, and certified green power procurement. The Gajraula facility operates on 100% renewable electricity through a combination of renewable energy sources	Reduction in Scope 2 GHG emissions, increased renewable energy share, and progress towards decarbonisation goals.

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Energy Efficiency Improvement	The Company has implemented energy efficiency measures including installation of HVLS fans, process optimisation, and monitoring of energy consumption to improve operational efficiency.	Reduction in energy consumption, improved workplace ventilation, and enhanced operational efficiency.
Waste Reduction and Resource Recovery	Waste generated from operations is segregated and managed through authorised recyclers and waste management agencies. Initiatives include recovery and reuse of used oil, reuse of cotton waste wherever feasible, and reuse of plastic bins and containers.	Reduction in waste generation, improved resource utilisation, and increased recycling/recovery of waste streams.
Water Conservation and Wastewater Management	The Company operates STP/ETP systems for treatment and reuse of wastewater, wherever applicable, and undertakes measures to improve water-use efficiency.	Reduction in freshwater dependency and responsible wastewater management.
Green Cover Enhancement	The Company undertakes annual plantation initiatives to enhance green cover within and around its operational areas.	Increased green cover and contribution towards environmental conservation.

5- Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. RACL Geartech Ltd. has established an integrated Business Continuity and Disaster Management framework to ensure preparedness, resilience, and continuity of critical operations during unforeseen events.

The framework includes identification and assessment of potential emergency scenarios, defined roles and responsibilities for response teams, emergency response procedures, and recovery measures to minimise operational disruptions. The Company conducts periodic mock drills, safety drills, and awareness programmes to strengthen emergency preparedness and enhance employee readiness.

The effectiveness of emergency response measures is reviewed periodically based on drill observations, incidents, and identified improvement areas. These reviews support continual improvement of the Company's disaster preparedness and business resilience capabilities.

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?

RACL Geartech Ltd. has not identified any significant adverse environmental impacts arising from its value chain during the reporting period.

The Company engages with its value chain partners through established processes, including supplier assessments, compliance evaluations, and communication of responsible environmental practices. Suppliers and vendors are encouraged to follow applicable environmental regulations and adopt sustainable practices. The Company continues to strengthen value chain engagement to identify potential environmental risks and promote continuous improvement across its supply chain.

7- Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

RACL communicates its expectations to all value chain partners through its **Supplier Code of Conduct**, covering ethics, labour practices, health & safety, environmental management, quality, and regulatory compliance. Suppliers are

periodically assessed by the Supplier Quality Assurance (SQA) team. Any identified Non-Conformities (NCs) require the submission of a Corrective Action Plan (CAP) along with supporting closure evidence. The SQA team reviews and verifies the effectiveness of the corrective actions before formally closing the NCs, reinforcing responsible sourcing, compliance, and continuous improvement across the 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 agency (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.

RACL Geartech Ltd. has established mechanisms to receive and address grievances from local communities and other external stakeholders. Community members can raise their concerns through available communication channels, including direct interaction with Company representatives and designated contact points.

All grievances received are reviewed, recorded, and addressed by the concerned functions through appropriate corrective actions. The Company ensures timely resolution of concerns through coordination with relevant stakeholders and maintains records of grievances and actions taken.

The Company continuously engages with surrounding communities through CSR initiatives and stakeholder interactions to understand their concerns and strengthen its relationship with local communities.

4- Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	21.03%	12.5%
Sourced directly from within the district and neighbouring districts	5.99%	18%
Directly from within India	72.98%	64.5%

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 2025-26	FY 2024-25
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 benefitted	100%
Women Empowerment/Skill development under shining star	10+	100%
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.	500+ student was benefitted	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.

RACL Geartech Ltd. primarily operates in a B2B environment and has established structured mechanisms to receive and respond to customer complaints and feedback. Customer concerns are received through designated communication channels, including the dedicated customer care email (customercare@raclegeartech.com), direct customer interactions, customer audits, and regular business reviews.

All complaints and feedback are reviewed by the concerned Sales, Quality, and Vendor Management teams. Issues are investigated through root cause analysis, and appropriate corrective and preventive actions (CAPA) are implemented. The effectiveness of actions taken is monitored to support continual improvement, strengthen customer satisfaction, and enhance product and service quality.

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	RACL Geartech Ltd. manufactures precision automotive components that are supplied to Original Equipment Manufacturers (OEMs) for integration into the final product (i.e., vehicles). As the Company does not market or sell finished consumer products, product-related information on environmental and social parameters, safe usage, or recycling/disposal is communicated by the respective OEMs. Accordingly, this disclosure is Not Applicable .
Safe and responsible usage	
Recycling and/or safe disposal	

3- Number of consumer complaints in respect of the following.

Category	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential 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

Yes. RACL Geartech Ltd. has established policies and guidelines on cyber security, information security, and data privacy to safeguard its information assets, business systems, and confidential information from cyber threats, unauthorised access, misuse, alteration, or disclosure.

The Company has implemented appropriate IT security controls, user access management, responsible internet usage guidelines, and information security practices to protect official records and sensitive business information. Employees are required to comply with these policies as part of the Company's Code of Conduct and Policy Manual, and regular awareness is promoted to strengthen cyber security practices across the organisation.

The cyber security framework is periodically reviewed and updated to address evolving cyber risks and support business resilience. These policies are available in the Company's Policy Manual at 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.

During the reporting period, RACL Geartech Ltd. did not receive or identify any significant issues relating to advertising

and marketing communications, delivery of essential services, cyber security and customer data privacy, product recalls, or regulatory actions concerning the safety of its products or services.

Accordingly, no corrective actions were required in these areas. The Company continues to strengthen its governance framework through robust quality management systems, information security practices, regulatory compliance, and periodic monitoring to prevent such occurrences and drive continual improvement.

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: [RACL Geartech](https://www.raclgeartech.com)

2- Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

RACL Geartech Ltd. primarily operates as a business-to-business (B2B) organisation, supplying precision automotive components to leading Original Equipment Manufacturers (OEMs). To support the safe and responsible use of its products, the Company provides customers with product-related information, technical documentation, and compliance declarations, including REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and IMDS (International Material Data System), as applicable.

The Company follows a robust product development and validation process to ensure compliance with customer specifications, applicable material requirements, quality standards, and safety requirements. Product quality and conformity are verified through defined inspection, testing, and validation processes before dispatch.

In addition, RACL follows defined packaging specifications, handling instructions, and transportation requirements to protect product quality and integrity during storage and transit. The Company also engages with customers through technical discussions, quality reviews, audits, and regular business interactions to address product-related requirements and promote the safe and responsible use of its products.

As the Company supplies components to OEMs, information relating to the safe use and operation of the final product is communicated to end consumers by the respective OEMs.

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)

Product Information: RACL Geartech complies with all applicable regulations with respect to product information disclosure.

Consumer Satisfaction Survey: No. As a B2B organisation, the Company does not conduct consumer satisfaction surveys. Customer satisfaction is monitored through customer feedback, audits, and regular business reviews

Annexure 17A

Format of BRSR Core

Sr. No.	Attribute	Parameter	Measurement	¹⁷⁰ [Data & Assessment or Assurance Approach]	Cross – reference to the BRSR
1	Green-house gas (GHG) footprint <i>Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard</i>	Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	2794.15 MT	1. Absolute Fossil Fuel (Coal, Natural Gas, Diesel, FO etc.) Consumption (Mn MT / KT / MT / MM BTU etc.) 2. Emission Factor (GHG in CO₂e / Unit of Measure) - IPCC or Actual Testing from Accredited Test Lab 3. Quantity of Carbon Capture (Mn MT/KT / MT) 4. GHG emissions in CO₂ equivalent by process (Non-Fuel Source) (Mn MT/KT / MT / MM BTU) 5. Fugitive emissions 6. Total Scope 1 GHG Emissions: Point 2x Point 1 - Point 3 + Point 4 + Point 5	Principle 6, Question 7 of Essential Indicators
		Total Scope 2 emissions (Break-up of the GHG (CO ₂ e) into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	910.32 MT	1. Total Consumption of Purchased Energy (MW), Steam (MT), Refrigeration (MMBTU) 2. GHG (CO₂e) Emission Factor across all purchased energy sources - IPCC or actual from the supplier (audited certificates) 3. Total Scope 2GHG Emissions: Total Consumption x Emission Factor	Principle 6, Question 7 of Essential Indicators
		GHG Emission Intensity (Scope 1 +2)	0.00000078	1. Total Emission (Scope 1 & 2) 2. Total Revenue from Operations- From Audited P&L Statement 3. PPP (USD / INR)	Principle 6, Question 7 of Essential Indicators
			0.0005567	1. Total Emission (Scope 1 & 2) as above 2. Company & Sector Specific (i.e., No. of Vehicles Produced, MT of Material Produced, Data in Mn TB, No. of Seats / Travel Class, Room-nights etc.)	Principle 6, Question 7 of Essential Indicators
2	Water footprint	Total water consumption	16564 kl	Water consumed is water that it is no longer available for use by the eco-system or local community, such as water that has been withdrawn and incorporated into products or has evaporated or is polluted to the point of being unusable by other users, and is	Principle 6, Question 3 of Essential Indicators

Sr. No.	Attribute	Parameter	Measurement	¹⁷⁰ [Data & Assessment or Assurance Approach]	Cross – reference to the BRSR
				therefore not released back to surface water, groundwater, seawater, or a third party. It also includes water that has been stored during the reporting period for use or discharge in a subsequent reporting period. If the entity cannot directly measure its water consumption, it may calculate this using the following: 1. Input water flow meter logs (Calibrated Meters) 2. Output water flow meter logs (Calibrated Meters) 3. Water consumption = Input Water - Output Water	
		Water consumption intensity	0.0000035	1. Total water consumed 2. Total Revenue from Operations (from audited P&L) 3. PPP (USD / INR)	Principle 6, Question 3 of Essential Indicators
			0.002489	1. Consumption as above 2. Company & Sector Specific (i.e., No. of Vehicles Produced, MT of Material Produced, Data in Mn TB, No. of Seats / Travel Class etc)	Principle 6, Question 3 of Essential Indicators
		Water Discharge by destination and levels of Treatment	100% of treated waste water reused after treatment through STP/ETP for gardening, flushing and other permissible non-potable applications. No untreated wastewater is discharged outside the facility.	1. Untreated Water 2. Primary Treatment (Removal of material that floats or settle out i.e Filtration, Screening, Sedimentation etc.) 3. Secondary Treatment (Removal of Dissolved organic Matter i.e. Oxidation, Digestion etc.) 4. Tertiary Treatment (Disinfecting Water i.e. removal of pathogens, Phosphorous, Nitrogen etc.)	Principle 6, Question 4 of Essential Indicators

Sr. No.	Attribute	Parameter	Measurement	¹⁷⁰ [Data & Assessment or Assurance Approach]	Cross – reference to the BRSR
3	Energy footprint	Total energy consumed	111376 (gj)	Total energy consumption = non-renewable fuel consumed + renewable fuel consumed + purchased electricity, heating, cooling, steam + self-generated electricity, heating, cooling, steam <i>(If the entity generates electricity from a non-renewable or renewable fuel source and then consumes the generated electricity, the energy consumption shall be counted only once)</i>	Principle 6, Question 1 of Essential Indicators
		% of energy consumed from renewable sources	59 %	Energy consumed through renewable sources / total energy consumed	
			0.0000233	1. Total energy consumed 2. Total Revenue from Operations (from audited P&L) 3. PPP (USD / INR)	Principle 6, Question 1 of Essential Indicators
		Energy intensity	0.01674	1. Consumption as above 2. Company & Sector Specific (i.e., No. of Vehicles Produced, MT of Material Produced, Data in Mn TB, No. of Seats / Travel Class etc)	Principle 6, Question 1 of Essential Indicators
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	57Kg	Absolute weight of the packaging material (Bags, Bottles, Pallets etc.) discarded as defined under the plastic waste management rules 2016 and amendments thereof	Principle 6, Question 9 of Essential Indicators
		E-waste (B)	48Kg	Discarded Computers, televisions, cell phones, VCRs, stereos, DVD players, copiers, and fax machines etc. as listed under e-waste management rules 2016 and amendments thereof	Principle 6, Question 9 of Essential Indicators
		Bio-medical waste (C)	NA	Solids and liquid waste including its container and any intermediate product, which is generated during the diagnosis, treatment or immunization of human beings or animals or research activities as listed under Bio-medical waste management rules 2016 and amendments thereof	Principle 6, Question 9 of Essential Indicators
		Construction and demolition waste (D)	NA	Construction waste as per C&D waste management Rules 2016 and amendments thereof like concrete, plaster, metal rods / wires, wood, plastics etc.	Principle 6, Question 9 of Essential Indicators

Sr. No.	Attribute	Parameter	Measurement	¹⁷⁰ [Data & Assessment or Assurance Approach]	Cross – reference to the BRSR
		Battery waste (E)	NA	Discarded batteries i.e., Li-ion, Alkaline, Lead Acid etc used in vehicles, computers & laptops, mobiles other electronics, UPS, Power Back up etc. as per Battery Waste management Rules 2016 and amendments thereof	Principle 6, Question 9 of Essential Indicators
		Radioactive waste (F)	NA	Discarded material such as paper, plastic, clothes, equipment, machine parts etc having exposure to radiation across Nuclear Power Plants, Hospitals, Research Laboratories, Industrial Applications etc.)	Principle 6, Question 9 of Essential Indicators
		Other Hazardous waste. Please specify, if any. (G)	Scrap grinding wheel -448 kg Oil-Soaked cloth -1084 kg	As per hazardous waste management rules of CPCB	Principle 6, Question 9 of Essential Indicators
		Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	ETP Sludge-991 kg Used Scrap Oil -930litres (Scrap oil and Air) filters – 58kg	Waste not identified as Hazardous as per CPCB	Principle 6, Question 9 of Essential Indicators
		Total waste generated ((A+B + C + D + E + F + G + H)	3616 kg	self-explanatory	Principle 6, Question 9 of Essential Indicators
		Waste intensity	0.0000000008	1. Total waste generated 2. Total Revenue from Operations (from audited P&L) 3. PPP (USD / INR)	Principle 6, Question 9 of Essential Indicators
			0.0000005434	1. Total waste generated 2. Company & Sector Specific (i.e., No. of Vehicles Produced, MT of Material Produced, Data in Mn TB, No. of Seats /Travel Class etc)	Principle 6, Question 9 of Essential Indicators
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	100% of recyclable waste generated by the Company is sent to authorized recyclers for recovery through recycling.	Absolute quantity Kg of Waste Recycled Recovered / Total Waste generated ¹⁷¹ [Disclosure may be provided if certificates from vendors have been relied upon for assessment or assurance of KPIs on waste management]	Principle 6, Question 9 of Essential Indicators

¹⁷¹Substituted with the issuance of Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2025/42 dated Mar 28, 2025. Prior to its substitution the note read as "Disclosure may be provided if certificates from vendors have been relied upon for assurance of KPIs on waste management".

Sr. No.	Attribute	Parameter	Measurement	¹⁷⁰ [Data & Assessment or Assurance Approach]	Cross – reference to the BRSR
		For each category of waste generated, total waste disposed by nature of disposal method	100% of recyclable waste generated by the Company is sent to authorized recyclers for recovery through recycling.	1. Amount of material in MT disposed through Incineration 2. Amount of Material to Landfill 3. Any other method Kg of Waste Recycled Recovered /Total Waste generated	Principle 6, Question 9 of Essential Indicators
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	0.48 %	To check sources including – • Insurance Policies & Premium Paid Details • Infant Care Policy • Amount billed/invoices towards providing such facilities <i>(The following measures may be included – health insurance, accident insurance, maternity benefits, paternity benefits, day care facilities, health & safety measures including access to mental health)</i>	Principle 3, Question 1(c) of Essential Indicators
		Details of safety related incidents for employees and workers (including contract-work force e.g. workers in the company's construction sites)	0	To check on the basis of claims 1. Total number of lost time injuries 2. Total No. of working hours 3. LTIFR = (Total number of lost time injuries*10,00,000) / Total No. of working hours To check on the basis of claims as reported to the Factory Inspector	Principle 3, Question 11 of Essential Indicators
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	3.5%	Employee Master / Register	Principle 5, Question 3(b) of Essential Indicators
		Complaints on POSH	0		Principle 5, Question 7 of Essential Indicators
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – <i>Directly sourced from MSMEs/ small producers and from within India</i>	21.03 %	self-explanatory' <i>Input material' - includes all types of procurement such as raw material, spares, services, capex procurement items etc.</i>	Principle 8, Question 4 of Essential Indicators

Sr. No.	Attribute	Parameter	Measurement	¹⁷⁰ [Data & Assessment or Assurance Approach]	Cross – reference to the BRSR
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent/ on contract) as % of total wage cost		Place of employment of employees/ workers (Place to be categorized based on with RBI classification system on rural / semi-urban / urban / metropolitan)	Principle 8, Question 5 of Essential Indicators
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	0		Principle 9, Question 7 of Essential Indicators
		Number of days of accounts payable	61	To check from financial statements	Principle 1, Question 8 of Essential Indicators
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	NA	1. RPT audited by Financial Auditors (Refer Financial Audit Report) 2. Financial statements / invoices	Principle 1, Question 9 of Essential Indicators
			NA NA Share of RPTs (as respective %age) in - - Purchases- 2.79 % - Sales-4.23% - Loans & advances- NIL - Investments- 25.70%		

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, 2026 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, 2026 and its profits, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis on 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.

Our opinion is not modified in respect of above matter.

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, 2026. 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 Standalone 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 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.

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, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. 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, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or

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

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 the Board of Directors.
- Conclude on the appropriateness of the Board of Directors 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; and
- 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 Standalone Ind AS Financial Statements of the Company for the year ended 31st March 2025 and the Standalone financial results for the quarter ended 30th June 2025 were audited and reviewed, respectively, by the predecessor auditor, M/s Gianender & Associates, who expressed an unmodified audit opinion vide report dated 7th May, 2026 and an unmodified review conclusion vide report dated 11th August, 2025.

Our opinion on the Standalone Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

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, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to Standalone 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 amounting to ₹ 1.77 Crores, which is in Compliance with the provision of Section 123 of the Companies Act, 2013.
- vi. Based on our examination which including test checks, the Company uses an accounting software called Terms MAWAI up to 30th September 2025. With effect from 1st October 2025, the Company transitioned to a new accounting software named GoERP for the maintenance of its books of account.

Both Software applications 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 Gupta Nayar & Co.
Chartered Accountants
FRN: 008376N

Satyabhama Gupta
(Partner)
(M No. 073295)

UDIN: 26073295LTCDIY5075

Place: New Delhi
Date: May 26, 2026

Annexure 'A' to the Independent Auditor's Report of RACL GEARTECH LIMITED for the Year ended as on 31st March, 2026

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. As informed to us the periodic returns comprising stock and book debt statements filed by the company with such banks were in agreement with the unaudited books of account of the Company of the respective quarters.
- 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:

(₹ In Crores)

Particulars	Guarantees (Valid upto)	Security	Loans	Advances innature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries*	11.99(21-5-2026)	-	-	-
- Joint ventures*	-	-	-	-
- Associates*	-	-	-	-
- Others#	0.69	-	-	-

(₹ In Crores)

Particulars	Guarantees (Valid upto)	Security	Loans	Advances innature of loans
Balances outstanding as at balance sheet date in respect of above cases				
- Subsidiaries*	11.99(21-5-2026)	-	-	-
- Joint ventures*	-	-	-	-
- Associates*	-	-	-	-
- Others#	0.69	-	-	-

* As per the Companies Act, 2013

Other includes:

- Sunsure Solarpark Ten Private Limited- ₹ 0.58 Crores (Valid up to 07-04-2027)
- Paschimanchal Vidyut Vitran Nigam Ltd, Meerut-₹ 0.11 Crores (Valid up to 07-04-2027)

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.

- 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.
- 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.
- 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.
- In respect of statutory dues:
 - 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, 2026, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable except for the below:

Name of the Statute	Nature of the dues	Amount (In ₹ Crores)	Period for which the amount relates	Due Date	Date of Payment	Remarks, if any
Income Tax Act, 1961	TCS Liability	0.03	FY 25-26	Pertains to full financial year	Unpaid	-

- 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 ₹ Crores)
Income Tax Act, 1961	Traces Demand	Till date	With AO for Rectification	0.03

- 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) Monies raised during the year by the company by way of further public offer were applied for the purpose for which they were raised.
- b) The Company has Complied with provision of Sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of equity shares during the year. The fund raised, have been used for the purpose for which the fund were raised.
- 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 Standalone 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 Gupta Nayar & Co.
Chartered Accountants
FRN: 008376N

Satyabhama Gupta
(Partner)
(M No. 073295)

UDIN: 26073295LTCDIY5075

Date: May 26, 2026
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, 2026 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, 2026, 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 Gupta Nayar & Co.
Chartered Accountants
FRN: 008376N

Satyabhama Gupta
(Partner)
(M No. 073295)

UDIN: 26073295LTCDIY5075

Date: May 26, 2026
Place: New Delhi

Standalone Balance Sheet as at March 31, 2026

(₹ in Crores)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	2	321.50	300.35
(b) Capital work-in-progress	3	2.63	4.61
(c) Right-of-Use assets	4	20.14	21.76
(d) Intangible assets	5	0.68	0.47
(e) Financial assets			
i. Investments	6	2.38	1.77
ii. Other Financial Assets	7	1.56	1.54
(f) Other non-current assets	8	4.51	3.12
Total Non-current Assets		353.40	333.63
Current Assets			
(a) Inventories	9	137.57	133.16
(b) Financial assets			
i. Trade receivables	10	153.32	140.33
ii. Cash and cash equivalents	11	0.09	0.04
iii. Bank Balances other than (ii) above	12	7.52	1.88
(c) Current tax assets (net)			
(d) Other current assets	13	41.59	22.61
Total Current Assets		340.10	298.01
Total Assets		693.50	631.64
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	12.21	11.20
(b) Other equity	15	339.92	217.56
Total Equity		352.12	228.76
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
i. Borrowings	16	59.63	85.10
ii. Lease liability	17	8.45	9.64
(b) Provisions	18	9.36	9.24
(c) Deferred tax liabilities (Net)	19	18.22	15.69
(d) Other Non- Current Liabilities	20	-	-
Total Non-current Liabilities		95.66	119.67

Standalone Balance Sheet as at March 31, 2026

(₹ in Crores)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
Current Liabilities			
(a) Financial liabilities			
i. Borrowings	21	162.19	212.49
ii. Lease Liability	22	2.69	2.32
iii. Trade payables			
- Total Outstanding dues to micro and small enterprises	23	12.31	6.19
- Total Outstanding dues to other than micro and small enterprises		46.23	43.30
iv. Other financial liabilities	24	9.98	11.90
(b) Other current liabilities	25	2.94	4.81
(c) Provisions	26	2.36	1.87
(d) Current tax Liabilities (Net)	27	7.02	0.34
Total Current Liabilities		245.72	283.21
Total Liabilities		341.38	402.88
Total Equity and Liabilities		693.50	631.64

Notes form integral part of the Financial Statements

As per our report of even date attached

For Gupta Nayar & Co.

Chartered Accountants
FRN 004661N

By Order of the Board for RACL Geartech Ltd

Satyabhama Gupta

(Partner)
M.No : 073295

GURSHARAN SINGH

(Chairman & M.D.)
DIN: 00057602

NARINDER PAUL KAUR

(Director)
DIN: 02435942

PRAVIR KUMAR

(Director)
DIN: 00671671

HPS BEDI

(Director)
DIN : 05217488

MALINI BANSAL

(Director)
DIN : 00167993

ANIL SHARMA

(Director)
DIN : 00157911

Place : Delhi

Date : May 26, 2026

JITENDER JAIN

(CFO)

RAKESH KAPOOR

(Director)
DIN : 00015358

JAGDISH KESWANI

(Director)
DIN: 02146267

NEHA BAHAL

Company Secretary
ICSI Mem. No. 40272

Statement of profit and loss for the year ended 31st March 2026

(₹ in Crores)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
(a) Revenue from operations	28	477.76	417.37
(b) Other income	29	22.46	9.92
Total Income		500.22	427.29
Expenses			
(a) Cost of Material Consumed	30	136.04	124.29
(b) Changes in inventories of finished goods WIP and Stock in Trade	31	(1.36)	(0.78)
(c) Employee benefits expenses	32	52.62	46.57
(d) Finance Costs	33	29.69	31.92
(e) Depreciation and Amortisation Expenses	34	33.52	29.93
(f) Other Expenses	35	186.36	160.99
Total expenses		436.86	392.92
Profit/ (Loss) before exceptional items and tax		63.36	34.37
Add/(Less): Exceptional items	36	(0.22)	-
Profit/ (Loss) before tax		63.14	34.37
Tax Expense			
(a) Current tax		(14.01)	(5.51)
(b) Deferred tax		(2.53)	(3.37)
(c) Short/(Excess) provision for tax relating to prior years (net)		(0.04)	(0.02)
Income Tax Expense		(16.58)	(8.90)
Profit/(Loss) for the period		46.56	25.47
Other Comprehensive Income			
Remeasurement gain/(loss) of the defined benefit plans		0.10	(0.49)
Effect of Tax on Other Comprehensive Income		(0.03)	0.12
Total other comprehensive income		0.08	(0.36)
Total comprehensive income for the period		46.63	25.11

Statement of profit and loss for the year ended 31st March 2026

(₹ in Crores)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Earnings per share (Face Value 10/- per share)			
(a) Basic (in ₹)	37	39.98	23.63
(b) Diluted (in ₹)		39.98	23.63

Notes form integral part of the Financial Statements

As per our report of even date attached

For Gupta Nayar & Co.

Chartered Accountants

FRN 004661N

By Order of the Board for RACL Geartech Ltd

Satyabhama Gupta

(Partner)

M.No : 073295

GURSHARAN SINGH

(Chairman & M.D.)

DIN: 00057602

NARINDER PAUL KAUR

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(Director)

DIN : 05217488

MALINI BANSAL

(Director)

DIN : 00167993

ANIL SHARMA

(Director)

DIN : 00157911

Place : Delhi

Date : May 26, 2026

JITENDER JAIN

(CFO)

RAKESH KAPOOR

(Director)

DIN : 00015358

JAGDISH KESWANI

(Director)

DIN: 02146267

NEHA BAHAL

Company Secretary

ICSI Mem. No. 40272

Standalone Cash Flow statement for the year ended 31st March 2026

(₹ in Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	63.14	34.37
Adjustment for:		
Depreciation / Amortization	33.52	29.93
Interest charges	29.69	31.92
Interest on Deposits	(0.20)	(0.17)
Impairment/(Impairment reversal)	-	(0.07)
(Profit)/Loss on sale of asset	(0.08)	(0.83)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	126.06	95.16
Increase/(Decrease) in other Liabilities - Non Current	-	-
Increase/(Decrease) in other Financial Liabilities	(2.74)	3.41
Increase/(Decrease) in Trade Payable - Current	9.05	1.54
Increase/(Decrease) in long-term provisions - Non current	0.22	0.38
Increase/(Decrease) in short-term provisions - current	0.49	(0.05)
Increase/(Decrease) in other current liabilities	(1.87)	2.35
(Increase)/Decrease in inventories	(4.42)	(14.35)
(Increase)/Decrease in trade Receivable	(13.00)	(25.20)
(Increase)/Decrease in other non current financial assets	(0.02)	(1.45)
(Increase)/Decrease in other non current assets	-	(0.25)
(Increase)/Decrease in other current assets	(18.98)	7.63
(Increase)/Decrease in other Current financial Asset	(5.64)	(1.19)
CASH GENERATED FROM OPERATIONS	89.17	67.98
Direct taxes paid	(7.40)	(5.07)
NET CASH GENERATED FROM OPERATIONS	81.77	62.91
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE	(49.16)	(45.24)
Advance given for PPE	(3.99)	(2.60)
Proceeds from Sale of PPE	0.56	1.86
Investment in Subsidiary Company	(0.61)	-
NET CASH GENERATED (USED IN) INVESTING ACTIVITIES	(53.20)	(45.98)

Standalone Cash Flow statement for the year ended 31st March 2026

(₹ in Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from long & short term borrowings	(75.77)	16.33
Proceeds from share capital	1.01	-
Share Issue Expenses	(1.50)	-
Interest on Deposits	0.20	0.17
Dividend Paid	(1.77)	(1.62)
Proceeds from share premium	78.99	-
Interest and finance charges paid	(29.68)	(31.85)
NET CASH FROM FINANCING ACTIVITIES	(28.52)	(16.97)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	0.05	(0.04)
Cash and cash equivalents as at beginning of the year	0.04	0.07
Cash and cash equivalents as at end of the year	0.09	0.04
Net Cash Flow	0.05	(0.04)

Notes:

- Cash Flow statement has been prepared under "Indirect Method" as set out in the Ind-AS 7 Cash Flow Statements
- Cash and cash equivalents represents the followings:

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks	0.06	0.01
Cash on hand	0.03	0.02
Total	0.09	0.04

As per our report of even date attached

For Gupta Nayar & Co.

Chartered Accountants

FRN 004661N

By Order of the Board for RACL Geartech Ltd

Satyabhama Gupta

(Partner)

M.No : 073295

GURSHARAN SINGH

(Chairman & M.D.)

DIN: 00057602

NARINDER PAUL KAUR

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DIN : 05217488

MALINI BANSAL

(Director)

DIN : 00167993

ANIL SHARMA

(Director)

DIN : 00157911

Place : Delhi

Date : May 26, 2026

JITENDER JAIN

(CFO)

RAKESH KAPOOR

(Director)

DIN : 00015358

JAGDISH KESWANI

(Director)

DIN: 02146267

NEHA BAHAL

Company Secretary

ICSI Mem. No. 40272

Statement of changes in equity for the year ended 31st March 2026

A. Equity share capital

(₹ in Crores)

Movement during the Current Financial Year	Number of shares	Share Capital (Amount in Crores)
Equity		
Authorised (Equity Shares of ₹ 10/- each)	2,00,00,000	20.00
Issued & Subscribed (Equity Shares of ₹ 10/- each)		
Balance at the beginning of the period as at 01-04-2025	1,27,96,480	12.80
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	1,27,96,480	12.80
Change during the year	10,06,480	1.01
Balance at the end of the period as at 31-03-2026	1,38,02,960	13.80
Paid up Share Capital		
Paid up value of Shares & Warrants Forfeited	-	0.42
Balance at the beginning of the period as at 01-04-2025	1,07,81,600	10.78
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	1,07,81,600	10.78
Change during the year	10,06,480	1.01
Balance at the end of the period as at 31-03-2026	1,17,88,080	12.21

Movement during the Previous Financial Year	Number of shares	Share Capital (Amount in Crores)
Authorised (Equity Shares of ₹ 10/- each)	2,00,00,000	20.00
Issued & Subscribed (Equity Shares of ₹ 10/- each)		
Balance at the beginning of the period as at 01-04-2024	1,27,96,480	12.80
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	1,27,96,480	12.80
Change during the year	-	-
Balance at the end of the period as at 31-03-2025	1,27,96,480	12.80
Paid up Share Capital		
Paid up value of Shares & Warrants Forfeited	-	0.42
Balance at the beginning of the period as at 01-04-2024	1,07,81,600	10.78
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginnning of the current reporting period	1,07,81,600	10.78
Change during the year	-	-
Balance at the end of the period as at 31-03-2025	1,07,81,600	11.20

Statement of changes in equity for the year ended 31st March 2026

B. Other Equity

(₹ In Crores)

Movement during the Current Financial Year	Reserves and Surplus			
	Share Issue Expenses	Securities Premium Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period i.e. 01-04-2025	-	6.95	210.60	217.56
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	6.95	210.60	217.56
Total Comprehensive income for the year	-	-	46.63	46.63
Dividend Paid	-	-	(1.77)	(1.77)
Issue during the year	(1.50)	78.99	-	77.49
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31-03-2026	(1.50)	85.95	255.47	339.92

Movement during the Previous Financial Year	Reserves and Surplus			
	Share Issue Expenses	Securities Premium Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period i.e. 01-04-2024	-	6.95	187.11	194.07
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	6.95	187.11	194.07
Total Comprehensive income for the year	-	-	25.11	25.11
Dividend Paid	-	-	(1.62)	(1.62)
Issue during the year	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31-03-2025	-	6.95	210.60	217.56

As per our report of even date attached

For Gupta Nayar & Co.
Chartered Accountants
FRN 004661N

Satyabhama Gupta
(Partner)
M.No : 073295

Place : Delhi
Date : May 26, 2026

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

HPS BEDI
(Director)
DIN : 05217488

JITENDER JAIN
(CFO)

NEHA BAHAL
Company Secretary
ICSI Mem. No. 40272

By Order of the Board for RACL Geartech Ltd

NARINDER PAUL KAUR
(Director)
DIN: 02435942

MALINI BANSAL
(Director)
DIN : 00167993

RAKESH KAPOOR
(Director)
DIN : 00015358

PRAVIR KUMAR
(Director)
DIN: 00671671

ANIL SHARMA
(Director)
DIN : 00157911

JAGDISH KESWANI
(Director)
DIN: 02146267

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE NO 1A.

CORPORATE 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.

NOTE NO 1B.

MATERIAL ACCOUNTING POLICIES

A. BASIS FOR PREPARATION OF STANDALONE FINANCIAL STATEMENTS

a) Statement of Compliance

The shares of the company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Company's STANDALONE 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 STANDALONE 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 STANDALONE 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 STANDALONE 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 STANDALONE FINANCIAL STATEMENTS

The Standalone Balance Sheet and the Standalone 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 Standalone Cash Flow Statement have been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements concerning items in the Standalone Balance Sheet and Standalone 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 STANDALONE FINANCIAL STATEMENTS are presented in Indian Rupees which is also Companies Functional Currency and all values are rounded to the nearest Crores, except otherwise indicated.

B. MATERIAL ACCOUNTING POLICY INFORMATION

B1. INCOME RECOGNITION

a. Revenue from Contracts with customers:

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 STANDALONE 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 Allowance (Expected credit loss Model)

- i) In accordance with Ind AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
 - a) Financial assets that are measured at amortised cost e.g., loans, debt securities, deposits and bank balance.
 - b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

Measurement of ECL over Financial assets other than trade receivables:

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

- cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Measurement of ECL over trade receivables:

As a practical expedient, the Company uses a matrix-based approach for recognition of impairment loss allowance on trade receivables.

For trade receivables, Company defines event of default as 60 days past due for both export and domestic sales.

The application of matrix-based approach requires the Company to track changes in credit risk, conduct of customer and scenario-based approach and the average outcome is recognized as provision for expected credit loss in the statement of profit & loss.

- ii) ECL impairment loss allowance (or reversal) calculated during the period is recognised as income/expense in the statement of profit and loss. This amount is presented under the head 'other expenses' in the statement of profit and loss.

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 STANDALONE 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 Gupta Nayar & Co.

Chartered Accountants
FRN 004661N

Satyabhama Gupta

(Partner)
M.No : 073295

Place : Delhi

Date : May 26, 2026

GURSHARAN SINGH

(Chairman & M.D.)
DIN: 00057602

HPS BEDI

(Director)
DIN : 05217488

JITENDER JAIN

(CFO)

NEHA BAHAL

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(Director)
DIN: 02146267

Notes to financial statements for the year ended and as at 31st March 2026
Property, plant and equipment

Particulars	Note No.	Cost or Deemed cost			Accumulated depreciation			Impairment		Carrying Amount		
		Balance As on 1st April 2025	Additions	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Depreciation Expenses	Deletions	Balance As on 31st March 2026	Impairment loss/ reversal	Balance As on 31st March 2026	As at 31st March 2025
Building		46.41	4.04	-	50.45	6.25	1.96	-	8.22	-	-	40.15
Plant & Machinery		320.48	35.54	1.25	354.77	81.83	22.28	0.93	103.18	0.79	0.79	237.86
Furniture & Fixtures		0.38	0.01	-	0.39	0.06	0.07	-	0.13	-	-	0.32
Vehicles	2	3.37	-	0.21	3.16	1.38	0.61	0.05	1.94	-	-	1.99
Office Equipments		12.42	9.54	0.03	21.93	3.36	2.87	0.02	6.21	0.00	0.00	9.05
Electrical Installation		3.10	1.48	-	4.57	1.11	0.30	-	1.42	-	-	1.98
Capital Tool Support		17.08	1.87	-	18.95	8.08	2.76	-	10.84	-	-	8.99
Total		403.23	52.48	1.49	454.22	102.08	30.85	1.00	131.93	0.79	0.79	300.35
Previous Year		364.89	43.52	5.18	403.23	77.82	28.42	4.15	102.08	(0.07)	0.79	285.77

Capital Work In Progress

Particulars	Note No.	Cost or Deemed cost			Accumulated depreciation			Impairment		Carrying Amount		
		Balance As on 1st April 2025	Additions	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Depreciation Expenses	Deletions	Balance As on 31st March 2026	Impairment loss/ reversal	Balance As on 31st March 2026	As at 31st March 2025
Capital Work In Progress*		4.61	2.63	4.61	2.63	-	-	-	-	-	-	4.61
Total	3	4.61	2.63	4.61	2.63	-	-	-	-	-	2.63	4.61
Previous Year		6.41	4.61	6.41	4.61	-	-	-	-	-	4.61	6.41

Ageing of CWIP

As at 31st March 2026

(₹ 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	2.63				2.63
Projects temporarily suspended					-
Total	2.63	-	-	-	2.63

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2.63				2.63
Projects temporarily suspended					-
Total	2.63	-	-	-	2.63

As at 31st March 2025

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	4.61	-	-	-	4.61
Projects temporarily suspended	-	-	-	-	-
Total	4.61	-	-	-	4.61

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.61	-	-	-	4.61
Projects temporarily suspended	-	-	-	-	-
Total	4.61	-	-	-	4.61

Right to Use

Particulars	Note No.	Cost or Deemed cost				Accumulated depreciation				Impairment		Carrying Amount		
		Balance As on 1st April 2025	Additions	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Depreciation Expenses	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Impairment loss/ reversal	Balance As on 31st March 2026	As at 31st March 2026	As at 31st March 2025
Right to Use -Buildings		12.95	0.84	0.08	13.71	1.49	2.26	0.08	3.67	-	-	-	10.03	11.46
Right to Use -Leasehold Land	4	11.45	-	-	11.45	1.14	0.19	-	1.34	-	-	-	10.11	10.30
Total		24.40	0.84	0.08	25.15	2.64	2.46	0.08	5.01	-	-	-	20.14	21.76
Previous Year		21.79	5.80	3.19	24.40	4.43	1.39	3.19	2.64	-	-	-	21.77	17.81

Intangible Assets

Particulars	Note No.	Cost or Deemed cost			Accumulated depreciation				Impairment		Carrying Amount			
		Balance As on 1st April 2025	Additions	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Depreciation Expenses	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Impairment loss/ reversal	Balance As on 31st March 2026	As at 31st March 2026	As at 31st March 2025
Intangible Asset	5	0.94	0.42	-	1.35	0.46	0.21	-	0.67	-	-	-	0.68	0.47
Total		0.94	0.42	-	1.35	0.46	0.21	-	0.67	-	-	-	0.68	0.47
Previous Year		0.55	0.39	-	0.94	0.34	0.12	-	0.46	-	-	-	0.47	0.21

(₹ in Crores)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Non Current Assets			
(a) Financial Asset			
(i) Investments	6		
Equity Instruments (Unquoted) (Fully paid) valued at FVTPL			
1000 Equity Shares (March 31, 2025: 425) purchased at Euro 100/- each fully paid up in Wholly Owned Subsidiary RACL Geartech GmbH, Austria		0.98	0.37
10622 Equity Shares (March 31, 2025: 10622) purchased at ₹ 1,318/- each (Face value ₹ 10 per share) fully paid up in Sunsire Solarpark Ten Private Limited		1.40	1.40
Total		2.38	1.77
(ii) Other Financial Assets	7		
Security Deposits with landlord against rented premises & Others		0.07	0.05
Security Deposits with UPPCL		1.48	1.48
Total		1.56	1.54
(b) Other Non Current Assets	8		
Capital Advances for Machineries		3.99	2.60
Security Deposits with landlord against rented premises		0.52	0.52
Total		4.51	3.12
Current Assets	9		
(a) Inventories (Lower of Cost or Net Relisable Value)			
Raw Materials and components		16.51	14.68
Work-in-progress		21.85	17.00
Finished goods			
- In Hand		4.45	6.23
- In-Transit		22.03	23.73
Stores and spares		12.85	11.29
Loose Tools		59.89	54.19
Jigs & fixtures		-	6.03
Total		137.57	133.16
(b) Financial Assets	10		
i. Trade Recievable*			
Unsecured, considered good		154.48	140.84
Less: Provision for doubtful debts (Expected credit loss)		1.15	
Less: Bad Debts		-	0.52
Total		153.32	140.33

*Refer Note No. 53 for ageing

(₹ in Crores)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ii. Cash and Cash Equivalents	11		
Balances with banks		0.06	0.01
Cash on hand		0.03	0.02
Total		0.09	0.04
iii. Other Bank Balances	12		
Other Bank Balances - Unpaid Dividend Bank A/c		0.23	0.23
Deposits with maturity more than 3 months but less 12 months*		7.29	1.65
Other Loans and Advances			
Total		7.52	1.88

*FDR amount includes margin money on Letter of Credit.

(d) Other Current Assets (Secured, considered good)	13		
Deposit with Government authorities		7.66	1.10
Interest Receivable		0.09	0.14
Prepaid Expenses		1.47	1.90
Advance to Suppliers		17.92	8.46
Other Advances		0.03	0.02
Balance with Government authorities		14.43	10.99
Total		41.59	22.61

Note No. 14 : Equity Share Capital

(₹ in Crores)

Particulars	Note No.	Number of Shares		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Equity					
Authorised (Equity Shares of ₹ 10/- each)		20,000,000	20,000,000	20.00	20.00
Issued & Subscribed (Equity Shares of ₹ 10/- each)		12,796,480	11,790,000	12.80	11.79
Fully Paid up Share Capital (Equity Shares of ₹ 10/- each)	14	11,788,080	10,781,600	11.79	10.78
Shares Forfeited 10,08,400 (Mar' 25 : 10,08,400) of ₹ 10/- each on 21.04.2003 and 19,00,000 Convertible Share Warrants having paid up value of ₹ 1 each on 19.04.2010.		-	-	0.42	0.42
Total Equity Share Capital		11,788,080	10,781,600	12.21	11.20

i. Terms and rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 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 ₹ 1.77 Crores during the FY 2025-26. (Previous year: ₹ 1.61 Crores)

- ii. Shares held by holding/Ultimate holding company and/or their subsidiaries/associates : Nil
- iii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting Year

Particulars	As at 31st March 2026		As at 31st March 2025	
	No of Equity Shares	(₹ in Crores)	No of Equity Shares	(₹ in Crores)
Share outstanding at the beginning of the year	10,781,600	10.78	10,781,600	10.78
Share issued during the year	1,006,480	1.01	-	-
Shares bought back during the year	-	-	-	-
Share outstanding at the end of the year	11,788,080	11.79	10,781,600	10.78

- iv. List of Shareholders having more than 5% equity shares

Name of Shareholder	As at 31st March 2026		As at 31st March 2025	
	No of Shares Held	% of Holding	No of Shares Held	% of Holding
GURSHARAN SINGH	3,945,134	33.47%	3,944,879	36.59%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	1,003,300	8.57%	1,503,300	13.94%
Middleware Development Limited	640,914	5.44%	728,945	6.76%

- (v) a. Details of Shareholders holding by promoters at the end of the year as at March 31, 2026

Shares held by the Promoters at the end of the year

Name of Shareholder	No of Shares Held As at 31st March 2026	No of Shares Held As at 31st March 2025	% of Total Shares	% Change during the year
Equity share capital				
GURSHARAN SINGH	3,945,134	3,944,879	33.47%	0.01%
NARINDER PAUL KAUR	35,318	35,318	0.30%	0.00%
AADHAR INFOSYSTEMS PVT. LTD.	48,030	47,130	0.41%	1.91%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	1,003,300	1,503,300	8.57%	-33.26%
Total	5,031,782	5,530,627	42.75%	

(v) b. 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 Shareholder	No of Shares Held As at 31st March 2025	No of Shares Held As at 31st March 2024	% of Total Shares	% Change during the year
Equity share capital				
GURSHARAN SINGH	3,944,879	3,942,829	36.59%	0.05%
NARINDER PAUL KAUR	35,318	34,107	0.33%	3.55%
DEV RAJ ARYA	223,000	0.00%	-100.00%	
AADHAR INFOSYSTEMS PVT. LTD.	47,130	44,285	0.44%	6.42%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	1,503,300	1,503,300	13.94%	0.00%
Total	5,530,627	5,747,521	51.30%	

Note No. 15 : Other Equity

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Retained Earning	15	255.47	210.60
Securities Premium Reserve		85.95	6.95
Share Issue Expenses		(1.50)	-
Total		339.92	217.56

Movement in Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained Earning		
Opening Balance	210.60	187.11
Add: Comprehensive Income for the year	46.63	25.11
Less: Dividend Paid	(1.77)	(1.62)
Closing Balance	255.47	210.60
Securities Premium Reserve		
Opening Balance	6.95	6.95
Add for the year	78.99	-
Closing Balance	85.95	6.95
Securities Premium Reserve		
Opening Balance	-	-
Add: Comprehensive Income for the year	(1.50)	-
Closing Balance	(1.50)	-

(₹ In Crores)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Non Current Liabilities			
(a) Financial Liabilities			
Borrowings			
Secured Loans			
Term Loans from Banks (Refer foot note-3)		82.98	132.18
Less: Unamortised Borrowing Cost		(0.11)	(0.24)
Less: Current Maturity of Term Loans		(23.86)	(48.55)
(i)		59.01	83.39
Vehicles Loans (Refer foot note-4)	16	1.19	1.46
Less: Current Maturity of Vehicles Loans		(0.56)	(0.62)
(ii)		0.62	0.84
1((i)+(ii))		59.63	84.23
Unsecured Loans			
Term Loans from Financial Institutions/ Banks		0.66	2.67
Less: Current Maturity of loans from Financial Institutions/ Banks		(0.66)	(1.80)
2		0.00	0.87
Total (1+2)		59.63	85.10
Lease liability			
Lease Liabilities	17	11.15	11.96
Less: Current Maturity of Lease Liabilities		(2.69)	(2.32)
Total		8.45	9.64

- Secured Term Loans from banks have been guaranteed by Whole Time Directors.
- The Maturity Profile of Secured Term Loans and Other Loans are as under :
 - FY 26-27 24.42 Crores
 - FY 27-28 19.70 Crores
 - FY 28-29 14.05 Crores
 - FY 29-30 3.42 Crores
 - FY 30-31 1.42 Crores
- 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.
- 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
- 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 26-27 0.66 Crores

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Non Current Liabilities			
(a) Financial Liabilities			
(b) Long Term Provisions	18		
Gratuity		8.07	7.96
Leave Encashment		1.28	1.28
Total		9.36	9.24
(c) Deferred tax liabilities (Net) Refer Note No. 46			
Deferred tax liabilities	19	23.97	21.49
Less: Deferred tax assets		(5.75)	(5.81)
Less: Mat Credit Entitlement		-	-
Total		18.22	15.69
(d) Other Non- Current Liabilities			
Long Term Advances from Customers	20	-	-
Less: Current Maturity of Long Term Advances from Customers		-	-
Total		-	-
Current Liabilities			
(a) Financial Liabilities			
Secured Borrowings			
Pre-shipment Credit (Refer foot note-1)	21	72.19	68.06
Cash Credit (Refer foot note-1)		60.72	78.77
Current maturity of Long-term borrowings			
Current Maturity of Term Loans		23.86	48.55
Current Maturity of Car Loans		0.56	0.62
Current Maturity of Loans from Financial Institution/Banks		0.66	1.80
Total a.		157.99	197.80
Post-shipment Bill Discounting Facility (Refer foot note-2)		4.20	14.70
Total b.		4.20	14.70
Total (ia) {a.+b.}		162.19	212.49
Lease liability			
Current Maturity of Lease Liabilities	22	2.69	2.32
Total		2.69	2.32

- 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).
- The Company has taken a post-shipment finance (Bill Discounting) of ₹ 4.20 Crores 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	Notes	As at March 31, 2026	As at March 31, 2025
Trade payables			
Due to micro and small enterprises	23	12.31	6.19
Due to other than micro and small enterprises		46.13	43.19
Due to Related Parties		0.10	0.11
Total		58.54	49.49

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, 2026 are as under :

Particulars	As at March 31, 2026	As at March 31, 2025
a) Principal amount remaining unpaid	12.31	6.19
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.

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Other Financial liabilities - Current			
Salary & Wages	24	0.37	2.64
Directors remuneration & sitting fees		0.77	2.25
Interest Payable on Foreign Currency Loan		0.01	0.07
Other payables		8.83	6.93
Total		9.98	11.90

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
(b) Other Current liabilities			
i. Statutory Dues			
Tax Collection At Source		0.04	0.01
TDS Payable		0.58	0.56
GST Payable	25	0.23	0.35
ESI & PF Payable		0.32	0.28
ii Advance received from Customers		1.53	3.38
iii Current Maturities of Long Term Advances from Customers		-	-
iv Unpaid Interim Dividend (2019-20 to 2023-24)		0.23	0.23
Total		2.94	4.81
(c) Short Term Provisions			
Gratuity	26	2.00	1.53
Leave Encashment		0.36	0.34
Total		2.36	1.87
(d) Current Tax Liabilities (Net)			
Income Tax Payable Refer Note No. 46	27	14.08	5.41
Less : Advance Taxes including TDS & TCS		(7.06)	(5.07)
Total		7.02	0.34

Revenue From Operations

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Revenue from contracts with customers			
a. Sale of Products - Domestic	28	110.20	92.97
b. Sale of Products - Export		336.11	290.97
Total - Revenue from contracts with customers		446.31	383.94
(ii) Other Operating Revenue		31.45	33.43
Total		477.76	417.37

Footnotes:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Goods and services transferred at a point in time		
Sale of products (Automotive Components Including Processing Charges)		
a. Domestic sale	110.20	92.97
b. Export Sale	336.11	290.97
Total - Revenue from contracts with customers	446.31	383.94

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(ii) Other operating revenues comprises:		
- Sale of scrap	8.41	8.27
- Export incentives	7.24	6.37
- Income from Tooling	15.79	18.78
Total - Other operating revenues	31.45	33.43
(iii) For disaggregation of revenue Refer Note 39 - Segment information		
(iv) Reconciliation of revenue recognised with contracted price:		
Revenue as per contracted price	448.18	383.94
Adjustments for:		
Sales return	(1.87)	(2.89)
Revenue from contracts with customers	446.31	383.94

Other Income

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on Bank Deposits	29	0.20	0.17
Interest on Advance paid to Supplier		0.21	0.21
Other Non Operating Income		0.24	0.15
Profit on Sales of Fixed Assets		0.08	0.83
Foreign Exchange Rate Fluctuation- Gain		21.74	8.57
Total		22.46	9.92

Cost of Raw Material Consumed

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Stock (Refer Note No. 9)	30	14.68	16.07
Add: Purchases		137.87	122.89
Less: Closing Stock (Refer Note No. 9)		(16.51)	(14.68)
Total		136.04	124.29

Material and components consumed comprises:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Forgings	101.57	88.39
Steel	34.47	35.90
Total	136.04	124.29

Change in Inventories

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Closing Stock	31		
Finished Goods		4.45	6.23
Materials in Transit		22.03	23.73
Work in Progress		21.85	17.00
		48.33	46.97
Opening Stock			
Finished Goods		6.23	4.84
Materials in Transit		23.73	23.63
Work in Progress		17.00	17.72
		46.97	46.19
Total		-1.36	-0.78

Employee Benefits Expenses

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Salary & Incentives	32	44.60	38.17
Employer's Contribution to Provident and Others Fund		1.94	1.72
Gratuity Contribution		1.40	1.34
Leave Encashment		0.21	0.46
Directors Remuneration		2.05	3.03
Staff Welfare Expenses		2.41	1.83
Total		52.62	46.57

Finance Cost

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Expense	33		
Interest on Term Loan		7.89	13.47
Interest on Vehicles Loans		0.09	0.16
Interest on Unsecured Loan		0.06	0.21
Interest on Pre-Shipment Facilities		3.68	5.12
Interest on Cash Credit Facilities		6.43	5.84
Interest on Post Shipment Facilities		2.83	1.36
Interest on Lease Liabilities		1.09	0.73
Foreign Exchange Rate Fluctuation on Long Term Borrowings		6.08	2.68
Net Loss			
Other Finance Cost		1.54	2.35
Total		29.69	31.92

Depreciation and Amortisation

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Property, plant and equipment assets	34	30.85	28.42
Depreciation on Right to use		2.46	1.39
Amortisation of Intangible Assets		0.21	0.12
Total		33.52	29.93

Other Expenses

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Stores & Spares Consumed	35	15.10	12.71
Packing Material Consumed		10.03	9.12
Loose Tools Consumed		29.40	23.13
Power, Oil & Lubricants & LPG for furnance		28.81	26.41
Repairs & Maintainance (Plant & Machinery)		4.55	4.96
Job Work & Other Contractual Cost		58.79	52.59
Customs Duty		0.95	0.73
Others		0.28	0.33
-			
Total	(1)	147.91	129.98
Travelling & Conveyance	35	1.15	1.23
Vehicle Running and Maintenance		0.66	0.70
Telephone, Telex & Communication		0.37	0.30
Repairs & Maintainance - Buildings		0.95	0.81
Repairs & Maintainance - Others		0.35	0.20
Freight & Forwarding		14.72	13.56
Rework & Other Charges on Sales		1.81	0.32
Bad Debts		-	0.52
Provision for doubtful debt (Expected credit loss)		1.15	-
Impairment Loss/(Reversal of Impairment loss) over PPE		-	(0.07)
Warehouse Charges		5.00	3.48
Austrian Subsidiary Services		3.85	1.52
UPSIDC Maintenance Charges		0.32	0.15
Directors Sitting Fees		0.30	0.20
CSR Expenditure (Refer Note 45)		0.87	0.88
Insurance		1.33	1.32
Printing & Stationary		0.53	0.54
Electricity & Water		0.19	0.15

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Legal & Professional Fees	35	4.03	4.05
Payments to Statutory Auditors*		0.12	0.10
Misc Expenses		0.76	1.04
Subtotal	(2)	38.45	31.01
Total	(1)+(2)	186.36	160.99

*Payments to Statutory Auditors (Excluding GST)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Statutory Audit Fee		0.09	0.09
(b) Other Services		0.03	0.01
Total		0.12	0.10

Exceptional Items

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Impact of New Labour Codes	36		
Gratuity Contribution		0.18	-
Leave Encashment		0.04	-
		0.22	

37 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 March 31, 2026	As at March 31, 2025
Earnings Per Equity Share:			
Profit for the year attributable to owners of the Company	₹	46.56	25.47
Weighted average number of equity shares outstanding for calculating basic Earning per share	Nos.	1,16,44,691.07	1,07,81,600.00
Basic & Diluted Earnings per Share	₹	39.98	23.63

There are no potential diluters as on the date of balance sheet

38 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

(₹ In Crores)

Change in Defined Benefit Obligation

Particulars	Gratuity	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit Obligation at beginning of year	9.49	8.96
Current service Cost	0.77	0.71
Past Service Cost Because of New Service Code	0.18	-
(Gain) / Loss on settlements	-	-
Interest Expenses	0.63	0.64
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(0.90)	(1.30)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(0.26)	0.08
Remeasurements - Due to Experience Adjustments	0.15	0.40
Defined Benefit Obligation at end of year	10.07	9.49
Discount Rate	7.34%	7.00%
Salary Escalation Rate	6.00%	6.00%

Change in Fair Value of Plan Assets

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	-	-
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%

We understand that Liability is not funded

Changes in Reimbursement Rights

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reimbursement Rights at beginning of year	-	-
Reimbursement Service Cost	-	-
Gain/ (loss) on Settlements	-	-
Interest Income	-	-
Employer Contributions to Reimbursement Rights	-	-
Reimbursements to Employer	-	-
Increase / (Decrease) due to effect of any business Combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Benefits paid by the Company in Prior Year and settled by Fund Manager in current year	-	-
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-	-
Reimbursement Rights at end of year	-	-

Change in Asset Ceiling / Onerous Liability

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Asset Ceiling / Onerous Liability at beginning of year	-	-
Interest Income	-	-
Gain / (Loss) on Settlements	-	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-	-
Asset Ceiling / Onerous Liability at end of year	-	-

Components of Defined Benefit Cost

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Service Cost	0.77	0.71
Past Service Cost	0.18	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	0.95	0.71
Interest Expense on DBO	0.63	0.64
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	0.63	0.64
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	1.40	1.34
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(0.26)	0.08
Remeasurements - Due to Experience Adjustments	0.15	0.40
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	(0.10)	0.49
Total Defined Benefit Cost recognized in P&L and OCI	1.30	1.83
Discount Rate	7.34%	7.00%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit Obligation	10.07	9.49
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	10.07	9.49
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	10.07	9.49
Current Liabilities	2.00	1.53
Non Current Liabilities	8.07	7.96

Net Defined Benefit Liability / (Asset) reconciliation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net Defined Benefit Liability/(Asset) at beginning of year	9.49	8.96
Defined Benefit Cost included in P & L	1.59	1.34
Total Remeasurements included in OCI	-0.10	0.49
Net Transfer (In) / Out (Including the effect of any business combination / divesture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	(0.90)	(1.30)
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at end of year	10.07	9.49

Summary of Financial & Demographic Assumptions

Particulars	Valuation date	
	31-03-2026	31-03-2025
Discount Rate	7.34%	7.00%
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	24.53	23.29

B. LEAVE ENCASHMENT

(₹ In Crores)

Change in Defined Benefit Obligation

Particulars	Gratuity	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit Obligation at beginning of year	1.62	1.33
Current service Cost	0.69	0.31
Past Service Cost Because of New Service Code	0.04	-
(Gain) / Loss on settlements	-	-
Interest Expenses	0.11	0.09
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(0.23)	(0.18)
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 - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(0.05)	0.01
Remeasurements - Due to Experience Adjustments	(0.54)	0.05
Defined Benefit Obligation at end of year	1.64	1.62
Discount Rate	7.34%	7.00%
Salary Escalation Rate	6.00%	6.00%

Change in Fair Value of Plan Assets

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	-	-
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	-	-

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Weighted Average Asset Allocations at the year end		
Equities	-	-
Bonds	-	-
Gilts	-	-
Insurance Policies	-	-
Total	0%	0%

We understand that Liability is not funded

Changes in Reimbursement Rights

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reimbursement Rights at beginning of year	-	-
Reimbursement Service Cost	-	-
Gain/ (loss) on Settlements	-	-
Interest Income	-	-
Employer Contributions to Reimbursement Rights	-	-
Reimbursements to Employer	-	-
Increase / (Decrease) due to effect of any business Combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Benefits paid by the Company in Prior Year and settled by Fund Manager in current year	-	-
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-	-
Reimbursement Rights at end of year	-	-

Change in Asset Ceiling / Onerous Liability

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Asset Ceiling / Onerous Liability at beginning of year	-	-
Interest Income	-	-
Gain / (Loss) on Settlements	-	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-	-
Asset Ceiling / Onerous Liability at end of year	-	-

Components of Defined Benefit Cost

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Service Cost	0.69	0.31
Past Service Cost	0.04	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	0.73	0.31
Interest Expense on DBO	0.11	0.09
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	0.11	0.09
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	0.84	0.41
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(0.05)	0.01
Remeasurements - Due to Experience Adjustments	(0.54)	0.05
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Actuarial Gain/Loss Applicable	(0.58)	0.06
Total Defined Benefit Cost recognized in P&L and OCI	0.25	0.46
Discount Rate	7.34%	7.00%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit Obligation	1.64	1.62
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	1.64	1.62
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	1.64	1.62
Current Liabilities	0.36	0.34
Non Current Liabilities	1.28	1.28

Net Defined Benefit Liability / (Asset) reconciliation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net Defined Benefit Liability/(Asset) at beginning of year	1.62	1.33
Defined Benefit Cost included in P & L	0.25	0.46
Net Transfer (In) / Out (Including the effect of any business combination / divesture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	(0.23)	(0.18)
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at end of year	1.64	1.62

Summary of Financial & Demographic Assumptions

Particulars	Valuation date	
	31-03-2026	31-03-2025
Discount Rate	7.34%	7.00%
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	24.53	23.29

C. SENSITIVITY ANALYSIS

A quantitative sensitivity analysis for significant assumptions as 31st March 2026

PARTICULARS	GRATUITY PLAN	
	CHANGE IN ASSUMPTIONS	IMPACT ON DEFINED BENEFIT OBLIGATION
	Increase/ Decrease	Increase/ Decrease in Assumptions (₹) IN Crores
UNDER BASE SCENARIO		10.07
SALARY ESCALATION	1.00%	10.78
	-1.00%	9.45
WITHDRAWAL RATES	1.00%	10.15
	-1.00%	9.99

PARTICULARS	GRATUITY PLAN	
	CHANGE IN ASSUMPTIONS	IMPACT ON DEFINED BENEFIT OBLIGATION
	Increase/ Decrease	Increase/ Decrease in Assumptions (₹) IN Crores
MORTALITY RATES	1.00%	9.39
	-1.00%	10.87
DISCOUNT RATES	1.00%	10.08
	-1.00%	10.07

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 benefits.

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.

39 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 March 31, 2026	As at March 31, 2025
Within India	110.20	92.97
Outside India		
AUSTRIA	131.86	102.20
JAPAN	18.98	23.73
GERMANY	156.49	124.20
SWITZERLAND	1.77	3.36
ITALY	19.12	11.38
THAILAND	-	0.02
VIETNAM	-	0.07
USA	4.16	3.76
CHINA	1.27	19.50
CANADA	2.46	2.76
Total Outside India	336.11	290.97

40 Disclosure of Related parties / Related party transactions pursuant to Ind AS 24 “Related Party Disclosures”

A. List of Related Parties

Name of the Subsidiary	Country	Holding As at March 31, 2026	Holding As at March 31, 2025
Racl Geartech Gmbh	Austria	100%	100%

Name of the Other Related Party

SUN-UP FOUNDATION (CSR TRUST)

Northern India Pickleball Sports Private Limited

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
Mr. Pravir Kumar WEF 11/08/2025	Independent Director
Mr. Rakesh Kapoor WEF 11/08/2025	Non- Executive Director
Mrs. Narinder Paul Kaur	Non- Executive Director
Mr. Shashank Ramesh Anikhindi (TENOR COMPLETED ON 28/09/2025)	Independent Director
Mr. Jagdish Keswani	Independent Director
Brig. Harinder Pal Singh Bedi	Independent Director
Mrs. Malini Bansal	Independent Director

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
Mrs. Narinder Paul Kaur	Wife of Mr. Gursharan Singh

B. Transactions with related parties:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sales made to Racl Geartech Gmbh - Austria	21.13	15.31
Business Support Services availed from Racl Geartech Gmbh - Austria	3.85	1.52
Purchases from Racl Geartech Gmbh - Austria	-	0.01
CSR Expenditure to Sun-UP Foundation (CSR Trust)	0.87	0.74
Services from Northen India Pickleball Sports Private Limited (Inclusive of GST)	0.12	-
Remuneration and Perks - Key Managerial Personnel & Directors		-
- Mr. Gursharan Singh, Chairman & Managing Director	2.72	2.68
- Ms. Neha Bahal, Company Secretary	0.16	0.13
- Mrs. Narinder Paul Kaur (as retainership fees)	0.33	0.30
- Mr. Anil Sharma, Non-Executive Director (as retainership fees)	0.32	0.30
- Mr. Jitender Jain, CFO	0.89	0.76
Remuneration and Perks - Relatives of Key Managerial Personnel		-
- Mr. Prabh Mehar Singh	0.58	0.27

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Directors Sitting Fees	-	
- Mr. Anil Sharma	0.04	0.03
- Mrs. Narinder Paul Kaur	0.04	0.02
- Mr. Shashank Ramesh Anikhindi	0.04	0.04
- Mr. Jagdish Keswani	0.05	0.05
- Mr. H.P.S. Bedi	0.04	0.02
- Mr. Rakesh Kapoor	0.02	-
- Mr. Pravir Kumar	0.02	-
- Mrs. Malini Bansal	0.06	0.04

C. Closing Balances with related parties:

Particulars	As at March 31, 2026	As at March 31, 2025
Racl Geartech Gmbh - Austria		
Receivable	7.54	7.52
Payable	0.10	0.11
Investment in Equity	0.98	0.37
Balance with Directors		-
Mr. Gursharan Singh	0.74	2.21
Mr. Anil Sharma	0.03	0.02
Mrs. Narinder Paul Kaur	-	0.02

41 Financial Instruments

Capital Management

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, optimisation 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.

Gearing Ratio

The gearing ratio at the end of the reporting period was as follows

(₹ In Crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Debt	221.82	297.60
Cash and Bank Balances	0.09	0.04
Net Debt (i)	221.73	297.56
Equity (ii)	352.12	228.76
Net Debt To Equity Ratio (i)/(ii)	0.63	1.30

Changes in liabilities arising from financing activities as per Ind-AS 7

Particulars	Borrowings	Interest	Total Liabilities
As at 01st April, 2025	297.50	0.10	297.59
CASH FLOW	(75.77)	(29.68)	(105.46)
NON CASH FLOW	-	-	
Foreign Exchange Movements	-	-	
Charged to P&L	29.69	29.69	
As at 31st March 2026	221.72	0.10	221.83

Particulars	Borrowings	Interest	Total Liabilities
As at 01st April, 2024	281.17	0.03	281.19
CASH FLOW	16.33	(31.85)	-15.53
NON CASH FLOW	-	-	
Foreign Exchange Movements	-	-	
Charged to P&L	-	31.92	31.92
As at 31st March 2025	297.50	0.10	297.59

(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:

(₹ In Crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Net Debt (i)	221.73	297.56
EBITDA (ii)	126.57	96.23
Net Debt to EBITDA (i)/(ii)	1.75	3.09

(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

Particulars	As at March 31, 2026	As at March 31, 2025
On Equity shares of ₹ 10/- each		
Final dividend		
Amount of dividend paid (pertains to previous financial year) (₹ In Crore)	1.77	1.62
Dividend per equity share (in ₹)	1.50	1.50
Interim Dividend		
Amount of dividend paid		
Dividend per equity share	-	-

42 Categories of Financial Instruments

(₹ In Crores)

Financial instruments by categories	31-03-2026			31-03-2025		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset						
Non-Current Financial Asset						
Investment in Equity Instruments	2.38			1.77		
Security Deposit	1.56		1.54			
Current Financial Asset						
Trade receivables			153.32			140.33
Cash and cash equivalents			0.09			0.04
Other Financial asset			7.52			1.88
Total Financial Asset	2.38	-	162.49	1.77	-	143.79
Financial liability						
Non-Current Financial Liabilities						
Borrowings			59.63			85.10
Lease Liabilities			8.45			9.64
Current Financial Liabilities						
Borrowings			162.19			212.49
Trade payables			58.54			49.49
Other financial liabilities			9.98			11.90
Lease liabilities			2.69			2.32
Total Financial Liabilities	-	-	301.49	-	-	370.94

43 Fair value of Financial Assets and Liabilities at amortized cost

(₹ In Crores)

Financial instruments by categories	31-03-2026		31-03-2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial asset				
Non-Current Financial Asset				
Investment in Equity Instruments	2.38	2.38	1.77	1.77
Security Deposit	1.56	1.56	1.54	1.54
Current Financial Asset				
Trade receivables	153.32	153.32	140.33	140.33
Cash and cash equivalents	0.09	0.09	0.04	0.04
Other Financial asset	7.52	7.52	1.88	1.88
Total Financial Asset	164.87	164.87	145.55	145.55
Financial liability				
Non-Current Financial Liabilities				
Borrowings	59.63	59.63	85.10	85.10
Lease Liabilities	8.45	8.45	9.64	9.64
Current Financial Liabilities	-			
Borrowings	162.19	162.19	212.49	212.49
Trade payables	58.54	58.54	49.49	49.49
Lease liabilities	2.69	2.69	2.32	2.32
Other financial liabilities	9.98	9.98	11.90	11.90
Total Financial Liabilities	301.49	301.49	370.94	370.94

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

44 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

(₹ In Crores)

Particulars	31-03-2026	31-03-2025
Raw Material/Tools/Machines	22.09	24.63
Foreign Travelling & Services	10.69	5.60
Interest	0.06	0.21

The company has Earnings in Foreign Currency

Particulars	31-03-2026	31-03-2025
Export of Goods on FOB basis	334.15	289.90

The foreign currency risk from financial instruments as at Mach 31, 2026 is as follows:

Particulars	Cash & Cash Equivalents (INR)	Trade Receivables (INR)	Trade Payables (INR)	Interest Payables (INR)	Borrowings in Foreign Currency (INR)	Total
USD	0.00	60.89	0.03	-	61.50	122.43
EURO	0.00	63.33	0.88	-	-	64.22
CHF	-	-	0.07	0.01	0.66	0.73
GBP	-	-	-	-	-	-
CNY	-	-	0.20	-	-	0.20
Yuan	0.00	-	-	-	-	0.00
JPY	0.00	-	-	-	-	0.00
Thai Baht	0.00	-	-	-	-	0.00
Hong Kong Dollar	0.00	-	-	-	-	0.00
Total	0.01	124.23	1.19	0.01	62.16	187.59

The foreign currency risk from financial instruments as at March 31, 2025 is as follows:

Particulars	Cash & Cash Equivalents (INR)	Trade Receivables (INR)	Trade Payables (INR)	Interest Payables (INR)	Borrowings in Foreign Currency (INR)	Total
USD	-	59.10	-	-	75.27	134.37
EURO	-	57.66	1.22	-	0.35	59.23
CHF	-	-	-	0.07	2.67	2.74
GBP	-	-	-	-	-	-
Yuan	-	-	-	-	-	-
JPY	0.01	-	-	-	-	0.01
Thai Baht	0.00	-	-	-	-	0.00
Hong Kong Dollar	-	-	-	-	-	-
NT DOLLAR	-	-	-	-	-	-
Canadian Dollar	-	-	-	-	-	-
Total	0.01	116.76	1.22	0.07	78.29	196.35

Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

Particulars	March 31, 2026 Payable / (Receivable)		March 31, 2025 Payable / (Receivable)	
	Amount in Foreign Currency in Lakh	Amount (₹ In Crores)	Amount in Foreign Currency in Lakh	Amount (₹ In Crores)
USD	0.01	0.64	0.19	16.17
EURO	(0.57)	(62.45)	(0.61)	(56.09)
CHF	0.01	0.73	0.03	2.74
CNY	0.01	0.20	-	-

Sensitivity analysis based on average outstanding Foreign currency loan

(₹ In Crores)

Particulars	Impact on profit/ loss after tax	
	2025-2026	2024-2025
Increase or decrease in exchange rate by ₹ 1	0.55	0.40

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:

(₹ In Crores)

Particulars	2025-2026	2024-2025
Debt from Banks/FIs - Variable rate borrowings	221.82	297.60

Sensitivity analysis based on average outstanding Debt

(₹ In Crores)

Particulars	Impact on profit/ loss after tax	
	2025-2026	2024-2025
Increase or decrease in interest rate by 25 basis points	0.65	0.72

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

(₹ In Crores)

As at 31st March 2026	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	82.86	23.86	57.58	1.43	-	82.86
Term Loan from Financial Institutions	0.66	0.66	0.00	-	-	0.66
Lease Liabilities	11.15	2.69	8.45	-	-	11.15
Car Loan	1.19	0.56	0.62	-	-	1.19
Loan Repayable on Demand	132.91	132.91	-	-	-	132.91
Bill Discounting	4.20	4.20	-	-	-	4.20
Trade Payables	58.54	58.54	-	-	-	58.54
Other Financial Liabilities	9.98	9.98	-	-	-	9.98
Total	301.49	233.40	66.66	1.43	-	301.49

The following are the contractual maturities of financial liabilities

(₹ In Crores)

As at 31st March 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	131.94	48.55	77.39	6.00	-	131.94
Term Loan from Financial Institutions	2.67	1.80	0.87	-	-	2.67
Lease Liabilities	11.96	2.32	9.64	-	-	11.96
Car Loan	1.46	0.62	0.84	-	-	1.46
Loan Repayable on Demand	146.83	146.83	-	-	-	146.83
Bill Discounting	14.70	14.70	-	-	-	14.70
Trade Payables	49.49	49.49	-	-	-	49.49
Other Financial Liabilities	11.90	11.90	-	-	-	11.90
Total	370.94	276.20	88.74	6.00	-	370.94

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.

45 Expenditure on Corporate Social Responsibility (CSR)

(₹ In Crores)

Particulars	FY 2025-26	FY 2024-25
a) Gross amount required to be spent for the year	0.87	0.88
Add Shortfall of last year	-	-
Total amount required to be spent	0.87	0.88
b) Amount actually spent during the year	0.73	0.74
c) Amount provisioned for ongoing projects	0.14	0.14
Unspent Amount	-	-
Reason for Shortfall	There is no Shortfall	There is no Shortfall

Movement in CSR Provision:
(₹ In Crores)

Particulars	FY 2025-26	FY 2024-25
Remaining Provision for CSR Made during the last year	0.14	-
Less: Actual Expenditure made during the year against the remaining provision of last year	-0.14	-
Add: Remaining Provision for CSR made during the current year	0.14	0.14
Closing figure of Provision	0.14	0.14

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
46 Income tax expense
(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Current income tax charged including tax effect of other comprehensive income	14.04	5.38
Adjustments for current tax of prior years	0.04	0.02
Total current tax expense	14.08	5.41
Decrease/ (increase) in deferred tax Assets/ Liabilities (net)	2.53	3.37
Income tax expense	16.61	8.78

Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at March 31, 2025	Movement Recognised in Statement of Profit and Loss	As at March 31, 2026
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment and Intangible Assets	(21.49)	(2.48)	(23.97)
Defined benefit obligation	5.81	(0.05)	5.75
Deferred Tax Asset / (Liabilities) (Net)	(15.69)	(2.53)	(18.22)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before income tax expense	63.14	34.37
Tax at India's tax rate	15.89	8.65
Tax effect of temporary difference	2.53	3.37
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	9.68	8.39
Tax effect of amounts which are deductible in calculating taxable income	(11.54)	(11.64)
Adjustments for current tax of prior periods	0.04	(0.02)
Interest	-	0.03
Income tax expense	16.61	8.78

47 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	5
C	10
D	5
E	3

Assets	Useful lives (years)*
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.

48 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.

49 Contingent liabilities

1. Income Tax Demands

Demand raised by Income Tax Authorities of ₹ 0.03 Crores outstanding as of 31/03/2026. The matter is being pursued with the Income Tax authorities for necessary rectification and correction.

2. Bank Guarantees

The below mentioned guarantees and standby line of credit are contingent in nature and are not recognized in the balance sheet unless there is a definite obligation to pay.

Beneficiary Name	Amount ₹ In Crores	BG Issue Date	Valid Upto	Claim Expiry Date
Managing Director Paschimanchal Vidyut Vitran Nigam Ltd, Meerut (Bank Guarantee)	0.11	23-07-2024	22-07-2027	22-07-2027
Sunsure Solarpark Ten Private Limited (Bank Guarantee)	0.58	08-01-2025	07-01-2027	07-04-2027
RACL Geartech GMBH, Austria (Euro 1.10 Mn) SBLC	11.99	20-05-2025	21-05-2026	21-05-2026

50 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 9 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.

(₹ In Crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Right to Use -Buildings	10.03	11.46
Right to Use -Leasehold Land	10.11	10.30
Current lease liabilities	2.69	2.32
Non-current lease liabilities	8.45	9.64

Amount recognised in statement of profit and loss during the year on account of Ind AS 116 (₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities (included in finance cost)	1.09	0.73
Depreciation of Right of Use assets	2.46	1.39

Reconciliation between Opening and Closing Balance of Current and Non-Current Lease Liabilities

Particulars	Non-Current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Opening Balance	9.64	5.87	2.32	1.56
Add/Less: Accrual During the year	0.84	5.80	0.37	0.76
Add: Accretion of Interest	1.09	0.73		
Less: Payment/Adjustment (Rent)	(2.74)	(2.00)		
Add/(Less): Current Lease Liability	(0.37)	(0.76)		
Closing Balance	8.45	9.64	2.69	2.32

51 Capital Commitments

The Company entered into contracts for addition in fixed assets for ₹ 30.43 Crores as of 31st March 2026 against which advance payments of ₹ 3.99 Crores have already been paid.

(₹ In Crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Advances for Machineries	3.99	2.60

52 Ratio's

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Current Ratio:		
Current Assets (a)	340.10	298.01
Current Liabilities (b)	245.72	283.21
Current Ratio (a/b)	1.38	1.05
Variance 31.54%		
Reason for Changes more than 25%: Due to Increase in Operational Efficiency & Decrease in Short Term Borrowings		
(ii) Debt Service coverage Ratio :		
Net Profit/ (Loss) After Taxes (a)	46.56	25.47
Depreciation and Amortization Expense (b)	33.52	29.93
Interest Expense ('c)	29.69	31.92
Other non cash adjustment (d)	-	-
Earnings available for Debt Services (e) (a+b+c+d)	109.76	87.33
Total Debt repaid (f)	33.56	48.91
Interest Liability repaid (g)	29.68	31.85
Total Debt including Interest (h) (f+g)	63.24	80.76
Note:- Long-term debt for ₹ 52.80 Crores repaid through preferential allotment of shares out of the total long-term repayments for ₹ 86.36 Crores		

Particulars	As at March 31, 2026	As at March 31, 2025
Debt Service Coverage Ratio (e/h)	1.74	1.08
Variance 60.50%		
Reason for Changes more than 25%: Duet to repayment of debt through preferential allotment of shares		
iii) Return on Equity Ratio :		
Net Profit after Taxes (a)	46.56	25.47
Average Equity Shareholder's Fund (b)	290.44	217.01
Return on Equity Ratio (%) (a/b)	16.03%	11.74%
Variance 36.56%		
Reason for Changes more than 25%: Due to Increase in Equity Shares		
iv) Inventory Turnover Ratio :		
Revenue from Operations (a)	477.76	417.37
Average Inventory (b)	135.36	125.98
Inventory Turnover Ratio (times) (a/b)	3.53	3.31
Variance 6.53%		
Reason for Changes more than 25%: Due to Increase in Inventory as per change in Businnes Cycle		
v) Trade Receivables turnover Ratio :		
Annual net Credit Sales (a)	477.76	417.37
Opening Accounts Receivable (b)	140.33	115.13
Closing Accounts Receivable (c)	153.32	140.33
Average Accounts Receivable (d) (b+c/2)	146.83	127.73
Trade Receivables turnover Ratio (Times) (a/d)	3.25	3.27
Variance -0.42%		
Reason for Changes more than 25%: NA		
vi) Trade Payables turnover Ratio		
Cost of Material Consumed	136.04	124.29
Changes in inventories of finished goods WIP and Stock in Trade	(1.36)	(0.78)
Other Expenses	186.36	160.99
Annual net Credit Purchases(a)	321.04	284.49
Opening Accounts Payable (b)	49.49	47.95
Closing Accounts Payable(c)	58.54	49.49
Average Accounts Payable (d) (b+c/2)	54.01	48.72
Trade Payable turnover Ratio (Times) (a/d)	5.94	5.84
Variance 1.78%		
Reason for Changes more than 25%: NA		

Particulars	As at March 31, 2026	As at March 31, 2025
vii) Net Capital turnover Ratio :		
Sales (a)	477.76	417.37
Working capital (Current Assets - Current Liabilities) (b)	94.38	14.80
Net Capital turnover Ratio (a/b)	5.06	28.20
Variance -82.05%		
Reason for Changes more than 25%: Due to Increase in Operational Efficiency & Decrease in Short Term Borrowings		
viii) Net Profit Ratio :		
Profit after Tax (a)	46.56	25.47
Sales (b)	477.76	417.37
Net Profit Ratio (%) (a/b)	9.74%	6.10%
Variance 59.66%		
Reason for Changes more than 25%: Due to Decrease in Operating Expenses		
ix) Return on Capital Employed :		
Profit/ (Loss) before Tax (a)	63.36	34.37
Finance Cost (b)	29.69	31.92
Earnings before Interest and Taxes (c) (a+b)	93.05	66.30
Total Assets (d)	693.50	631.64
Less : Total Liabilities (e)	341.38	402.88
Less : Intangible Assets (f)	20.82	22.24
Tangible Net Worth (g = d-e-f)	331.30	206.52
Deferred Tax Liability (h)	18.22	15.69
Total Debt (i)	221.82	297.60
Capital Employed (j) (g+h+i)	571.34	519.81
Return on Capital Employed (%) (c/j)	0.16	0.13
Variance 27.69%		
Reason for Changes more than 25%: Due to Increase in Profit		
x) Debt - Equity Ratio		
Total Debt (a)	221.82	297.60
Share Capital	12.21	11.20
Reserve and Surplus	339.92	217.56
Shareholder's Equity (b)	352.12	228.76
Debt - Equity Ratio (Times) (a/b)	0.63	1.30
Variance -51.58%		
Reason for Changes more than 25%: Due to Repayment of Debt		
xi) Return on Investments: NA		

53 Trade receivables outstanding

As at 31st March 2026

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	131.08	21.34	0.90	-	-	-	153.32
(ii) Undisputed Trade Receivables—which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables—credit impaired	-	-	1.15	-	-	-	1.15
Total	131.08	21.34	2.06	-	-	-	154.48
Provision for doubtful debts (Expected credit loss)			1.15				1.15

As at 31st March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables—considered good	99.77	40.40	0.16	-	-	-	140.33
(ii) Undisputed Trade Receivables—which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables—credit impaired	-	-	-	-	-	-	-
Total	99.77	40.40	0.16	-	-	-	140.33

The amount repayable under the bill discounting arrangement is presented as borrowing. The relevant carrying amounts are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables	4.20	14.70
Associates secured borrowing (bill discounting)	4.20	14.70

54 Trade Payable outstanding

As at 31st March 2026

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)	12.31	-	-	-	-	12.31
(ii) Others	46.23	-	-	-	-	46.23
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

As at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME (Micro & Small Enterprise)	6.19	-	-	-	-	6.19
(ii) Others	34.53	8.77	-	-	-	43.30
(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
	Other Financial Assets				Security Deposit have been regrouped from other financial assets to other non current assets
	Security Deposits with landlord against rented premises & Others	0.59	-0.52	0.07	
	Capital Advances for Machineries				
	Security Deposits with landlord against rented premises	-	0.52	0.52	

b.	Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
	Finance Cost				Interest Expense have been regrouped to sub Groups
	Interest Expenses	26.89	-26.89	-	
	Finance Cost				
	Interest on Term Loan	-	13.47	13.47	
	Interest on Vehicles Loans	-	0.16	0.16	
	Interest on Unsecured Loan	-	0.21	0.21	
	Interest on Pre-Shipment Facilities	-	5.12	5.12	
	Interest on Cash Credit Facilities	-	5.84	5.84	
	Interest on Post Shipment Facilities	-	1.36	1.36	
	Interest on Lease Liabilities	-	0.73	0.73	

c.	Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
	Employee Benefits Expenses				Contribution to Statutory Funds have been Regrouped from Salary & Incentives to Employer's Contribution to Provident and Others Fund
	Salary & Incentives	39.35	-1.18	38.17	
	Particulars				
	Employer's Contribution to Provident and Others Fund	0.54	1.18	1.72	
d.	Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
	Depreciation and Amortisation				Depreciation on Right to use have been Regrouped from
	Depreciation on Property, plant and equipment assets	29.81	-1.39	28.42	
	Depreciation and Amortisation				Depreciation on Property, plant and equipment assets to Depreciation on Right to use
	Depreciation on Right to use	-	1.39	1.39	
e.	Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
	Other Expenses				Stores & Spares Consumed have been regrouped to
	Stores & Spares Consumed	13.11	-0.40	12.71	
	Other Expenses				Power, Oil & Lubricants and LPG for furnance
	Power, Oil & Lubricants & LPG for furnance	26.01	0.40	26.41	
f.	Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
	Other Expenses				R&M have been regrouped from R&M (Others) to R&M (P&M)
	Repairs & Maintainence -Others	0.40	-0.20	0.20	
	Other Expenses				
	Repairs & Maintainance (Plant & Machinery)	4.76	0.20	4.96	

g.

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Other Financial liabilities - Current				Cash Credit Facilities have been regrouped from Other Payable to Cash Credit
Other payables	10.50	-3.57	6.93	
Borrowing Short Term				
Cash Credit (Refer foot note-1)	75.20	3.57	78.77	

h.

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Employee Benefits Expenses				Expenses in Profit & Loss Statement have been regrouped between Employee Benefits Expenses, Finance Cost and other Expenses
Staff Welfare Expenses	1.70	0.13	1.83	
Finance Cost				
Foreign Exchange Rate Fluctuation on Long Term Borrowings Net Loss	0.19	2.49	2.68	
Other Expenses				
Travelling & Conveyance	1.25	-0.02	1.23	
Vehicle Running and Maintenance	0.98	-0.28	0.70	
Misc Expenses	3.36	-2.32	1.04	

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

- 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.
- 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.
- 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.
- The Company has not entered into any scheme of arrangement in terms of Sections 230 to 237 of the Companies Act, 2013.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.
- The Company has not been sanctioned working capital limit in the form of term loans and overdraft facilities.
- There is no immovable property in the books of the Company whose title deed is not held in the name of the company.
- 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 called Terms MAWAI up to 30th September 2025 and with effect from 1st October 2025, the Company transitioned to a new accounting software named GoERP for the maintenance of its books of account, both Software applications 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, 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 Amendment in existing Labour Laws:

On November 21, 2025, The Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and working Conditions Code, 2020 - consolidation 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to change in regulations. The Company has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. The Impact of change in labour codes is presented under exceptional items during the year which amounts to ₹ 22,41,403.00.

61 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 applicable to the company w.e.f. 1st April, 2025.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The amendment requires the Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is

lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1st April 2025. When applying the amendments, an entity cannot restate comparative information. The amendments do not have a material impact on the Company's Financial Statements.

(ii) Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a longterm loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments do not have a material impact on the Company's Financial Statements.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments do not have a material impact on the Company's Financial Statements.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date. The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026. The amendment had no impact on the Company's Financial Statements as the Company is not in scope of the Pillar Two model rules.

62 Approval of Financial Statements

The financial Statement are approved for issue by the company's Board of Directors on 26th May, 2026

Notes form intergral part of the Financial Statements

As per our report of even date attached

For Gupta Nayar & Co.

Chartered Accountants
FRN 004661N

Satyabhama Gupta

(Partner)
M.No : 073295

Place : Delhi

Date : May 26, 2026

GURSHARAN SINGH

(Chairman & M.D.)
DIN: 00057602

HPS BEDI

(Director)
DIN : 05217488

JITENDER JAIN

(CFO)

NEHA BAHAL

Company Secretary
ICSI Mem. No. 40272

By Order of the Board for RACL Geartech Ltd

NARINDER PAUL KAUR

(Director)
DIN: 02435942

MALINI BANSAL

(Director)
DIN : 00167993

RAKESH KAPOOR

(Director)
DIN : 00015358

PRAVIR KUMAR

(Director)
DIN: 00671671

ANIL SHARMA

(Director)
DIN : 00157911

JAGDISH KESWANI

(Director)
DIN: 02146267

INDEPENDENT AUDITOR'S REPORT

To the Members of RACL GEARTECH Limited

Report on the audit of the Consolidated Ind AS Financial Statements

Opinion

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, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year 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, 2026 and their consolidated profit, other 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 obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of 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.

Our opinion is not modified in respect of above matter.

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, 2026. 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.

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 Ind AS 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

1. The Consolidated Ind AS Financial Statements includes the unaudited Financial Statements of 1 (one) subsidiary whose accounts are not required to be audited as per the laws of the country of incorporation. The Financial Statements of the said subsidiary reflect the Group's share of total assets of ₹ 8.72 Crores as at March 31, 2026, Group's share of total revenue of ₹ 33.99 Crores and Group's share of total net profit/(loss) after tax of ₹ 2.40 Crores for the period from April 1, 2025 to March 31, 2026 respectively, as considered in the Consolidated Ind AS Financial Statements.

These unaudited Financial Statements have been furnished to us by the Board of Directors and our opinion on the consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited Financial Statements. In our opinion and according to the information and explanations given to us by the Board of Directors, these unaudited Financial Statements are not material to the Group.

2. The Consolidated Financial Statements of the Company for the year ended 31st March 2025 and the Consolidated financial results for the quarter ended 30 June 2025 were audited and reviewed, respectively, by the predecessor auditor, M/s Gianender & Associates, who expressed an unmodified audit opinion vide report dated 7th May, 2026 and an unmodified review conclusion vide report dated their respective reports dated 11th August, 2025.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

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, 2026 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, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to Consolidated 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 Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, in its Consolidated Ind AS Financial Statements;
 - ii. Provision has been made in the Consolidated Ind AS 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 58 to the Consolidated 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 58 to the Consolidated 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 RACL Geartech Limited has declared and paid dividend amounting to ₹ 1.77 Crores, which is in Compliance with the provision of Section 123 of the Companies Act, 2013.
 - vi. Based on our examination which including test checks, the Company uses an accounting software called Terms MAWAI up to 30th September 2025. With effect from 1st October 2025, the Company transitioned to a new accounting software named GoERP for the maintenance of its books of account.

Both Software applications 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, and based on the Auditor's Reports on the financial statements of Company and RACL Geartech GmbH ("Subsidiary") as at and for the year ended March 31, 2026, included in the Consolidated Financial Statements of the Group, we report in respect of those companies where audits have been completed under Section 143 of the Act, the following qualifications / adverse remarks have been reported by the respective auditors in their CARO reports.

Sr. No.	Name	CIN	Holding Company/ subsidiary/Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1.	RACL Geartech Limited	L34300DL1983PLC016136	Holding Company	Paragraph 3 (vii) (a) & (b)

For Gupta Nayar & Co.
Chartered Accountants
FRN: 008376N

Satyabhama Gupta
(Partner)
(M No. 073295)

UDIN: 26073295BWZCRC6067

Date: May 26, 2026
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, 2026 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, 2026, 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 Gupta Nayar & Co.
Chartered Accountants
FRN: 008376N

Satyabhama Gupta
(Partner)
(M No. 073295)
UDIN: 26073295BWZCRC6067

Date: May 26, 2026
Place: New Delhi

Consolidated Balance Sheet as at March 31, 2026

(₹ in Crores)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	2	321.50	300.35
(b) Capital work-in-progress	3	2.63	4.61
(c) Right-of-Use assets	4	20.14	21.76
(d) Intangible assets	5	0.68	0.47
(e) Financial assets			
i. Investments	6	1.40	1.40
ii. Other Financial Assets	7	1.66	1.54
(f) Other non-current assets	8	4.51	3.12
Total Non-current Assets		352.53	333.26
Current Assets			
(a) Inventories	9	147.42	153.29
(b) Financial assets			
i. Trade receivables	10	145.99	125.18
ii. Cash and cash equivalents	11	6.43	0.68
iii. Bank Balances other than (ii) above	12	7.52	1.88
(c) Current tax assets (net)			
(d) Other current assets	13	41.59	22.81
Total Current Assets		348.96	303.85
Total Assets		701.49	637.12
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	12.21	11.20
(b) Other equity	15	340.16	215.40
Total Equity		352.36	226.60
LIABILITIES			
Non-current Liabilities			
(a) Financial Liabilities			
i. Borrowings	16	59.63	85.10
ii. Lease liability	17	8.45	9.64
(b) Provisions	18	9.36	9.24
(c) Deferred tax liabilities (Net)	19	18.22	15.69
(d) Other Non-Current Liabilities	20	-	-
Total Non-current Liabilities		95.66	119.67

Consolidated Balance Sheet as at March 31, 2026

(₹ in Crores)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
Current Liabilities			
(a) Financial liabilities			
i. Borrowings	21	164.92	220.02
ii. Lease Liability	22	2.69	2.32
iii. Trade payables			
- Total Outstanding dues to micro and small enterprises	23	12.31	6.19
- Total Outstanding dues to other than micro and small enterprises		48.69	43.23
iv. Other financial liabilities	24	9.98	11.90
(b) Other current liabilities	25	5.50	4.99
(c) Provisions	26	2.36	1.87
(d) Current tax Liabilities (Net)	27	7.02	0.34
Total Current Liabilities		253.47	290.85
Total Liabilities		349.13	410.52
Total Equity and Liabilities		701.49	637.12

Notes form integral part of the Financial Statements

As per our report of even date attached

For Gupta Nayar & Co.

Chartered Accountants
FRN 004661N

By Order of the Board for RACL Geartech Ltd

Satyabhama Gupta

(Partner)
M.No : 073295

GURSHARAN SINGH

(Chairman & M.D.)
DIN: 00057602

NARINDER PAUL KAUR

(Director)
DIN: 02435942

PRAVIR KUMAR

(Director)
DIN: 00671671

HPS BEDI

(Director)
DIN : 05217488

MALINI BANSAL

(Director)
DIN : 00167993

ANIL SHARMA

(Director)
DIN : 00157911

Place : Delhi

Date : May 26, 2026

JITENDER JAIN

(CFO)

RAKESH KAPOOR

(Director)
DIN : 00015358

JAGDISH KESWANI

(Director)
DIN: 02146267

NEHA BAHAL

Company Secretary
ICSI Mem. No. 40272

Consolidated Statement of profit and loss for the year ended 31st March 2026

(₹ in Crores)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
(a) Revenue from operations	28	489.94	415.07
(b) Other income	29	22.48	9.92
Total Income		512.42	424.99
Expenses			
(a) Cost of Material Consumed	30	144.86	121.14
(b) Changes in inventories of finished goods WIP and Stock in Trade	31	(1.36)	(0.63)
(c) Employee benefits expenses	32	53.75	47.62
(d) Finance Costs	33	29.91	32.21
(e) Depreciation and Amortisation Expenses	34	33.52	29.93
(f) Other Expenses	35	185.79	161.93
Total expenses		446.46	392.19
Profit/ (Loss) before exceptional items and tax		65.96	32.80
Add/(Less): Exceptional items	36	(0.22)	-
Profit/ (Loss) before tax		65.73	32.80
Tax Expense			
(a) Current tax		(14.21)	(5.63)
(b) Deferred tax		(2.53)	(3.37)
(c) Short/(Excess) provision for tax relating to prior years (net)		(0.04)	(0.02)
Income Tax Expense		(16.78)	(9.03)
Profit/(Loss) for the period		48.95	23.77
Other Comprehensive Income			
Remeasurement gain/(loss) of the defined benefit plans		0.10	(0.49)
Effect of Tax on Other Comprehensive Income		(0.03)	0.12
Total other comprehensive income		0.08	(0.36)
Total comprehensive income for the period		49.03	23.40

Consolidated Statement of profit and loss for the year ended 31st March 2026

(₹ in Crores)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Earnings per share (Face Value 10/- per share)			
(a) Basic (in ₹)	37	42.04	22.05
(b) Diluted (in ₹)		42.04	22.05

Notes form integral part of the Financial Statements

As per our report of even date attached

For Gupta Nayar & Co.

Chartered Accountants
FRN 004661N

By Order of the Board for RACL Geartech Ltd

Satyabhama Gupta

(Partner)
M.No : 073295

GURSHARAN SINGH

(Chairman & M.D.)
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(Director)
DIN : 00157911

Place : Delhi

Date : May 26, 2026

JITENDER JAIN

(CFO)

RAKESH KAPOOR

(Director)
DIN : 00015358

JAGDISH KESWANI

(Director)
DIN: 02146267

NEHA BAHAL

Company Secretary
ICSI Mem. No. 40272

Consolidated Cash Flow statement for the year ended 31st March 2026

(₹ in Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	65.73	32.80
Adjustment for:		
Depreciation / Amortization	33.52	29.93
Interest charges	29.91	32.21
Interest on Deposits	(0.22)	(0.17)
Impairment/(Impairment reversal)	-	(0.07)
(Profit)/Loss on sale of asset	(0.08)	(0.83)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	128.86	93.86
Increase/(Decrease) in other Liabilities - Non Current	-	-
Increase/(Decrease) in other Financial Liabilities	(2.74)	3.41
Increase/(Decrease) in Trade Payable - Current	11.58	1.32
Increase/(Decrease) in long-term provisions - Non current	0.22	0.38
Increase/(Decrease) in short-term provisions - current	0.49	(0.05)
Increase/(Decrease) in other current liabilities	0.52	2.50
(Increase)/Decrease in inventories	5.87	(26.58)
(Increase)/Decrease in trade Receivable	(20.81)	(17.96)
(Increase)/Decrease in other non current financial assets	(0.13)	(1.45)
(Increase)/Decrease in other non current assets	-	(0.25)
(Increase)/Decrease in other current assets	(18.78)	7.49
(Increase)/Decrease in other Current financial Asset	(5.64)	(1.19)
CASH GENERATED FROM OPERATIONS	99.44	61.50
Direct taxes paid	(7.59)	(5.20)
NET CASH GENERATED FROM OPERATIONS	91.85	56.30
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE	(49.15)	(45.24)
Advance given for PPE	(3.99)	(2.59)
Proceeds from Sale of PPE	0.56	1.86
Investment in Subsidiary Company	-	-
NET CASH GENERATED (USED IN) INVESTING ACTIVITIES	(52.58)	(45.97)

Consolidated Cash Flow statement for the year ended 31st March 2026

(₹ in Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(repayment) from long & short term borrowings	(80.57)	23.85
Proceeds from share capital	1.01	-
Share Issue Expenses	(1.50)	-
Interest on Deposits	0.22	0.17
Dividend Paid	(1.77)	(1.62)
Proceeds from share premium	78.99	-
Interest and finance charges paid	(29.90)	(32.14)
NET CASH FROM FINANCING ACTIVITIES	(33.52)	(9.73)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5.75	0.59
Cash and cash equivalents as at beginning of the year	0.68	0.09
Cash and cash equivalents as at end of the year	6.43	0.68
Net Cash Flow	5.75	0.59

Notes:

- Cash Flow statement has been prepared under "Indirect Method" as set out in the Ind-AS 7 Cash Flow Statements
- Cash and cash equivalents represents the followings:

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks	6.40	0.66
Cash on hand	0.03	0.02
Total	6.43	0.68

As per our report of even date attached

For Gupta Nayar & Co.

Chartered Accountants

FRN 004661N

By Order of the Board for RACL Geartech Ltd

Satyabhama Gupta

(Partner)

M.No : 073295

GURSHARAN SINGH

(Chairman & M.D.)

DIN: 00057602

NARINDER PAUL KAUR

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(Director)

DIN : 00157911

Place : Delhi

Date : May 26, 2026

JITENDER JAIN

(CFO)

RAKESH KAPOOR

(Director)

DIN : 00015358

JAGDISH KESWANI

(Director)

DIN: 02146267

NEHA BAHAL

Company Secretary

ICSI Mem. No. 40272

Consolidated Statement of changes in equity for the year ended 31st March 2026

A. Equity share capital

(₹ in Crores)

Movement during the Current Financial Year	Number of shares	Share Capital (Amount in Crores)
Equity		
Authorised (Equity Shares of ₹ 10/- each)	2,00,00,000	20.00
Issued & Subscribed (Equity Shares of ₹ 10/- each)		
Balance at the beginning of the period as at 01-04-2025	1,27,96,480	12.80
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginning of the current reporting period	1,27,96,480	12.80
Change during the year	10,06,480	1.01
Balance at the end of the period as at 31-03-2026	1,38,02,960	13.80
Paid up Share Capital		
Paid up value of Shares & Warrants Forfeited	-	0.42
Balance at the beginning of the period as at 01-04-2025	1,07,81,600	10.78
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginning of the current reporting period	1,07,81,600	10.78
Change during the year	10,06,480	1.01
Balance at the end of the period as at 31-03-2026	1,17,88,080	12.21

Movement during the Previous Financial Year	Number of shares	Share Capital (Amount in Crores)
Authorised (Equity Shares of ₹ 10/- each)	2,00,00,000	20.00
Issued & Subscribed (Equity Shares of ₹ 10/- each)		
Balance at the beginning of the period as at 01-04-2024	1,27,96,480	12.80
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginning of the current reporting period	1,27,96,480	12.80
Change during the year	-	-
Balance at the end of the period as at 31-03-2025	1,27,96,480	12.80
Paid up Share Capital		
Paid up value of Shares & Warrants Forfeited	-	0.42
Balance at the beginning of the period as at 01-04-2024	1,07,81,600	10.78
Changes in Equity Share Capital due to Prior Period errors	-	-
Restated balance at the beginning of the current reporting period	1,07,81,600	10.78
Change during the year	-	-
Balance at the end of the period as at 31-03-2025	1,07,81,600	11.20

Consolidated Statement of changes in equity for the year ended 31st March 2026

B. Other Equity

(₹ In Crores)

Movement during the Current Financial Year	Reserves and Surplus			
	Share Issue Expenses	Securities Premium Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period i.e. 01-04-2025	-	6.95	208.45	215.40
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	6.95	208.45	215.40
Total Comprehensive income for the year	-	-	49.03	49.03
Dividend Paid	-	-	(1.77)	(1.77)
Issue during the year	(1.50)	78.99	-	77.49
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31-03-2026	(1.50)	85.95	255.71	340.16

Movement during the Previous Financial Year	Reserves and Surplus			
	Share Issue Expenses	Securities Premium Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period i.e. 01-04-2024	-	6.95	186.66	193.61
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period	-	6.95	186.66	193.61
Total Comprehensive income for the year	-	-	23.40	23.40
Dividend Paid	-	(1.62)	(1.62)	-
Issue during the year	-	-	-	-
Transfer to retained earnings	-	-	-	-
Balance at the end of the reporting period i.e. 31-03-2025	-	6.95	208.45	215.40

As per our report of even date attached

For Gupta Nayar & Co.
Chartered Accountants
FRN 004661N

Satyabhama Gupta
(Partner)
M.No : 073295

Place : Delhi
Date : May 26, 2026

GURSHARAN SINGH
(Chairman & M.D.)
DIN: 00057602

HPS BEDI
(Director)
DIN : 05217488

JITENDER JAIN
(CFO)

NEHA BAHAL
Company Secretary
ICSI Mem. No. 40272

By Order of the Board for RACL Geartech Ltd

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(Director)
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JAGDISH KESWANI
(Director)
DIN: 02146267

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

NOTE NO 1A. GROUP INFORMATION

The Consolidated Financial Statements comprise the financial statements of **RACL Geartech Limited** (the Company / Holding Company) and its wholly owned subsidiary, **RACL Geartech GmbH**, Austria (together referred to as "the Group"), for the year ended March 31, 2026. The Holding Company owns 100% of the equity share capital of RACL Geartech GmbH making it as a wholly owned subsidiary. The details of wholly owned subsidiary considered for the preparation of the Consolidated Financial Statements are mentioned in Note 53 to the Consolidated Financial Statements.

RACL Geartech Ltd 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 Group 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 Motorrad, Germany, Kubota Corporation (Japan, Thailand, and USA), IT Switzerland (Same Group Company), KTM AG (Austria) Schneider Electric (Germany), Dana (Italy and China) amongst others.

NOTE NO 1B. MATERIAL ACCOUNTING POLICIES

A. BASIS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

a) Statement of Compliance

The shares of the company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Company's Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Group and the normal time between the acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the classification of its assets and liabilities as current and non-current

Presentation of CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Balance Sheet and the Consolidated 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 Consolidated 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 Consolidated Balance Sheet and Consolidated 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 Consolidated Financial Statements are presented in Indian Rupees which is also Group's Functional Currency and all values are rounded to the nearest Crores, except otherwise indicated.

1. Principles of Consolidation

The Consolidated Financial Statement incorporate in the financial statement of the Company and entity controlled by the Company (its wholly owned subsidiary) collectively referred to as "the Group". The Company controls an entity when it is exposed or has the rights to variable returns from its Involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiary are consolidated from the date on which the Company obtains the control (except for Business Combinations under Common Control), and continue to be consolidated until the date such control ceases. The Consolidated financial statement is prepared by using the uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Standalone Financial Statement except otherwise stated. Where necessary, adjustments are made to the financial statement of subsidiary to bring their accounting policies in line with the Group's Material Accounting Policies.

2. Consolidation procedure:

- a) Consolidated Financial Statement have been prepared by combining the financial statements of the company and its wholly owned subsidiary on a line-by-line basis by adding the carrying values of like items of assets, liabilities, equity, income, expenses and cash flow after eliminating the full intra-group transactions, balances and unrealized profits. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Such unrealized profits/losses are fully attributed to the Company.
- b) Offset (eliminate) the carrying amount of the company's investment in wholly owned subsidiary and the equity of wholly owned subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company in the absence of any non-controlling interest in the Subsidiary Company.

- c) Changes in the Group's ownership interests in the subsidiary that do not result in the Group losing control over the subsidiary are accounted for as an equity transaction.
- d) When the Group loses control of the subsidiary, a gain or loss is recognized in the consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to the consolidated statement of profit and loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or the cost on initial recognition as investment in associate or a joint venture, when applicable.

B. MATERIAL ACCOUNTING POLICY INFORMATION

B1 INCOME RECOGNITION

a. Revenue from Contracts with customers:

Revenue from contracts with customers is accounted for and recognized, observing the provisions of Ind AS 115 "Revenue from Contracts with Customers".

The Group derives revenue primarily from the sale of goods to the Customer. To recognize the revenue, the Group applies the following five steps approach:

- (1) **Identify the contract with a customer:** The Group 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 Group assesses its promise to transfer goods to a customer to identify separate performance obligations. The Group 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 Group'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 Group 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 Group satisfies a performance obligation by transferring promised goods or services to a customer (customer obtains control). For each performance obligation, The Group determines the performance obligation at a point in time when all the following conditions are satisfied:
 1. The Group has a present right to pay for the goods.
 2. The Customer has a legal title to the goods.

3. The group 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 Group'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 Group'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 Consolidated Financial Statements of the Group, transactions in currencies other than the Group'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

Group'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 group. 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 group. The remaining contributions are made to a Government Administered Employee Pension Fund towards which the group 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 Group 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 Group 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 consolidated statement of profit & loss. However, in the case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to the consolidated 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 Group 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 Allowance (Expected credit loss Model)

- i) In accordance with Ind AS 109, the Group applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
 - a) Financial assets that are measured at amortised cost e.g., loans, debt securities, deposits and bank balance.
 - b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

Measurement of ECL over Financial assets other than trade receivables:

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Measurement of ECL over trade receivables:

As a practical expedient, the Group uses a matrix-based approach for recognition of impairment loss allowance on trade receivables.

For trade receivables, group defines event of default as 60 days past due for both export and domestic sales.

The application of matrix-based approach requires the Group to track changes in credit risk, conduct of customer and scenario-based approach and the average outcome is recognized as provision for expected credit loss in the statement of profit & loss.

- ii) ECL impairment loss allowance (or reversal) calculated during the period is recognised as income/expense in the statement of profit and loss. This amount is presented under the head 'other expenses' in the statement of profit and loss.

B11. PROVISIONS

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, the Group 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 group'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 group'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 group 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 Consolidated 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 Group 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 Group's lease asset classes primarily consist of leases for land and buildings. The Group 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 Group assesses whether:

- The contract involves the use of an identified asset
- The group has substantially all of the economic benefits from use of the asset through the period of the lease and

- The Group has the right to direct the use of the asset

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low-value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements 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 group changes its assessment of whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

3. 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 group 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.

4. 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.

Consolidated Notes to financial statements for the year ended and as at 31st March 2026
Property, plant and equipment

Particulars	Note No.	Cost or Deemed cost			Accumulated depreciation			Impairment		Carrying Amount		
		Balance As on 1st April 2025	Additions	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Depreciation Expenses	Deletions	Balance As on 31st March 2026	Impairment loss/ reversal	Balance As on 31st March 2026	As at 31st March 2025
Building		46.41	4.04	-	50.45	6.25	1.96	-	8.22	-	-	40.15
Plant & Machinery		320.48	35.54	1.25	354.77	81.83	22.28	0.93	103.18	0.79	0.79	237.86
Furniture & Fixtures		0.38	0.01	-	0.39	0.06	0.07	-	0.13	-	-	0.32
Vehicles	2	3.37	-	0.21	3.16	1.38	0.61	0.05	1.94	-	-	1.99
Office Equipments		12.42	9.54	0.03	21.93	3.36	2.87	0.02	6.21	0.00	0.00	9.05
Electrical Installation		3.10	1.48	-	4.57	1.11	0.30	-	1.42	-	-	1.98
Capital Tool Support		17.08	1.87	-	18.95	8.08	2.76	-	10.84	-	-	8.99
Total		403.23	52.48	1.49	454.22	102.08	30.85	1.00	131.93	0.79	0.79	300.35
Previous Year		364.89	43.52	5.18	403.23	77.82	28.42	4.15	102.08	(0.07)	0.79	285.77

Capital Work In Progress

Particulars	Note No.	Cost or Deemed cost			Accumulated depreciation			Impairment		Carrying Amount		
		Balance As on 1st April 2025	Additions	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Depreciation Expenses	Deletions	Balance As on 31st March 2026	Impairment loss/ reversal	Balance As on 31st March 2026	As at 31st March 2025
Capital Work In Progress*		4.61	2.63	4.61	2.63	-	-	-	-	-	-	4.61
Total	3	4.61	2.63	4.61	2.63	-	-	-	-	-	2.63	4.61
Previous Year		6.41	4.61	6.41	4.61	-	-	-	-	-	4.61	6.41

Ageing of CWIP

As at 31st March 2026

(₹ 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	2.63	2.63			
Projects temporarily suspended	-				
Total	2.63	-	-	-	2.63

As at 31st March 2025

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	4.61	-	-	-	4.61
Projects Temporarily Suspended	-	-	-	-	-
Total	4.61	-	-	-	4.61

As at 31st March 2026

(₹ in Lakh)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	2.63	2.63			
Projects Temporarily Suspended	-				
Total	2.63	-	-	-	2.63

As at 31st March 2025

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	4.61	-	-	-	4.61
Projects Temporarily Suspended	-	-	-	-	-
Total	4.61	-	-	-	4.61

Right to Use

Particulars	Note No.	Cost or Deemed cost			Accumulated depreciation			Impairment		Carrying Amount				
		Balance As on 1st April 2025	Additions	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Depreciation Expenses	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Impairment loss/ reversal	Balance As on 31st March 2026	As at 31st March 2026	As at 31st March 2025
Right to Use -Buildings		12.95	0.84	0.08	13.71	1.49	2.26	0.08	3.67	-	-	-	10.03	11.46
Right to Use -Leasehold Land	4	11.45	-	-	11.45	1.14	0.19	-	1.34	-	-	-	10.11	10.30
Total		24.40	0.84	0.08	25.15	2.64	2.46	0.08	5.01	-	-	-	20.14	21.76
Previous Year		21.79	5.80	3.19	24.40	4.43	1.39	3.19	2.64	-	-	-	21.77	17.81

Intangible Assets

Particulars	Note No.	Cost or Deemed cost			Accumulated depreciation			Impairment		Carrying Amount				
		Balance As on 1st April 2025	Additions	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Depreciation Expenses	Deletions	Balance As on 31st March 2026	Balance As on 1st April 2025	Impairment loss/ reversal	Balance As on 31st March 2026	As at 31st March 2026	As at 31st March 2025
Intangible Asset	5	0.94	0.42	-	1.35	0.46	0.21	-	0.67	-	-	-	0.68	0.47
Total		0.94	0.42	-	1.35	0.46	0.21	-	0.67	-	-	-	0.68	0.47
Previous Year		0.55	0.39	-	0.94	0.34	0.12	-	0.46	-	-	-	0.47	0.21

(₹ in Crores)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Non Current Assets			
(a) Financial Asset			
(i) Investments	6		
Equity Instruments (Unquoted) (Fully paid) valued at FVTPL			
10622 Equity Shares (March 31, 2025: 10622) purchased at ₹ 1,318/- each (Face value ₹ 10 per share) fully paid up in Sunsire Solarpark Ten Private Limited		1.40	1.40
Total		1.40	1.40
(ii) Other Financial Assets	7		
Security Deposits with landlord against rented premises & Others		0.18	0.05
Security Deposits with UPPCL		1.48	1.48
Total		1.66	1.54
(e) Other Non Current Assets	8		
Capital Advances for Machineries		3.99	2.60
Security Deposits with landlord against rented premises		0.52	0.52
Total		4.51	3.12
Current Assets	9		
(a) Inventories (Lower of Cost or Net Relisable Value)			
Raw Materials and components		16.51	14.68
Work-in-progress		21.85	17.00
Finished goods			
- In Hand		4.45	6.23
- In-Transit		29.77	31.48
Stores and spares		12.85	11.29
Loose Tools		62.00	66.58
Jigs & fixtures		-	6.03
Total		147.42	153.29
(b) Financial Assets	10		
i. Trade Recievable*			
Unsecured, considered good		147.14	126.62
Less: Provision for doubtful debts (Expected credit loss)		1.15	-
Less: Bad Debts		-	1.44
Total		145.99	125.18

*Refer Note No. 54 for ageing

(₹ in Crores)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ii. Cash and Cash Equivalents	11		
Balances with banks		6.40	0.66
Cash on hand		0.03	0.02
Total		6.43	0.68
iii. Other Bank Balances	12		
Other Bank Balances - Unpaid Dividend Bank A/c		0.23	0.23
Deposits with maturity more than 3 months but less 12 months*		7.29	1.65
Other Loans and Advances			
Total		7.52	1.88

*FDR amount includes margin money on Letter of Credit.

(d) Other Current Assets (Secured, considered good)	13		
Deposit with Government authorities		7.66	1.10
Interest Receivable		0.09	0.14
Prepaid Expenses		1.47	1.90
Advance to Suppliers		17.92	8.46
Other Advances		0.03	0.02
Balance with Government authorities		14.43	11.19
Total		41.59	22.81

Note No. 14 : Equity Share Capital

(₹ in Crores)

Particulars	Note No.	Number of Shares		Amount	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Equity					
Authorised (Equity Shares of ₹ 10/- each)		2,00,00,000	2,00,00,000	20.00	20.00
Issued & Subscribed (Equity Shares of ₹ 10/- each)		1,27,96,480	1,17,90,000	12.80	11.79
Fully Paid up Share Capital (Equity Shares of ₹ 10/- each)	14	1,17,88,080	1,07,81,600	11.79	10.78
Shares Forfeited 10,08,400 (Mar'25: 10,08,400) of ₹ 10/- each on 21.04.2003 and 19,00,000 Convertible Share Warrants having paid up value of ₹ 1 each on 19.04.2010.				0.42	0.42
Total Equity Share Capital		1,17,88,080	1,07,81,600	12.21	11.20

i. Terms and rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 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 Holding 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 Holding 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 holding 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 Holding Company has declared and paid an amount of dividend for ₹ 1.77 Crores during the FY 2025-26. (Previous year: ₹ 1.61 Crores)

- ii. Shares held by holding/Ultimate holding company and/or their subsidiaries/associates : Nil
- iii. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting Year

Particulars	As at 31st March 2026		As at 31st March 2025	
	No of Equity Shares	(₹ in Crores)	No of Equity Shares	(₹ in Crores)
Share outstanding at the beginning of the year	1,07,81,600	10.78	1,07,81,600	10.78
Share issued during the year	10,06,480	1.01	-	-
Shares bought back during the year	-	-	-	-
Share outstanding at the end of the year	1,17,88,080	11.79	1,07,81,600	10.78

- iv. List of Shareholders having more than 5% equity shares

Name of Shareholder	As at 31st March 2026		As at 31st March 2025	
	No of Shares Held	% of Holding	No of Shares Held	% of Holding
GURSHARAN SINGH	39,45,134	33.47%	39,44,879	36.59%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	10,03,300	8.57%	15,03,300	13.94%
Middleware Development Limited	6,40,914	5.44%	7,28,945	6.76%

- (v) a. Details of Shareholders holding by promoters at the end of the year as at March 31, 2026

Shares held by the Promoters at the end of the year

Name of Shareholder	No of Shares Held As at 31st March 2026	No of Shares Held As at 31st March 2025	% of Total Shares	% Change during the year
Equity share capital				
GURSHARAN SINGH	39,45,134	39,44,879	33.47%	0.01%
NARINDER PAUL KAUR	35,318	35,318	0.30%	0.00%
AADHAR INFOSYSTEMS PVT. LTD.	48,030	47,130	0.41%	1.91%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	10,03,300	15,03,300	8.57%	-33.26%
Total	50,31,782	55,30,627	42.75%	

(v) b. 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 Shareholder	No of Shares Held As at 31st March 2025	No of Shares Held As at 31st March 2024	% of Total Shares	% Change during the year
Equity share capital				
GURSHARAN SINGH	39,44,879	39,42,829	36.59%	0.05%
NARINDER PAUL KAUR	35,318	34,107	0.33%	3.55%
DEV RAJ ARYA	2,23,000	0.00%	-100.00%	
AADHAR INFOSYSTEMS PVT. LTD.	47,130	44,285	0.44%	6.42%
THE PRADESHIYA INDUSTRIAL & INVESTMENT CORPORATION OF U.P. LTD.	15,03,300	15,03,300	13.94%	0.00%
Total	55,30,627	57,47,521	51.30%	

Note No. 15 : Other Equity

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Retained Earning	15	255.71	208.45
Securities Premium Reserve		85.95	6.95
Share Issue Expenses		(1.50)	-
Total		340.16	215.40

Movement in Other Equity

Particulars	As at March 31, 2026	As at March 31, 2025
Retained Earning		
Opening Balance	208.45	186.66
Add: Comprehensive Income for the year	49.03	23.40
Less: Dividend Paid	(1.77)	(1.62)
Closing Balance	255.71	208.45
Securities Premium Reserve		
Opening Balance	6.95	6.95
Add for the year	78.99	-
Closing Balance	85.95	6.95
Securities Premium Reserve		
Opening Balance	-	-
Add: Comprehensive Income for the year	(1.50)	-
Closing Balance	(1.50)	-

(₹ In Crores)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Non Current Liabilities			
(a) Financial Liabilities			
Borrowings			
Secured Loans			
Term Loans from Banks (Refer foot note-3)		82.98	132.18
Less: Unamortised Borrowing Cost		(0.11)	(0.24)
Less: Current Maturity of Term Loans		(23.86)	(48.55)
(i)	16	59.01	83.39
Vehicles Loans (Refer foot note-4)		1.19	1.46
Less: Current Maturity of Vehicles Loans		(0.56)	(0.62)
(ii)		0.62	0.84
1 ((i)+(ii))		59.63	84.23
Unsecured Loans			
Term Loans from Financial Institutions/ Banks		0.66	2.67
Less: Current Maturity of loans from Financial Institutions/ Banks		(0.66)	(1.80)
2		0.00	0.87
Total (1+2)		59.63	85.10
Lease liability			
Lease Liabilities	17	11.15	11.96
Less: Current Maturity of Lease Liabilities		(2.69)	(2.32)
Total		8.45	9.64

- Secured Term Loans from banks have been guaranteed by Whole Time Directors.
- The Maturity Profile of Secured Term Loans and Other Loans are as under :
 - FY 26-27 24.42 Crores
 - FY 27-28 19.70 Crores
 - FY 28-29 14.05 Crores
 - FY 29-30 3.42 Crores
 - FY 30-31 1.42 Crores
- Term Loans are secured on pari-passu Basis in the following manner:
 - First Charge over entire Fixed Assets of the Holding Company excluding Land and Building & vehicles (Both Present & Future)
 - Extension of Equitable mortgage of Holding Company's land and building at Gajraula U.P.
- 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
- 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 26-27 0.66 Crores

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
(b) Long Term Provisions			
Gratuity	18	8.07	7.96
Leave Encashment		1.28	1.28
Total		9.36	9.24
(c) Deferred tax liabilities (Net) Refer Note No. 46			
Deferred tax liabilities	19	23.97	21.49
Less: Deferred tax assets		(5.75)	(5.81)
Less: Mat Credit Entitlement		-	-
Total		18.22	15.69
(d) Other Non- Current Liabilities			
Long Term Advances from Customers	20	-	-
Less: Current Maturity of Long Term Advances from Customers		-	-
Total		-	-
Current Liabilities			
(a) Financial Liabilities			
Secured Borrowings			
Pre-shipment Credit (Refer foot note-1)	21	72.19	68.06
Cash Credit (Refer foot note-1)		63.45	86.30
Current maturity of Long-term borrowings			
Current Maturity of Term Loans		23.86	48.55
Current Maturity of Car Loans		0.56	0.62
Current Maturity of Loans from Financial Institution/Banks		0.66	1.80
Total a.		160.72	205.32
Post-shipment Bill Discounting Facility (Refer foot note-2)		4.20	14.70
Total b.		4.20	14.70
Total (ia) {a.+b.}		164.92	220.02
Lease liability			
Current Maturity of Lease Liabilities	22	2.69	2.32
Total		2.69	2.32

- 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 Holding Company
 - Extension of Equitable Mortgage of Holding Company's Land and Building at Gajraula U.P. The above Loans are also secured by personal guarantee of Shri Gursharan Singh (CMD of the Group).
- The Holding Company has taken a post-shipment finance (Bill Discounting) of ₹ 4.20 Crores 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 holding company- Personal Guarantee of Mr Gursharan Singh (CMD of the Group) - Extension of Equitable Mortgage of Holding Company's Land and Building at Gajraula U.P.

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Trade payables			
Due to micro and small enterprises	23	12.31	6.19
Due to other than micro and small enterprises		48.59	43.12
Due to Related Parties		0.10	0.11
Total		61.00	49.42

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 group.

The disclosure relating to Micro, Small Enterprises as at March 31, 2026 are as under :

Particulars	As at March 31, 2026	As at March 31, 2025
a) Principal amount remaining unpaid	12.31	6.19
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.

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Other Financial liabilities - Current			
Salary & Wages	24	0.37	2.64
Directors remuneration & sitting fees		0.77	2.25
Interest Payable on Foreign Currency Loan		0.01	0.07
Other payables		8.83	6.93
Total		9.98	11.90
(b) Other Current liabilities			
i. Statutory Dues	25		
Tax Collection At Source		0.04	0.01
TDS Payable		3.15	0.74
GST Payable		0.23	0.35
ESI & PF Payable		0.32	0.28
ii Advance received from Customers		1.53	3.38
iii Current Maturities of Long Term Advances from Customers		-	-
iv Unpaid Interim Dividend (2019-20 to 2023-24)		0.23	0.23
Total		5.50	4.99

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
(c) Short Term Provisions			
Gratuity	26	2.00	1.53
Leave Encashment		0.36	0.34
Total		2.36	1.87
(d) Current Tax Liabilities (Net)			
Income Tax Payable Refer Note No. 46	27	14.27	5.53
Less : Advance Taxes including TDS & TCS		(7.26)	(5.20)
Total		7.02	0.34

Revenue From Operations

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Revenue from contracts with customers			
a. Sale of Products - Domestic	28	110.20	92.97
b. Sale of Products - Export		346.68	288.67
Total - Revenue from contracts with customers		456.88	381.64
(ii) Other Operating Revenue		33.06	33.43
Total		489.94	415.07

Footnotes:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Goods and services transferred at a point in time		
Sale of products (Automotive Components Including Processing Charges)		
a. Domestic sale	110.20	92.97
b. Export Sale	346.68	288.67
Total - Revenue from contracts with customers	456.88	381.64
(ii) Other operating revenues comprises:		
- Sale of scrap	8.41	8.27
- Export incentives	7.24	6.37
- Income from Tooling	17.41	18.78
Total - Other operating revenues	33.06	33.43
(iii) For disaggregation of revenue Refer Note 39 - Segment information		
(iv) Reconciliation of revenue recognised with contracted price:		
Revenue as per contracted price	458.75	381.64
Adjustments for:		
Sales return	(1.87)	(2.89)
Revenue from contracts with customers	456.88	381.64

Other Income

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on Bank Deposits	29	0.22	0.17
Interest on Advance paid to Supplier		0.21	0.21
Other Non Operating Income		0.24	0.15
Profit on Sales of Fixed Assets		0.08	0.83
Foreign Exchange Rate Fluctuation- Gain		21.74	8.57
Total		22.48	9.92

Cost of Raw Material Consumed

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Stock (Refer Note No. 9)	30	14.68	16.07
Add: Purchases		137.87	122.89
Opening Stock (Refer Note No. 9)		14.68	16.07
Add: Purchases		146.69	119.74
Less: Closing Stock (Refer Note No. 9)		(16.51)	(14.68)
Total		144.86	121.14

Material and components consumed comprises:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Forgings	110.39	88.39
Steel	34.47	35.90
Total	144.86	124.29

Change in Inventories

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Closing Stock	31		
Finished Goods		4.45	6.23
Materials in Transit		29.77	31.48
Work in Progress		21.85	17.00
		56.07	54.71
Opening Stock			
Finished Goods		6.23	4.84
Materials in Transit		31.48	31.52
Work in Progress		17.00	17.72
		54.71	54.08
Total		-1.36	-0.63

Employee Benefits Expenses

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Salary & Incentives	32	45.73	39.23
Employer's Contribution to Provident and Others Fund		1.94	1.72
Gratuity Contribution		1.40	1.34
Leave Encashment		0.21	0.46
Directors Remuneration		2.05	3.03
Staff Welfare Expenses		2.41	1.83
Total		53.75	47.62

Finance Cost

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Expense	33		
Interest on Term Loan		8.11	13.90
Interest on Vehicles Loans		0.09	0.16
Interest on Unsecured Loan		0.06	0.21
Interest on Pre-Shipment Facilities		3.68	5.12
Interest on Cash Credit Facilities		6.43	5.84
Interest on Post Shipment Facilities		2.83	1.36
Interest on Lease Liabilities		1.09	0.73
Foreign Exchange Rate Fluctuation on Long Term Borrowings Net Loss		6.08	2.54
Other Finance Cost		1.54	2.35
Total		29.91	32.21

Depreciation and Amortisation

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Property, plant and equipment assets	34	30.85	28.42
Depreciation on Right to use		2.46	1.39
Amortisation of Intangible Assets		0.21	0.12
Total		33.52	29.93

Other Expenses

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Stores & Spares Consumed	35	15.10	12.71
Packing Material Consumed		10.03	9.12
Loose Tools Consumed		29.40	23.13
Power, Oil & Lubricants & LPG for furnace		28.81	26.41
Repairs & Maintenance (Plant & Machinery)		4.55	4.96
Job Work & Other Contractual Cost		58.79	52.59
Customs Duty		0.95	0.73
Others		0.28	0.33
Total	(1)	147.91	129.98
Travelling & Conveyance	35	1.15	1.23
Vehicle Running and Maintenance		0.66	0.70
Telephone, Telex & Communication		0.37	0.30
Repairs & Maintenance -Buildings		0.95	0.81
Repairs & Maintenance -Others		0.35	0.20
Freight & Forwarding		14.72	13.56
Rework & Other Charges on Sales		1.81	0.32
Bad Debts		-	1.44
Provision for doubtful debt (Expected credit loss)		1.15	-
Impairment Loss/(Reversal of Impairment loss) over PPE		-	(0.07)
Warehouse Charges		5.00	3.48
UPSIDC Maintenance Charges		0.32	0.15
Directors Sitting Fees		0.30	0.20
CSR Expenditure (Refer Note 45)		0.87	0.88
Insurance		1.33	1.32
Printing & Stationary		0.53	0.54
Electricity & Water		0.19	0.15
Legal & Professional Fees		4.03	4.05
Payments to Statutory Auditors*		0.12	0.10
Misc Expenses		4.04	2.58
Subtotal	(2)	37.88	31.95
Total	(1)+(2)	185.79	161.93

*Payments to Statutory Auditors (Excluding GST)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Statutory Audit Fee		0.09	0.09
(b) Other Services		0.03	0.01
Total		0.12	0.10

Exceptional Items

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Impact of New Labour Codes			
Gratuity Contribution	36	0.18	-
Leave Encashment		0.04	-
		0.22	

37 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 March 31, 2026	As at March 31, 2025
Earnings Per Equity Share:			
Profit for the year attributable to owners of the Holding Company	₹	48.95	23.77
Weighted average number of equity shares outstanding for calculating basic Earning per share	Nos	1,16,44,691.07	1,07,81,600.00
Basic & Diluted Earnings per Share	₹	42.04	22.05

There are no potential diluters as on the date of balance sheet

38 Disclosure pursuant to Ind AS 19 "Employee Benefit"

The details of various employee benefit provided to employee are as under:

Defined Benefit Plans

By the Payment of Gratuity Act, of 1972, the Group 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 Group 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

(₹ In Crores)

Change in Defined Benefit Obligation

Particulars	Gratuity	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit Obligation at beginning of year	9.49	8.96
Current service Cost	0.77	0.71
Past Service Cost Because of New Service Code	0.18	-
(Gain) / Loss on settlements	-	-
Interest Expenses	0.63	0.64
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(0.90)	(1.30)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(0.26)	0.08
Remeasurements - Due to Experience Adjustments	0.15	0.40
Defined Benefit Obligation at end of year	10.07	9.49
Discount Rate	7.34%	7.00%
Salary Escalation Rate	6.00%	6.00%

Change in Fair Value of Plan Assets

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	-	-
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-
Other (Employee Contribution, Taxes, Expenses)	-	-

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
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%

We understand that Liability is not funded

Changes in Reimbursement Rights

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reimbursement Rights at beginning of year	-	-
Reimbursement Service Cost	-	-
Gain/ (loss) on Settlements	-	-
Interest Income	-	-
Employer Contributions to Reimbursement Rights	-	-
Reimbursements to Employer	-	-
Increase / (Decrease) due to effect of any business Combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Benefits paid by the Group in Prior Year and settled by Fund Manager in current year	-	-
Net Transfer In / (Out) (Including the effect of any business combination / divesture)	-	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-	-
Reimbursement Rights at end of year	-	-

Change in Asset Ceiling / Onerous Liability

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Asset Ceiling / Onerous Liability at beginning of year	-	-
Interest Income	-	-
Gain / (Loss) on Settlements	-	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-	-
Asset Ceiling / Onerous Liability at end of year	-	-

Components of Defined Benefit Cost

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Service Cost	0.77	0.71
Past Service Cost	0.18	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	0.95	0.71
Interest Expense on DBO	0.63	0.64
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	0.63	0.64
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	1.40	1.34
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(0.26)	0.08
Remeasurements - Due to Experience Adjustments	0.15	0.40
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Total Remeasurements in OCI	(0.10)	0.49
Total Defined Benefit Cost recognized in P&L and OCI	1.30	1.83
Discount Rate	7.34%	7.00%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit Obligation	10.07	9.49
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	10.07	9.49
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	10.07	9.49
Current Liabilities	2.00	1.53
Non Current Liabilities	8.07	7.96

Net Defined Benefit Liability / (Asset) reconciliation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net Defined Benefit Liability/(Asset) at beginning of year	9.49	8.96
Defined Benefit Cost included in P & L	1.59	1.34
Total Remeasurements included in OCI	-0.10	0.49
Net Transfer (In) / Out (Including the effect of any business combination / divesture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	(0.90)	(1.30)
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at end of year	10.07	9.49

Summary of Financial & Demographic Assumptions

Particulars	Valuation date	
	31-03-2026	31-03-2025
Discount Rate	7.34%	7.00%
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	24.53	23.29

B. LEAVE ENCASHMENT

(₹ In Crores)

Change in Defined Benefit Obligation

Particulars	Gratuity	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit Obligation at beginning of year	1.62	1.33
Current service Cost	0.69	0.31
Past Service Cost Because of New Service Code	0.04	-
(Gain) / Loss on settlements	-	-
Interest Expenses	0.11	0.09
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	(0.23)	(0.18)
Settlement Payments from Plan Assets	-	-
Settlement Payments from Employer	-	-

Particulars	Gratuity	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Other (Employee Contribution, Taxes, Expenses)	-	-
Increase / (Decrease) due to effect of any business combination / divesture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(0.05)	0.01
Remeasurements - Due to Experience Adjustments	(0.54)	0.05
Defined Benefit Obligation at end of year	1.64	1.62
Discount Rate	7.34%	7.00%
Salary Escalation Rate	6.00%	6.00%

Change in Fair Value of Plan Assets

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair Value of Plan Assets at beginning of year	-	-
Interest Income	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	-	-
Employer Direct Settlement Payments	-	-
Benefit Payments from Plan Assets	-	-
Benefit Payments from Employer	-	-
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%

We understand that Liability is not funded

Changes in Reimbursement Rights

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reimbursement Rights at beginning of year	-	-
Reimbursement Service Cost	-	-
Gain/ (loss) on Settlements	-	-
Interest Income	-	-
Employer Contributions to Reimbursement Rights	-	-
Reimbursements to Employer	-	-
Increase / (Decrease) due to effect of any business Combination / divestiture / transfer)	-	-
Increase / (Decrease) due to Plan combination	-	-
Benefits paid by the Group in Prior Year and settled by Fund Manager in current year	-	-
Net Transfer In / (Out) (Including the effect of any business combination / divestiture)	-	-
Remeasurements - Return on Reimbursement Rights (Excluding Interest Income)	-	-
Reimbursement Rights at end of year	-	-

Change in Asset Ceiling / Onerous Liability

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Asset Ceiling / Onerous Liability at beginning of year	-	-
Interest Income	-	-
Gain / (Loss) on Settlements	-	-
Remeasurement - Due to Asset Ceiling / Onerous Liability (Excluding Interest Income)	-	-
Asset Ceiling / Onerous Liability at end of year	-	-

Components of Defined Benefit Cost

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Service Cost	0.69	0.31
Past Service Cost	0.04	-
(Gain) / Loss on Settlements	-	-
Reimbursement Service Cost	-	-
Total Service Cost	0.73	0.31
Interest Expense on DBO	0.11	0.09
Interest (Income) on Plan Assets	-	-
Interest (Income) on Reimbursement Rights	-	-
Interest Expense on (Asset Ceiling) / Onerous Liability	-	-
Total Net Interest Cost	0.11	0.09
Reimbursement of Other Long Term Benefits	-	-
Defined Benefit Cost included in P & L	0.84	0.41
Remeasurements - Due to Demographic Assumptions	-	-
Remeasurements - Due to Financial Assumptions	(0.05)	0.01
Remeasurements - Due to Experience Adjustments	(0.54)	0.05
(Return) on Plan Assets (Excluding Interest Income)	-	-
(Return) on Reimbursement Rights	-	-
Changes in Asset Ceiling / Onerous Liability	-	-
Actuarial Gain/Loss Applicable	(0.58)	0.06
Total Defined Benefit Cost recognized in P&L and OCI	0.25	0.46
Discount Rate	7.34%	7.00%
Salary Escalation Rate	6.00%	6.00%

Amounts recognized in the Statement of Financial Position

(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined Benefit Obligation	1.64	1.62
Fair Value of Plan Assets	-	-
Funded Status - Short / (Excess)	1.64	1.62
Effect of Asset Ceiling / Onerous Liability	-	-
Net Defined Benefit Liability / (Asset)	1.64	1.62
Current Liabilities	0.36	0.34
Non Current Liabilities	1.28	1.28

Net Defined Benefit Liability / (Asset) reconciliation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net Defined Benefit Liability/(Asset) at beginning of year	1.62	1.33
Defined Benefit Cost included in P & L	0.25	0.46
Net Transfer (In) / Out (Including the effect of any business combination / divesture)	-	-
Amount recognized due to Plan Combinations	-	-
Employer Contributions	-	-
Employer Direct Benefit Payments	(0.23)	(0.18)
Employer Direct Settlement Payments	-	-
Credit to Reimbursements	-	-
Net Defined Benefit Liability / (Asset) at end of year	1.64	1.62

Summary of Financial & Demographic Assumptions

Particulars	Valuation date	
	31-03-2026	31-03-2025
Discount Rate	7.34%	7.00%
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	24.53	23.29

C. SENSITIVITY ANALYSIS

A quantitative sensitivity analysis for significant assumptions as 31st March 2026

PARTICULARS	GRATUITY PLAN	
	CHANGE IN ASSUMPTIONS	IMPACT ON DEFINED BENEFIT OBLIGATION
	Increase/ Decrease	Increase/ Decrease in Assumptions (₹) IN Crores
UNDER BASE SCENARIO		10.07
SALARY ESCALATION	1.00%	10.78
	-1.00%	9.45
WITHDRAWAL RATES	1.00%	10.15
	-1.00%	9.99

PARTICULARS	GRATUITY PLAN	
	CHANGE IN ASSUMPTIONS	IMPACT ON DEFINED BENEFIT OBLIGATION
	Increase/ Decrease	Increase/ Decrease in Assumptions (₹) IN Crores
MORTALITY RATES	1.00%	9.39
	-1.00%	10.87
DISCOUNT RATES	1.00%	10.08
	-1.00%	10.07

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, Group'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.

39 Disclosure of Segmental reporting pursuant to Ind AS 108 “Segmental Reporting”

The Group 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, organization structure and internal reporting Systems. The group 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 March 31, 2026	As at March 31, 2025
Within India	110.20	92.97
Outside India		
AUSTRIA	142.43	99.90
JAPAN	18.98	23.73
GERMANY	156.49	124.20
SWITZERLAND	1.77	3.36
ITALY	19.12	11.38
THAILAND	-	0.02
VIETNAM	-	0.07
USA	4.16	3.76
CHINA	1.27	19.50
CANADA	2.46	2.76
Total Outside India	346.68	288.67

40 Disclosure of Related parties / Related party transactions pursuant to Ind AS 24 “Related Party Disclosures”

A. List of Related Parties

Name of the Subsidiary	Country	Holding As at March 31, 2026	Holding As at March 31, 2025
Racl Geartech Gmbh	Austria	100%	100%

Name of the Other Related Party

SUN-UP FOUNDATION (CSR TRUST)

Northern India Pickleball Sports Private Limited

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
Mr. Pravir Kumar WEF 11/08/2025	Independent Director
Mr. Rakesh Kapoor WEF 11/08/2025	Non-Executive Director
Mrs. Narinder Paul Kaur	Non-Executive Director
Mr. Shashank Ramesh Anikhindi (TENOR COMPLETED ON 28/09/2025)	Independent Director
Mr. Jagdish Keswani	Independent Director
Brig. Harinder Pal Singh Bedi	Independent Director
Mrs. Malini Bansal	Independent Director

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
Mrs. Narinder Paul Kaur	Wife of Mr. Gursharan Singh

B. Transactions with related parties:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
CSR Expenditure to Sun-UP Foundation (CSR Trust)	0.87	0.74
Services from Northen India Pickleball Sports Private Limited (Inclusive of GST)	0.12	-
Remuneration and Perks-Key Managerial Personnel & Directors	-	
- Mr. Gursharan Singh, Chairman & Managing Director	2.72	2.68
- Ms. Neha Bahal, Company Secretary	0.16	0.13
- Mrs. Narinder Paul Kaur (as retainership fees)	0.33	0.30
- Mr. Anil Sharma, Non-Executive Director (as retainership fees)	0.32	0.30
- Mr. Jitender Jain, CFO	0.89	0.76
Remuneration and Perks - Relatives of Key Managerial Personnel		-
- Mr. Prabh Mehar Singh	0.58	0.27

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Directors Sitting Fees	-	
- Mr. Anil Sharma	0.04	0.03
- Mrs. Narinder Paul Kaur	0.04	0.02
- Mr. Shashank Ramesh Anikhindi	0.04	0.04
- Mr. Jagdish Keswani	0.05	0.05
- Mr. H.P.S. Bedi	0.04	0.02
- Mr. Rakesh Kapoor	0.02	-
- Mr. Pravir Kumar	0.02	-
- Mrs. Malini Bansal	0.06	0.04

C. Closing Balances with related parties:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with Directors		-
Mr. Gursharan Singh	0.74	2.21
Mr. Anil Sharma	0.03	0.02
Mrs. Narinder Paul Kaur	-	0.02

41 Financial Instruments

Capital Management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options. The capital structure of the group 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.

Gearing Ratio

The gearing ratio at the end of the reporting period was as follows

(₹ In Crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Debt	224.55	305.12
Cash and Bank Balances	6.43	0.68
Net Debt (i)	218.12	304.44
Equity (ii)	352.36	226.60
Net Debt To Equity Ratio (i)/(ii)	0.62	1.34

Changes in liabilities arising from financing activities as per Ind-AS 7

Particulars	Borrowings	Interest	Total Liabilities
As at 01st April, 2025	305.02	0.10	305.12
CASH FLOW	(80.57)	(29.90)	(110.47)
NON CASH FLOW			-
Foreign Exchange Movements			-
Charged to P&L	-	29.91	29.91
As at 31st March 2026	224.45	0.10	224.55

Particulars	Borrowings	Interest	Total Liabilities
As at 01st April, 2024	281.17	0.03	281.19
CASH FLOW	23.85	(32.14)	-8.28
NON CASH FLOW		-	-
Foreign Exchange Movements		-	-
Charged to P&L	-	32.21	32.21
As at 31st March 2025	305.02	0.10	305.12

(a) Risk management

The Group'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 Group 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 Group'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:

(₹ In Crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Net Debt (i)	218.12	304.44
EBITDA (ii)	129.38	94.94
Net Debt to EBITDA (i)/(ii)	1.69	3.21

(b) Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with certain financial covenants and the Group has complied with those covenants throughout the reporting period.

(c) Dividends

Particulars	As at March 31, 2026	As at March 31, 2025
On Equity shares of ₹ 10/- each		
Final dividend		
Amount of dividend paid (pertains to previous financial year) (₹ In Crore)	1.77	1.62
Dividend per equity share (in ₹)	1.50	1.50
Interim Dividend		
Amount of dividend paid		
Dividend per equity share	-	-

42 Categories of Financial Instruments

(₹ In Crores)

Financial instruments by categories	31-03-2026			31-03-2025		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset						
Non-Current Financial Asset						
Investment in Equity Instruments	1.40		1.40			
Security Deposit			1.66			1.54
Current Financial Asset						
Trade receivables			145.99			125.18
Cash and cash equivalents			6.43			0.68
Other Financial asset			7.52			1.88
Total Financial Asset	1.40	-	161.61	1.40	-	129.29
Financial liability						
Non-Current Financial Liabilities						
Borrowings			59.63			85.10
Lease Liabilities			8.45			9.64
Current Financial Liabilities						
Borrowings			164.92			220.02
Trade payables			61.00			49.42
Other financial liabilities			9.98			11.90
Lease liabilities			2.69			2.32
Total Financial Liabilities	-	-	306.67	-	-	378.40

43 Fair value of Financial Assets and Liabilities at amortized cost

(₹ In Crores)

Financial instruments by categories	31-03-2026		31-03-2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial asset				
Non-Current Financial Asset				
Investment in Equity Instruments	1.40	1.40	1.40	1.40
Security Deposit	1.66	1.66	1.54	1.54
Current Financial Asset				
Trade receivables	145.99	145.99	125.18	125.18
Cash and cash equivalents	6.43	6.43	0.68	0.68
Other Financial asset	7.52	7.52	1.88	1.88
Total Financial Asset	163.01	163.01	130.69	130.69
Financial liability				
Non-Current Financial Liabilities				
Borrowings	59.63	59.63	85.10	85.10
Lease liabilities	8.45	8.45	9.64	9.64
Current Financial Liabilities	-			
Borrowings	164.92	164.92	220.02	220.02
Trade payables	61.00	61.00	49.42	49.42
Lease liabilities	2.69	2.69	2.32	2.32
Other financial liabilities	9.98	9.98	11.90	11.90
Total Financial Liabilities	306.67	306.67	378.40	378.40

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

44 Financial Risk Management Objectives

The Group'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 group'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 Group's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Group, 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 Group's activities. The Board of Directors oversee compliance with the Group'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 Group operates internationally and a major portion of the business is transacted in several currencies and consequently the group 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

(₹ In Crores)

Particulars	31-03-2026	31-03-2025
Raw Material/Tools/Machines	22.09	24.63
Foreign Travelling & Services	10.69	5.60
Interest	0.06	0.21

The group has Earnings in Foreign Currency

Particulars	31-03-2026	31-03-2025
Export of Goods on FOB basis	334.15	289.90

The foreign currency risk from financial instruments as at Mach 31, 2026 is as follows:

Particulars	Cash & Cash Equivalents (INR)	Trade Receivables (INR)	Trade Payables (INR)	Interest Payables (INR)	Borrowings in Foreign Currency (INR)	Total
USD	0.00	60.89	0.03	-	61.50	122.43
EURO	0.00	63.33	0.88	-	-	64.22
CHF	-	-	0.07	0.01	0.66	0.73
GBP	-	-	-	-	-	-
CNY	-	-	0.20	-	-	0.20
Yuan	0.00	-	-	-	-	0.00
JPY	0.00	-	-	-	-	0.00
Thai Baht	0.00	-	-	-	-	0.00
Hong Kong Dollar	0.00	-	-	-	-	0.00
Total	0.01	124.23	1.19	0.01	62.16	187.59

The foreign currency risk from financial instruments as at Mach 31, 2025 is as follows:

Particulars	Cash & Cash Equivalents (INR)	Trade Receivables (INR)	Trade Payables (INR)	Interest Payables (INR)	Borrowings in Foreign Currency (INR)	Total
USD	-	59.10	-	-	75.27	134.37
EURO	-	57.66	1.22	-	0.35	59.23
CHF	-	-	-	0.07	2.67	2.74
GBP	-	-	-	-	-	-
Yuan	-	-	-	-	-	-
JPY	0.01	-	-	-	-	0.01
Thai Baht	0.00	-	-	-	-	0.00
Hong Kong Dollar	-	-	-	-	-	-
NT DOLLAR	-	-	-	-	-	-
Canadian Dollar	-	-	-	-	-	-
Total	0.01	116.76	1.22	0.07	78.29	196.35

Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

Particulars	March 31, 2026 Payable / (Receivable)		March 31, 2025 Payable / (Receivable)	
	Amount in Foreign Currency in Lakh	Amount (₹ In Crores)	Amount in Foreign Currency in Lakh	Amount (₹ In Crores)
USD	0.01	0.64	0.19	16.17
EURO	(0.57)	(62.45)	(0.61)	(56.09)
CHF	0.01	0.73	0.03	2.74
CNY	0.01	0.20	-	-

Sensitivity analysis based on average outstanding Foreign currency loan (₹ In Crores)

Particulars	Impact on profit/ loss after tax	
	2025-2026	2024-2025
Increase or decrease in exchange rate by ₹ 1	0.55	0.40

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 group mainly from borrowings with variable rates. The group measures risk through sensitivity analysis.

Currently, Lending by Commercial Banks is at variable rate, which is an inherent business risk.

The group's exposure to interest rate risk due to variable interest rate borrowings is as follows:

(₹ In Crores)

Particulars	2025-2026	2024-2025
Debt from Banks/FIs - Variable rate borrowings	224.55	305.12

Sensitivity analysis based on average outstanding Debt

(₹ In Crores)

Particulars	Impact on profit/ loss after tax	
	2025-2026	2024-2025
Increase or decrease in interest rate by 25 basis points	0.66	0.73

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 group is exposed to liquidity risk due to bank borrowings and trade and other payables.

The group measures risk by forecasting cash flows.

The group'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 group's reputation. The group ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

(₹ In Crores)

As at 31st March 2026	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	82.86	23.86	57.58	1.43	-	82.86
Term Loan from Financial Institutions	0.66	0.66	0.00	-	-	0.66
Lease Liabilities	11.15	2.69	8.45	-	-	11.15
Car Loan	1.19	0.56	0.62	-	-	1.19
Loan Repayable on Demand	135.64	135.64	-	-	-	135.64
Bill Discounting	4.20	4.20	-	-	-	4.20
Trade Payables	61.00	61.00	-	-	-	61.00
Other Financial Liabilities	9.98	9.98	-	-	-	9.98
Total	306.67	238.59	66.66	1.43	-	306.67

The following are the contractual maturities of financial liabilities

(₹ In Crores)

As at 31st March 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	131.94	48.55	77.39	6.00	-	131.94
Term Loan from Financial Institutions	2.67	1.80	0.87	-	-	2.67
Lease Liabilities	11.96	2.32	9.64	-	-	11.96
Car Loan	1.46	0.62	0.84	-	-	1.46
Loan Repayable on Demand	154.35	154.35	-	-	-	154.35
Bill Discounting	14.70	14.70	-	-	-	14.70
Trade Payables	49.42	49.42	-	-	-	49.42
Other Financial Liabilities	11.90	11.90	-	-	-	11.90
Total	378.40	283.66	88.74	6.00	-	378.40

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 Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group'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 Group. 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 Group 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.

45 Expenditure on Corporate Social Responsibility (CSR)

(₹ In Crores)

Particulars	FY 2025-26	FY 2024-25
a) Gross amount required to be spent for the year	0.87	0.88
Add Shortfall of last year	-	-
Total amount required to be spent	0.87	0.88
b) Amount actually spent during the year	0.73	0.74
c) Amount provisioned for ongoing projects	0.14	0.14
Unspent Amount	-	-
Reason for Shortfall	There is no Shortfall	There is no Shortfall

Movement in CSR Provision:
(₹ In Crores)

Particulars	FY 2025-26	FY 2024-25
Remaining Provision for CSR Made during the last year	0.14	-
Less: Actual Expenditure made during the year against the remaining provision of last year	-0.14	-
Add: Remaining Provision for CSR made during the current year	0.14	0.14
Closing figure of Provision	0.14	0.14

The Group 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
46 Income tax expense
(₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Current income tax charged including tax effect of other comprehensive income	14.23	5.51
Adjustments for current tax of prior years	0.04	0.02
Total current tax expense	14.27	5.53
Decrease/ (increase) in deferred tax Assets/ Liabilities (net)	2.53	3.37
Income tax expense	16.80	8.91

Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at March 31, 2025	Movement Recognised in Statement of Profit and Loss	As at March 31, 2026
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment and Intangible Assets	(21.49)	(2.48)	(23.97)
Defined benefit obligation	5.81	(0.05)	5.75
Deferred Tax Asset / (Liabilities) (Net)	(15.69)	(2.53)	(18.22)

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before income tax expense	65.73	32.80
Tax at India's tax rate	16.08	8.78
Tax effect of temporary difference	2.53	3.37
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	9.68	8.39
Tax effect of amounts which are deductible in calculating taxable income	(11.54)	(11.64)
Adjustments for current tax of prior periods	0.04	(0.02)
Interest	-	0.03
Income tax expense	16.80	8.91

47 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 Group 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 Group 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 Group 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

Assets	Useful lives (years)*
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.

48 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.

49 Contingent liabilities

1. Income Tax Demands

Demand raised by Income Tax Authorities of ₹ 0.03 Crores outstanding as of 31/03/2026. The matter is being pursued with the Income Tax authorities for necessary rectification and correction.

2. Bank Guarantees

The below mentioned guarantees and standby line of credit are contingent in nature and are not recognized in the balance sheet unless there is a definite obligation to pay.

Beneficiary Name	Amount ₹ In Crores	BG Issue Date	Valid Upto	Claim Expiry Date
Managing Director Paschimanchal Vidyut Vitran Nigam Ltd, Meerut (Bank Guarantee)	0.11	23-07-2024	22-07-2027	22-07-2027
Sunsure Solarpark Ten Private Limited (Bank Guarantee)	0.58	08-01-2025	07-01-2027	07-04-2027
RACL Geartech GMBH, Austria (Euro 1.10 Mn) SBLC	11.99	20-05-2025	21-05-2026	21-05-2026

50 DISCLOSURE NOTE- IND AS 116

The Group adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on April 01, 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Group 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 Group 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 Group 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 9 years. The Group also has certain leases of machinery and equipments with lease terms of 12 months or less with low value. The Group 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.

(₹ In Crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Right to Use-Buildings	10.03	11.46
Right to Use-Leasehold Land	10.11	10.30
Current lease liabilities	2.69	2.32
Non-current lease liabilities	8.45	9.64

Amount recognised in statement of profit and loss during the year on account of Ind AS 116 (₹ In Crores)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities (included in finance cost)	1.09	0.73
Depreciation of Right of Use assets	2.46	1.39

Reconciliation between Opening and Closing Balance of Current and Non-Current Lease Liabilities

Particulars	Non-Current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Opening Balance	9.64	5.87	2.32	1.56
Add/Less: Accrual During the year	0.84	5.80	0.37	0.76
Add: Accretion of Interest	1.09	0.73		
Less: Payment/Adjustment (Rent)	(2.74)	(2.00)		
Add/(Less): Current Lease Liability	(0.37)	(0.76)		
Closing Balance	8.45	9.64	2.69	2.32

51 Capital Commitments

The Group entered into contracts for addition in fixed assets for ₹ 30.43 Crores as of 31st March 2026 against which advance payments of ₹ 3.99 Crores have already been paid.

(₹ In Crores)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Advances for Machineries	3.99	2.60

52 Ratio's

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Current Ratio:		
Current Assets (a)	348.96	303.85
Current Liabilities (b)	253.47	290.85
Current Ratio (a/b)	1.38	1.04
Variance 31.78%		
Reason for Changes more than 25%: Due to Increase in Operational Efficiency & Decrease in Short Term Borrowings		
(ii) Debt Service coverage Ratio :		
Net Profit/ (Loss) After Taxes (a)	48.95	23.77
Depreciation and Amortization Expense (b)	33.52	29.93
Interest Expense ('c)	29.91	32.21
Other non cash adjustment (d)	-	-
Earnings available for Debt Services (e) (a+b+c+d)	112.38	85.91
Total Debt repaid (f)	33.56	48.91
Interest Liability repaid (g)	29.90	32.14
Total Debt including Interest (h) (f+g)	63.46	81.04
Note:- Long-term debt for ₹ 52.80 Crores repaid through preferential allotment of shares out of the total long-term repayments for ₹ 86.36 Crores		

Particulars	As at March 31, 2026	As at March 31, 2025
Debt Service Coverage Ratio (e/h)	1.77	1.06
Variance 67.05%		
Reason for Changes more than 25%: Duet to repayment of debt through preferential allotment of shares		
iii) Return on Equity Ratio :		
Net Profit after Taxes (a)	48.95	23.77
Average Equity Shareholder's Fund (b)	289.48	215.71
Return on Equity Ratio (%) (a/b)	16.91%	11.02%
Variance 53.47%		
Reason for Changes more than 25%: Due to Increase in Equity Shares		
iv) Inventory Turnover Ratio :		
Revenue from Operations (a)	489.94	415.07
Average Inventory (b)	150.36	140.00
Inventory Turnover Ratio (times) (a/b)	3.26	2.96
Variance 9.91%		
Reason for Changes more than 25%: Due to Increase in Inventory as per change in Businnes Cycle		
v) Trade Receivables turnover Ratio :		
Annual net Credit Sales (a)	489.94	415.07
Opening Accounts Receivable (b)	125.18	107.23
Closing Accounts Receivable (c)	145.99	125.18
Average Accounts Receivable (d) (b+c/2)	135.59	116.21
Trade Receivables turnover Ratio (Times) (a/d)	3.61	3.57
Variance 1.17%		
Reason for Changes more than 25%: NA		
vi) Trade Payables turnover Ratio		
Cost of Material Consumed	144.86	121.14
Changes in inventories of finished goods WIP and Stock in Trade	(1.36)	(0.63)
Other Expenses	185.79	161.93
Annual net Credit Purchases(a)	329.29	282.43
Opening Accounts Payable (b)	49.42	48.10
Closing Accounts Payable(c)	61.00	49.42
Average Accounts Payable (d) (b+c/2)	55.21	48.76
Trade Payable turnover Ratio (Times) (a/d)	5.96	5.79
Variance 2.96%		
Reason for Changes more than 25%: NA		

Particulars	As at March 31, 2026	As at March 31, 2025
vii) Net Capital turnover Ratio :		
Sales (a)	489.94	415.07
Working capital (Current Assets - Current Liabilities) (b)	95.49	13.00
Net Capital turnover Ratio (a/b)	5.13	31.92
Variance -83.92%		
Reason for Changes more than 25%: Due to Increase in Operational Efficiency & Decrease in Short Term Borrowings		
viii) Net Profit Ratio :		
Profit after Tax (a)	48.95	23.77
Sales (b)	489.94	415.07
Net Profit Ratio (%) (a/b)	9.99%	5.73%
Variance 74.48%		
Reason for Changes more than 25%: Due to Decrease in Operating Expenses		
ix) Return on Capital Employed :		
Profit/ (Loss) before Tax (a)	65.96	32.80
Finance Cost (b)	29.91	32.21
Earnings before Interest and Taxes (c) (a+b)	95.86	65.01
Total Assets (d)	701.49	637.12
Less : Total Liabilities (e)	349.13	410.52
Less : Intangible Assets (f)	20.82	22.24
Tangible Net Worth (g = d-e-f)	331.54	204.36
Deferred Tax Liability (h)	18.22	15.69
Total Debt (i)	224.55	305.12
Capital Employed (j) (g+h+i)	574.30	525.17
Return on Capital Employed (%) (c/j)	0.17	0.12
Variance 34.85%		
Reason for Changes more than 25%: Due to Increase in Profit		
x) Debt - Equity Ratio		
Total Debt (a)	224.55	305.12
Share Capital	12.21	11.20
Reserve and Surplus	340.16	215.40
Shareholder's Equity (b)	352.36	226.60
Debt - Equity Ratio (Times) (a/b)	0.64	1.35
Variance -52.67%		
Reason for Changes more than 25%: Due to Repayment of Debt		
xi) Return on Investments: NA		

The group's subsidiary at 31 March, 2026 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also mentioned in below table.

As on March 31, 2026

Name of entity	% Holding & Country of Incorporation	Net assets i.e. Total assets minus Total Liabilities		Share in Consolidated Profit/loss		Share in Consolidated other comprehensive income		Share in Consolidated Total comprehensive income	
		As % of consolidated Net assets	Amount	As % of consolidated Profit/loss	Amount	As % of consolidated Comprehensive income	Amount	As % of Total consolidated Comprehensive	Amount
Parent:									
RACL Geartech Limited	India	99.93%	352.12	95.26%	46.64	100.00%	0.08	95.27%	46.71
Subsidiaries:									
RACL Geartech GmbH (Wholly owned Subsidiary)	100% Austria	0.29%	1.03	4.90%	2.40	0.00%	-	4.89%	2.40
Intra-group eliminations		-0.23%	-0.80	-0.16%	-0.08	0.00%	-	-0.16%	- 0.08
Total		100.00%	352.36	100.00%	48.95	100.00%	0.08	100.00%	49.03

As on March 31, 2025

Name of entity	% Holding & Country of Incorporation	Net assets i.e. Total assets minus Total Liabilities		Share in Consolidated Profit/loss		Share in Consolidated other comprehensive income		Share in Consolidated Total comprehensive income	
		As % of consolidated Net assets	Amount	As % of consolidated Profit/loss	Amount	As % of consolidated Comprehensive income	Amount	As % of Total consolidated Comprehensive	Amount
Parent:									
RACL Geartech Limited	India	100.95%	228.76	105.63%	25.11	100.00%	- 0.36	105.71%	24.74
Subsidiaries:									
RACL Geartech GmbH (Wholly owned Subsidiary)	100% Austria	-0.75%	-1.69	-7.19%	- 1.71	0.00%	-	-7.30%	- 1.71
Intra-group eliminations		-0.21%	-0.47	1.56%	0.37	0.00%	-	1.58%	0.37
Total		100.00%	226.60	100.00%	23.77	100.00%	-0.36	100.00%	23.40

54 Trade receivables outstanding

As at 31st March 2026

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	124.90	21.34	0.90	-	-	-	147.14
(ii) Undisputed Trade Receivables—which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables—credit impaired	-	-	1.15	-	-	-	1.15
Total	124.90	21.34	2.06	-	-	-	148.30
Provision for doubtful debts (Expected credit loss)			1.15				1.15

As at 31st March 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables—considered good	84.62	40.40	0.16	-	-	-	125.18
(ii) Undisputed Trade Receivables—which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables—credit impaired	-	-	-	-	-	-	-
Total	84.62	40.40	0.16	-	-	-	125.18

The amount repayable under the bill discounting arrangement is presented as borrowing. The relevant carrying amounts are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables	4.20	14.70
Associates secured borrowing (bill discounting)	4.20	14.70

55 Trade Payable outstanding

As at 31st March 2026

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)	12.31	-	-	-	-	12.31
(ii) Others	48.69	-	-	-	-	48.69
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

As at 31st March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME (Micro & Small Enterprise)	6.19	-	-	-	-	6.19
(ii) Others	34.46	8.77	-	-	-	43.23
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

56 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
	Other Financial Assets				Security Deposit have been regrouped from other financial assets to other non current assets
	Security Deposits with landlord against rented premises & Others	0.70	-0.52	0.18	
	Capital Advances for Machineries				
	Security Deposits with landlord against rented premises	-	0.52	0.52	

b.	Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
	Finance Cost				Interest Expense have been regrouped to sub Groups
	Interest Expenses	27.32	-27.32	-	
	Finance Cost				
	Interest on Term Loan	-	13.90	13.90	
	Interest on Vehicles Loans		0.16	0.16	
	Interest on Unsecured Loan	-	0.21	0.21	
	Interest on Pre-Shipment Facilities	-	5.12	5.12	
	Interest on Cash Credit Facilities	-	5.84	5.84	
	Interest on Post Shipment Facilities	-	1.36	1.36	
	Interest on Lease Liabilities	-	0.73	0.73	

c.

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Employee Benefits Expenses				Contribution to Statutory Funds have been Regrouped from Salary & Incentives to Employer's Contribution to Provident and Others Fund
Salary & Incentives	40.41	-1.18	39.23	
Particulars				
Employer's Contribution to Provident and Others Fund	0.54	1.18	1.72	

d.

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Depreciation and Amortisation				Depreciation on Right to use have been Regrouped from Depreciation on Property, plant and equipment assets to Depreciation on Right to use
Depreciation on Property, plant and equipment assets	29.81	-1.39	28.42	
Depreciation and Amortisation				
Depreciation on Right to use	-	1.39	1.39	

e.

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Other Expenses				Stores & Spares Consumed have been regrouped to Power, Oil & Lubricants and LPG for furnance
Stores & Spares Consumed	13.11	-0.40	12.71	
Other Expenses				
Power, Oil & Lubricants & LPG for furnance	26.01	0.40	26.41	

f.

Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
Other Expenses				R&M have been regrouped from R&M (Others) to R&M (P&M)
Repairs & Maintainance -Others	0.40	-0.20	0.20	
Other Expenses				
Repairs & Maintainance (Plant & Machinery)	4.76	0.20	4.96	

g.	Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
	Other Financial liabilities - Current				Cash Credit Facilities have been regrouped from Other Payable to Cash Credit
	Other payables	10.50	-3.57	6.93	
	Borrowing Short Term				
	Cash Credit (Refer foot note-1)	82.73	3.57	86.30	

h.	Particulars	Earlier Classification	Reclassification	Current Classification	Remarks
	Employee Benefits Expenses				Expenses in Profit & Loss Statement have been regrouped between Employee Benefits Expenses, Finance Cost and other Expenses
	Staff Welfare Expenses	1.70	0.13	1.83	
	Finance Cost				
	Foreign Exchange Rate Fluctuation on Long Term Borrowings Net Loss	0.19	2.35	2.54	
	Other Expenses				
	Travelling & Conveyance	1.25	-0.02	1.23	
	Vehicle Running and Maintenance	0.98	-0.28	0.70	
	Misc Expenses	3.36	-0.78	2.58	

57 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.

58 Other Statutory Information

- There are no proceedings initiated or pending against the group under Section 24 of the Prohibition of Benami Property Transactions Act, 1988 and rules made there under for holding any benami property.
- The Group 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.
- The Group 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.
- The Group has not entered into any scheme of arrangement in terms of Sections 230 to 237 of the Companies Act, 2013.
- The Group has not traded or invested in Crypto currency or Virtual Currency during the reporting periods.
- The Group has not been sanctioned working capital limit in the form of term loans and overdraft facilities.
- There is no immovable property in the books of the Group whose title deed is not held in the name of the Group.
- The Group has borrowings from banks or financial institutions and the Group 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 Group 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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- x) No funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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 Group is not a Core Investment Company (CIC) and does not have any CIC as defined in the regulations made by the RBI.
- xii) The Group has not been declared as willful defaulter by any bank or financial Institution or other lender.
- xiii) The Group 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.

59 Audit Trail

The Group uses an accounting software called Terms MAWAI up to 30th September 2025 and with effect from 1st October 2025, the Group transitioned to a new accounting software named GoERP for the maintenance of its books of account, both Software applications 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, 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 Group as per the statutory requirements for record retention.

60 Amendment in existing Labour Laws:

On November 21, 2025, The Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and working Conditions Code, 2020 - consolidation 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to change in regulations. The Group has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. The Impact of change in labour codes is presented under exceptional items during the year which amounts to ₹ 22,41,403.00.

61 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2026, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 applicable to the company w.e.f. 1st April, 2025.

(i) Amendments to Ind AS 21 - Lack of exchangeability

The amendment requires the Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1st April 2025. When applying the amendments, an entity cannot restate comparative information. The amendments do not have a material impact on the Consolidated Financial Statements.

(ii) Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a longterm loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments do not have a material impact on the Consolidated Financial Statements.

(iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of consolidated financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments do not have a material impact on the Consolidated Financial Statements.

(iv) International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026. The amendment had no impact on the Consolidated Financial Statements as the Group is not in scope of the Pillar Two model rules.

62 Approval of Financial Statements

The Consolidated financial Statement are approved for issue by the Board of Directors on 26th May, 2026.

Notes form intergral part of the Financial Statements

As per our report of even date attached

For Gupta Nayar & Co.

Chartered Accountants
FRN 004661N

Satyabhama Gupta

(Partner)
M.No : 073295

Place : Delhi

Date : May 26, 2026

GURSHARAN SINGH

(Chairman & M.D.)
DIN: 00057602

HPS BEDI

(Director)
DIN : 05217488

JITENDER JAIN

(CFO)

NEHA BAHAL

Company Secretary
ICSI Mem. No. 40272

By Order of the Board for RACL Geartech Ltd

NARINDER PAUL KAUR

(Director)
DIN: 02435942

MALINI BANSAL

(Director)
DIN : 00167993

RAKESH KAPOOR

(Director)
DIN : 000153587

PRAVIR KUMAR

(Director)
DIN: 00671671

ANIL SHARMA

(Director)
DIN : 00157911

JAGDISH KESWANI

(Director)
DIN: 02146267

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, 2025 to 31st March, 2026

Sl. No.	Particulars	RACL Geartech GmbH, Austria
1.	Reporting currency	Euro
2.	Exchange rate	<u>EURO/INR</u> 105.72 As on March 31 st , 2026
3.	Share capital	100000.00
4.	Reserves and surplus	-70894.63
5.	Total assets	800068.85
6.	Total Liabilities	800068.85
7.	Investments	1012.52
8.	Turnover	3215792.14
9.	Profit before taxation	239420.99
10.	Provision for taxation	(19275.86)
11.	Profit after taxation	220145.13
12.	Proposed Dividend	-
13.	Percentage of shareholding	100%

- Names of subsidiaries which are yet to commence operations. NIL
- 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: May 26, 2026

MR. GURSHARAN SINGH
CHAIRMAN & MANAGING DIRECTOR
DIN: 00057602

MR. JITENDER JAIN
CHIEF FINANCIAL OFFICER

[illegible]

BEYOND MANUFACTURING: BUILDING MORE THAN A BUSINESS



Running a Charitable Health Center in partnership with Max Hospitals for local population near Gajraula plant.



Funding education of around 500 students from under privileged background in Noida.



Donation of Benches to Schools in Amroha - Making Every Classroom More Welcoming



Empowering Women through Skill Development for Greater Independence

EXPANDING ACROSS GLOBAL MARKETS



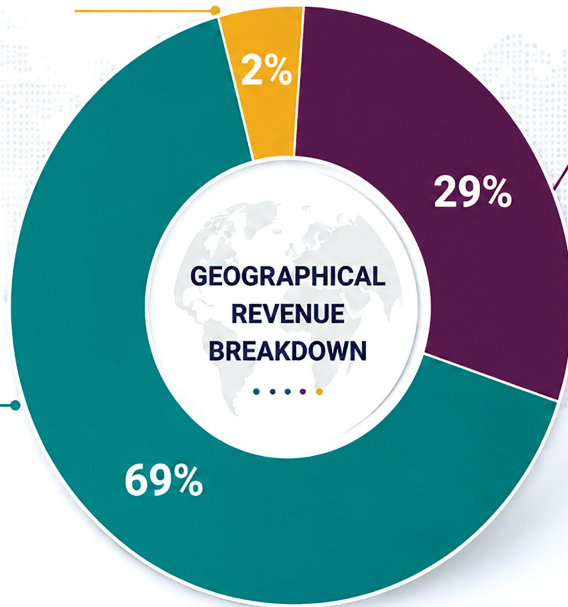
USA & CANADA 2%

Strengthening our footprint through focused initiatives and customer engagement.



EUROPE 69%

Our largest revenue contributor, driven by strong partnerships and market leadership.

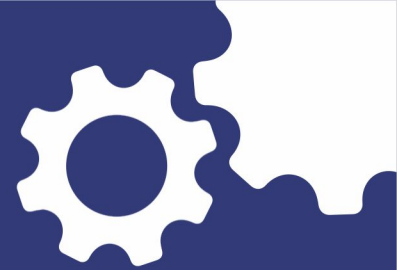


INDIA & ASIA PACIFIC 29%

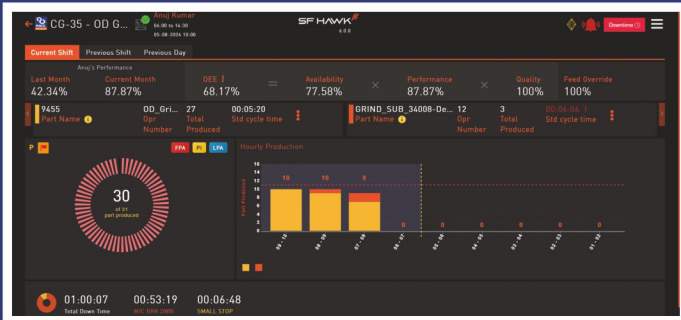
A growing region with significant opportunities and continued momentum.

CUSTOMER SEGMENTATION

									
	Total Sales (INR)								
FY 2021-22	Rs 275.10 Cr	49%	02%	19%	N/A	02%	18%	07%	03%
FY 2022-23	Rs 367.34 Cr	47%	03%	16%	06%	05%	17%	04%	02%
FY 2023-24	Rs 415.27 Cr	44%	03%	17%	09%	09%	12%	03%	02%
FY 2024-25	Rs 424.99 Cr	39%	01%	13%	13%	17%	11%	03%	02%
FY 2025-26	Rs 512.42 Cr	30%	01%	18%	13%	20%	10%	03%	05%



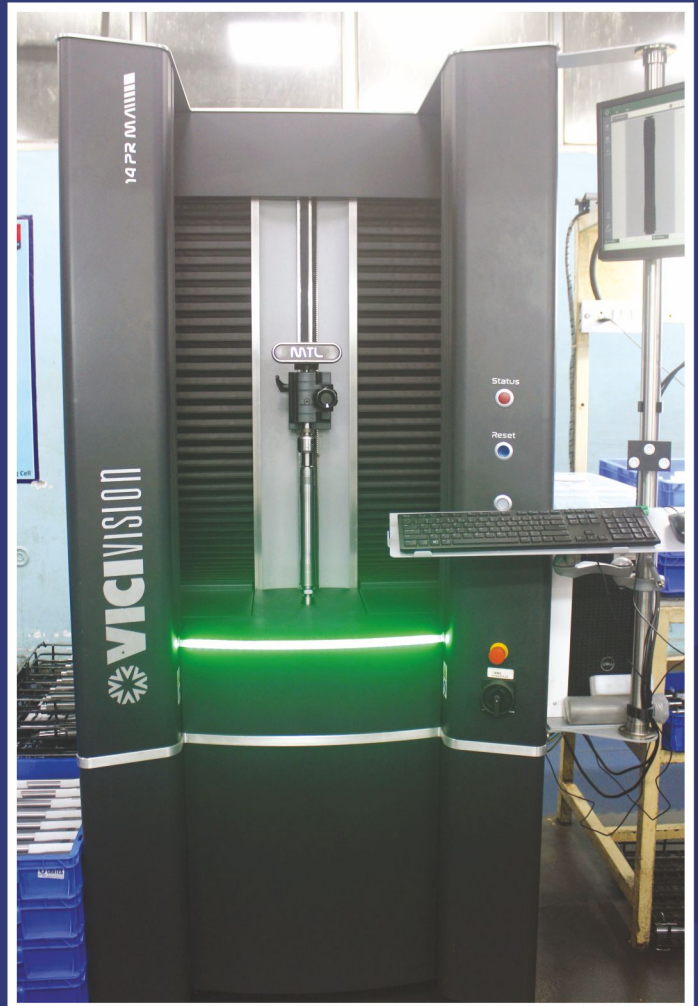
Engineering Complexity. Enabling Innovation. Shaping the Future with AI.



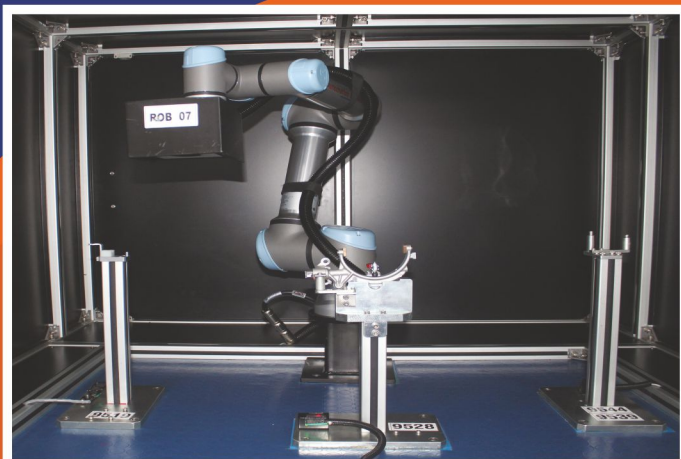
AI based digital monitoring of performance of manufacturing equipments



Robotic Marking Station for end to end process traceability



AI based optical shaft measuring equipment



Cobot based Visual Inspection for complex sub assemblies



Assembly Station with camera based 100% mistakes proofing solution

OUR GLOBAL FOOTPRINT

Built around strong customer partnership with modern and sustainable manufacturing capabilities



Contact us:

Registered office:

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Website: www.raclgeartech.com, **E-mail:** info@raclgeartech.com

Corporate office:

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Unit 2-Noida

C-32, Sector-80, Noida, Uttar Pradesh, India-201305