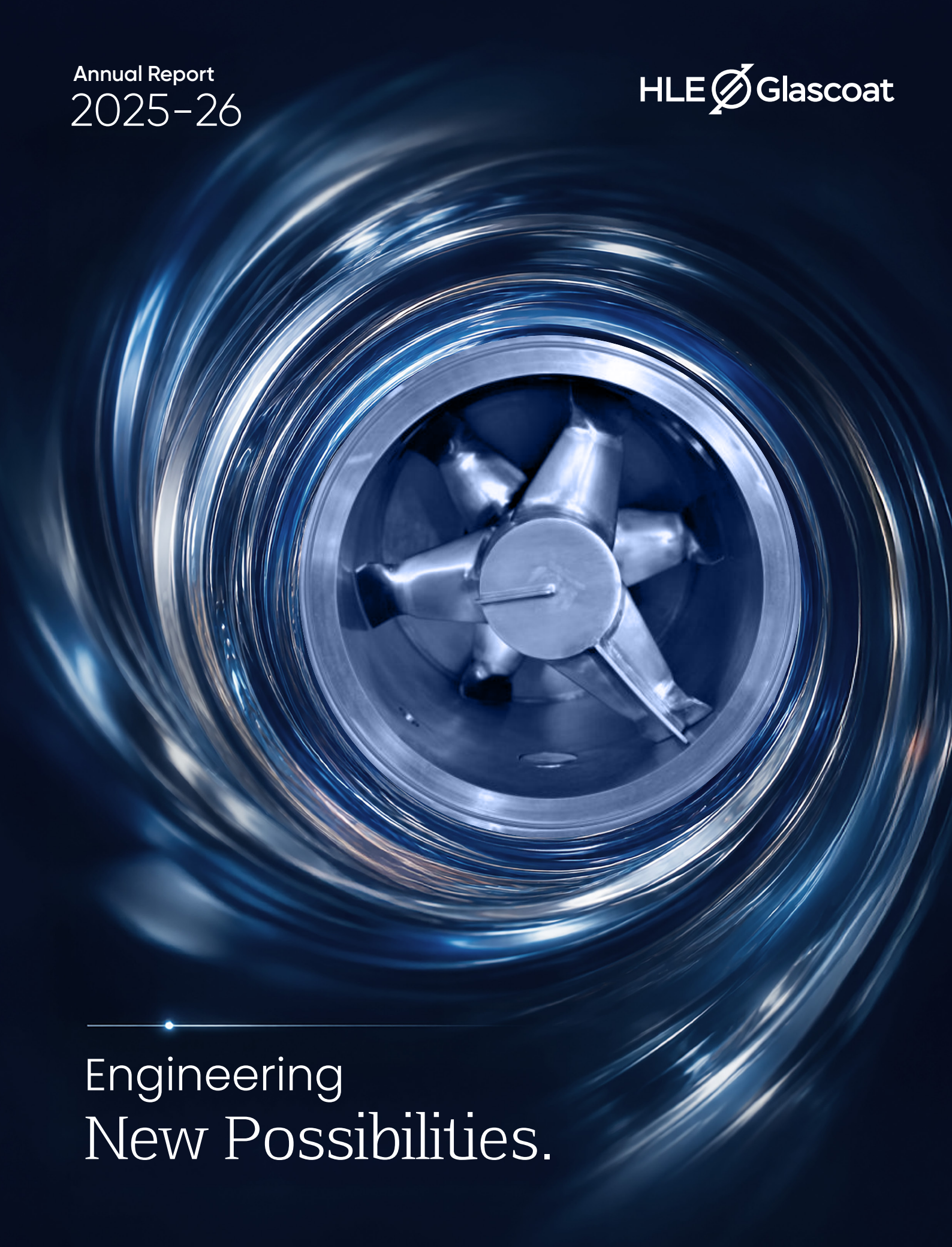
Annual Report
2025-26

HLE Glascoat



Engineering New Possibilities.

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FY 2025-26 Highlights

₹ 1,353.0 Cr
Revenue from Operations

₹ 618.2 Cr
Consolidated Net Worth

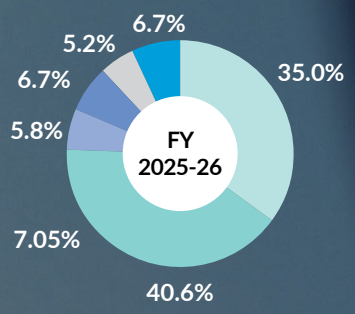
₹ 148.5 Cr
EBITDA

₹ 56.6 Cr
PAT

₹ 681.6 Cr
Order Book as of March 31, 2026

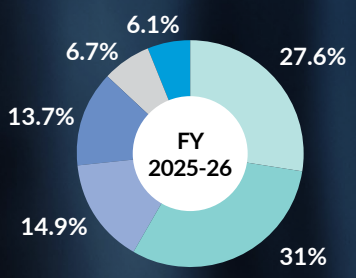
(providing visibility of 10 months for International business and 4 months for the Indian business)

Industry-wise Revenue Break-up (%)



- API & Pharma
- Speciality Chemicals
- Agrochemicals and Fertilizers
- Energy & Infrastructure
- Petrochemicals
- Others

Product-wise Revenue Break-up (%)



- Filters and Dryers
- Reactors
- Heat Exchangers
- Spares and Service
- GFS Tanks & Panels
- Other Equipment

Engineering New Possibilities

For over four decades, we have been defined by a singular pursuit, engineering equipment that helps industries handle their most demanding processes safely, precisely, and reliably. What began with filtration and drying equipment for India's chemical and pharmaceutical sectors has, over time, grown into something far broader: a platform capable of solving problems across geographies, technologies, and industries.

FY 2025-26 marks a defining chapter in this journey. Through the continued integration of Thaletec's glass-lined technology leadership, Kinam's heat transfer expertise, and the newly acquired Omeras platform, our engineering capabilities have extended well beyond their traditional boundaries, into oil and gas, petrochemicals, infrastructure, storage systems, water applications, biogas, and renewable-linked opportunities. Each of these represents not just a new product line, but a new possibility: a new problem that engineering can now be trusted to solve.

This expansion has not come at the cost of focus. If anything, FY 2025-26 has been a year of bringing these diverse strengths together, integrating people, technologies, and geographies into a more unified, resilient platform. It is this convergence of depth and breadth that positions us uniquely today: equally capable of engineering a glass-lined reactor for a pharmaceutical customer in Europe, or a biogas digestion tank for a renewable energy project closer home.

As industries continue to evolve, pushed by sustainability imperatives, infrastructure modernisation, and the pursuit of more efficient, reliable processes, the possibilities for engineering to make a meaningful difference only continue to grow. For us, that has meant looking past familiar boundaries, and continuing to engineer new ones.

HLE Glascoat at a glance

Taking Deep Expertise Into New Territory

At HLE Glascoat, complexity is where we operate best. We engineer process equipment and solutions where precision, safety and consistency are non-negotiable.

Over four decades, we have built deep expertise across filtration and drying systems, glass-lined equipment, and heat transfer solutions. Today, we lead India's filtration and drying segment and are among the world's leading manufacturers of glass-lined equipment. As the largest global producer of Agitated Nutsche Filter Dryers (ANFDs), our equipment supports critical chemical processes at scale.

What defines us is not just what we make but how we think. We design every system with a clear understanding of the process it must serve, aligning engineering, materials and manufacturing to deliver long term performance. This process-led approach has earned us enduring partnerships across geographies and industries.

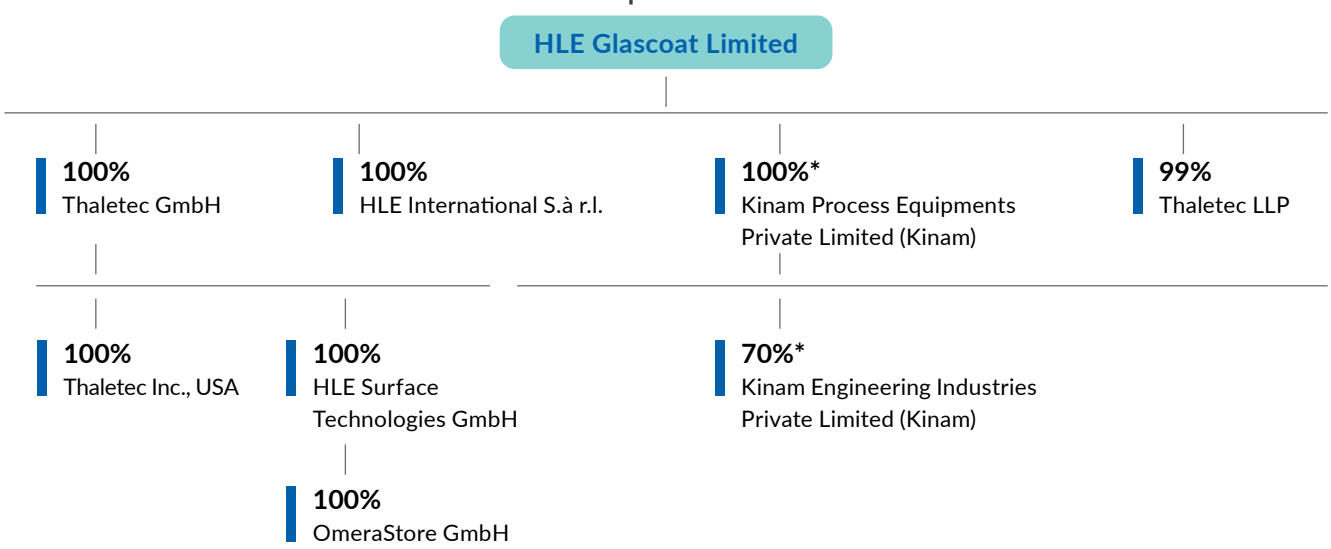
Our growth has been shaped by deliberate capability-building. The addition of advanced glass-lining technology and global engineering expertise has strengthened our core. The majority acquisition of Kinam Engineering expanded our platform into high-specification heat transfer and exotic metal fabrication, enabling us to serve demanding sectors such as energy, oil & gas, and defence.

With a strong legacy behind us and a clear view of what lies ahead, we continue to invest in technology, manufacturing depth, and talent, building an engineering platform designed for the next phase of industrial growth.

Strong Parentage

We are part of the Patel Group of Companies, founded in 1951 by the late Dr. Khushalbhai H. Patel. The Group's pioneering role in India's chemical and engineering sectors continues to influence how we build, govern, and grow, with a long-term view and a commitment to technical excellence.

Group Structure



*HLE Glascoat holds 35.56% stake directly and 34.44% stake through its wholly owned subsidiary Kinam Process Equipments Private Limited in Kinam Engineering Industries Private Limited

Notes: (i) The Company completed the acquisition of 70% ownership in Kinam Engineering, effective August 7, 2023, pursuant to the approval granted by the Hon'ble NCLT on August 14, 2025, for the Scheme of Amalgamation of Kinam Enterprise Private Limited with the Company. (ii) The acquisition of HLE Surface Technologies GmbH is effective from July 28, 2025. (iii) The acquisition of OmeraStore GmbH is effective from August 13, 2025.



Vision

To be the industry reference for excellence in engineering while being socially and environmentally responsible

Mission

To achieve heights of transparent excellence in providing world-class affordable engineering solutions consistent with cutting-edge innovation

Values

Ownership

We act as owners and passionately drive organisational success

Agility

We respond quickly and decisively to situations and requirements of all stakeholders

People Care

We value our people and create an environment for them to flourish

Walk the Talk

We do what we say. Commitment is an act, not just a word for us

Customer-Centricity

We put customer at the centre of everything that we do

Excellence

We continually set higher benchmarks in everything we do and strive to succeed

Key Numbers that Define our Legacy

40+
Years of experience in filtration and drying equipment, being the largest player in India as well as globally

6
Manufacturing facilities

5,000+
Equipment p.a.

125+
Years of experience in glass-lined equipment, being one of the largest players in India

1,358
Employees

30,000+
Installations in the last decade

45+
Years of experience in heat exchangers equipment, one of the leading players in India

Largest
Manufacturer of ANFD's globally

>50%
Market share in filtration and drying equipment manufacturer in India

Competitive Edge

Engineering the Capability Behind Every Possibility

We build our competitive edge through focused investments in technology, engineering capability, and manufacturing systems, delivering precision-built solutions for complex chemical and pharmaceutical processes.

By integrating design, testing, and production within a single ecosystem, we operate as an engineering partner, enabling faster development, higher accuracy, and dependable long-term performance.

Core Differentiators

Chemical Engineering Solution Providers and not just Equipment Manufacturers

Pilot Plant and R&D Facility

Our pilot plant and R&D facility at Maroli enable customers to conduct detailed trials on ANFDs and Rotary Vacuum Paddle Dryers (RVPDs) before scale-up. Supported by strong chemical engineering capabilities, the facility also offers end-to-end process development and scale-up support across a wide range of chemical applications.

Fully-equipped Application Centre

Our application centre supports exte\struction, supported by utilities such as steam, air, vacuum, and chilling, along with an analytical laboratory featuring High-Performance Liquid Chromatography (HPLC), Gas Chromatography (GC), and spectrophotometry.

Design and Engineering Capabilities

Our design and engineering team operates on an integrated 3D CAD/CAM platform, enabling efficient product lifecycle management and first-time-right designs. The team works across global design codes and standards, delivering high levels of customisation with faster turnaround times.

Special Purpose Machines (SPMs) and Tooling

We optimise fabrication through SPMs designed and developed in-house by our process engineering teams. These machines reduce manual effort, improve repeatability, and provide the flexibility required for customised and complex equipment manufacturing.

Unmatched Welding Capability

Our manufacturing facilities are equipped with state-of-the-art robotic welding systems, supported by a team of over 200 qualified welders. This combination significantly reduces manhours while ensuring consistent, repeatable, and high-quality welding performance.

Precision Machining Capability

Our precision machining strength is driven by a blend of large conventional machine tools and advanced CNC machines. This setup reduces machining time while delivering high accuracy, consistency, and repeatability across complex components.

Productivity Management and Production Planning

Our in-house IT teams develop and deploy customised digital solutions for production planning, scheduling, and productivity management. These systems enable accurate control of manhour costs and support reliable, on-time delivery of customer orders.

Marquee Clientele

Our solutions are trusted by leading organisations across:



Expanding clientele base with diversified industries:



Engineering Beyond the Familiar

Our engineering journey is increasingly defined by the ability to take on more complex requirements, develop new configurations and translate specialised customer needs into solutions. During FY 2025-26, this capability was demonstrated through a series of First-of-a-kind (FOAK) products, larger-capacity equipment and specialised designs, extending the boundaries of what we can engineer and manufacture.





From the first Alloy C-22 400-litre Orbicular Dryer and first 600-litre Twin Shaft Paddle Dryer to India's first Titanium ANFD, we expanded our ability to work with demanding materials, configurations and applications. We also developed a Twin Shaft Paddle Dryer for continuous or batch drying of sticky and viscous materials, while delivering our largest 5 KL Heli Cone Dryer with advanced features.

Our capabilities also extended to specialised and export requirements. These included an 8.3 KL ANFD with the largest 2.8-metre conical bottom in a detachable ANFD, a 10 KL RapiDisc Dryer for export, a 3 KL detachable-bottom ANFD featuring interchangeability of all sub-components across eight bottom assemblies, and our largest ANFD manufactured to date at 30,000 KL capacity.

From Product Capability to Engineering Possibility

The breadth of these developments reflects a wider shift in our engineering proposition, from manufacturing established equipment to developing solutions around increasingly specific, complex and evolving customer requirements. Our ANFDs in both stainless steel and Hastelloy continued to see strong preference through the year, underpinned by our manufacturing quality, alongside growing traction for our newly launched dryers.

Our glass-lined equipment business also advanced meaningfully, with Thaletec Reactors, the launch of the WTU range of Shell & Tube Condensers, and a strengthening preference for the HLE brand among customers. FY 2025-26 also saw the onboarding of some of India's largest Contract Development and Manufacturing Organisation (CDMO) players as new customers, alongside larger volumes from several long-standing relationships, many of whom now draw on both our glass-lined and filtration & drying portfolios together.

Our Maroli facility combines design, fabrication, welding, machining and process capabilities, supported by specialised tooling and customised systems. The broader HLE manufacturing ecosystem also includes advanced facilities at Anand and Silvassa, including automated manufacturing, robotic welding, CNC-based operations and SCADA-controlled glass-lining furnaces.



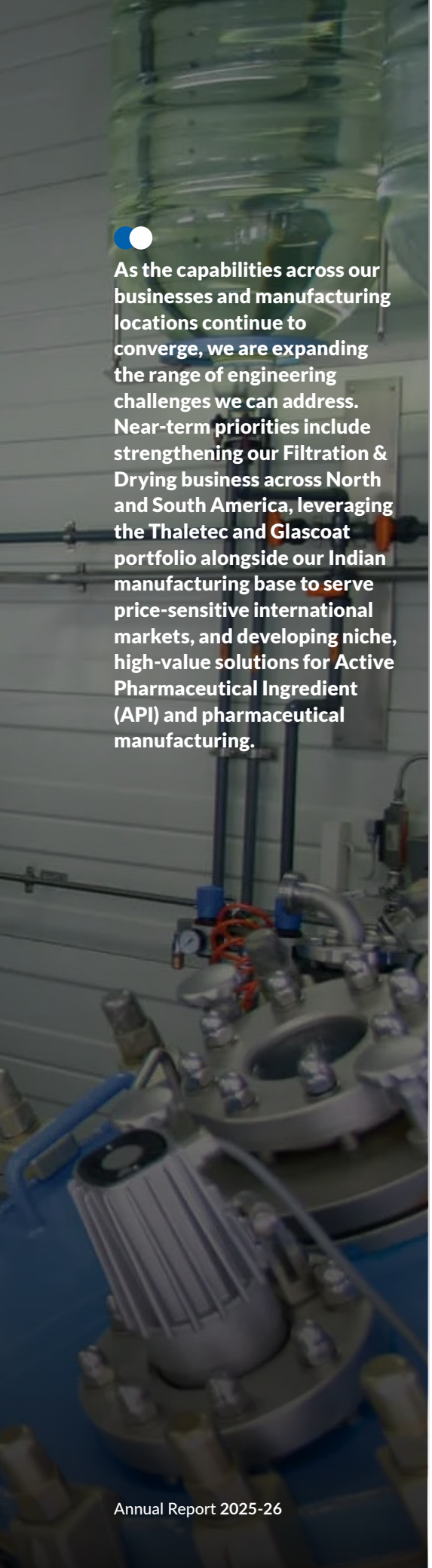
FY 2025-26 Engineering Milestones

India's First
Titanium ANFD

5 KL
Largest Heli Cone Dryer

10 KL
Largest export RapiDisc Dryer

8.3 KL
ANFD with 2.8-metre conical bottom



As the capabilities across our businesses and manufacturing locations continue to converge, we are expanding the range of engineering challenges we can address. Near-term priorities include strengthening our Filtration & Drying business across North and South America, leveraging the Thaletec and Glascoat portfolio alongside our Indian manufacturing base to serve price-sensitive international markets, and developing niche, high-value solutions for Active Pharmaceutical Ingredient (API) and pharmaceutical manufacturing.

Building an Integrated Engineering Ecosystem

FY 2025-26's engineering advances were reinforced by the continued integration of Thaletec, Kinam Engineering, and Omeras into the Group's broader capability base.

Thaletec has strengthened our positioning as a premium, comprehensive supplier of glass-lined equipment. It expands our portfolio with new agitator profiles, specialised glasses, and heat transfer solutions, while opening a path to serve price-sensitive international markets currently held by European and/or Chinese suppliers.

Kinam Engineering brings complementary customer relationships, market intelligence, and sales channels, enabling cross-selling of heat transfer products across both customer bases and opening entry into petrochemicals, refineries, fertilisers, and power.

Omeras and HLE Surface Technologies add specialised surface-engineering capabilities to the Group, with India-based manufacturing offering a competitive proposition for Middle East and European markets in emerging applications such as biogas, biofuels, and water treatment.

Extending into New Sectors and Geographies

Together, these capabilities are opening the door to new sectors and markets:

- Glass-lined equipment into pharma, contract manufacturing, speciality chemicals, and the retrofit and replacement of large installed bases across South-East Asia, Russia, and select European markets,
- Heat transfer solutions into petrochemicals, refineries, power, and fertilisers, and
- Surface-engineering solutions into biogas, biofuels, water and wastewater treatment, and sludge recovery, particularly across the Middle East

Momentum Across Regions

In North and West India, FY 2025-26 was a year of re-establishing and deepening relationships with major customers, marked by larger volumes from existing accounts and new additions including some of India's largest CDMO players. Growth was visible across both the glass-lined and filtration & drying verticals, the latter driven by continued preference for HLE's ANFDs and newly launched dryers.

South India saw growth led by API and intermediates manufacturing, alongside rising activity from CDMO and contract manufacturers, both new and established, and increasing penetration of the Thaletec range of products across the region.

Looking Ahead

As the capabilities across our businesses and manufacturing locations continue to converge, we are expanding the range of engineering challenges we can address. Near-term priorities include strengthening our Filtration & Drying business across North and South America, leveraging the Thaletec and Glascoat portfolio alongside our Indian manufacturing base to serve price-sensitive international markets, and developing niche, high-value solutions for API and pharmaceutical manufacturing. We are also exploring adjacent solutions, including material handling, powder transfer, and containment solutions, through in-house development and technology partnerships, with the broader goal of offering more complete process packages spanning equipment, drives, skids, instrumentation, and accessories.

Product Portfolio

Where Every Process Finds Its Solution

Our product portfolio reflects its ability to address complex process requirements across the chemical, pharmaceutical, and allied industries. Spanning storage, reaction, heat transfer, refining, filtration, and drying, each solution is engineered for precision, reliability, and scalability. Backed by continuous innovation and deep process understanding, the portfolio is designed to meet evolving industry standards while delivering consistent value across global markets.



Filtration and Drying Equipment

We offer a comprehensive range of filtration and drying equipment engineered to meet diverse process requirements across chemical applications. Each solution is customised to ensure optimal performance, operational efficiency, and process integrity.

Products

Agitated Nutsche Filter-Dryers (ANFD)
Enables vacuum-based solid–liquid separation with contamination-free drying and efficient solvent recovery.

Rotary Vacuum Paddle Dryers (RVPD)
Ensures gentle, uniform drying of heat-sensitive materials under vacuum with high energy efficiency.

Kilo-Lab Filter Dryers
Compact, multipurpose systems ideal for pilot-scale and development batches.

RapDisc Dryer (Patent-pending)
HLE innovation that nearly doubles drying capacity within the same footprint, redefining paddle drying performance.

Orbicular Dryer
Premium drying solution for sensitive pharmaceutical products, designed for superior cleanability and faster changeovers.

Twin-shaft Continuous Vacuum Dryer
Offers continuous drying of a constant stream of product, offering reliable and cost-efficient vacuum drying in a compact footprint.

End-user industries

Agrochemicals | Speciality & fine chemicals | Dyes, pigments & intermediates | APIs | Pharmaceuticals | Nutraceuticals | Food

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Glass-Lined Equipment

Our glass-lined equipment portfolio supports a wide range of chemical and pharmaceutical processes, enabling critical operations such as storage, reaction, heat exchange, filtration, and drying. Designed for durability and process safety, these solutions are trusted across industries.

Products

Glass-Lined Reactors
Designed as per DIN 28136 standards, available from 63 litres to 50,000 litres for flexible process scaling.

Glass-Lined Storage Vessels & Receivers
Horizontal and vertical configurations for storage, receiving, and specialised applications such as bromine handling, ranging from 50 to 65,000 litres.

Glass-Lined Heat Exchangers
Plate-type, shell-in-shell and shell-and-tube designs with heat transfer areas of 4–20 sq. m, built for long service life in corrosive duties, offering best-in-class heat transfer coefficients.

Glass-Lined Columns
Manufactured up to 2.4 metres in diameter and 6 metres in length, supported by dedicated infrastructure with over 500 installations across India.

End-user industries

Agrochemicals | Speciality & fine chemicals | Dyes & intermediates | APIs | Pharmaceuticals | Nutraceuticals | Food

Exotic Metal Equipment

Leveraging deep expertise in exotic metals and alloys, we are a trusted partner for manufacturing specialised equipment for demanding and high-pressure applications.

Products

Customised Exotic Metal Fabrication

Equipment fabricated using Hastelloy® (C-276, C-22, C-2000), Inconel, Monel, Nickel, Titanium, and other alloys.

Capable of manufacturing units up to 75 mm thickness, 4.5 metres in diameter, and 60 MT in weight.

End-user industries

Agrochemicals | Speciality & fine chemicals | Dyes & intermediates | Bulk chemicals | Pharmaceuticals | Oil & gas | Mineral processing | Aerospace | Marine

GMP Pharma Models

Our GMP-compliant equipment is purpose-built to meet stringent pharmaceutical requirements. These solutions are optimised to minimise product hold-up, ensure ease of cleaning, and enable faster batch changeovers.

Products

cGMP Agitated Nutsche Filter Dryers (ANFD)

Designed with detachable bottoms, double-lip sealing, and zero product hold-up for efficient batch transitions.

cGMP Rotary Vacuum Paddle Dryers (RVPD)

Cantilever design allows quick access and supports sterile, contamination-free drying.

cGMP Glass-Lined Reactors

Manufactured using pharma-grade glass for superior chemical resistance and ultra-smooth, non-corrosive surfaces.

End-user industries

APIs | Pharmaceuticals | Nutraceuticals | Food

Heat Transfer Solutions

Following the acquisition of Kinam Engineering, we expanded our heat transfer solutions portfolio to address demanding applications across pharma, petrochemicals, and fertilisers, with a focus on efficiency and space optimisation.

Products

Shell & Tube Heat Exchangers (STHE)
Robust and versatile industrial heat transfer solutions.

Corrugated Tube Heat Exchangers (CTHE)
30–50% higher efficiency with reduced fouling.

Spiral Heat Exchangers
Self-cleaning design for viscous and fouling-prone fluids.

Plate Heat Exchangers (K-PEX)
Compact, efficient, and easy to maintain.

Box Heat Exchangers
Space-saving condenser units with high condensation efficiency.

HeliKorr Heat Exchangers
Combines helical baffles with corrugated tubes for enhanced heat transfer.

KCS – Kinam's Condensing System
Integrated, pharma-ready condensing solution with a compact footprint.

End-user industries

Pharmaceuticals | Petrochemicals | Fertilisers | Paints & coatings | Food flavours | Textiles | Steel

Product Expansion

FY 2025-26 marked a significant expansion of our product portfolio through the acquisition of Omeras GmbH, adding three new product lines built around glass-fused-to-steel (enamelled) technology.

Products

Storage Tanks and Silos
Modular, bolted-construction tanks ranging from 8 m^3 to over 20,000 m^3, used for potable water, wastewater, sludge, animal feedstock, and grain storage.

Architectural Panels
Enamelled panels used in tunnel cladding, transit stations and airports, and building facades, valued for durability, low maintenance, and design flexibility.

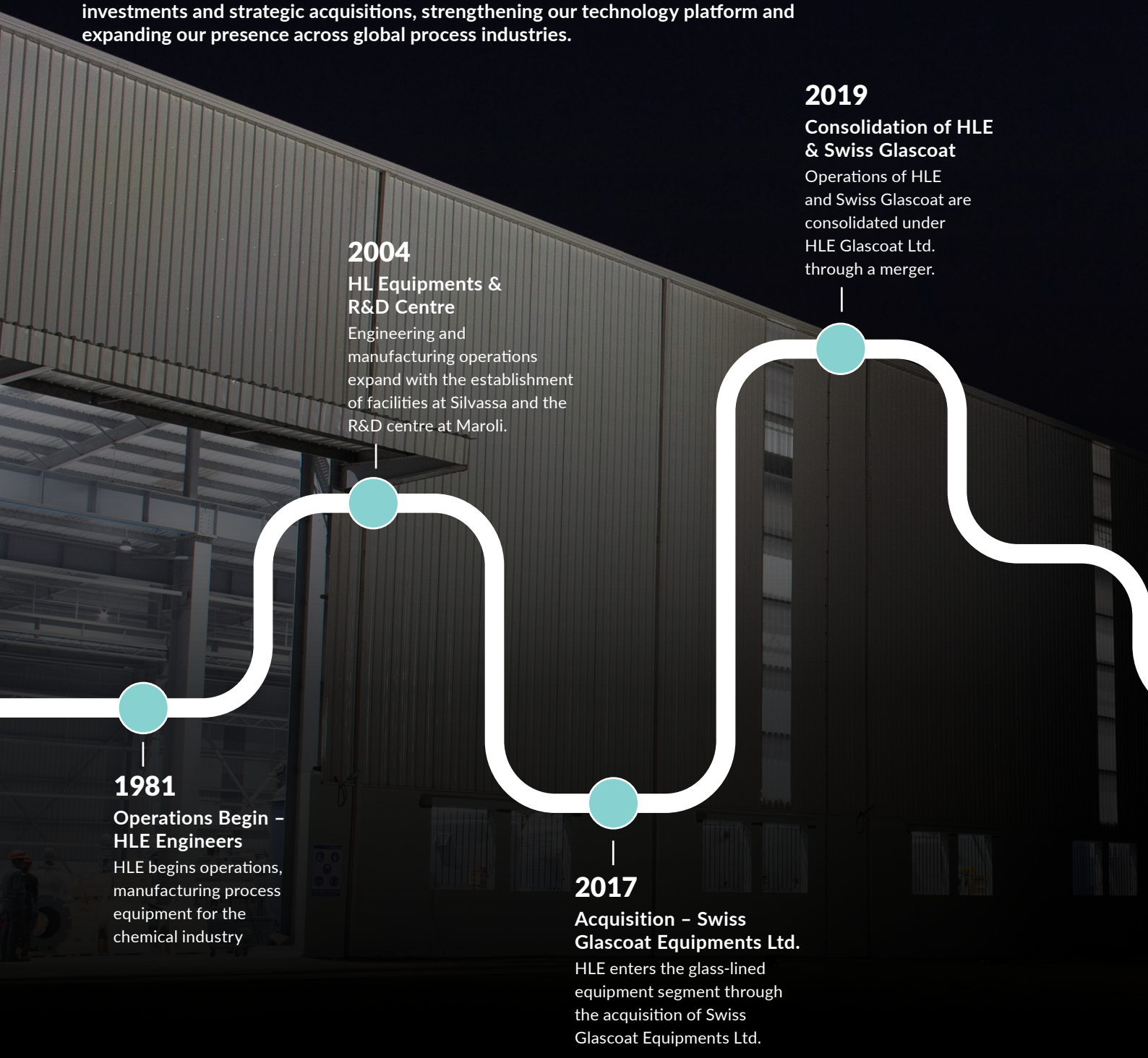
Biogas Digestion Tanks
An emerging global opportunity, leveraging the corrosion-resistant properties of glass-fused steel for biogas digesters and related renewable energy applications.

These additions extend the Company's engineering capabilities beyond process equipment into infrastructure, storage, and renewable-energy-linked applications, opening cross-selling opportunities across HLE's existing customer base in the chemical and API industries.

Journey

Milestones That Built New Possibilities

Our journey has been shaped by a clear focus on engineering excellence, capability building, and long-term value creation. Over the years, we have evolved through deliberate investments and strategic acquisitions, strengthening our technology platform and expanding our presence across global process industries.



1981

Operations Begin – HLE Engineers

HLE begins operations, manufacturing process equipment for the chemical industry

2004

HL Equipments & R&D Centre

Engineering and manufacturing operations expand with the establishment of facilities at Silvassa and the R&D centre at Maroli.

2017

Acquisition – Swiss Glascoat Equipments Ltd.

HLE enters the glass-lined equipment segment through the acquisition of Swiss Glascoat Equipments Ltd.

2019

Consolidation of HLE & Swiss Glascoat

Operations of HLE and Swiss Glascoat are consolidated under HLE Glascoat Ltd. through a merger.

2021

Acquisition – Thaletec GmbH

HLE Glascoat acquires Thaletec GmbH, a global leader in advanced glass-lining technology.

2022

Greenfield Plant at Silvassa

HLE Glascoat augments its Filtration & Drying Equipment capacity.

2023

Acquisition – Kinam Engineering Industries

HLE Glascoat acquires Kinam Engineering Industries, strengthening its presence in heat transfer equipment.

2025

Acquisition – Omeras (Omeras GmbH & OmeraStore GmbH)

HLE Surfaces Technologies (HLE's Subsidiary) acquires the global business of Omeras GmbH and a 100% ownership stake in OmeraStore GmbH.

Formation of Thaletec LLP (India)

HLE Glascoat forms Thaletec LLP, strengthening its glass-lined solutions platform.

2026

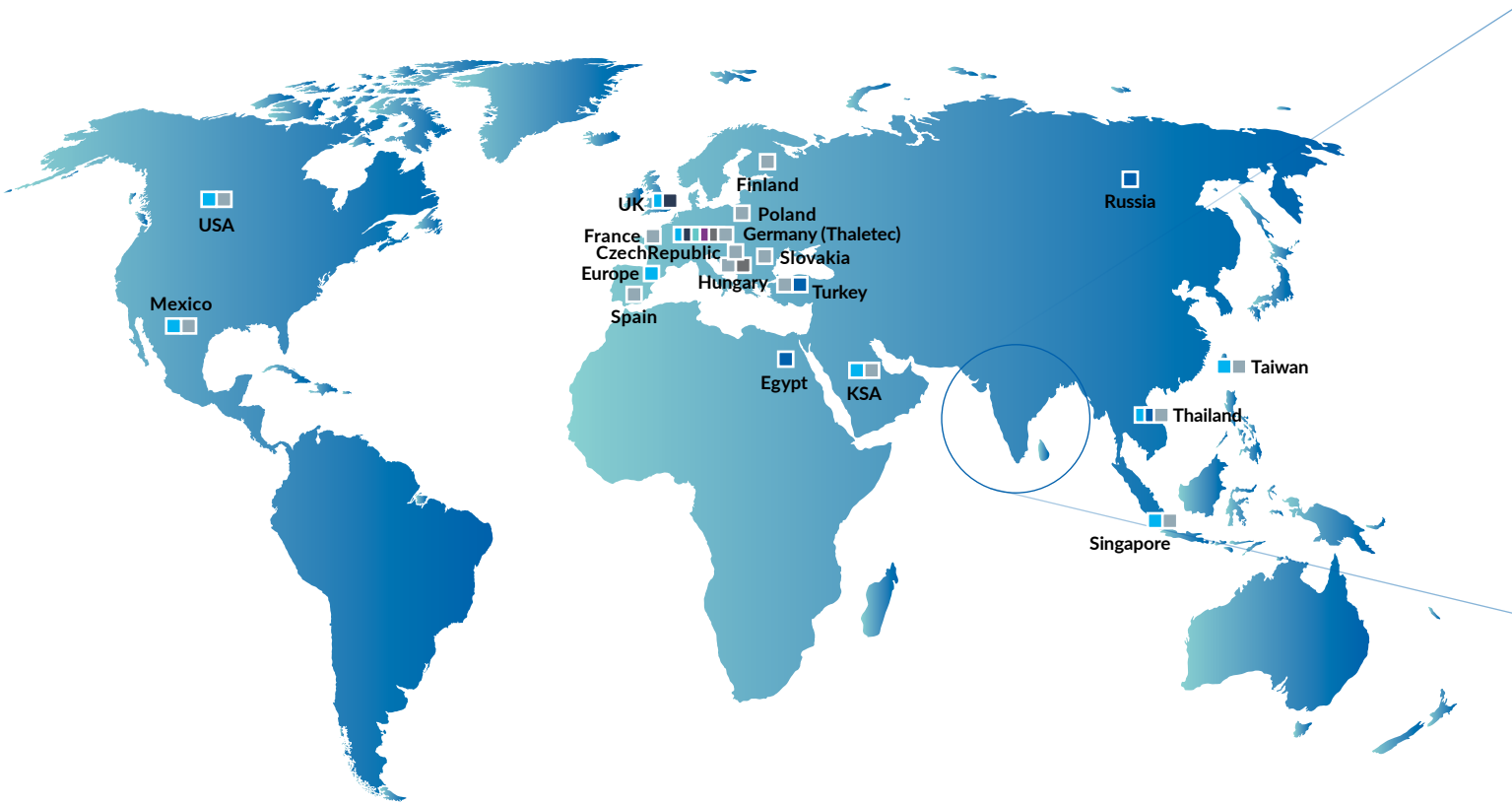
Incorporation of HLE International S.à r.l.

HLE Glascoat incorporates a wholly owned subsidiary, HLE International S.à r.l., in Luxembourg, expanding the Group's international corporate structure.

Presence and Clientele

Connecting Capabilities to Global Markets

Our growing engineering capabilities are supported by an expanding presence across India and international markets. With manufacturing sites, sales and service offices, and channel partnerships across key geographies, we are strengthening our ability to serve customers closer to their markets and respond to evolving requirements. This growing reach enables us to take our engineering expertise to new markets while building stronger connections with customers around the world.



Sales Office | After Sales & Service | Channel Partner | Manufacturing Site | Registered Office | Agent | Representative



Map not to scale. For illustrative purposes only.

Highlighted areas of geographies served by the Company

Sales Office | After Sales & Service | Channel Partner | Manufacturing Site | Registered Office

Managing Director's Message

Advancing Possibilities for Accelerated Growth



We enter FY 2026-27 with a broader portfolio, an expanding international presence and healthy order visibility.

Himanshu Patel
Managing Director

Dear Shareholders,

FY 2025-26 marked a defining year in HLE Glascoat's evolution. Amid geopolitical tensions, shifting trade dynamics, and volatility across global markets, we delivered strong revenue growth, reinforced our technology leadership, and advanced the integration of our portfolio.

More importantly, the year demonstrated our ability to expand possibilities across products, markets and applications. The resilience of our business model, robust execution capabilities, and sustained demand across key end-user industries has strengthened our position as a global engineering solutions company, positioning us well for future growth.

Navigating an Evolving Landscape

Despite persistent global headwinds, India stood out as one of the fastest-growing major economies, with real Gross Domestic Product (GDP) estimated to have grown by 7.6% in FY 2025-26. Resilient domestic consumption, infrastructure-led investments and continued policy reforms supported growth. Initiatives such as Make in India and the Production Linked Incentive schemes have enhanced the country's manufacturing competitiveness. The Union Budget 2026-27 reinforced this momentum with a record capital expenditure outlay of ₹ 12.2 Lakh Crores.

India's engineering exports reached an all-time high of US$ 122.43 Billion in FY 2025-26, growing by 4.86% over the previous year. Policy support, market diversification, and progress on free trade agreements expanded opportunities for Indian process equipment manufacturers across global markets. Demand for glass-lined equipment is supported by capacity additions and modernisation initiatives across the pharmaceutical, speciality chemical and agrochemical sectors. The filtration and drying equipment market continues to benefit from the growing adoption of integrated process systems, automation and closed-loop manufacturing. Heat exchanger demand remains robust, driven by thermal efficiency needs, heat recovery and decarbonisation across process industries.

Performance Review

For FY 2025-26, our consolidated revenue from operations grew by 31.7% to ₹ 1,353.0 Crores, driven by consistent demand across key product segments and improved execution

across markets. EBITDA increased by 5.4% to ₹ 148.5 Crores, with an EBITDA margin of 11.0%, while Profit After Tax (PAT) stood at ₹ 56.6 Crores. Profitability was impacted by transition-related losses at Omeras and exceptional costs associated with the new Labour Codes and business acquisitions. Net cash generated from operating activities increased to ₹ 161.2 Crores, while our consolidated debt-equity ratio improved to 0.51, strengthening financial flexibility. The Board has recommended a dividend of 55%, reflecting its confidence in the Company's long-term potential.

Our filtration, drying and other equipment business demonstrated strong growth, with revenue increasing by 50.9% to ₹ 474.3 Crores. We continue to maintain leadership position in this segment and remain optimistic about the long-term opportunity landscape, supported by increasing process automation and demand for advanced solutions.

The glass-lined equipment segment recorded revenue growth of 16.2% to ₹ 676.4 Crores, supported by steady recovery during the latter part of the year. The advanced Thaletec range gained deeper traction in India, while strengthening its presence across Europe and the United States.

Our heat transfer equipment business grew by 64.6% to ₹ 200.3 Crores. Successful execution of oil and gas-related orders improved our credentials and expanded the opportunity pipeline across domestic and international markets.

Our consolidated order book stood at ₹ 681.6 Crores as at March 31, 2026, providing ten months of visibility for the international business and four months for the Indian business.

Strategic Developments of the Year

A key development of the year was the acquisition of Omeras GmbH and the entire shareholding in OmeraStore GmbH through our wholly owned subsidiary, HLE Surface Technologies GmbH. This acquisition extends our portfolio beyond conventional glass-lined process equipment into glass-fused-to-steel storage tanks and silos, biogas digestion systems, and architectural and infrastructure façades.

Omeras brings a rich legacy, specialised manufacturing expertise, and established customer relationships across Europe. For the period from acquisition to March 31, 2026, the business generated revenue of ₹ 89.5 Crores. Its order book of ₹78 Crores, together with a promising enquiry pipeline, provides a strong base for its turnaround and future growth.

Another important milestone was the completion of the amalgamation of Kinam Enterprise Private Limited with HLE Glascoat following approval from the Hon'ble NCLT, Ahmedabad Bench. This simplifies the Group structure, enables focused operational alignment, and strengthens our platform to scale the heat transfer equipment business.

We remain confident that the successful integration of these businesses will unlock meaningful cross-selling opportunities, enhance operational synergies, and support long-term growth.

Advancing Sustainable Operations

Sustainability remains integral to our operations. We advanced our renewable energy strategy through our joint venture with Clean Max Anchorage for a 5.61 MW captive wind-solar hybrid power project in Gujarat. The project is expected to reduce our carbon footprint, enhance energy security and improve cost efficiency. Our increasing investments in automation, advanced manufacturing, process safety and product innovation enhance productivity, quality and operational resilience.

Engineering the Next Phase of Growth

Looking ahead, the operating environment is likely to be shaped by geopolitical tensions, evolving trade policies and supply chain disruptions, driving demand for reliable and technologically capable manufacturing partners. India is well placed to benefit from this realignment, supported by its expanding industrial base, engineering capabilities and growing integration into global value chains.

We enter FY 2026-27 with a broader portfolio, an expanding international presence and healthy order visibility. Continued investment in pharmaceuticals, increasing demand for advanced process solutions and the realignment of global supply chains present meaningful opportunities to accelerate export-led growth.

Our focus will be on integrating our acquisitions, improving capacity utilisation and operational efficiency, and deepening customer relationships across diverse markets. With disciplined execution and prudent capital allocation, we aim to translate our performance into consistent, profitable growth.

Acknowledgements

I extend my sincere appreciation to our Board of Directors for their guidance and to our employees for their dedication and commitment. I also thank our customers, business partners, suppliers, lenders and investors for their continued trust and confidence. With a solid foundation and greater possibilities, we remain committed to scaling progress and delivering enduring value for all.

Warm regards,

Himanshu Patel
Managing Director

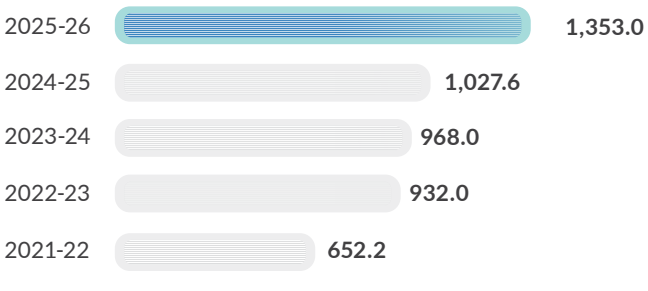
Key Performance Indicators

Building Momentum Through Progress

Over the past five years, we have expanded our revenue base, navigated shifts in profitability and strengthened the foundations supporting our business. Growing net worth, a larger asset base and a healthy order book add further visibility to the road ahead. These indicators capture how the business has evolved and the momentum being carried into the next phase of growth.

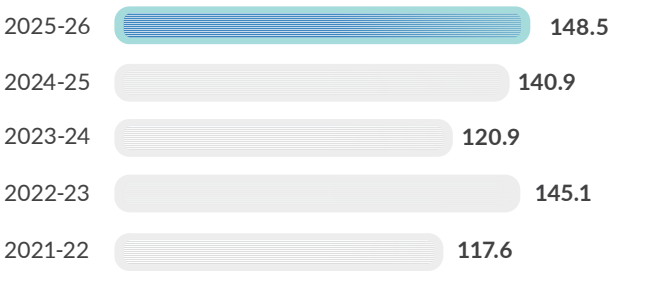
Profit and loss indicators

Revenue (₹ in Crores)



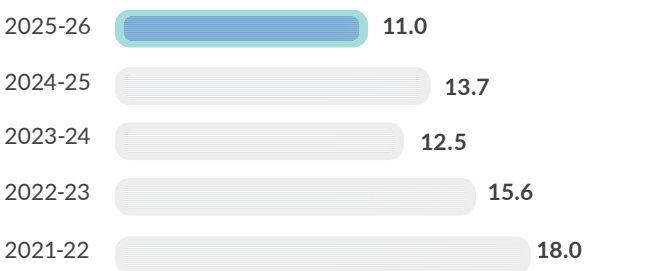
5-year CAGR 20.0% Y-o-Y 31.7%

EBITDA (₹ in Crores)

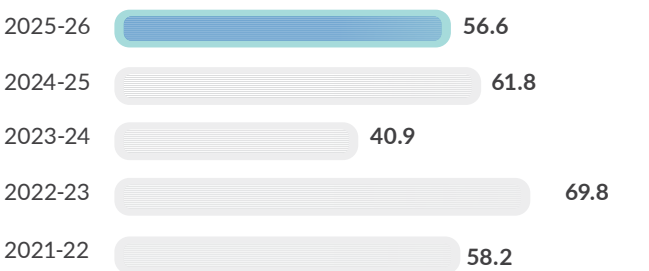


5-year CAGR 6.0% Y-o-Y 5.4%

EBITDA Margin (%)

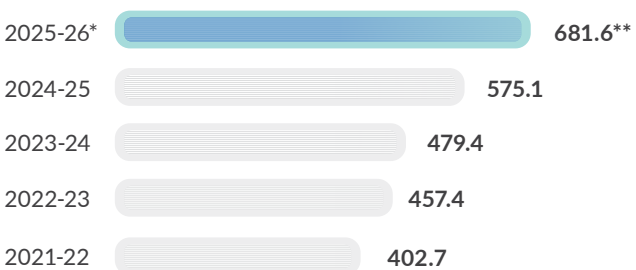


PAT (₹ in Crores)



5-year CAGR (0.7%) Y-o-Y (8.4%)

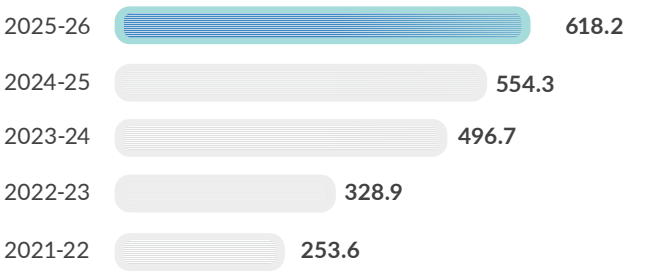
Order Book (₹ in Crores)



*As of March 31, 2026
**(providing visibility of 10 months for International business and 4 months for the Indian business)

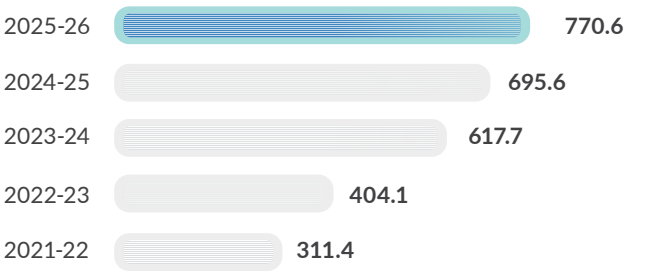
Balance sheet indicators

Net Worth (₹ in Crores)



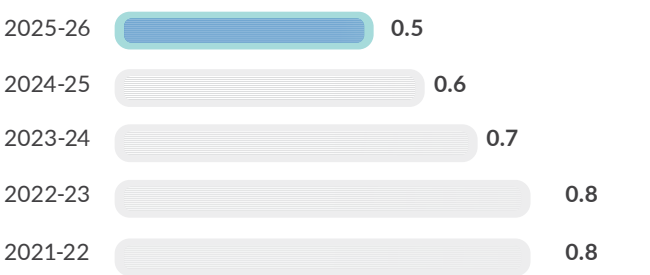
5-year CAGR 25.0% Y-o-Y 11.5%

Gross Block (₹ in Crores)

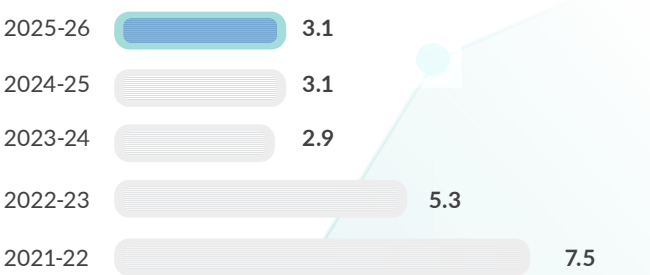


5-year CAGR 25.4% Y-o-Y 10.8%

Debt Equity Ratio (X)



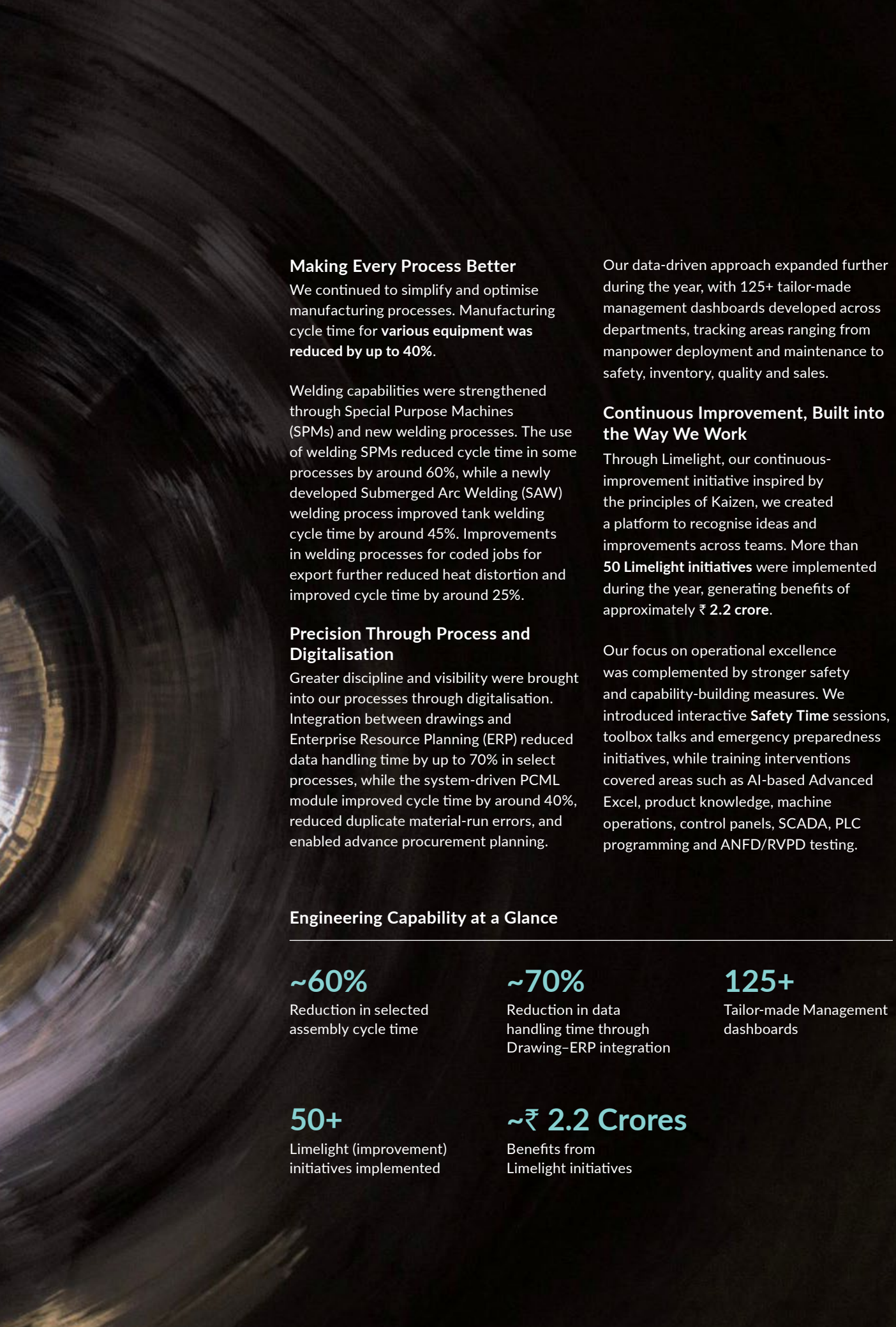
Interest Coverage Ratio (X)





Strengthening the Engine Behind Engineering

Engineering capability is not only about what we make, but also about how intelligently, efficiently and consistently we make it. During FY 2025-26, we strengthened our manufacturing and engineering processes through targeted improvements in cycle time, welding, machining, buffing, cutting, production planning, digitalisation and quality systems.



Making Every Process Better

We continued to simplify and optimise manufacturing processes. Manufacturing cycle time for **various equipment was reduced by up to 40%**.

Welding capabilities were strengthened through Special Purpose Machines (SPMs) and new welding processes. The use of welding SPMs reduced cycle time in some processes by around 60%, while a newly developed Submerged Arc Welding (SAW) welding process improved tank welding cycle time by around 45%. Improvements in welding processes for coded jobs for export further reduced heat distortion and improved cycle time by around 25%.

Precision Through Process and Digitalisation

Greater discipline and visibility were brought into our processes through digitalisation. Integration between drawings and Enterprise Resource Planning (ERP) reduced data handling time by up to 70% in select processes, while the system-driven PCML module improved cycle time by around 40%, reduced duplicate material-run errors, and enabled advance procurement planning.

Our data-driven approach expanded further during the year, with 125+ tailor-made management dashboards developed across departments, tracking areas ranging from manpower deployment and maintenance to safety, inventory, quality and sales.

Continuous Improvement, Built into the Way We Work

Through Limelight, our continuous-improvement initiative inspired by the principles of Kaizen, we created a platform to recognise ideas and improvements across teams. More than **50 Limelight initiatives** were implemented during the year, generating benefits of approximately ₹ **2.2 crore**.

Our focus on operational excellence was complemented by stronger safety and capability-building measures. We introduced interactive **Safety Time** sessions, toolbox talks and emergency preparedness initiatives, while training interventions covered areas such as AI-based Advanced Excel, product knowledge, machine operations, control panels, SCADA, PLC programming and ANFD/RVPD testing.

Engineering Capability at a Glance

~60%
Reduction in selected assembly cycle time

~70%
Reduction in data handling time through Drawing–ERP integration

125+
Tailor-made Management dashboards

50+
Limelight (improvement) initiatives implemented

~₹ 2.2 Crores
Benefits from Limelight initiatives

Manufacturing and R&D Infrastructure

Strengthening the Depth that Powers Every Engineering Possibility

Our manufacturing and R&D infrastructure remain the foundation of our engineering capability — spanning five facilities across India and Germany, each aligned to product specialisation and global quality standards, and supported by a dedicated R&D centre translating global expertise into locally relevant innovation.

Manufacturing Infrastructure

Our manufacturing footprint spans Anand, Maroli, Silvassa, Kinam Engineering (Ambernath), and Thaletec (Germany):

Anand Works

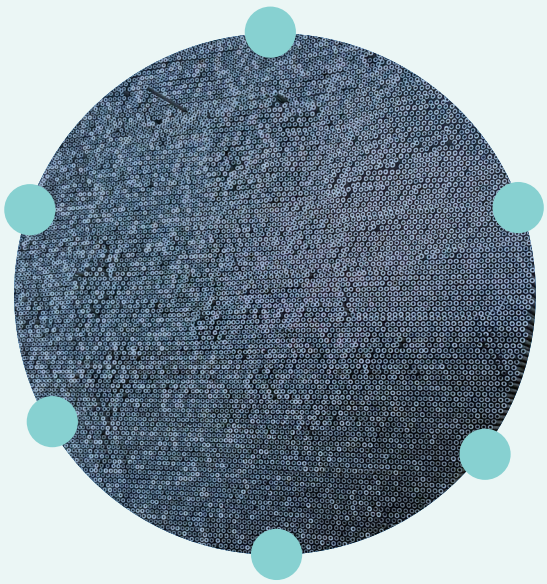
Centre for glass-lined equipment, spanning 20,000 m² across 33 Electric Overhead Travelling (EOT) cranes. Houses six SCADA-controlled electric and gas-fired furnaces for glass lining of vessels, six dedicated component-lining furnaces, and a robotic welding set-up for critical pressure-part joints.

Thaletec, Germany

ISO-certified unit for exotic alloy and custom-built process systems; our largest glass-lining plant in Europe spread over 37,000 m², employing 160+ people, capable of manufacturing equipment up to 100,000 litres.

Kinam Engineering, Ambernath

Adds depth in thermal systems including shell-and-tube and corrugated heat exchangers. Spans 1,10,000 sq. ft. (1,00,000 sq. ft. under crane coverage), manufactures ~3,000 units per annum, and employs ~350 people. ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified; IBR, U-Stamp, PED and CE compliant.



Omeras GmbH/OmeraStore, Lauter-Bernsbach

Specialises in manufacturing of glass lined (enamelled) panels for silos, tanks and structural claddings such as architectural facades and tunnel wall claddings. Its 21,000 m² manufacturing facility is equipped with fully-automated enamel spraying and firing systems, multi-axis laser cutting and other state-of-the-art equipment.

Maroli Works

Specialised in filtration and drying equipment with Computer Numerical Control (CNC) integration, spanning 15,000 m² (13,000 m² under 40 EOT cranes). Equipped with Vertical Machining Centres (VMCs), CNC turn-mill, CNC drilling, Amada punching press, pulsed arc welding systems, and over 100 qualified welders.

Silvassa Works

Focused on standardised ANFDs and SS Reactors since FY 2021-22, spanning 8,600 m² across 18 EOT cranes, with over 30 qualified welders and tooling geared toward high-volume Monoblock ANFD manufacturing.

Each facility is designed around high-quality production, efficient operations, compliance with international standards, and flexibility to meet customer-specific requirements, supported by a strategically distributed footprint that allows us to serve domestic and global customers with agility.

Research & Development

Our R&D Centre at Anand, Gujarat, continues to anchor our focus on indigenisation, digital transformation, and sustainable process engineering, working in close collaboration with Thaletec GmbH to translate global glass-lining expertise into solutions suited to Indian process conditions.

At Maroli, our Pilot Plant and R&D Facility enables customers to conduct detailed trials on ANFDs and RVPDs ahead of scale-up, supported by an Application Centre equipped with reactors and autoclaves across multiple materials of construction, a melt crystallizer, loop reactor, and utilities including steam, air, vacuum, and chilling. An in-house analytical laboratory with HPLC, GC, and spectrophotometry rounds out our testing infrastructure. Our design and engineering team of 35+ engineers operates on an integrated 3D CAD/CAM platform, enabling first-time-right designs in line with global design codes and standards.



Intellectual Property

FY 2025-26 saw continued momentum in our intellectual property portfolio, with meaningful additions across patents, designs, and trademarks:

HLE Glascoat Limited (India) - FY 2025-26 additions

Utility Patents	Design Patents	Trademarks
3 added (total: 8)	**2 added (total: 2)**	**27 added (total: 39)**

Thaletec GmbH - India filings (PCT National Phase / WIPO Hague / direct) - FY 2025-26 additions

Utility Patents	Design Patents	Trademarks
(total: 2)	**(total: 37)**	**(total: 12)**

Beyond its India filings, Thaletec GmbH also holds 8 European and German patent filings as on March 31, 2026, comprising 4 granted patents (2 European, 2 German) and 4 pending applications (2 German, 2 PCT international). At Kinam Engineering Industries, while no patents have been filed to date, the Company holds 2 design registrations and 8 Trademarks, reflecting its focus on proprietary equipment design within the heat transfer segment.

ESG

Where Growth Meets Responsibility

Sustainability is integrated into our operations and long-term planning, guiding how we make decisions and manage our business. Our ESG approach supports responsible growth and long-term value creation.



Environmental

Powering a Greener Future

We remain committed to reducing our environmental footprint by improving operational efficiency, adopting cleaner energy solutions and promoting responsible resource use. During FY 2025-26, we advanced this commitment with the commissioning of a captive power generation facility in Gujarat through Clean Max Anchorage Private Limited. Commissioned on March 13, 2026, the facility is expected to optimise energy costs while supporting a more sustainable and reliable power supply.

Our Clean Energy Footprint

2.31 MWp
Solar Power Capacity

3.30 MW
Wind Power Capacity

Our environmental efforts also continued through initiatives that encourage awareness and action across our operations:

World Environment Day

We continued to mark World Environment Day through activities aimed at encouraging employees to reflect on environmental responsibility and sustainable practices.

Beach Clean-up Drive

Employees participated in a beach clean-up drive, contributing to cleaner surroundings and reinforcing the importance of community-led environmental stewardship.

Tree Plantation

Tree plantation initiatives were undertaken across our sites, contributing to greener surroundings and supporting biodiversity.



Social - Employees

Building People Potential, Shaping Possibilities

We believe our ability to grow and adapt is shaped by the capabilities, commitment and connection of our people. During the year, we focused on strengthening workforce continuity, building future-ready skills, supporting employee well-being and creating stronger platforms for communication, recognition and collaboration across our operations.



Investing in Our People

106
Employees onboarded

155
Training sessions conducted

5,753
Training manhours

5,410
Worker training manhours

5,463
Safety training manhours

237
Worker training sessions

294
Safety training sessions

Strengthening Our Workforce

Workforce Fulfilment & Continuity

We strengthened recruitment and workforce planning across critical functions to ensure timely availability of skilled manpower. Proactive manpower planning, employee engagement and stakeholder coordination also helped us maintain workforce stability and uninterrupted plant operations during critical periods.

Putting Well-being at the Centre

Project PEACE, Maroli

We introduced **Project PEACE (Pause, Engage, Align, Center and Exhale)**, a structured mindfulness initiative designed to support mental wellness and emotional resilience. The programme equips employees with practical tools to manage stress, improve concentration and maintain emotional balance.

28
participants

4.3/5
satisfaction



Creating a Culture of Connection

We brought employees together through cultural, recreational and engagement initiatives across our operations. HLE Premier League, Birthday Connects, Nari Shakti Sampark, Diwali and Dussehra celebrations, Women's Day programmes and family-connect activities created opportunities to strengthen relationships, celebrate participation and build a stronger sense of belonging.

136
employees recognised at Maroli

650+
employees recognised at Anand

Listening. Connecting. Recognising.

Employee Voice System, Anand

We introduced the **Employee Voice System (EVS)** to create a structured channel for employees to share suggestions, concerns and feedback. By enabling timely responses and transparent communication, the initiative strengthened employee participation and helped create a workplace where people feel heard and valued.

SAMVAAD, Anand

Through four **SAMVAAD Town Halls,** we created direct opportunities for employees to engage with leadership, understand business priorities, raise questions and share perspectives.

4

Town Halls conducted in FY 2025-26





Building Skills for What's Next

We continued to strengthen technical, behavioural and professional capabilities through targeted learning interventions. **AI-based Advanced Excel training, Quality-Cost-Delivery (QCD) workshops, Team Alignment programmes, leadership development and value-selling workshops** helped strengthen problem-solving, collaboration and functional effectiveness across teams.

40+ employees

benefited from AI-based Advanced Excel training



Developing the Next Generation of Talent

ITI Apprentices & Welder Development, Anand

We engaged **ITI apprentices** and conducted in-house welder development programmes to build a sustainable pipeline of skilled manufacturing talent. These initiatives strengthened technical capabilities while helping us develop talent aligned with our workforce requirements.

71

ITI apprentices

Aligning Leadership, Enabling Performance

We invested in leadership development and organisational alignment through targeted interventions across sales, design and R&D functions. A dedicated **Leadership Offsite** provided a platform for strategic discussion, team building and collective alignment, while functional development programmes strengthened customer-centricity, collaboration and execution excellence.

Social - Communities

Creating Meaningful Community Impact

We remain committed to the well-being and development of the communities around our areas of operation. During FY 2025-26, we directed our CSR efforts towards social welfare, education and essential community infrastructure, supporting initiatives that address local needs and contribute to community well-being.



FY 2025-26 CSR Highlights

₹ 34.44 Lakhs
Total CSR expenditure

3
Key community initiatives

Our focus areas

- Social welfare
- Education
- Community infrastructure

Supporting Social Welfare

Donation to Yashaswati Foundation | Surat, Gujarat

₹ 21.08 Lakhs

We contributed to the Yashaswati Foundation towards initiatives focused on social welfare and community development. Our support covered areas including the eradication of hunger, poverty and malnutrition, education, art and culture, healthcare, care and rehabilitation of disadvantaged communities, environmental sustainability, disaster relief and rural development.

Supporting Vocational Education

Donation to Yashaswati Foundation | Surat, Gujarat

₹ 0.20 Lakhs

We supported ITI Bilimora in promoting education and strengthening vocational and technical learning in the community, with a focus on enhancing learning outcomes, infrastructure and skill development for students.

Supporting Community Infrastructure

Gas Cremation Facility at Shree Maroli Kantha Vibhag Sarvajanik Smashan Bhumi | Gujarat

₹ 13.16 Lakhs

We supported the provision of a gas cremation facility at Shree Maroli Kantha Vibhag Sarvajanik Smashan Bhumi, contributing to essential community infrastructure and dignified last rites. This facility is equipped with a furnace specially designed by HLE and will contribute to significantly reduce the environmental impact of traditional wood cremation in the region and will ultimately ensure ecological balance and conservation of natural resources.



Our Community Contribution

Through these initiatives, we continued to direct our CSR efforts towards addressing local needs and creating meaningful social value. Our focus remains on supporting initiatives that contribute to community well-being, access to education and essential infrastructure.

Governance

Strengthening the Structures We Stand On

Our governance is driven through active engagement by our Board, structured oversight by its committees, and clearly defined management responsibilities. Through regular reviews, performance monitoring, and risk assessments, we ensure that strategic decisions remain aligned with regulatory requirements and our long-term business objectives.

We place strong emphasis on financial discipline, ethical conduct, and transparent reporting. Independent assurance mechanisms and robust internal controls support the integrity of our disclosures, while ongoing evaluation of policies and practices helps ensure that our governance framework remains effective as the business evolves.





Governing Responsibly: Environment, Health & Safety (EHS)

Our governance extends beyond the boardroom to the shop floor, reflected in how we protect the people who run our operations and the environment we operate in. Through the year, this was reinforced by a set of focused EHS initiatives:

Safety Time

An interactive, engagement-led format (including a safety-themed crossword) used to reinforce critical safety concepts among the workforce, from PPE use to hazard-specific protocols like gas cutting and confined space welding.

Safety Toolbox Talks

Conducted during break time and targeted at topics identified as most relevant to specific departments and work areas.

Civil Defense Blackout Mock Drill

Conducted to strengthen organisational preparedness as part of a broader national resilience effort.

World Environment Day

Marked with a plantation drive and the distribution of seed pens to employees, reflecting environmental stewardship as an extension of our governance values.

Certified First Aider Training

A dedicated training session conducted to build in-house emergency response capability among employees.

Board of Directors



Mr. Himanshu Patel
Managing Director

Mr. Himanshu Patel is a qualified Electrical Engineer from the University of Mumbai with over 49 years of experience in the chemical and engineering industries. He has played a central role in shaping the Company's strategic direction and operational framework, guiding HLE Glascoat's long-term growth with a strong focus on execution, stability, and sustainability.



Mr. Aalap Patel
Executive Director

Mr. Aalap Patel holds a B.E. in Mechanical Engineering from the University of Pune and an MBA in Global Management from the Thunderbird School of Global Management. With over 14 years of industry experience, he contributes to strategic planning, operational leadership, and innovation-driven growth across the organisation.



Mr. Nilesh Patel
Non-Executive Director

Mr. Nilesh Patel is a graduate in Chemistry from the University of Bombay and brings more than 40+ years of experience across the chemical and engineering sectors. His deep domain knowledge and industry understanding support strategic decision-making at the Board level.



Mr. Harsh Patel
Whole-time Director

Mr. Harsh Patel is a Chemical Engineer from the University of Mumbai and holds an MBA from Seattle University. With over 25+ years of experience in chemical and engineering industries, he plays a key role in driving product innovation, operational excellence, and business expansion initiatives.



Ms. Vijayanti Punjabi
Independent Director

Ms. Vijayanti Punjabi is an author and consultant with over 38 years of experience. She brings a strong perspective on human capital development, leadership, and governance, contributing meaningfully to Board effectiveness and organisational culture.



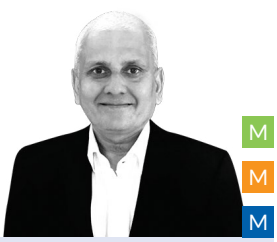
Mr. Yatish Parekh
Chairman & Independent Director

Mr. Yatish Parekh is a Chartered Accountant with over 45+ years of experience in audit, taxation, and corporate advisory. As Chairman, he provides strong financial oversight, ethical guidance, and governance leadership to the Board.



Mr. Sandeep Randery
Independent Director

Mr. Sandeep Randery holds a Master's degree in Chemical Engineering and an MBA, with over 18 years of experience in financial consultancy and strategic advisory. He supports the Board with insights on financial strategy, investment planning, and risk management.



Mr. Jayesh Shah
Independent Director

Mr. Jayesh Shah brings over 28 years of experience in business operations, administration, and marketing. His expertise supports strategic outreach, operational effectiveness, and market positioning.

Audit Committee | Stakeholders Relationship Committee | Nomination & Remuneration Committee
Risk Management Committee | Corporate Social Responsibility Committee | C Chairman | M Member

CORPORATE INFORMATION

Corporate Identity Number [CIN]

L26100GJ1991PLC016173

Board of Directors

Mr. Yatish Parekh	Chairperson and Independent Director
Mr. Himanshu Patel	Managing Director
Mr. Aalap Patel	Executive Director
Mr. Harsh Patel	Whole Time Director
Mr. Nilesh Patel	Non-Executive Director
Ms. Vijayanti Punjabi	Women Independent Director
Mr. Sandeep Randery	Independent Director
Mr. Jayesh Shah	Independent Director

Company Secretary and Compliance Officer

Mr. Achal Thakkar

Chief Financial Officer

Mr. Naveen Kandpal (upto July 03, 2026)

Statutory Auditors

M/s. M M Nissim & Co LLP, Chartered Accountants
Mumbai.

Internal Auditors

(1) For Anand Works:
CNK & Associates LLP, Chartered Accountants
Vadodara.

(2) For Maroli Works and Silvassa Works:
AKMK & Associates LLP, Chartered Accountants
Surat.

Lenders

HDFC Bank Limited
Citibank N.A.
ICICI Bank Limited
Bajaj Finance Limited
Axis Finance Limited

Secretarial Auditors

M/s N. M. & Co., Practicing Company Secretary
Mumbai.

Registered Office

H – 106, G.I.D.C. Estate,
Vitthal Udyognagar – 388121.
Dist. Anand, Gujarat.

Registrar and Share Transfer Agent

MUFG Intime India Private Limited
(formerly known as Link Intime India Pvt. Ltd.)
"Geetakunj" 1, Bhakti Nagar Society,
Behind ABS Tower, Old Padra Road, Vadodara - 390 015

NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of HLE GLASCOAT LIMITED will be held on Wednesday, 30th Day of September, 2026 at 11:00 am through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   (a) the Audited Standalone Financial Statements of the Company for the year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon; and

   (b) the Audited Consolidated Financial Statements of the Company for the year ended March 31, 2026, together with the Report of the Auditors thereon.

2. To declare dividend of ₹ 1.10 (55%) per equity share having face value of ₹ 2 each for the financial year ended March 31, 2026.

3. To appoint a Director in place of Mr. Harsh Patel (DIN: 00141863), Director, who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

4. **To approve the continuation of Directorship of Mr. Yatish Parekh (DIN: 00168488) as an Independent Director of the Company, upon attaining the age of seventy-five (75) years.**

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

   "RESOLVED THAT pursuant to the Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable provisions of the Companies Act, 2013, the rules made thereunder, the Articles of Association of the Company and other applicable laws and as recommended by the Nomination & Remuneration Committee and the Board of Directors at their respective meetings, held on August 10, 2026, and any other approvals, as may be required under the applicable laws, the consent of the Company be and is hereby accorded to the continuation of Mr. Yatish Parekh (DIN: 00168488) as an Independent Director of the Company upon his attaining the age of Seventy-Five (75) years, till completion of his tenure of appointment, in view of his ability to significantly contribute in the sustainable growth of the Company with his skills, diversified knowledge & experience and continued independence."

5. **To approve remuneration payable to Cost Auditors for financial year 2026-2027.**

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

   "RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration of ₹ 1,00,000 (Rupee One Lakh Only) as recommended by the Audit Committee and approved by the Board of Directors and set out in the Explanatory Statement annexed to the Notice, to be paid to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the financial year ending March 31, 2027, is hereby ratified and approved."

By the Order of the Board of
HLE Glascoat Limited

ACHAL S. THAKKAR
Company Secretary

Place : Maroli, Navsari
Date : August 10, 2026
Regd. Office & Works:
H-106, GIDC Estate, Vitthal Udyognagar,
Anand - 388121, Gujarat, India.
CIN: L26100GJ1991PLC016173
Email: share@hleglascoat.com

NOTES:

(A) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") with respect to Item nos. 4 and 5 forms part of this Notice. The Board of Directors has considered and decided to include Item Nos. 4 and 5 as given above as Special Business in the forthcoming AGM as it is unavoidable in nature. The relevant details as set out under Item No. 4 and 5 of the Notice pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") in respect of the Directors seeking re-appointment at this AGM are also part of this Notice.

(B) Instructions for Participation through VC

1. The Ministry of Corporate Affairs ("MCA") has vide its Circular No. 09/2024 dated September 19, 2024, Circular 09/2023 dated September 25, 2023 Circular No. 10/2022 dated December 28, 2022, Circular No. 02/2022 dated May 05, 2022, Circular No. 21/2021 dated December 14, 2021, Circular No. 02/2021 dated January 13, 2021, read with Circular no. 20 dated May 5, 2020 No. 14 dated April 8, 2020 and No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ('SEBI') vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 read with SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 (hereinafter collectively referred to as "SEBI Circulars"), permitted the holding of Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) without the physical presence of Members at a common venue. In compliance with these Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 35th Annual General Meeting of the Members of the Company is being held through VC/OAVM on September 30, 2026. Hence, the Members can attend and participate in the ensuing AGM through VC/OAVM only. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company situated at H -106, Phase IV, G I D C Estate, Vitthal Udyognagar, Anand, Gujarat, 388121 which shall be the deemed Venue of the AGM.

2. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip including route map are not annexed to this Notice.

3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) intending their authorised representatives to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting are requested to send scanned certified true copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/ Authorisation Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer by email through their registered email address to nimish.mehta@nmco.in with copies marked to the Company at share@hleglascoat.com and to its RTA at vadodara@in.mpms.mufg.com.

4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 30, 2026 Members seeking to inspect such documents can send an email to share@hleglascoat.com.

5. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at least 10 (ten) days before the date of AGM so as to enable the Management to keep the information ready at the Meeting, mentioning their name, demat account number/folio number, email id, mobile number through email at share@hleglascoat.com. The same will be replied to by the Company suitably.

6. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2025-26 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/RTA/ Depositories in accordance with the aforesaid MCA Circulars and circulars issued by SEBI dated January 15, 2021 and May 12, 2020. Members may note that the Notice of 35th Annual General Meeting and Annual Report for the financial year 2025-26 will also be available on the Company's website i.e. www.hleglascoat.com, BSE Limited website i.e. www.bseindia.com, National Stock Exchange website i.e. www.nseindia.com and on the website of Company's Registrar and Share Transfer Agent, MUFG Intime India Pvt. Ltd. i.e. https://instameet.in.mpms.mufg.com Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

7. Members attending the Meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

8. In terms of Section 152 of the Companies Act, 2013, Mr. Harsh Patel (DIN: 00141863), Director, is liable to retire by rotation at the 35th Annual General Meeting and being eligible has offered himself for reappointment.

9. The OAVM platform "InstaMeet" of the RTA of the Company MUFG Intime India Pvt. Ltd. (previously known as 'Link Intime India Private Limited') has been chosen for conducting the 35th Annual General Meeting of the Company. Instructions for joining the 35th Annual General Meeting and speaking and voting thereat are as follows:

➢ **Instructions for Shareholders/Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:**

INSTAMEET VC Instructions for shareholders

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22.09.2025, the companies can continue to conduct AGMs by VC or OAVM, as per the existing procedural requirements. Till further orders, the relaxations will remain in force.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

a) Visit URL: https://instameet.in.mpms.mufg.com & click on "Login".

b) Select the "Company Name" and register with your following details:

c) Select Check Box - Demat Account No. / Folio No. / PAN

- Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
- Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
- Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
- Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
- Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.

d) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for Shareholders to Speak during the General Meeting through InstaMeet:

a) Shareholders who would like to speak during the meeting must register their request with the company at company's registered email address.

b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.

c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

a) On the Shareholders VC page, click on link "Cast your vote".

b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet.

c) Click on 'Submit'.

d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

f) After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, 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 correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp

b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.

c) Enter the OTP received on your registered email ID/ mobile number and click on login.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "IDeAS Login Section".

b) Enter IDeAS User ID, Password, Verification code & click on "Log-in".

c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.

d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".

c) Enter the last 4 digits of your bank account / generate 'OTP'

d) Post successful registration, user will be provided with Login ID and password.

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

Google Play App Store

e) Follow steps given above in points (a-d).

METHOD 3 - NSDL e-voting website

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the "Login" tab available under 'Shareholder/ Member' section.

c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 - CDSL e-voting page

a) Visit URL: https://www.cdslindia.com.

b) Go to e-voting tab.

c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".

b) Enter existing username, Password & click on "Login".

c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Home/EasiRegistration / https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration.

b) Proceed with updating the required fields for registration.

c) Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, user shall navigate through "e-voting" option.

c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

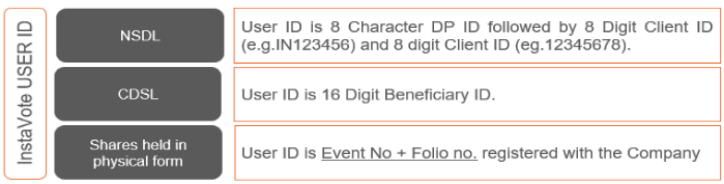
STEP 1: LOGIN / SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "Login" under 'SHARE HOLDER' tab.

b) Enter details as under:

1. User ID: Enter User ID
2. Password: Enter existing Password
3. Enter Image Verification (CAPTCHA) Code
4. Click "Submit".

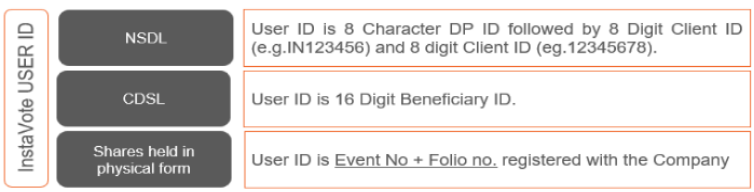


(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

Shareholders not registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:

1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.



3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)

4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders, holding shares in **NSDL** form, shall provide 'point 4' above.
- Shareholders, holding shares in **CDSL** form, shall provide 'point 3' or 'point 4' above.
- Shareholders, holding shares in **physical form** but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above

5. Set the password of your choice.

   (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

6. Enter Image Verification (CAPTCHA) Code.

7. Click "Submit" (You have now registered on InstaVote).

Post successful registration, click on "Login" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".

B. Select 'View' icon. E-voting page will appear.

C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.

E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

A. Visit URL: https://instavote.linkintime.co.in

B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"

C. Fill up your entity details and submit the form.

D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

B. Click on "Investor Mapping" tab under the Menu section

C. Map the Investor with the following details:

   1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.

   2) 'Investor's Name - Enter Investor's Name as updated with DP.

   3) 'Investor PAN' - Enter your 10-digit PAN.

   4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

   NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

   Further, Custodians and Mutual Funds shall also upload specimen signatures.

D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Votes Entry" tab under the Menu section.

c) Enter the "Event No." for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".

d) Enter "16-digit Demat Account No.".

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.

f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will see "Notification for e-voting".

c) Select "View" icon for "Company's Name / Event number".

d) E-voting page will appear.

e) Download sample vote file from "Download Sample Vote File" tab.

f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.

g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

HELPDESK:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

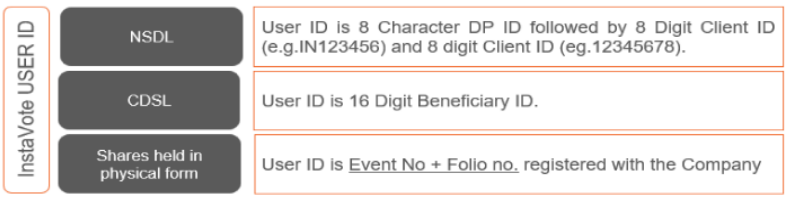
Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

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 request at evoting@nsdl.co.in 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 request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in



- Click on "**Login**" under '**SHARE HOLDER**' tab.
- Further Click on "**forgot password?**"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Further Click on "forgot password?"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

- **Other Instructions:-**

1. **Registration of email ID and Bank Account details:**

   In case the shareholder's email ID is already registered with the Company/Registrar & Share Transfer Agent (RTA)/Depositories, log in details for e-voting are being sent on the registered email address.

   In case the shareholder has not registered his/ her/their email address with the Company/RTA/ Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

   (i) Kindly log in to the website of our RTA, MUFG Intime India Pvt. Ltd., https://in.mpms.mufg.com/ under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit.

   (ii) **In the case of Shares held in Demat mode:**

   The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

2. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote, provided the votes are not already cast by remote e-voting facility by first holder.

3. The relevant information of the Director seeking re-appointment, as required under Regulation 36(3) of the Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the revised Secretarial Standard-2 (SS-2) on General Meetings, is provided in the Explanatory Statement forming part of this Notice.

4. The Register of Members and Share Transfer Books of the Company, for the shares held in physical form, will remain closed from Thursday, September 24, 2026 to Wednesday, September 30, 2026 (both days inclusive). The Record Date for the purpose of Dividend and E-voting for all the shareholders, is Wednesday, September 23, 2026.

5. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, dividends which remain unpaid or unclaimed for a period of consecutive 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) authority of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for any financial year subsequent to the financial year ended March 31, 2019, are requested to make their claims to the Company at the earliest. It may be noted that once the unclaimed dividend is transferred, on the expiry of seven years, to the Investor Education and Protection Fund, as stated herein, no claim with the Company shall lie in respect thereof. The due dates for closure of the unpaid dividend account for various financial years are mentioned hereunder. Hence, members are requested to realize their unpaid dividend amount at least one month before the due date.

6. The year wise details of date of dividend declaration and due date for transfer of unpaid/unclaimed dividend amount lying in unpaid dividend accounts are as under:

Year	Dividend Declaration Date	IEPF Transfer Due Date	Year	Dividend Declaration Date	IEPF Transfer Due Date
2019-20 (Interim Dividend)	February 11, 2020	March 19, 2027	2021-22	September 1, 2022	October 08, 2029
2019-20 (Final Dividend)	September 19, 2020	October 26, 2027	2022-23	September 28, 2023	November 04, 2030
2020-21	September 7, 2021	October 14,2028	2023-24	September 26, 2024	November 02, 2031
			2024-25	September 26, 2025	November 02, 2032

The statements of unpaid/unclaimed dividend amount as on for the previous financial year-Form IEPF-2 and for shares transferred to IEPF Authority Form IEPF-4 are uploaded on the Company's website: www.hleglascoat.com by accessing the web-link https://hleglascoat.com/unpaid-dividend/ and are also available on the IEPF website: www.iepf.gov.in.

The details of nodal officer appointed by the Company in accordance with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016 are available on the Company's website: www.hleglascoat.com in IEPF 2 section by accessing the web-link https://hleglascoat.com/unpaid-dividend/ for any assistance related to transfer of shares/dividend to IEPF.

7. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 1, 2020 shall be taxable in the hands of shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ MUFG Intime India Pvt. Ltd. (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by visiting on the Company's Registrar & Share Transfer Agents, MUFG Intime India Pvt. Ltd. at https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html latest by 5:00 p.m. on September 21, 2026.

Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by visiting on the Company's Registrar & Share Transfer Agents, MUFG Intime India Pvt. Ltd. at https://web.in.mpms.mufg.com/formsreg/submission-of-form-15g-15h.html latest by 5:00 p.m. IST on September 21, 2026.

8. A separate reminder has also been sent / will also be sent to those Shareholders having unclaimed dividends related to the last seven (7) financial years, as may be applicable, i.e. for FY 2019-20 to FY 2024-25. There was no dividend declared and paid for FY 2018-19.

9. Members holding shares in physical form are requested to provide their ECS details viz bank name and account no., branch name and code, account type, MICR no., etc. quoting their folio nos. along with a cancelled blank cheque and self-attested PAN card copy to MUFG Intime India Pvt. Ltd., Vadodara, RTA of the Company. (Form for availing ECS facility is available on the Company's website: www.hleglascoat.com.)

10. Members holding shares in electronic form may note that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its RTA cannot act on any request received directly from the Members holding shares in electronic form for any change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the Members.

11. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Company or RTA.

12. As per Regulation 40 of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

13. Members holding shares in their single name are advised to make a nomination in respect of their shareholding in the Company. Nomination facility is available to -

    (a) Members holding shares in physical form by filing Form SH-13 with the Company's RTA. Form SH-13 is available on the Company's website and shall also be provided on request.

    (b) Members holding shares in dematerialized form by lodging their request with their DPs

14. Members are requested to notify immediately:

    (a) Any change in their residential address.

    (b) Income-tax Permanent Account Number (PAN).

    (c) Bank details – Name and address of the bank; A/c No.; type of A/c

15. Shareholders holding shares in more than one folio are requested to write to the RTA of the Company, enclosing their Share Certificates, for consolidation of their folios.

16. Non-resident members are requested to inform their Depository Participants/MUFG Intime India Pvt. Ltd., immediately of

    (i) change in their residential status to India for permanent settlement;

    (ii) particulars of their bank account(s) maintained in India with complete name, branch, account type, account number and address of bank, with pin code number.

17. Transfer of share certificates to the Company's Unclaimed Suspense Demat A/c and IEPF Suspense Demat A/c:

    In accordance with the provisions of Regulation 39 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has transferred the unclaimed physical share

certificates lying with it to the Demat A/c namely "HLE Glascoat Limited - Unclaimed Suspense Account" after sending three reminders at regular intervals at the last available address of the concerned shareholders in the records of the Company/Depository database. The details of the number of shares transferred to and from the said account have been provided in the Corporate Governance Report as an annexure to the Board's Report.

Kindly note that the said Suspense Account is maintained by the Company purely on behalf of those Shareholders whose share certificates have been transferred to the said Demat A/c and the concerned Shareholders are entitled to approach the Company for possession of the shares entitled to them. After due legal formalities, the Company shall transfer the entitled shares to the respective Shareholder applicant.

Further, pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") notified by the Ministry of Corporate Affairs effective from September 7, 2016 and amended from time to time, the Company has communicated individually and a notice was published in the newspapers in English and the local language to the concerned shareholders whose shares are liable to be transferred to IEPF Suspense Account under the said IEPF Rules for taking appropriate actions.

The Company has also uploaded full details of such Shareholders and shares were due to transfer and were transferred to IEPF Suspense Account on its website: www.hleglascoat.com and can be accessed through web-link: https://hleglascoat.com/unpaiddividend/. The said shares have been transferred to IEPF Authority after completion of due legal formalities by the Company in December 2018.

Further, in the event of transfer of shares and the unclaimed dividends to IEPF, Members are entitled to claim the same from IEPF by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules.

By the Order of the Board of
HLE Glascoat Limited

ACHAL S. THAKKAR
Company Secretary

Place : Maroli, Navsari
Date : August 10, 2026
Regd. Office & Works:
H-106, GIDC Estate, Vitthal Udyognagar,
Anand - 388121, Gujarat, India.
CIN: L26100GJ1991PLC016173
Email: share@hleglascoat.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Members of the company, through Postal Ballot notice dated May 23, 2022, approved on July 02, 2022, on the recommendation of the Nomination and Remuneration Committee and Board of Directors at their respective meeting held on May 23, 2022, the re-appointment of Mr. Yatish Parekh (DIN: 00168488) as an Independent Director for period of five (5) years with effect from May 29, 2022, not liable to retire by rotation.

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), with effect from April 1, 2019, no listed entity shall appoint a person or continue the Directorship of any person as a Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

As Mr. Yatish Parekh (DIN: 00168488) will attain the age of seventy-five (75) years during his existing tenure, and the continuation shall require the approval of the members by way of passing Special Resolutions.

A brief justification for his continuation as an Independent Director on the Board of the Company is as under:

In the opinion of the Board, Mr. Yatish Parekh (DIN: 00168488), fulfils the conditions for continuation as an Independent Director and he possesses appropriate skills, experience and knowledge. His continued association would be of immense benefit to the Company and it is desirable to avail the services of Mr. Yatish Parekh (DIN: 00168488) as an Independent Director.

Considering the continued effective leadership of Mr. Yatish Parekh to the Board and significant contribution towards the Company's strategic direction, corporate governance leading to the long-term growth of the Company and further his ability to contribute to the sustainable growth of the Company with his skills, knowledge and experience till completion of his tenure, his continuation has been recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their respective meetings held on August 10, 2026.

The Directors also evaluated performance of Mr. Yatish Parekh (DIN: 00168488) as per the performance evaluation criteria laid down in the policy formulated by Nomination & Remuneration Committee of Directors of the Company.

The Board of Directors recommends the resolution set out at Item No.4 for your approval as a Special Resolution for continuation of Directorship of Mr. Yatish Parekh (DIN: 00168488) as an Independent Director of the Company.

None of the Directors or the Key Managerial Persons or their relatives are in any way interested or concerned, either financially or otherwise, in the resolution.

The Explanatory Statement is and should be treated as an abstract as per applicable provisions of the Companies Act, 2013, as amended.

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of ₹ 1,00,000 (Rupees One Lakh Only) plus applicable tax and out-of-pocket expenses of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified/ approved by the Members of the Company.

The Board of Directors recommends the resolution set out at Item No.5 for your approval as an Ordinary Resolution for remuneration payable to the Cost Auditors for the financial year ending March 31, 2027.

None of the Directors or the Key Managerial Persons or their relatives are in any way interested or concerned, either financially or otherwise, in the resolution.

The Explanatory Statement is and should be treated as an abstract as per applicable provisions of the Companies Act, 2013, as amended.

By the Order of the Board of
HLE Glascoat Limited

ACHAL S. THAKKAR
Company Secretary

Place : Maroli, Navsari
Date : August 10, 2026
Regd. Office & Works:
H-106, GIDC Estate, Vitthal Udyognagar,
Anand - 388121, Gujarat, India.
CIN: L26100GJ1991PLC016173
Email: share@hleglascoat.com

ANNEXURE TO THE EXPLANATORY STATEMENT

Name of the Director	Mr. Harsh Patel
DIN	00141863
Date of Birth	09/09/1977
Date of Appointment	01/10/2022 (date of first appointment 31/12/2016)
Qualifications	B.E (Chemical Engineering), MBA
Terms & Conditions of Appointment / Re-Appointment	Re-appointment as a Director liable to retire by rotation.
Nature of Expertise / Experience	He has more than 26 years of experience in the business of chemicals and engineering.
Directorships held in other public Companies	1. Kinam Engineering Industries Private Limited (Deemed Public Company) 2. Kinam Process Equipments Private Limited (Deemed Public Company)
Names of Listed Entities in Which Directorship is held	HLE Glascoat Limited
Names of Listed Entities from which resigned in the Past Three Years	Nil
Names of Listed Entities in which Membership of Committees of the Board is held	**HLE Glascoat Limited:** - Member of SRC Committee
No. of share held	88,57,761
No. of Board Meetings attended	Six (06)
Relationship with other Directors/ KMPs	He is son of Mr. Himanshu Patel, Nephew of Mr. Nilesh Patel and First Cousin of Mr. Aalap Patel. All are appointed as Directors of the Company w.e.f. December 31, 2016.
Pecuniary Relations with the Company	Following companies/ entities, in which Mr. Harsh Patel has direct/ indirect interest, have pecuniary relations with the Company, in accordance with Section 188 of the Companies Act, 2013 and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 • Yashashvi Rasayan Private Limited (Director) • HLE Engineers Private Limited (Director) • Kinam Engineering Industries Private Limited (Director) • Kinam Process Equipments Private Limited (Director) • Yash Speciality Chemicals LLP (Designated Partner) • Thaletec LLP (formerly known as M/ s. HL Equipments) (Designated Partner) • HN Indigos Private Limited (Shareholder) • Yashaswati Foundation (Shareholder)

BOARD'S REPORT

Dear Members,

Your directors are pleased to present the 35th Annual Report together with the Audited Financial Statements for the Financial Year ended March 31, 2026.

FINANCIAL HIGHLIGHTS

(₹ In Lakhs)

PARTICULARS	Consolidated		Standalone	
	2025-26	2024-25*	2025-26	2024-25*
Revenue from Operations	1,35,297.94	1,02,753.33	72,311.46	55,106.92
Other Income	878.42	821.95	1,592.21	1,232.73
Total Income	**1,36,176.36**	**1,03,575.28**	**73,903.67**	**56,339.65**
Profit before Finance Costs, Depreciation, Exceptional Items, Extraordinary Items and Tax	14,853.42	14,093.36	9,873.70	6,397.86
Less: Finance Costs	3,444.73	3,619.34	2,799.89	2,875.87
Profit before Depreciation, Exceptional Items, Extraordinary Items and Tax	**11,408.69**	**10,474.02**	**7,073.81**	**3,521.99**
Less: Depreciation/ Amortisation/ Impairment	3,645.36	2,967.28	1,753.06	1,470.06
Profit before Exceptional Items, Extraordinary Items and Tax	**7,763.33**	**7,506.74**	**5,320.75**	**2,051.93**
Less: Exceptional Items and Extraordinary Items	668.61	0.00	437.26	0.00
Profit before Tax	**7,094.72**	**7,506.74**	**4,883.49**	**2,051.93**
Less: Current Tax, net of earlier year adjustments	2,131.75	1,709.90	1,124.37	288.28
Less: Deferred Tax	(693.60)	(379.90)	(61.97)	126.53
Profit after tax for the financial year (A)	**5,656.57**	**6,176.74**	**3,821.09**	**1,637.12**
Total Other Comprehensive Income/ Loss (B)	**1,388.23**	**318.86**	**(24.75)**	**(62.62)**
Total Comprehensive Income for the financial year (A+B)	7,044.80	6,495.60	3,796.34	1,574.50
Earnings Per Share (EPS in Rupees)				
Basic	**7.2**	**8.0**	**5.6**	**2.4**
Diluted	**7.2**	**8.0**	**5.6**	**2.4**

* Previous year's figures are restated, regrouped, rearranged and recast, wherever considered necessary.

BUSINESS OVERVIEW

During FY 2025-26, the Company further strengthened its position as a leading and trusted solutions provider to the Indian chemical and pharmaceutical industries. These sectors continue to witness structural growth, driven by increasing global outsourcing, supply-chain diversification, capacity expansion and growing domestic demand. The ongoing investments by customers in capacity enhancement, process optimisation and technology upgradation have continued to create healthy demand for advanced, efficient and application-specific process equipment. Leveraging its strong capabilities in processes, engineering and manufacturing, along with its established customer relationships and domain expertise, the Company remains well positioned to address the evolving requirements of its customers and capture the opportunities emerging across its key end-user industries.

During FY 2025-26, the consolidated total revenues of the Company stood at ₹ 1,352.98 crores compared with ₹ 1,027.53 crores in the previous FY 2024-25, registering a growth of 31.67% on a year-on-year basis. The filtration, drying and other equipment contributed approximately 35.06% of the revenue at

₹ 474.34 crores compared to ₹ 314.25 crores in the previous year. The glass lined business contributed to the total revenue at ₹ 676.36 crores in FY 2025-26 against ₹ 582.17 crores in the previous FY 2024-25, posting a growth of 16.2% on a year-on-year basis. The consolidated EBITDA for the year was ₹ 141.85 crores compared with ₹ 140.93 crores in the previous FY 2024-25. The Company reported EBITDA margins of 10.5% against 13.7% in the previous FY 2024-25. The consolidated PAT stood at ₹ 56.57 crores compared with ₹ 61.77 crores in the previous FY 2024-25.

The Company's key end-user industries, comprising agrochemicals, specialty chemicals, dyes, pigments and Active Pharmaceutical Ingredients (APIs), continued to witness demand during the year, notwithstanding a relatively moderated pace of growth in certain segments. Against this backdrop, the Company delivered a strong performance, with consolidated revenues growing by 31.67% during the year, supported by healthy demand across both its business segments. The Company also continued to maintain a strong order book, providing visibility for future revenue and supporting its positive business outlook. The Directors believe that this performance reflects not only the underlying market opportunities but also the benefits of focused initiatives undertaken by the management across various facets of the business, including expansion of manufacturing capacity, improvement in process excellence, timely delivery and wider coverage. These initiatives have strengthened the Company's operational capabilities and customer responsiveness and are expected to provide a firm foundation for sustainable growth in the coming years.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Thaletec, GmbH

Thaletec GmbH ("Thaletec") (a company incorporated in Germany) is a wholly owned subsidiary of the Company;

The Financial Highlights of Thaletec GmbH are as under:

(₹ In Lakhs)

Particulars	2025-26	2024-25*
Total Income	34,312.26	35,598.71
Profit Before Finance costs, Tax, Depreciation and Amortization (after adjusting Other Comprehensive Income)	4,239.44	5,655.61
Profit Before Tax (after adjusting Other Comprehensive Income)	3,165.50	4,701.37
Profit After Tax (after adjusting Other Comprehensive Income)	2,191.70	3,259.23
Total Assets	31,391.80	21,410.26
Equity Share Capital	129.36	138.49
Other Equity	13,553.45	10,262.74
Total Equity	13,682.81	10,401.23

* Previous year's figures are restated, regrouped, rearranged and recast, wherever considered necessary.

Thaletec Inc., USA

Thaletec Inc. USA (a company incorporated in USA) is a wholly owned subsidiary of Thaletec GmbH and hence, a step-down subsidiary of the Company.

The Financial Highlights of Thaletec Inc. are as under:

(₹ In Lakhs)

Particulars	2025-26	2024-25*
Total Income	756.09	558.93
Profit Before Finance costs, Tax, Depreciation and Amortization (after adjusting Other Comprehensive Income)	87.81	51.87
Profit Before Tax (after adjusting Other Comprehensive Income)	70.04	51.02
Profit After Tax (after adjusting Other Comprehensive Income)	45.25	49.34
Total Assets	21,410.26	21,410.26
Equity Share Capital	154.75	175.99
Other Equity	285.3	178.43
Total Equity	440.05	354.42

* Previous year's figures are restated, regrouped, rearranged and recast, wherever considered necessary.

Kinam Group (Kinam Engineering Industries Private Limited and Kinam Process Equipment Private Limited)

The Company acquired 70% equity stake in Kinam Engineering Industries, now Kinam Engineering Industries Private Limited (KEIPL). The acquisition of 35.56% was made for purchase consideration of ₹ 79.97 crores in cash and acquisition of 34.44% was through a Scheme of Amalgamation of Kinam Enterprise Private Limited (the "Transferor Company") with HLE Glascoat Limited (the "Transferee Company") and their respective shareholders and creditors pursuant to Section 230-232 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder.

The Scheme of Amalgamation ("Scheme") was approved by the respective Boards of Directors of the Companies and the Stock Exchanges, and thereafter by the Shareholders and Secured Creditors of both the Companies, in accordance with the directions of the Hon'ble National Company Law Tribunal ("NCLT"). Pursuant to the petition filed by the Company before the Hon'ble NCLT, Ahmedabad Bench, Gujarat, the Hon'ble NCLT, vide its Order dated August 14, 2025 ("Order"), sanctioned and approved the Scheme. The Scheme became effective from August 7, 2023 ("Appointed Date") upon filing of the certified copy of the said Order with the Registrar of Companies, Gujarat. In accordance with the terms of the Scheme, upon its effectiveness, all the assets, properties, rights, liabilities, obligations, reserves and surplus of the Amalgamating

Company were transferred to and vested in the Company, without any further act, deed or instrument.

Pursuant to the Scheme, Kinam Process Equipments Private Limited became a wholly owned subsidiary of the Company, as Kinam Enterprise Private Limited, a wholly owned subsidiary of the Company, which was holding 100% of the equity share capital of Kinam Process Equipment Private Limited, has been amalgamated with the Company.

In view of the above, the financial information for FY 2025-26 also includes the performance of Kinam Engineering Industries Private Limited (KEIPL) and Kinam Process Equipment Private Limited (KPEPL), subsidiaries of the Company. Kinam Enterprise Private Limited (KEPL), the subsidiary of the Company has been amalgamated with the company, pursuant to the Scheme of Amalgamation, during the year under review.

The Financial Highlights of Kinam Engineering Industries Private Limited are as under:

(₹ In Lakhs)

Particulars	2025-26	2024-25*
Total Income	20,185.22	12,519.80
Profit Before Finance costs, Tax, Depreciation and Amortization (after adjusting Other Comprehensive Income)	3,295.44	2,738.31
Profit Before Tax (after adjusting Other Comprehensive Income)	2,257.84	1,761.46
Profit After Tax (after adjusting Other Comprehensive Income)	2,353.28	2,288.21
Total Assets	32,373.60	36,302.84
Equity Share Capital	22,501.00	22,501.00
Other Equity	5,203.91	2,850.66
Total Equity	27,704.91	25,351.66

* Previous year's figures are restated, regrouped, rearranged and recast, wherever considered necessary.

The Financial Highlights of Kinam Process Equipment Private Limited are as under:

(₹ In Lakhs)

Particulars	2025-26	2024-25*
Total Income	-	-
Profit Before Finance costs, Tax, Depreciation and Amortization (after adjusting Other Comprehensive Income)	(2.03)	27.50
Profit Before Tax (after adjusting Other Comprehensive Income)	(2.03)	27.50
Profit After Tax (after adjusting Other Comprehensive Income)	(1.51)	21.28
Total Assets	929.52	927.24
Equity Share Capital	668.14	668.14
Other Equity	238.67	240.32
Total Equity	906.81	908.46

* Previous year's figures are restated, regrouped, rearranged and recast, wherever considered necessary.

Thaletec LLP (Previously known as Thaletec / H L Equipments)

Thaletec LLP (Previously known as Thaletec / H L Equipments) is a Limited Liability Partnership, in which your Company owns 99% ownership interest. The partners of the Firm have entered into an LLP Agreement and have converted the Partnership Firm into LLP, w.e.f. February 12, 2025.

The Financial Highlights of Thaletec LLP are as under:

(₹ In Lakhs)

Particulars	2025-26	2024-25*
Total Income	3,994.90	169.89
Profit Before Finance costs, Tax, Depreciation and Amortization (after adjusting Other Comprehensive Income)	238.21	(27.54)
Profit Before Tax (after adjusting Other Comprehensive Income)	238.15	(27.54)
Profit After Tax (after adjusting Other Comprehensive Income)	155.13	(19.44)
Total Assets	2,196.13	331.72
Partners Capital account	100.00	100.00
Partners Current account	140.24	97.10

* Previous year's figures are restated, regrouped, rearranged and recast, wherever considered necessary.

HLE Surface Technologies GmbH and OmeraStore GmbH

Thaletec GmbH, a Wholly Owned Subsidiary of the Company, during the year under review, acquired 100% of the equity share capital of HLE Surface Technologies GmbH (formerly known as Blitz F25-14 GmbH), Germany. Consequent to this acquisition, HLE Surface Technologies GmbH became a Wholly Owned Subsidiary of Thaletec GmbH and in turn, became a wholly owned step-down subsidiary of the Company.

HLE Surface Technologies GmbH, during the year under review, acquired 100% of the shareholding of OmeraStore GmbH, making OmeraStore GmbH, its wholly Owned subsidiary.

The Financial Highlights of HLE Surface Technologies (including its Wholly Owned subsidiary) are as under:

(₹ In Lakhs)

Particulars	2025-26
Total Income	9,045.52
Profit Before Finance costs, Tax, Depreciation and Amortization (after adjusting Other Comprehensive Income)	(1,652.87)
Profit Before Tax (after adjusting Other Comprehensive Income)	(2,299.15)
Profit After Tax (after adjusting Other Comprehensive Income)	(1,558.59)
Total Assets	8,995.24
Equity Share Capital	25.35
Other Equity	(1,680.03)
Total Equity	(1,654.68)

HLE International S.à.r.l.

HLE International S.à.r.l., a wholly owned subsidiary in Luxembourg has been incorporated on March 3, 2026, in which your Company holds 100% of the equity share capital.

The Financial Highlights of HLE International S.à.r.l. is as under:

(₹ In Lakhs)

Particulars	2025-26
Total Income	-
Profit Before Finance costs, Tax, Depreciation and Amortization (after adjusting Other Comprehensive Income)	-
Profit Before Tax (after adjusting Other Comprehensive Income)	(3.44)
Profit After Tax (after adjusting Other Comprehensive Income)	(3.44)
Total Assets	9.36
Equity Share Capital	13.08
Other Equity	(3.72)
Total Equity	9.36

As per the requirements of Section 129(3) of the Companies Act, 2013, a statement containing salient features of the financial statements of subsidiary companies in Form AOC-1 is annexed hereto in **Annexure-I** and form part of this Report.

DIVIDEND

Your Directors are pleased to recommend a Dividend of ₹ 1.10 (55%) per equity share of face value of ₹ 2/- each for the financial year ended March 31, 2026. The Dividend, subject to the approval of the Members at the 35th Annual General Meeting will be paid, within the time period stipulated under the Companies Act, 2013 (subject to deduction of Tax at source).

TRANSFER TO RESERVES

The Board of Directors of your Company have transferred ₹ 750 lakhs to General Reserve for the Financial Year 2025-26 under review.

SHARE CAPITAL

Your Company's paid-up Share Capital as on March 31, 2026 was ₹ 13.89 crores (₹ 13,89,09,478), comprising of 6,94,54,739 equity shares of ₹ 2 each, fully paid up.

During the financial year under review, your Company had allotted 11,89,259 equity shares pursuant to Scheme of Amalgamation in ratio of 100 equity shares (credited as fully paid up) of face value of ₹ 2/- (Rupees Two) each of HLE Glascoat Limited for every 559 fully paid-up equity shares of face value of ₹ 10/- (Rupees Ten) each of Kinam Enterprises Private Limited.

Your Company has not issued any shares with differential rights and hence no information as per the provisions of Section 43(a)(ii) of the Companies Act, 2013 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

Your Company has not issued any sweat equity shares during the financial year under review and hence no information as per the provisions of Section 54(1)(d) of the Companies Act, 2013 read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Your Company has not issued any equity shares under any Employees Stock Option Scheme during the financial year under review and hence no information as per the provisions of Section 62(1)(b) of the Companies Act, 2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

During the financial year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 and hence no information in connection therewith has been furnished.

During the financial year, the Company had not bought back its shares, pursuant to the provisions of Section 68 of the Companies Act, 2013 and Rules made thereunder.

During the financial year, the Company had not made any provisions of money or had not provided any loan to the

employees of the Company for purchase of shares of the Company or its holding Company, pursuant to the provisions of Section 67 of the Companies Act, 2013 and Rules made thereunder.

DEPOSITS

Your Company had not accepted/ renewed any deposits from the public or the Members, within the meaning of Section 73 of the Companies Act, 2013 read with Chapter V and the Companies (Acceptance of Deposits) Rules, 2014, during the financial year 2025-2026 and as such no amount of principal or interest on deposit from public or Members, was outstanding as of the Balance Sheet date.

CREDIT RATING

Your Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations in a timely manner. ICRA Limited has assigned its ratings with regards to the banking facilities enjoyed by your Company as "A" (for long term facilities) and A2+ (for short-term facilities) with a stable outlook.

The details of credit ratings obtained by the Company are placed on the Company's website: https://www.hleglascoat.com/wp-content/uploads/2025/04/INTIMATIONOFCREDITRATINGICRA_sd.pdf

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

The particulars of loans, guarantees, investments and securities provided during the financial year under review, covered under the provisions of Section 186 of the Companies Act, 2013 have been provided in the note no. 31(b) to the consolidated Financial Statements and the note no. 32(b) to the Standalone Financial Statements. Your Company has complied with the provisions of Sections 186 of the Companies Act, 2013 to the extent applicable, with respect to the loans and investments made.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

During the financial year 2025-2026 and in accordance with the provisions of Sections 124 and 125 of the Companies Act, 2013 and the Rules made thereunder:

- Dividend amounting to ₹ 12.70 lakhs pertaining to the financial year 2017-18, which remained unclaimed and unpaid for a period of seven years from the date of its transfer to the Unpaid Dividend Account, has been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.
- ₹ 7.78 lakhs have been transferred to the IEPF Authority towards the final equity dividend declared for financial year 2024-2025 at the Annual General Meeting held on September 26, 2025, for the 7,30,450 equity shares held by the IEPF Authority.
- 8,245 equity shares of ₹ 2 each have been transferred to the IEPF Authority after compliance of due procedures as prescribed and 71,000 shares have been credited to the Shareholders account against their claim, from the IEPF Authority.

DETAILS OF NODAL OFFICER

In accordance with Rule 7(2A) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the details of Nodal Officer of the Company, for the purpose of coordination with Investor Education and Protection Fund Authority (IEPF Authority) are as under:

Name: Mr. Achal Thakkar
Designation : Company Secretary and Nodal Officer
Postal Address : H-106, GIDC Estate, Vitthal Udyognagar, Anand - 388121, Gujarat, India.
Telephone No. : 02692-236842-45
E-mail ID : share@hleglascoat.com

The Company has also displayed the details of Nodal Officer at its website at www.hleglascoat.com.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Your Company has adopted a policy on Related Party Transactions and the said Policy is available on the Company's website in Policies section on https://hleglascoat.com/wp-content/uploads/2022/02/POLICY-FOR-RELATED-PARTY-TRANSACTIONS_11.02.2022-1.pdf

During the financial year under review, your Company has entered into related party transactions on an arm's length basis and in the ordinary course of business and the same are in compliance with Section 188 of the Companies Act, 2013 and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No material contract or arrangement with related parties was entered into during the financial year under review. Therefore, there is no requirement to report any transaction in Form No. AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

Further, all such contracts/ arrangements/ transactions were placed before the meetings of the Audit Committee, Board of Directors and the Shareholders, as may be required, for their approval. Prior approval/s of the Audit Committee/ Board /

Shareholders, as may be required, including omnibus approvals, if any, are obtained on an annual basis, which is reviewed and updated on a quarterly basis.

PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company in its regular course of business makes best effort to conserve the resources and continuously implements measures required to save energy. The Company has strong commitment towards conservation of energy, natural resources and adoption of latest technology in its areas of operation.

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo, etc. are furnished in the **Annexure-II**, which forms part of this Report.

PARTICULARS OF REMUNERATION OF DIRECTORS AND EMPLOYEES

A. The details of the ratio of the remuneration of each director to the median remuneration of the employees and other details as required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed hereto in **Annexure-III** and forms part of this Report.

B. The details of the Top 10 employees of the Company in terms of remuneration drawn as required under Section 134 of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed hereto in **Annexure-IV** and forms part of this Report.

C. None of the employees of the Company have drawn remuneration of ₹ 1,02,00,000 or more per annum or ₹ 8,50,000 or more per month or for any part of the year, except Mr. Himanshu Patel, Managing Director, whose remuneration details is mentioned in the Corporate Governance Report and except the persons whose details are mentioned in the Top 10 employees in Annexure IV, forming part of the Board's Report. There being no other employees falling under the subject category, the particulars required to be disclosed under Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not required to be furnished.

D. None of the employees of the Company, employed throughout the year under review or part thereof, was in receipt of remuneration which was 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, exceeding two percent of the equity shares of the Company, except the persons whose details are mentioned in the Top 10 employees in Annexure IV, forming part of the Board's Report.

ANNUAL RETURN

The Annual Return for the financial year 2025-2026 has been uploaded on the Company's website: https://hleglascoat.com/corporate-governance/ in accordance with the provisions of Section 134 of the Companies Act, 2013.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT [BRSR]

Pursuant to the provisions of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/ CFD/CMD/10/2015 dated November 4, 2015 and the Business Responsibility & Sustainability Report detailing the various initiatives taken by the Company on the Environmental, Social and Governance front, is annexed hereto in **Annexure-V** and forms part of this Report.

CORPORATE GOVERNANCE

Pursuant to the provisions of Regulation 34(3) read with Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Report on Corporate Governance is annexed hereto in **Annexure-VI** and forms part of this Report. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics. The requisite Compliance Certificate as required under Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, issued by Mr. Nimish Mehta (CP No. 9651), proprietor of M/s. N. M. & Co., Practicing Company Secretaries, Mumbai, confirming to the compliance with the conditions of Corporate Governance, is also annexed hereto which forms part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(3) read with Schedule V(B) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Report on Management Discussion and Analysis is annexed hereto in **Annexure-VII** and forms part of this Report.

RISK MANAGEMENT

Your Company recognizes the importance of managing risk in the business to sustain growth. Pursuant to provisions of Regulations 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 134(3)(n) of the Companies Act,2013 ("the Act") and other applicable provisions,

if any, the Board of Directors of the Company has approved and framed "Risk Management Policy" of the Company, which is available on the website of the Company at https://hleglascoat.com/wp-content/uploads/2021/09/HGL_Risk-Management-Policy.pdf. The Risk Management Policy has a detailed risk assessment and minimization procedures and wherein all material risks faced by your Company are identified and assessed. The Risk Management Policy adopted by your Company establishes a structured and disciplined approach to Risk Management, in order to guide the Board on decisions on risk related issues and to mitigate various risks viz. economic risk, production risk, inventory management risk, technology risk, competition risk, financial risk, raw material price fluctuation risk, pandemic risk, human resource risk, reputation risk, legal risk, regulatory risk, cyber risk, etc.

Your Company has also formed a Risk Management Committee, having the following members:

a. Mr. Aalap Patel - Chairperson (Executive Director)

b. Mr. Sandeep Randery - Member (Independent Director)

c. Mr. Yatish Parekh - Member (Independent Director)

During the financial year 2025-2026, Three (03) Meetings were held on August 11, 2025, November 10, 2025 and February 10, 2026 wherein, all the major and important risks identified for the Company and relevant mitigation measures were reviewed and discussed.

The main objective of this Policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the Company's business and processes.

The risks faced by the Company and the various measures taken by the Company are detailed in Management Discussion and Analysis Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(C) read with 134(5) of the Companies Act, 2013, your Directors confirm that:

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

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for that period;

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

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Directors of your Company are well experienced with expertise in their respective fields of technical, financial, strategic and operational management and administration. None of the Directors of your Company are disqualified under the provisions of Section 164(2)(a) and (b) of the Companies Act, 2013. During the period under review, no Non-Executive Director of your Company had any pecuniary relationship or transactions with your Company except as stated elsewhere in this Report and in the notes to the accounts.

Mr. Harsh Patel, Director (DIN: 00141863), is retiring by rotation and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting. The brief profile of Mr. Harsh Patel has been given in the Notice convening the Annual General Meeting.

The day-to-day operations of your Company are managed by its Key Managerial Personnel ("KMP") viz. the Managing Director, the Whole-Time Director, the Executive Director, the Chief Financial Officer and the Company Secretary and Senior Managerial Personnel ("SMP"), as mentioned in the Corporate Governance Report. As required under the provisions of Section 203 of the Companies Act, 2013, Mr. Himanshu Patel (DIN 00202312), Managing Director, Mr. Aalap Patel (DIN 06858672), Executive Director, Mr. Harsh Patel (DIN: 00141863), Whole-Time Director, Mr. Naveen Kandpal, Chief Financial Officer of the Company and Mr. Achal Thakkar, Company Secretary are the Key Managerial Personnel of your Company as on the date of this Report.

The Nomination and Remuneration Committee has formulated the Policies relating to the appointment and remuneration of the Directors of your Company, laying down criteria for determining qualification, positive attributes, independence of directors, etc.

The Policy is available on the Company's website: https://www.hleglascoat.com/wp-content/uploads/2025/04/Policy-for-Appointment-of-the-Directors.pdf.

BOARD OF DIRECTORS AND COMMITTEES FORMED THEREUNDER

The Board of Directors has constituted the following Statutory Committees:

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

The details related to the composition of the Board of the Company and the Committees formed by it and meetings conducted during the financial year under review are given in the Corporate Governance Report annexed hereto and forming part of this Report.

NUMBER OF BOARD MEETINGS

The Company has complied with the provisions for holding Board Meetings and the gap between two meetings did not exceed 120 days. Six (6) Meetings of the Board of Directors of the Company were held during the year under review on May 19, 2025, August 11, 2025, August 26, 2025, September 27, 2025, November 10, 2025 and February 10, 2026.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Companies Act, 2013 the Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013, as amended, read with Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence and that they are independent of the Management. The Board of Directors of the Company have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. The Board is of the opinion that the Independent Directors possess the requisite qualifications, experience, expertise and they hold high standards of integrity. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013 and have also confirmed that their registration with the databank of the Independent Directors, maintained by the Indian Institute of Corporate Affairs is in compliance with the requirements of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

PERFORMANCE EVALUATION OF THE DIRECTORS

During the financial year 2025-2026, the Board of Directors of your Company has carried out an Annual Performance Evaluation of the Board, its Committees and all the individual Directors as per the Company's Policy for Performance Evaluation of Directors.

(i) The Board, in its Meeting held on February 10, 2026, has carried out the evaluation task of the entire Board, the Committees of the Board, the Chairperson, the Managing Director, the Executive Director, the Whole-Time Director, the Non-Executive Director and the Independent Directors individually, for the period from January 1, 2025 to December 31, 2025. In accordance with the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV, annual performance evaluation of the Independent Directors was carried out by the entire Board of Directors, excluding the Directors being evaluated.

The performance of each Independent Director has been evaluated on various parameters like ethics/ values, inter-personal skills, competence and general administration, liaison skills, participation in meetings, etc. The Board was satisfied that each of the Independent Directors has been acting professionally and has brought his/ her rich experience in the due deliberations of the Board.

(ii) The Independent Directors, in their separate Meeting held on February 10, 2026, carried out the performance evaluation of all the non-Independent Directors and the Board as a whole, with special attention to the performance of the Chairperson of the Company for the period from January 1, 2025 to December 31, 2025. The various criteria considered for the purpose of evaluation included composition of the board, ethics/ values, inter-personal skills, competence and general administration, liaison skills, participation in meetings, etc. The Independent Directors were of the view that the Chairperson and all the other non-Independent Directors were competent and the results of the evaluation were satisfactory and adequate to meet your Company's requirements.

(iii) The Nomination and Remuneration Committee, in its Meeting held on February 10, 2026, reviewed the performance of the Executive Directors of the Company with special attention to the leadership criteria for the Managing Director, the Executive Director and the Whole-

Time Director for the period from January 1, 2025 to December 31, 2025. The various criteria considered for purpose of evaluation included ethics/ values, inter-personal skills, competence and general administration, liaison skills, participation in meetings, etc. The Committee was of the view that the Managing Director, the Executive Director and the Whole-Time Director were capable and the results of the evaluation were satisfactory and adequate to meet your Company's requirements.

The Board also expressed its satisfaction over the process of evaluation.

CORPORATE SOCIAL RESPONSIBILITY [CSR]

Your Company has formed a CSR Committee in accordance with the provisions of Section 135 of the Companies Act, 2013, details of which are provided in the Corporate Governance Report annexed hereto and forming part of this Report. The CSR Policy of your Company as approved by the Board of Directors is available on the Company's website: https://hleglascoat.com/wp-content/uploads/2021/04/CSR-POLICY.pdf in the Corporate Social Responsibility section.

The CSR activities as required to be undertaken under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, including a brief outline of the Company's CSR Policy, total amount to be spent under the CSR Policy for the financial year 2025-2026, amount spent, amount unspent and the reason for the unspent amount if any, is annexed hereto in **Annexure-VIII** and forms part of this Report.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has established a Whistle Blower Policy as envisaged under the provisions of Section 177(9) of the Companies Act, 2013 and the Rules made thereunder and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a vigil mechanism to provide a framework to promote responsible and secure whistle blowing and to provide a channel to the employee(s) and Directors to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company, as adopted/ framed from time to time. The Policy provides for protecting confidentiality of those reporting violation(s) and restricts any discriminatory practices against them. The mechanism provides for adequate safeguards against victimisation of employee(s) and Directors to avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases.

The Policy covers malpractices and/ or events related to all issues that could have grave impact on the operations and performance of the business of your Company. The concerned matters are to be reported to the Compliance Officer and/ or the Chairperson of the Audit Committee. The Audit Committee monitors the Vigil Mechanism of your Company.

During the financial year 2025-2026 no employee has been denied access to the Compliance Officer/ the Chairperson of the Audit Committee, who have been appointed as the Whistle Blower Officers of the Company.

The details of establishment of Vigil mechanism/ Whistle Blower policy and the contact details of the Whistle Blower Officers are available on the Company's website: https://www.hleglascoat.com/wp-content/uploads/2023/08/HGL-WHISTLE-BLOWER-POLICY-VIGIL-MECHANISM_12.06.2021-R.pdf.

DIVIDEND DISTRIBUTION POLICY

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted the Dividend Distribution Policy which is available on the Company's Website at : https://hleglascoat.com/wp-content/uploads/2021/10/HGL-DIVIDEND-DIST-POLICY_Website.pdf

PREVENTION OF SEXUAL HARASSMENT AT THE WORKPLACE

Your Company has framed a Policy against sexual harassment and a formal process for dealing with complaints relating to harassment or discrimination. The said Policy is in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. As per the provisions of Section 4 of the said Act, the Board of Directors has constituted the Internal Complaints Committee ('ICC') to deal with the complaints received by your Company pertaining to gender discrimination and sexual harassment at the workplace. No unresolved complaints were there as on the start of the financial year, no complaints were received during the financial year and no complaints were pending to be resolved as at the end of the financial year.

MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of your Company which have occurred during the period between the end of the financial year to which the financial statements relate and the date of this Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has strong integrated systems for internal financial control system commensurate with the size and scale

of its operations and the same has been operating effectively. The Internal Auditor evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon if any, were presented to the Audit Committee of the Board.

Your Company has established effective internal control systems to ensure accurate, reliable and timely compilation of financial statements, to safeguard assets of your Company and to detect and mitigate irregularities and frauds.

In accordance with the requirements of the Section 143(3) (i) of the Companies Act, 2013, the Statutory Auditors have confirmed the adequacy and operating effectiveness of the internal financial control systems over financial reporting.

STATUTORY AUDITORS AND INDEPENDENT AUDITORS' REPORT

M/s. M M Nissim & Co LLP, Chartered Accountants, Mumbai (Firm Registration No. 107122W/W100672) have been appointed as the Statutory Auditors of your Company for a tenure of 5 (five) years at the 31st Annual General Meeting to hold the office from conclusion of 31st Annual General Meeting till the conclusion of 36th Annual General Meeting.

The Auditors Report given by M/s. M M Nissim & Co LLP, Statutory Auditors, on the Financial Statements of your Company, for the year ended March 31, 2026, forms part of the Annual Report. There is no qualification, reservation or adverse remark or any disclaimer of opinion in their Report.

In accordance with the Section 40 of the Companies (Amendment) Act, 2017 (corresponding to Section 139 of the Act) and revised Secretarial Standards-2, the requirement of ratification of the appointment of the Statutory Auditors in every Annual General Meeting of the Company during the tenure of appointment has been dispensed with. Hence, the matter has not been placed as an agenda item in the AGM Notice for the approval of the members/shareholders.

REPORTING OF FRAUDS

There have been no frauds reported under sub-section (12) of Section 143 of the Companies Act, 2013, during the financial year under review, to the Audit Committee or the Board of Directors.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

The Company had appointed Mr. Nimish Mehta, Proprietor of M/s. N. M. & Co., Practicing Company Secretaries (Firm Registration No. S2010MH142200 and Peer review No. 2385/2022) as the Secretarial Auditors for a period of five financial years, i.e. from FY 2025-2026 to FY 2029-30 in accordance with Section 204 of the Companies Act, 2013. The Report on Secretarial Audit issued by the Secretarial Auditors for the financial year 2025-2026, in Form MR-3, is annexed hereto in **Annexure-IX** and forms part of this Report. There is no qualification, reservation or adverse remark or any disclaimer of opinion in their Report.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETING

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

INTERNAL AUDITORS

M/s CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W) had conducted the internal audit of your Company for the Anand works for the financial year 2025-2026; and M/s. AKMK Associates, Chartered Accountants (Firm Registration No.: 136206W) had conducted the internal audit of your Company for the Maroli works and for the Silvassa Works for the financial year 2025-2026.

Pursuant to provisions of Section 138 of the Companies Act, 2013 and the Rules made thereunder, on the recommendation of the Audit Committee, the Company has appointed M/s CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W) and M/s AKMK Associates, Chartered Accountants (Firm Registration No.: 136206W) as the Internal Auditors, for the Anand works and the Maroli & Silvassa Works respectively for the financial year 2026-27.

The Company has received the consent from the respective firms for their said appointment.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Record and Audit) Rules, 2014, your Company has duly maintained the cost records as prescribed under the said rules. The cost audit for the financial year 2025-2026 of the said records was carried out by M/s. Nanty Shah & Associates, Cost Accountants (Membership No. 31497), the Cost Auditors appointed by the Company.

Further, the Board on the recommendation of the Audit Committee has appointed M/s. Nanty Shah & Associates, Cost

Accountants (Membership No. 31497), as the Cost Auditors of the Company for the financial year 2026-27. The Company has received the consent from them for their re-appointment. Accordingly, the Board of Directors recommends to the Members, the resolution seeking approval of the members for ratifying the remuneration payable to the Cost Auditors for FY 2026-2027 as per details provided in the Notice of the ensuing Annual General Meeting.

LISTING REGULATIONS COMPLIANCE / LISTING ON NSE

The Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Secretarial Standards. There has been no penalty / stricture imposed on the Company by Stock Exchanges or SEBI or any other Statutory Authority on any matter related to capital markets during last three financial years.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/ TRIBUNAL

No significant and material orders were passed by the Regulators or the Courts or Tribunals during the financial year under review.

PROCEEDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

There are no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended from time to time, before the National Company Law Tribunal (NCLT) or any other Courts as on March 31, 2026.

GENERAL

- During the financial year under review, there was no change in nature of business of the Company.
- During the financial year under review, there was no one time settlement with the Banks/ Financial institutions.

ACKNOWLEDGEMENTS

Your Directors and Management take this opportunity to thank your Company's customers, vendors, investors, business associates, bankers and other stakeholders for their continued support. Your Directors also take this opportunity to applaud the contributions made by all the employees to the operations of your Company for its continued growth and success.

By the Order of the Board of
HLE Glascoat Limited

Sd/-
Himanshu Patel
Managing Director
(DIN: 00202312)

Sd/-
Aalap Patel
Executive Director
(DIN: 06858672)

Date : May 18, 2026
Place: Maroli, Navsari

ANNEXURE-I TO THE BOARD'S REPORT

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

(Information in respect of each subsidiary)

(₹ In Lakhs)

1	Name of the subsidiary	Thaletec LLP (formerly known as Thaletec / HL Equipments)	Kinam Engineering Industries Private Limited	Kinam Process Equipments Private Limited	Thaletec GmbH	Thaletec Inc., USA	HLE Surface Technologies GmbH	OmeraStore GmbH	HLE International S.à.r.l.
2	The date since when subsidiary was acquired	January 11, 2017	January 01, 2024	October 01, 2023	December 17, 2021	December 17, 2021	July 28, 2025	August 13, 2025	March 03, 2026
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA	NA	NA	Jan 01 - Dec 31	Jan 01 - Dec 31	Jan 01 - Dec 31	Jan 01 - Dec 31	Jan 01 - Dec 31
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA	Reporting currency: EUR Exchange rate: 109.0064 INR / EUR	Reporting currency: EUR Exchange rate: 94.6543 INR / USD	Reporting currency: EUR Exchange rate: 109.0064 INR / EUR	Reporting currency: EUR Exchange rate: 109.0064 INR / EUR	Reporting currency: EUR Exchange rate: 109.0064 INR / EUR
5	Share capital	NA	22,501.00	668.14	129.36	154.75	25.35	25.62	12.89
6	Reserves and surplus	240.24	5,203.91	238.67	13,553.45	285.30	(1,959.86)	762.61	0.19
7	Total assets	2,196.13	32,373.60	929.52	31,391.80	494.94	6,118.80	3,659.20	13.08
8	Total Liabilities	1,955.89	4,668.69	22.71	17,708.99	54.89	8,053.31	2,870.97	-
9	Investments	-	-	926.73	189.77	-	438.00	-	-
10	Turnover	3,983.74	20,034.60	-	34,312.26	756.09	6,170.30	7,294.21	-
11	Profit before taxation	238.15	2,279.93	(2.03)	3,093.75	70.04	(2,499.85)	376.32	-
12	Provision for taxation	83.02	(95.44)	(0.52)	973.80	24.79	(713.95)	78.63	-
13	Profit after taxation	155.13	2,375.37	(1.51)	2,119.95	45.25	(1,785.90)	297.69	-
14	Proposed Dividend	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
15	Extent of shareholding (in percentage)	99.00%	35.56%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

1. Names of subsidiaries which are yet to commence operations: Aforesaid subsidiaries have commenced operations, except HLE International S.à.r.l.

2. Names of subsidiaries which have been liquidated or sold during the year: No subsidiary has been liquidated or sold during the year.

ANNEXURE-II TO THE BOARD'S REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo

INFORMATION AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE BOARD'S REPORT FOR THE YEAR ENDED MARCH 31, 2026

(A) Conservation of Energy

It has always been the endeavour of the Company to put efforts for continuous improvement in Energy Management with regular review all the areas related to energy. The Company believes in transforming energy conservation into a strategic business goal fully along with the technological sustainable development of Energy Management Systems. The Company has been optimizing energy consumption in all its operational and other activities.

(i) To achieve the above objectives the following steps are being undertaken by the Company:

- Continuous review of energy parameters such as electricity maximum demand, power factor, load factor, TOD tariff utilization on a regular basis and implementing the actions to optimize the above from time to time.
- Replacement of inefficient equipment with the latest energy efficient technology and upgradation of equipment continually.
- Conducting various energy awareness programs that help in knowledge on energy consumption and energy optimization within the organization.
- Monitoring and ensuring optimized generation and utilization of Renewable Energy Resources with dedicated monitoring cell.
- Reduction in Green House Emission by improving energy efficiency at the Plant.
- In addition to above measures undertaken on continuous basis, few steps initiated during the financial year under review were, viz., increase in furnace capacity resulting in saving time, etc.

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

As a measure to encourage Green Energy, the Company has installed Windmills, Solar Panels and captive power facility at per detail provided hereunder:

- One (1) Windmill with an installed capacity of 1.25 MW at Baradiya in Jamnagar, Gujarat in Financial Year 2009-10.
- Solar plant at Maroli works.
- During the year, set up and commissioned effective from March 13, 2026, captive power generation facility, having a solar capacity of 2.31 MWp and a wind capacity of 3.30 MW, through Joint Venture, in the state of Gujarat.

The 1.25 MW windmill at Baradiya, Jamnagar, Gujarat, generated 16.77 Lakh units of electricity during FY 2025–26.

The solar power plant at Maroli generated 1.50 Lakh KW units of electricity during FY 2025–26.

The captive power generation project generated 5.69 Lakh units of electricity during FY 2025–26 (from 13/03/2026 to 31/03/2026).

(iii) Capital investment on energy conservation equipment (if any)

None.

(B) Technology Absorption, Adaption and Innovation-

(i) The efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution:

- Upgrading the belt grinding machine saving cycle time.
- Manual to automation in systems, resulting in saving in job process time.
- Upgrading the Furnace resulted in a reduction in process time and improvement in productivity.

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

Not Applicable.

(iii) The expenditure incurred on Research and Development:

₹ 302.78 Lakhs.

(C) Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual are as under:

(₹ in lakhs)

	Particulars	2025-26	2024-25
1.	Total Foreign Exchange Outgo	3,918.08	2,210.76
2.	Total Foreign Exchange Earned	1,976.53	2,278.84

By the Order of the Board of
HLE Glascoat Limited

Sd/-
Himanshu Patel
Managing Director
(DIN: 00202312)

Sd/-
Aalap Patel
Executive Director
(DIN: 06858672)

Date: May 18, 2026
Place: Maroli, Navsari

ANNEXURE-III TO THE BOARD REPORT

Statement of Disclosure of Remuneration in accordance with Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Directors and KMPs	% Increase in remuneration in 2025-26	Ratio of Remuneration to MRE^ for financial year	
		Excl. KMP	Incl. KMP
Managing Director	(5.81%)	40.87	40.70
Executive Director	7.32%	28.74	28.63
Whole-Time Director	10.98%	20.14	20.06
Company Secretary	23.26%	5.64	5.61
Chief Financial Officer	26.49%	15.54	15.48

Median remuneration of employee	% change in median remuneration in
Excl. Remuneration of KMPs	12.73
Incl. Remuneration of KMPs	12.13

^ Median Remuneration of Employee

Notes:

The aforesaid ratios and % change figures are rounded off to two decimals.

The aforesaid remuneration of KMPs and employees is based on the annualized Gross Remuneration to the Company.

The Managing Director is paid commission @ 1% of the net profits of the Company as per the Agreement.

The Non-Executive and Independent Directors do not receive remuneration except sitting fees for attending the Board Meetings.

During the financial year 2025-26, no employee received remuneration in excess of the highest paid directors, except as mentioned in the details of Top Ten (10) employees in terms of remuneration.

The Company pays remuneration to the Executive Directors, Key Managerial Personnel and other employees in accordance with its Remuneration Policy.

Other Disclosures

Total no. of Permanent Employees on Company's roll as on March 31, 2026	Excl. KMPs	Incl. KMPs
	592	597

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Particulars	Average percentile change in salary in the financial year 2025-26
Average Salary of the employees (excl KMP)	24.06 %
Average Salary of KMPs	4.71 %
Justification/ information of exceptional circumstances for increase in managerial remuneration	Not Applicable

By the Order of the Board of
HLE Glascoat Limited

Sd/-
Himanshu Patel
Managing Director
(DIN: 00202312)

Sd/-
Aalap Patel
Executive Director
(DIN:06858672)

Date : May 18, 2026
Place: Maroli, Navsari

ANNEXURE-IV TO THE BOARD REPORT

Details of the top 10 employees (apart from Key Managerial Personnel) of the Company in terms of remuneration drawn as required under with Section 134 of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No	Names of Emplo-yees	Designation	Remuneration (₹ In Lakhs)	Nature of Employment Contractual or otherwise	Qualifications & Experience	Date of Commence-ment of employment	Age (Yrs.)	Last employ ment before joining the Com-pany	% of shares held in the Company	Relationship with any Director or manager of the Comp-any
1	Amit Kalra	Director - Sales & Marketing	114.07	PERMANENT	BE Chemical, MBA	01-Sep-22	46	Yashashvi Rasayan Pvt. Ltd.	0	NONE
2	Darshak Chandarana	VP - Operations	85.85		BE Mechanical, MBA	12-Aug-24	57	Thermax Babcock & Wilcox Energy Solutions Limited	0	
3	Manoj Simpi	VP – Chemical Processes	80.12		BE Chemical	16-Apr-25	49	Atul Limited	0	
4	Sanjeev Tamhan	VP - Sales & Marketing	71.30		BE Mechanical, MBA	1-Aug-24	56	Kevin Process Technology Pvt. Ltd.	0	
5	Bharat Dhanak	VP - Sales & Marketing	66.83		B.com, PG (IT)	05-Oct-11	49	Standard Radiator Pvt Ltd.	0	
6	Vaibhav Gokhale	VP - Sales & Marketing (South)	55.52		BE Mechanical, MBA Marketing	20-Jun-22	45	Praj Hipurity System Ltd.	0	
7	Vijay Saini	VP - Operations	51.73		BE Mechanical	9-Oct-25	55	Gunnebo India Pvt. Ltd.	0	
8	Dinesh Chander	AVP - Manufacturing	48.84		BE Mechanical, MBA Operation	29-Aug-22	54	GE Power India Ltd.	0	
9	Pascoal Dantas	VP - People Success	47.46		PGDBM -HR, EPGDODC	01-Sep-22	38	Yashashvi Rasayan Pvt. Ltd.	0	
10	Kiran Sudhakar Kulkarni	VP - Operations	46.21		BE Mechanical, DME in Buisness Mgt	20-Nov-23	57	GEA Process Engineering (India) Pvt. Ltd.	0	

By the Order of the Board of
HLE Glascoat Limited

Sd/-
Himanshu Patel
Managing Director
(DIN: 00202312)

Sd/-
Aalap Patel
Executive Director
(DIN:06858672)

Date: May 18, 2026
Place: Maroli, Navsari

ANNEXURE-V TO THE BOARD'S REPORT

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L26100GJ1991PLC016173
2.	**Name of the Listed Entity**	HLE Glascoat Limited
3.	**Year of incorporation**	1991
4.	**Registered office address**	H-106, GIDC Estate, V. U. Nagar – 388121, Dist. Anand, Gujarat
5.	**Corporate address**	H-106, GIDC Estate, V. U. Nagar – 388121, Dist. Anand, Gujarat
6.	**E-mail**	share@hleglascoat.com
7.	**Telephone**	(02692) 236842 to 236845
8.	**Website**	www.hleglascoat.com
9.	**Financial year for which reporting is being done**	FY 2025-26
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE)
11.	**Paid-up Capital**	INR 13,89,09,478.00
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Mr. Achal Thakkar, Company Secretary 02692-236842 share@hleglascoat.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).**	Standalone basis
14.	**Name of assurance provider**	Not Applicable as the Company does not fall under the purview of Assurance as per SEBI mandate.
15.	**Type of assurance obtained**	Not Applicable

II. Product/Services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Process Equipment for the Chemicals, Pharmaceutical and allied Industries.	Design and Manufacturing of 1) Filtration, Drying Equipment 2) Glass Lined Equipment 3) Exotic Metal Equipment 4) Heat Transfer Equipment 5) Reactors and Pressure Vessels	99.73%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of other special-purpose machinery n.e.c.	28299	99.73%

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	3	10	13
International	0	2	2

19. Markets served by the entity

a. Number of locations

Location	Number
National (No. of States)	22
International (No. of Countries)	10

b. What is the contribution of exports as a percentage of the total turnover of the entity?

4.13%

c. A brief on types of customers

The Company provides engineered process equipment and solutions to customers across the pharmaceutical (API) and chemical industries, including agrochemicals, specialty chemicals, fine chemicals, dyes & pigments, food, and other allied sectors. Its diverse product portfolio supports critical applications such as storage, reaction, heat transfer, distillation, and solid-liquid separation, serving industries including pharmaceuticals, nutraceuticals, food processing, marine, and other process industries.

IV. Employees

20. Details as of the end of the financial year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
	EMPLOYEES					
1.	Permanent(D)	594	553	93%	41	7%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D+E)	594	553	93%	41	7%
	WORKERS					
4.	Permanent(F)	134	134	100%	0	0%
5.	Other than Permanent (G)	1370	1346	98%	24	2%
6.	Total workers (F+G)	1504	1480	98%	24	2%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent(D)	3	3	100%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total employees (D+E)	3	3	100%	0	0%
	DIFFERENTLY ABLED WORKERS					
4.	Permanent(F)	2	2	100%	0	0%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	Total workers (F+G)	2	2	100%	0	0%

21. Participation/Inclusion/Representation of Women:

	Total (A)	Number and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	8	1	12.5%
Key Management Personnel	5	0	0%

Note: Board of Directors include Key Management Personnel like Managing Director, Whole time director, Executive Director

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2026			FY 2025			FY 2024		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	23%	22%	23%	27%	22%	27%	25%	27%	25%
Permanent Workers	7%	-	7%	8%	-	8%	9%	-	9%

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

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

Sr. 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	Thaletec LLP (formerly known as Thaletec / HL Equipments)	Subsidiary	99%	No
2	Thaletec GmbH	Subsidiary	100%	No
3	Thaletec Inc., USA	Step down subsidiary	100%	No
4	Kinam Engineering Industries Private Limited	Subsidiary	70%	No
5	Kinam Process Equipments Private Limited	Subsidiary	100%	No
6	OmeraStore GmbH	Step down subsidiary	100%	No
7	HLE Surface Technologies GmbH	Step down subsidiary	100%	No
8	HLE International S.à.r.l.	Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in ₹) 72,311.46 Lakhs

(iii) Net worth (in ₹) 39,297.66 Lakhs

VII. Transparency and Disclosure Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2026			FY 2025		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	All complaints are handled in a fair and transparent manner, and any unresolved cases are addressed and closed during the subsequent reporting period.	0	0	All complaints are handled in a fair and transparent manner, and any unresolved cases are addressed and closed during the subsequent reporting period.
Investors (other than shareholders)	Yes	0	0		0	0	
Shareholders	Yes	2	0		2	0	
Employees and workers	Yes	0	0		0	0	
Customers	Yes	140	0		147	0	
Value Chain Partners	Yes	0	0		0	0	
Other	NA	NA	NA		NA	NA	

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, and approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sr. 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	Emission Management	Risk	The Company adopts a focused approach towards emissions management by prioritising the reduction of greenhouse gas emission intensity and striving to lower the overall carbon footprint associated with its operational activities.	The Company is actively advancing its transition towards renewable energy sources and implementing various sustainability initiatives aimed at minimising the overall carbon footprint of its operations.	Negative
2	Water Management	Risk	The Company's proactive approach to water management demonstrates its commitment to responsible corporate citizenship by mitigating environmental risks, supporting surrounding communities, and contributing to long-term sustainability objectives.	Committed to responsible water management, the Company emphasises reducing freshwater withdrawal, implementing efficient wastewater treatment processes, and ensuring safe disposal practices to support environmental sustainability and deliver positive societal outcomes.	Negative

Sr. 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)
3	Waste Management	Risk	Through effective waste management and responsible disposal practices, the Company strives to minimise its environmental footprint, improve operational efficiency, and ensure compliance with applicable regulatory standards, thereby fostering a more sustainable and responsible business approach.	The Company follows a comprehensive waste management approach centred on the principles of Reduce, Reuse, and Recycle (3R), while promoting the efficient and optimal utilisation of resources.	Negative
4	Product Safety and Quality	Opportunity	Maintaining product safety and quality is essential for building customer trust, ensuring compliance with industry standards, and safeguarding the Company's reputation and long-term business sustainability.	-	Positive
5	Human Capital Developement	Opportunity	By continuously investing in employee training, development, and wellbeing, the Company aims to foster a skilled and motivated workforce that enhances operational adaptability, supports long-term business growth, and promotes a culture of excellence and sustainability.	-	Positive
6	Privacy and Data Management	Risk	Protecting customer and stakeholder data is essential for maintaining trust and upholding the Company's reputation and credibility.	The Company prioritises the security and confidentiality of information by implementing robust data protection measures and complying with applicable privacy regulations, thereby fostering long-term and trusted stakeholder relationships.	Negative
7	Labour Management	Risk	By promoting fair and ethical treatment across the workforce, the Company cultivates a positive workplace culture that enhances employee engagement, improves productivity, and strengthens long-term workforce commitment and loyalty.	By fostering an inclusive and diverse workplace, ensuring compliance with applicable labour regulations, and enabling employee development opportunities, the Company aims to cultivate a harmonious, resilient, and sustainable workforce.	Negative

Sr. 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)
8	Chemical Safety	Risk	Effective chemical management is critical for ensuring workplace safety, complying with regulatory requirements, and reducing potential environmental impacts and risks .	Through the responsible handling, storage, and disposal of chemicals, the Company reinforces its commitment to sustainable practices, regulatory compliance, and stakeholder trust.	Negative
9	Corporate Governance	Risk	Robust corporate governance practices foster ethical decision-making, strengthen accountability, and enhance transparency across the organisation.	Supported by effective risk management practices, the Company is committed to maintaining high standards of corporate governance to strengthen stakeholder confidence and drive long-term value creation.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1.	**a.**	**Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b.	**Has the policy been approved by the Board? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c.	**Web Link of the Policies, if available.**	https://www.hleglascoat.com/corporate-governance/								
2.		**Whether the entity has translated the policy into procedures. (Yes / No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.		**Do the enlisted policies extend to your value chain partners?**	No	No	No	No	No	No	No	No	No
4.		**Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	• ASME Accreditation - Authorised to use ASME 'U', 'NB' and 'R' Stamps for pressure vessels. • CE Compliance - Designing and manufacturing in compliance with CE as per Pressure Equipment, ATEX, Machinery, Electromagnetic, Low Voltage and other Directives. • JIS Compliance - Designing and manufacturing incompliance with 'JIS" • ISO 9001:2015 – ISO certification • EAC Certification: Certified for manufacturing pressure vessels as per the Russian Directives • LR Marine Certification: Certified for manufacturing pressure vessels for marine application • Indian register of shipping Certification: Certified for manufacturing pressure vessels for marine applications. • American Bureau of Shipping – Manufacturing in compliance with ABS Standards.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. **Specific commitments, goals, and targets set by the entity with defined timelines, if any.**	None								
6. **Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.**	Not Applicable								
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)**									

Dear Shareholders,

FY 2025–26 marked continued progress in strengthening responsible practices across HLE Glascoat, with focused attention on renewable energy, workplace awareness and community development.

A key milestone during the year was the commissioning of 2.31 MWp of solar and 3.30 MW of wind captive renewable power capacity in Gujarat on March 13, 2026, through Clean Max Anchorage Private Limited. This addition enhances our renewable power portfolio and provides a greater contribution of cleaner energy to our operations.

During the year, we also continued to strengthen employee awareness through safety and environmental programmes, including initiatives undertaken around World Environment Day 2025. Our CSR interventions remained focused on identified community needs, with support across education, healthcare, nutrition, rural development, environmental initiatives and disaster relief, including support for educational infrastructure and community facilities.

Going forward, our focus will remain on responsible resource management, appropriate adoption of renewable energy, workplace safety and meaningful community engagement, while responding to evolving business and regulatory requirements. We remain committed to progressing these areas through practical and relevant actions aligned with our operational priorities.

Thank you for your continued trust and support.

Himanshu Patel

Managing Director

8. **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**	The Board of Directors oversees the Company's Business Responsibility policies, while the Executive Director and senior management are responsible for their implementation and monitoring under the Board's strategic direction. This governance framework ensures responsible business practices are embedded across the organisation.
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.**	Sustainability oversight is led by the Executive Director, Whole-time Director, and senior management team. Although the Company does not have a dedicated sustainability committee, sustainability priorities are integrated into leadership reviews, with continuous improvements to governance frameworks and operational processes to support the Company's ESG commitments.

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									Frequency (Annually/ Half yearly/ Quarterly/ Any other-please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y				Periodically					
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y				Periodically					

11. **Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No) – No.**

If yes provide the name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9
Not Applicable								

12. **If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:**

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year.

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	During the reporting year, the Board of Directors and Key Managerial Personnel (KMPs) were regularly apprised of key developments relating to business performance, compliance, governance, and significant regulatory changes. These updates also covered relevant compliance and reporting requirements, enabling effective oversight and informed decision-making.	100%
Key Managerial Personnel	2		100%

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	178	Leadership and behavioural development; organisational values and ethics; EHS and workplace safety awareness; emergency response and first aid; ISO management systems; quality management (QCD, Kaizen, 5S); technical and product-specific training; engineering drawing interpretation and design software (Solid Edge, Power BI, Excel); manufacturing process optimisation; ASME and GMP standards; production planning; digital competency; change management; team alignment and collaboration; defensive driving; POSH awareness.	71%
Workers	235	Toolbox talks; plant safety awareness; emergency response, firefighting and first aid; 5S and workplace discipline; welding and fabrication skills; machine operation and maintenance; material handling; process parameter monitoring; quality inspection and defect prevention; product assembly and vessel fabrication; welding precautions; PT Level-I certification; GMP practices; scrap segregation; process improvement; production knowledge; team building; organisational values; hygiene and workplace housekeeping; equipment operation and technical skill enhancement.	72%

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	Not Applicable				
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	Not Applicable			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in case where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   The Company consistently upholds strong ethical values, honesty, accountability, and transparency in the conduct of its business activities. In line with its commitment to regulatory and legal compliance, the Company has implemented a comprehensive Whistleblower/Vigil Mechanism Policy that provides employees with a confidential and secure channel to report concerns regarding unethical behaviour, violations of laws and regulations, or irregularities in financial disclosures.

   Moreover, the Company's Code of Conduct enforces a zero-tolerance approach to bribery, corruption, and the inappropriate offering or acceptance of gifts, payments, or favours intended to influence business decisions. The policy framework is applicable to all employees, including the Board of Directors and Senior Management personnel. To ensure effective implementation and awareness, the Company conducts employee induction sessions along with periodic training and communication programmes on ethical business practices and compliance requirements.

   The policy is publicly accessible at: https://www.hleglascoat.com/wp-content/uploads/2023/08/HGL-WHISTLE-BLOWER-POLICY-VIGIL-MECHANISM_12.06.2021-R.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2026	FY 2025
Directors	None	None
KMPs		
Employees		
Workers		

6. **Details of complaints with regard to conflict of interest:**

	FY 2026		FY 2025	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	None	NA	None	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	None	NA	None	NA

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   Not Applicable

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

	FY 2026	FY 2025
Number of days of accounts payables	74.38	61.04

9. Open-ness of business

Provide details of the concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY 2026	FY 2025
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	27%	31%
	b.	Number of trading houses where purchases are made from	274	156
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	29%	25%
Concentration of Sales	a.	Sales to dealers/ distributors as % of total sales	NA	NA
	b.	Number of dealers distributors to whom sales are made	NA	NA
	c.	Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	NA	NA
Share of RPTs in	a.	Purchases (Purchases with related parties/ Total Purchases)	1.54%	1.21%
	b.	Sales (Sales to related parties/ Total Sales)	6.41%	2.47%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	98%	0*
	d.	Investments (Investments in related parties/ Total Investments made)	NA	NA

* Data for FY 2024-25 has been restated for better interpretation and maintaining the comparability across both the financial years.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
7	Vendor development / Quality improvement / New component development	4%

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, the Company has implemented comprehensive mechanisms to identify, prevent, and manage conflicts of interest, including those involving Board members. Employees and relevant stakeholders are required to disclose any actual or potential conflicts in line with established procedures and governance frameworks.

Additionally, the Company conducts periodic training and awareness programmes on the Code of Conduct and ethical business practices to reinforce transparency, fairness, and accountability, while safeguarding the organisation's integrity.

PRINCIPLE 2: Business 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.

	FY 2026	FY 2025	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

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

No. While the Company does not maintain a standalone policy specifically for this aspect, it ensures that all suppliers, vendors, and contractors adhere to applicable labour regulations, occupational health and safety norms, service quality expectations, and all other relevant statutory and regulatory requirements.

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

Not Applicable

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 d) Other waste

   While the Company does not maintain a standalone policy specifically for this aspect, it ensures that all suppliers, vendors, and contractors adhere to applicable labour regulations, occupational health and safety norms, service quality expectations, and all other relevant statutory and regulatory requirements.

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.

   No, Extended Producer Responsibility (EPR) obligations are not applicable to the Company due to the nature of its business operations.

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?

   No, the Company has not undertaken Life Cycle Assessments (LCA) for any of its products.

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.

   Not Applicable

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 2026	FY 2025
	Not Applicable	Not Applicable

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 2026			FY 2025		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste General Waste (Dry & Wet)	Nil	Nil	Nil	Nil	Nil	Nil

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
Not Applicable	

PRINCIPLE 3: Business should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A	Number (C)	% (C / A)	Number (D	% (D / A	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	553	509	92%	509	92%	-	-	502	91%	0	0%
Female	41	36	88%	36	88%	41	100%	-	-	0	0%
Total	**594**	**545**	**92%**	**545**	**92%**	**41**	**7%**	**502**	**85%**	**0**	**0%**
Other than Permanent employees											
Male	0	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	**0**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**	**0**	**0%**

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A	Number (C)	% (C / A)	Number (D	% (D / A	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	134	70	52%	134	100%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	**134**	**70**	**52%**	**134**	**100%**	**0**	**0%**	**0**	**0%**	**0**	**0%**
Other than Permanent workers											
Male	1346	782	58%	1346	100%	0	0%	0	0%	0	0%
Female	24	0	0%	24	100%	0	0%	0	0%	0	0%
Total	**1370**	**782**	**57%**	**1370**	**100%**	**0**	**0%**	**0**	**0%**	**0**	**0%**

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

	FY 2026	FY 2025
Cost incurred on well-being measures as a % of total revenue of the company	0.63%	0.63%

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

Benefits	FY 2026			FY 2025		
	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.)	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%	Yes	100%	100%	Yes
ESI	NA	NA	NA	NA	NA	NA
Others	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company ensures that its offices and operational premises are designed to be accessible to differently-abled employees and workers, in accordance with the requirements of the Rights of Persons with Disabilities Act, 2016

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.**

The Company is committed to fostering an inclusive and equitable work environment that promotes equal opportunities for all employees, including persons with disabilities. Through various policies and initiatives, the Company supports their professional development, career progression, and overall well-being, while strengthening a diverse, respectful, and supportive workplace culture.

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	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

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, the Company has developed comprehensive grievance management systems comprising Toolbox Talk (TBT) sessions, complaint registers, and suggestion boxes to promote open dialogue within the workplace. These mechanisms enable employees and workers across all sites to report concerns and share feedback, ensuring that grievances are addressed efficiently and in a systematic manner.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2026			FY 2025		
	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	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA
Total Permanent Workers	NA	NA	NA	NA	NA	NA
Male	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA

Note: This disclosure is not applicable, as there are no employees or workers who are members of any association or union.

8. Details of training given to employees and workers:

Category	FY 2026					FY 2025				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	553	553	100%	131	24%	534	534	100%	257	48.12%
Female	41	41	100%	11	27%	43	43	100%	26	60.46%
Total	**594**	**594**	**100%**	**142**	**24%**	**577**	**577**	**100%**	**283**	**49.04%**
Workers										
Male	1480	1480	100%	323	22%	1458	1458	100%	649	44.51%
Female	24	24	100%	24	100%	9	9	100%	9	100%
Total	**1504**	**1504**	**100%**	**347**	**23%**	**1467**	**1467**	**100%**	**658**	**44.85%**

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

Category	FY 2026			FY 2025		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	553	553	100%	534	534	100%
Female	41	41	100%	43	43	100%
Total	**594**	**594**	**100%**	**577**	**577**	**100%**
Workers						
Male	1480	1480	100%	1458	1458	100%
Female	24	24	100%	9	9	100%
Total	**1504**	**1504**	**100%**	**1467**	**1467**	**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, the Company places significant emphasis on the health, safety, and wellbeing of its employees and stakeholders. To ensure a safe, healthy, and secure working environment, the Company has implemented a robust Occupational Health and Safety (OHS) management system across all operational locations, with a focus on preventing work-related injuries and incidents.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company follows a comprehensive, systematic approach to workplace safety through the implementation of Hazard Identification and Risk Assessment (HIRA) processes across all regular operations to identify potential hazards and assess associated risks. Identified risks are continuously monitored through daily observation and tracking, enabling proactive mitigation and timely corrective actions.

For non-routine and high-risk activities, the Company has established a robust Permit to Work (PTW) system that incorporates detailed risk assessments, predefined safety measures, and control protocols. This framework helps ensure effective hazard management, strengthens operational safety, and minimises workplace risks.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, the Company has implemented a comprehensive incident reporting and management framework to facilitate the timely identification, reporting, and resolution of workplace hazards. To strengthen proactive risk management, multiple

reporting channels have been established, including the Near Miss Reporting System, the Safety Committee platform, and the Daily Reporting System for Unsafe Acts and Unsafe Conditions (UA/UC).

These mechanisms encourage active employee participation and contribute to fostering a strong safety culture across all operations.

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

Yes, the Company supports the well-being of its workforce by ensuring access to non-occupational healthcare facilities through its association with recognised medical institutions, such as Shree Nirali Hospital and Shree Krishna Hospital, Karamsad. Medical cards are provided to all workmen, enabling them and their immediate family members to avail a wide spectrum of healthcare services.

In addition, the Company offers comprehensive health insurance benefits covering employees and their families. To address routine and immediate medical needs at the workplace, a dedicated on-site medical centre with a consulting doctor has also been established at the plant location, ensuring timely healthcare support.

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

Safety Incident/Number	Category	FY 2026	FY 2025
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.45	0.5
Total recordable work-related injuries	Employees	1	0
	Workers	19	16
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.

The Company adopts a comprehensive workplace safety framework that includes the mandatory use of Personal Protective Equipment (PPE), safe storage practices, and a structured near-miss reporting mechanism to minimise the likelihood of accidents and injuries during construction and operational activities. To strengthen safety awareness and preparedness, regular shop-floor and classroom-based training programmes are conducted for employees across all categories.

In addition, the Company conducts periodic mock drills and evacuation exercises, and continuously monitors the workplace to enhance emergency preparedness and response capabilities. An integrated ERP system, supported by a dedicated Emergency Response Team (ERT), enables timely, effective action during emergencies.

Further details regarding these initiatives are provided under Principle 3.

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

	FY 2026			FY 2025		
	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	Nil	0	0	Nil	0	0
Health & Safety	Nil	0	0	Nil	0	0

14. Assessment 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.

Not Applicable

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).

Yes, the Company extends Group Personal Accident (GPA) insurance coverage to all employees and workers, providing financial protection in the unfortunate event of death arising from an accident.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has established a robust monitoring mechanism to ensure that its value chain partners comply with applicable statutory requirements. Regular oversight is maintained through monthly reviews of Wage Registers and Provident Fund (PF) contributions submitted by personnel suppliers.

In addition, the finance function systematically monitors vendors' statutory obligations, including Goods and Services Tax (GST) filings, through relevant government portals. Any instances of non-compliance are promptly addressed through follow-ups, including formal communications, and escalated to legal action in cases of continued non-adherence.

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 2026	FY 2025	FY 2026	FY 2025
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil, the Company expects all its value chain partners like suppliers and contractors to adhere to various regulatory requirements including safety laws and labour conditions.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4: Business should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   The Company follows a systematic approach to identifying and engaging with stakeholders who are influenced by its business operations and activities. Through detailed stakeholder mapping and assessment exercises, key stakeholder groups such as employees, customers, investors, suppliers, regulatory authorities, local communities, and NGOs are identified and prioritised based on their level of impact, relevance, and association with the business. To facilitate effective and continuous stakeholder engagement, the Company has implemented multiple communication and interaction channels, as outlined in Question 2. These engagement processes are guided by the Stakeholder and Relationship Committee, which oversees transparent communication and ensures balanced consideration of stakeholder interests. The inputs, feedback, and perspectives gathered through these interactions are integrated into the Company's decision-making framework, supporting responsible business conduct, enhanced transparency, and stronger long-term stakeholder relationships.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as a 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
Shareholders	No	Email, Newspaper, Advertisement, Website, Investor Calls	Monthly/quarterly/ annually / event-based	Business performance, Financial Results, Statutory requirements and compliances, etc
Employees	No	Email, SMS, Pamphlets, Notice Board, Website, face to face meetings	Regularly / From time to time	Policies, Business Objectives, Achievements, awards, employee engagement, wellbeing and training initiatives.
Customers	No	Email, SMS, Newspaper, Brochures, Advertisement, Website	Regularly / From time to time	New product development, Product Safety and Quality, Service Offerings
Suppliers	No	Email, SMS, Newspaper, Advertisement, Website	Regularly / From time to time	Raw Material requirements, Product Quality, Supplier Compliance
Local Communities	No	Focussed Group Discussions, One -to-One Meeting	Need Based	Community development programmes
Government	No	Email, Regulatory Compliance documents, prescribed Form filings and reporting	Regularly / From time to time	Regulatory filings, Compliances, Requisite approvals, etc
Banks/ Financial Institutions	No	Email, Website	Regularly / From time to time	Banking requirements, compliances, etc.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company maintains robust governance mechanisms to ensure transparency and effective oversight in addressing stakeholder concerns. Various Board-level committees, including the Stakeholders' Relationship Committee, Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Corporate Social Responsibility Committee, periodically review and assess stakeholder matters relating to economic, environmental, and social aspects.

   The Company also actively seeks stakeholder feedback on its policies, initiatives, and business practices. Insights and inputs received through these engagements are systematically incorporated into strategic planning, business objectives, and decision-making processes, enabling the Company to align its actions with stakeholder expectations and uphold responsible corporate governance practices.

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 the policies and activities of the entity.

   No

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

   1. **Promotion of Inclusive Education:** Supported access to quality education through the provision of scholarships, improvement of school infrastructure, and distribution of digital learning resources for students from economically weaker sections, particularly in rural and tribal regions.

   2. **Healthcare and Medical Support:** Facilitated access to healthcare services by providing subsidised medical assistance and support programmes aimed at improving health outcomes in underserved communities.

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 2026			FY 2025		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	594	594	100%	577	577	100%
Other than permanent	0	0	0%	0	0	0%
Total Employees	**594**	**594**	**100%**	**577**	**577**	**100%**
Workers						
Permanent	134	134	100%	110	110	100%
Other than permanent	1,370	1,370	100%	1,357	1,357	100%
Total Employees	**1,504**	**1,504**	**100%**	**1,467**	**1,467**	**100%**

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

Category	FY 2026					FY 2025				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent										
Male	553	0	0%	553	100%	534	36	7%	498	93%
Female	41	0	0%	41	100%	43	4	9%	39	91%
Other than Permanent										
Male	0	0	0%	0	0%	0	0	0	0	0
Female	0	0	0%	0	0%	0	0	0	0	0
Workers										
Permanent										
Male	134	3	2%	131	98%	110	4	4%	106	96%
Female	0	0	0%	0	0%	0	0	0%	0	0%
Other than Permanent										
Male	1,346	620	46%	726	54%	1,348	562	42%	786	58%
Female	24	11	46%	13	54%	9	9	100%	0	0%

3. 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)	3	1,08,90,000	0	0
Key Managerial Personnel	5	76,30,002	0	0
Employees other than BoD and KMP	680	3,87,996	50	2,57,910
Workers	143	2,42,064	0	0

Note:

- The Key Managerial Personnel (KMP) comprises the Managing Director and two Executive Directors, who are also part of the Board of Directors (BoD).
- For the purpose of calculation under the BoD category, only three directors receiving remuneration are considered. Directors receiving only sitting fees are excluded.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2026	FY 2025
Gross wages paid to females as % of total wages	3.77%	3.72%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has established grievance redressal mechanisms managed by the Human Resources department to ensure employee concerns are addressed in a timely, fair, and transparent manner, in line with organisational policies and human rights principles. Employees can confidentially report grievances through designated channels, including suggestion boxes placed across various operational units, without fear of discrimination or retaliation.

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

Yes, the Company has established a structured internal grievance redressal mechanism to address workforce-related concerns, including matters pertaining to human rights. Grievances are managed through defined processes implemented by the management, ensuring timely, transparent, and fair resolution in accordance with organisational values and applicable regulatory requirements.

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

	FY 2026			FY 2025		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 2026	FY 2025
Total Complaints reported under Sexual Harassment 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 complaint in discrimination and harassment cases.**

The Company is committed to fostering an inclusive and equitable workplace by implementing stringent policies and procedures that promote equal opportunities for all employees and workers. The Company strictly prohibits discrimination based on gender, race, ethnicity, colour, or any other similar attributes, while actively promoting diversity and gender equality across its operations.

Employees are encouraged to report concerns or grievances freely and without fear of retaliation, discrimination, or adverse consequences. The Company also ensures confidentiality throughout the grievance handling and resolution process, thereby reinforcing a safe, respectful, and supportive working environment.

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

Yes, the Company incorporates human rights provisions within its business agreements and contractual arrangements, ensuring that all partners and stakeholders uphold responsible business conduct and respect for human rights principles.

10. **Assessment for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others-please specify	N.A.

11. **Provide details of any corrective actions taken or underway to address significant risks/ concerning arising from the assessments at Question 10 above.**

Not Applicable

Leadership Indicators

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

The Company remains committed to embedding fundamental human rights principles across its business operations and practices. Owing to this proactive and responsible approach, no changes to operational processes were required during the reporting period due to any human rights-related grievances or complaints.

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

The Company conducts periodic audits and assessments to reinforce responsible business practices, with a strong emphasis on preventing child labour, forced labour, discrimination, and unsafe working conditions across its operations.

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?**

The Company is committed to creating an inclusive and accessible workplace by ensuring that its premises and offices are designed to accommodate employees and workers with disabilities, in compliance with the provisions of the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	No instances were reported during the year. The Company expects all vendors, suppliers, and other value chain partners to uphold ethical business practices and comply with applicable labour, health and safety, and human rights requirements as a prerequisite for continued business engagement.
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others-please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments in Question 4 above.

Not Applicable

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

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

		FY 2026	FY 2025
Revenue from operations (₹ in Lakhs)		72,311.46	55,106.92

Parameter	Unit	FY 2026	FY 2025
From renewable sources			
Total electricity consumption (A)	GJ	8,560.61	5,300.56
Total fuel consumption (B)	GJ	0	0
Energy consumption through other sources (C)	GJ	0	0
Total energy consumed from renewable sources (A+B+C)	**GJ**	**8,560.61**	**5,300.56**
From non-renewable sources			
Total electricity consumption (D)	GJ	73,779.61	54,931.4*
Total fuel consumption (E)	GJ	36,639.78	37,525.70*
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	**GJ**	**1,10,419.39**	**92,457.10***
Total energy consumed (A+B+C+D+E+F)	**GJ**	**1,18,980**	**97,757.66***
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	**GJ/Million INR**	**1.65**	**1.77***
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	**GJ/Million INR adjusted to PPP**	**33.47**	**36.65***
Energy intensity in terms of physical output	**GJ/ Number of units of Equipment produced**	**44.99**	**47.43***
Energy intensity (optional)- the relevant metric may be selected by the entity	-	-	-

* FY 2024–25 data has been restated following enhanced data traceability and improved granularity in energy and fuel consumption records.

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.

Not Applicable

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

Parameter	FY 2026	FY 2025
Water withdrawal by source (in kilolitres)		
(i) Surface Water	-	-
(ii) Ground Water	9,485	8,359
(iii) Third Party Water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	3,775	2,914
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	13,260	11,273
Total volume of water consumption (in kilolitres)	13,260	11,273
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations) in kL/Million INR	0.18	0.20
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP) in kL/ Million INR adjusted to PPP	3.73	4.22
Water intensity in terms of physical output in kL/Number of units of equipment produced	5.01	5.47
Water 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

4. Provide the following details related to water discharged:

Parameter	FY 2026	FY 2025
Water discharge by destination and level of treatment (in kilolitres)		
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 discharge (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.

No, as there is no generation of effluent in the company.

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

Parameter	Please specify unit	FY 2026	FY 2025
NOx	MT	-	-
Sox	MT	-	-
Particulate matter (PM)	MT	-	-
Persistent organic compounds (POP)	_	-	-
Volatile organic compounds (VOC)	_	-	-
Hazardous air pollutants (HAP)	_	-	-
Others-please specify	_	-	-

Note: Monitoring of air emissions will be commenced from next reporting year.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2026	FY 2025
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,278.93	2,130.41*
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	14,755.92	10,982.28*
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent per million rupees of turnover	0.24	0.24*
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent per million rupee of turnover adjusted for Purchasing Power Parity (PPP)	4.79	4.91*
Total Scope 1 and Scope 2 emission intensity in terms of physical output (in terms of number of units of equipment produced)	Metric tonnes of CO2 equivalent per number of units of equipment produced	6.44	6.36*

* FY 2024–25 data has been restated following enhanced data traceability and improved granularity in energy and fuel consumption records.

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.

No

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

Parameter	FY 2026	FY 2025
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.8	0.05*
E-waste (B)	1.06	0
Biomedical Waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	2.62	1.8*
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,271.43	624.83*
Total (A+B + C + D + E + F + G + H)	1,275.95	626.68*
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.02	0.01*
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.36	0.23*
Waste intensity in terms of physical output (in terms of number of units of equipment produced)	0.48	0.30*
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
i) Recycled	3.11	0.69
ii) Re-used	1.37	1.16
iii) Other recovery operations (Sale to scrap dealers)	1,271.47	624.83
Total	**1,275.95**	**626.68**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i) Incineration	0	0
ii) Landfilling	0	0
iii) Other disposal operations	0	0
Total	0	0

* FY 2024–25 waste data has been restated following enhanced data traceability to ensure greater completeness and accuracy.

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.

HLE Glascoat does not generate or use a significant amount of hazardous and toxic chemicals.

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:

Sr. no.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The Company does not have any offices or operational entities located in or around ecologically sensitive 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)	Relevant Web link
HLE has not conducted any Environmental Impact Assessments (EIA) during the reporting period.					

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:

Sr. No.	Specify the law/regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes. During FY 2026, the Company complied with all applicable environmental laws and regulations, and no instances of non-compliance were reported.				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/ plant located in areas of water stress, provide the following information:

i) Name of the area: -

ii) Nature of operations: -

iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2026	FY 2025
Water withdrawal by source (in kilolitres)		
i) Surface Water	-	-
ii) Ground Water	-	-
iii) Third Party Water	-	-
iv) Seawater / desalinated water	-	-
v) Others	-	-
Total volume of water withdrawal (in kilolitres)	-	-
Total volume of water consumption (in kilolitres)	-	-
Water intensity per rupee of turnover (Total Water consumption / Revenue from operations)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter		FY 2026	FY 2025
ii)	Into Groundwater		
	- No treatment	-	-
	- With treatment – please specify level of treatment	-	-
iii)	Into 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.

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

Parameter	Unit	FY 2026	FY 2025
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover	emissions per rupee of turnover	NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

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.**

Not Applicable

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:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Energy Conservation	The Company is progressively increasing the utilisation of renewable energy sources through a dedicated monitoring cell that oversees energy generation and consumption, thereby reducing reliance on conventional grid electricity.	The initiative resulted in a 9.5% reduction in dependence on grid electricity consumption.
2.	Energy Conservation	The Company is committed to minimising greenhouse gas (GHG) emissions through the implementation of enhanced energy efficiency measures across its plant operations.	The initiative contributed to a 9.2% reduction in total greenhouse gas emissions across Scope 1 and Scope 2 categories.
3.	Energy Conservation	The Company implemented timer-based control systems for shed lighting and pump operations, along with high-tension (HT) line modifications in coordination with MGVCL, to improve energy efficiency and minimise operational losses.	The initiative resulted in significant energy cost savings while also contributing to the reduction of environmental impacts.

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4.	Technology Absorption, Adaption and Innovation	Installation of auto rotators	The initiative enhanced operational cycle efficiency
5.	Technology Absorption, Adaption and Innovation	The Company integrated smart automation features into products such as ANF and ANFD to improve operational efficiency, enhance reliability, and deliver an improved user experience.	The initiative also enhanced operational efficiency and helped reduce the likelihood of human error.

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

The Company has established a comprehensive Emergency Response Plan to effectively manage and mitigate accidental or unforeseen incidents.

As part of its broader risk management framework, the Company places strong emphasis on business continuity and disaster management. A structured approach has been adopted to ensure the uninterrupted operation of critical systems during emergencies. Regular mock drills, including fire drills, are conducted to assess preparedness and enhance employees' and relevant stakeholders' awareness of emergency protocols.

In addition, defined processes and systems have been implemented to strengthen the Company's preparedness, response, and recovery capabilities in the event of potential disruptions.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No material adverse environmental impacts have been observed as a result of the Company's value chain activities.

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

Nil

8. **How many Green Credits have been generated or procured:**

a. By the listed entity: Nil

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Nil

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. a. **Number of affiliations with trade and industry chambers/associations.**

None

b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such bodies) that the entity is a member of/ affiliated to.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
Not Applicable		

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable as there were no instances of competitive behaviour exhibited by the Company		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. 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
Not Applicable					

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
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has implemented a robust grievance redressal mechanism, supported by dedicated channels to effectively receive, address, and resolve concerns and feedback from all stakeholders, including local communities.

Recognising the importance of community engagement, the Company places significant emphasis on building and maintaining strong relationships with communities, acknowledging their integral role within its broader stakeholder ecosystem.

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

	FY 2026	FY 2025
Directly sourced from MSMEs/ small producers	51.40%	42%
Directly from within India	91.58%	79%

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 2026	FY 2025
Rural	43.47%	44.31%
Semi-urban	6.67%	7.10%
Urban	-	-
Metropolitan	49.86%	48.59%

(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
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No.	State	Aspirational District	Amount spent (In INR)
Not Applicable			

3. A) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable group? (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:

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	**Scholarship Scheme (Promoting Education, Art and Culture):** Supported students from economically weaker sections through scholarships for tuition fees, complemented by regular mentoring and academic performance monitoring. The initiative aims to enhance educational attainment, encourage continued learning, and strengthen the confidence and future prospects of underprivileged youth.	2,900	100%
2	**TB Mukt Bharat Support Initiative (Eradicating Hunger, Poverty and Malnutrition):** Supported tuberculosis patients through the provision of nutritional kits and conducted awareness programmes on disease prevention, early diagnosis, and treatment adherence. The initiative aims to improve patient well-being, encourage treatment compliance, and enhance community awareness, contributing to the objectives of the national TB elimination mission.	130	100%

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
3	**Rahat Dar Nu Dawakhana (Healthcare Services to Society):** Supported access to affordable healthcare through the operation of a low-cost clinic providing essential medical consultations, subsidised diagnostic services, and medicines. The initiative aims to improve healthcare accessibility for economically disadvantaged communities, promote preventive healthcare, and reduce the financial burden associated with medical treatment.	3,050	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.

The Company is committed to addressing customer complaints and feedback in a timely and effective manner. Dedicated sales and service teams handle concerns received through email, telephone, and other communication channels, ensuring that each issue is thoroughly reviewed, appropriately investigated, and resolved to maintain high levels of customer satisfaction and service excellence.

2. Turnover of products and/ services as a percentage of turnover from all products/services that carry information about:

State	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	Nil

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

	FY 2026		Remarks	FY 2025		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others (Products defects reported)	140	0	-	147	0	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	-
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.

Although the Company operates exclusively in the B2B segment and does not engage in direct consumer-facing online sales, it recognises the importance of protecting customer and business information. The Company has established robust information security and cybersecurity frameworks, supported by appropriate technological safeguards and monitoring mechanisms, to mitigate risks related to data breaches, unauthorised access, and cyber threats. These measures are aimed at ensuring the security, confidentiality, and integrity of information entrusted to the Company.

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.**

   Not Applicable

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches - Not Applicable

   b. Percentage of data breaches involving personally identifiable information of customers – Not Applicable

   c. Impact, if any, of the data breaches – Not Applicable

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The requisite details and information of the Company's product and service portfolio can be accessed through its official website at www.hleglascoat.com.

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

   The Company offers a customer care programme designed to address specific client requirements by providing comprehensive technical support, operational guidance, and recommended best practices, including essential Do's and Don'ts. Detailed installation and service manuals are provided with each unit to facilitate proper usage, operation, and maintenance.

   The Company remains committed to delivering sustainable and high-quality products, supported by responsive, reliable, and customer-centric service practices.

3. **Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

   The Company ensures timely, transparent communication with customers about potential product discontinuations or operational disruptions, enabling them to take proactive, informed measures to mitigate associated risks. Depending on the urgency and nature of the matter, communication is conducted through appropriate channels, such as emails, meetings, or calls, to ensure clear and effective engagement.

4. **A) Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) B) 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)**

   Yes. The Company provides comprehensive product-related information through detailed instruction manuals and equipment nameplates, which clearly specify parameters such as equipment capacity, unique identification numbers, pressure and temperature ratings, customer purchase order references, and tag numbers.

   In addition, the Company regularly conducts customer satisfaction and feedback surveys to assess service effectiveness and support continuous improvement in product quality, service standards, and customer experience.

ANNEXURE-VI TO THE BOARD'S REPORT

CORPORATE GOVERNANCE REPORT

Forming part of the Board's Report

COMPANY PHILOSOPHY ON CORPORATE GOVERNANCE

At HLE Glascoat Limited (the "Company"), Corporate Governance is fundamental to the business and core to its existence. Your Company believes that the corporate governance is a system of structuring and operating a Company with a view to achieve long term strategic goals and ensuring interest of all the stakeholders. Your Company firmly believes in core ethical values based on transparency, integrity, professionalism and accountability. The Company adheres to these ethical values by ensuring transparency in all its operations, making timely disclosures and enhancing stakeholders' value. Your Company believes that the good governance process has a positive impact on the Company's reputation, employees, customers and stakeholders at large.

Your Company has adopted the best of corporate governance practices and is based on following principles:

- Strong, professional, independent Board with vast knowledge and varied experience.
- Accountability for functioning and transparency in conduct.
- Compliance with applicable laws and regulations.
- Independent verification of financial reporting.
- Value creation and wealth maximization for stakeholders.

The Report on Corporate Governance, as per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') is given as under:

BOARD OF DIRECTORS AND BOARD MEETINGS

The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board has delegated the operational conduct of the business to the Chairperson, Managing Director and Whole-time Director of the Company. The Management of the Company is headed by the Chairperson, Managing Director and Executive Directors of the Company and has business / functional heads as its members, which look after the management of the day-to-day affairs of the Company.

Composition and Board Diversity

The Board of Directors ('the Board') comprises of appropriate mix of Executive and Non-Executive Directors as required under the Companies Act, 2013 ('the Act') and the Listing Regulations to maintain the independence of the Board and to maintain an optimal mix of professionalism, knowledge and experience to enable it to discharge its responsibilities.

As on March 31, 2026, the Board consists of Eight Directors comprising of five Non-Executive Directors, of which four Directors are Independent Directors including one Woman Independent Director. The Executive Directors include the Managing Director and the Whole-time Director. The Company has a Non-Executive Chairperson and the number of Independent Directors is 50% of the total number of Directors. Except Independent Directors and the Managing Director, all other Directors are liable to retire by rotation. None of the Directors on the Board has attained the age of 75 years (except Mr. Yatish Parikh (DIN: 00168488), Chairperson and Independent Director, who will be attaining age of 75 (Seventy-Five) years on November 30, 2026, for which necessary process of approval is being carried out in line with the provisions of the applicable laws). The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its related responsibilities and provide effective leadership to the business.

The number of Directorships, Committee Membership(s)/ Chairpersonship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 ("Act") and the Listing Regulations.

➢ **Detailed information on the Board of Directors and their Directorships held in other companies and other details are as under:**

Name of Directors	Category of Director ship	Inter-se relation with other Directors	No. of Public & Private Companies# in which Director-ships held	Names of Listed Companies (excluding your Company) in which Directorships held		No. of Committees^ in which appointed as a Member (M)/ Chairperson (C)	Committee Details+ in other Public Limited Companies, listed or not, in which Member (M) or a Chairperson (C)
				Names of other Listed Companies	Category of Directorships		
A	B	C	D	E	F	G	H
Mr. Himanshu Patel	MD (P)**	Father of Mr. Harsh Patel, Brother of Mr. Nilesh Patel, Uncle of Mr. Aalap Patel	5	-	-	-	-
Mr. Aalap Patel	ED (P) **	Son of Mr. Nilesh Patel, Nephew of Mr. Himanshu Patel, First cousin of Mr. Harsh Patel	3	-	-	2 (M)	-
Mr. Nilesh Patel	NED (P) **	Father of Mr. Aalap Patel, Brother of Mr. Himanshu Patel, Uncle of Mr. Harsh Patel	4	-	-	-	-
Mr. Harsh Patel	ED (P) **	Son of Mr. Himanshu Patel, Nephew of Mr. Nilesh Patel, First cousin of Mr. Aalap Patel	4	-	-	1(M)	1(M)
Ms. Vijayanti Punjabi	NED (I) **	None	1	-	-	-	-
Mr. Yatish Parekh	NED (I) **	None	-	-	-	1 (C)	-
Mr. Sandeep Randery	NED (I) **	None	1	-	-	1 (C) 1 (M)	1 (M)
Mr. Jayesh Shah	NED (I) **	None	1	-	-	2 (M)	1 (C)

**MD (P) – Managing Director (Promoter), ED (P) - Executive Director (Promoter), NED (P) - Non-Executive Director (Promoter), NED (I) - Non-Executive Director (Independent)

none of the Directors are the Chairperson in any of the companies, except mentioned above.

no. of companies in which directorships is held is considered after excluding companies incorporated under Section 8 of the Companies Act, 2013 and foreign companies.

^ includes Audit and Stakeholders Relationship Committees of the Company.

+includes Audit and Stakeholders Relationship Committees of other public companies.

Independent Directors' Confirmation by the Board

The Company has received declarations on criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) and Regulation 25(8) of the Listing Regulations from the Directors of the Company who have been classified as Independent Directors as on March 31, 2026. Further in terms of the Regulation 25(8), they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. A Statement by the Managing Director regarding the said affirmation by the Independent Directors is annexed hereto and forms part of this Report.

All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Companies Act, 2013 and the Committee positions held by them in other companies as stipulated under Regulation 26 of the Listing Regulations. None of the Directors of the Company hold Directorships in more than 20 companies, including 10 public companies. As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than 7 listed companies. Further, the Executive Directors of the Company do not serve as an Independent Director in any listed entity.

None of them is a member of more than 10 committees or Chairperson of more than 5 committees across all the public companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, Chairpersonship and Membership of the Audit Committee and Stakeholders Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations. The number of Directorship(s), Committee Membership(s) / Chairpersonship(s) of all Directors is within respective limits prescribed under the Act and the Listing Regulations as amended from time to time.

Information and attendance of Board of Directors at the Board Meetings, Committee Meetings and Annual General Meeting

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other business. In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

The notice of Board / Committee Meetings is given well in advance to all the Directors. The Agenda of the Board / Committee Meetings is set by the Company Secretary in consultation with the Chairperson, Managing Director, Executive Director and Chief Financial Officer of the Company. The agenda is circulated generally, a week prior to the date of the Meeting and in case of shorter notice circulation, requisite approvals are obtained. The Agenda for the Board and Committee Meetings cover items set out as per the guidelines in the Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee Meetings include detailed notes on the items to be discussed at the Meeting to enable the Directors to take an informed decision. Video / tele-conferencing facilities are also used to facilitate Directors travelling or located at other locations to participate in the Meetings.

Where it is not feasible to attach any document to the agenda, being an Unpublished Price Sensitive Information, the same is placed before the meeting with the general consent of the Directors obtained at the beginning of the financial year. In special and exceptional circumstances, additional item(s) on the agenda is/are taken up with due permission. The Board takes decision based on detailed discussions and deliberations. The members of the Board have complete independence to raise any issue/matter for discussion. The Directors take active part at the Board and Committee Meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, policy direction, governance, compliance, etc. and play critical role on strategic issues and add value in the decision making process of the Board of Directors.

The Board of Directors met 6 (six) times during the year on the following dates which fulfills the requirement stipulated under the provisions of the Companies Act, 2013 and the Rules made thereunder and the Listing Regulations: May 19, 2025, August 11, 2025, August 26, 2025, September 27, 2025, November 10, 2025 and February 10, 2026.

The maximum interval between any two consecutive Meetings was less than 120 days, as stipulated under Section 173(1) of the Act and Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by Institute of Company Secretaries of India.

The details of attendance of each Director at the Board Meetings held during the financial year and the last Annual General Meeting (AGM) are given below:

Names of Directors	No. of Board Meetings attended	Sitting Fees (₹ In Lakhs)	Whether Attended Last AGM
Mr. Himanshu Patel	6	-	Yes
Mr. Aalap Patel	6	-	Yes
Mr. Nilesh Patel	4	0.60	No
Mr. Harsh Patel	6	-	Yes
Ms. Vijayanti Punjabi	6	1.60	Yes
Mr. Yatish Parekh	6	2.20	Yes
Mr. Sandeep Randery	5	2.55	Yes
Mr. Jayesh Shah	5	1.75	Yes

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. The Company Secretary attends the Board Meetings and advises the Board on compliances with applicable laws and governance.

The draft Minutes of the proceedings of the Meetings of the Board/Committee(s) are circulated to all the Members of the Board or the Committee for their perusal within the stipulated time prescribed by Secretarial Standards on Meetings of the Board of Directors (SS–1). Comments, if any, received from the Directors are incorporated in the Minutes in consultation with the Chairperson. The Minutes are approved by the Members of the Board/Committee(s) prior to the next Meeting. The signed Minutes are circulated to all the Members of the Board or the Committee within the stipulated time prescribed by Secretarial Standards on Meetings of the Board of Directors.

➢ Equity Shareholding of the Non-Executive Directors in the Company as on March 31, 2026 is as under:

Name of the Non-Executive/ Independent Director	Number of shares held	Name of the Non-Executive/ Independent Director	Number of shares held
Mr. Nilesh Patel	1,72,06,114	Ms. Vijayanti Punjabi	Nil
Mr. Sandeep Randery	Nil	Mr. Yatish Parekh	Nil
Mr. Jayesh Shah	Nil		

➢ Details of Familiarisation Programmes imparted to Independent Directors

A formal letter of appointment is issued to the Independent Directors at the time of his/ her appointment, which inter alia explains the role, function, duties and responsibilities expected from him/ her as an Independent Director of the Company. The Independent Directors are also explained in detail the compliances required from him/ her under the Companies Act, 2013, the Listing Regulations and other various statutes as a Director and Independent Directors and an affirmation is also obtained.

The Independent Directors are also informed about the business model, nature of industry, operations and working of the Company as a whole.

Further, on an ongoing basis as a part of Agenda of Board/ Committee Meetings, presentations are regularly made to the Independent Directors on various matters covering the Company's businesses and operations, industry and regulatory updates, strategy, finance, risk management framework and significant changes that may affect the Company, so that they can take informed decision and contribute significantly in the Committee and the Board meetings.

The details of Familiarisation Programs for Independent Directors can be accessed through the web-link-https://hleglascoat.com/wp-content/uploads/2021/06/Details-of-Familiarization-Programmes-HGL.pdf

➢ Key Skills, Competency and Expertise of the Board

The Board of the Company comprises of qualified members who bring in required skills, competency and expertise that allow them to make effective contribution to the Board and its Committees.

The following core skills/ expertise/ competencies have been identified for the effective functioning of the Company and are currently available within the Board members:

- Business Leadership
- Operational Experience

- Strategic Planning
- Industry Experience and Innovation
- Financial, Regulatory/ Legal and Risk Management
- Corporate Governance
- Sales and Marketing
- Human Resources and Administration skills

While all the Board members possess the skills identified and their area of core expertise is given below:

Name of Directors	Area of Expertise	Name of Directors	Area of Expertise
Mr. Himanshu Patel	*Business Leadership *Operational Experience *Strategic Planning *Industry Experience and Innovation *Corporate Governance *Human Resources and Administration skills *Sales and Marketing	Ms. Vijayanti Punjabi	*Human Resources and Administration *Strategic Planning *Corporate Governance
Mr. Aalap Patel	*Business Leadership *Operational Experience *Strategic Planning *Industry Experience and Innovation *Corporate Governance *Human Resources and Administration skills *Sales and Marketing *Financial, Regulatory/ Legal and Risk Management	Mr. Yatish Parekh	*Financial, Regulatory/ Legal and Risk Management *Corporate Governance *Strategic Planning
Mr. Nilesh Patel	*Business Leadership *Operational Experience *Strategic Planning *Industry Experience and Innovation *Financial, Regulatory/ Legal and Risk Management *Sales and Marketing *Human Resources and Administration skills	Mr. Sandeep Randery	*Financial, Regulatory/ Legal and Risk Management *Corporate Governance *Strategic Planning
Mr. Harsh Patel	*Business Leadership *Operational Experience *Strategic Planning *Industry Experience and Innovation *Sales and Marketing *Financial, Regulatory/ Legal And Risk Management	Mr. Jayesh Shah	*Operational Experience *Sales and Marketing *Human Resources and Administration skills

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively.

INDEPENDENT DIRECTORS

All the Independent Directors on the Board are highly experienced, competent and renowned persons in their respective fields of expertise. They actively participate in the Board and Committee Meetings which is a great value addition in the decision-making process.

➢ Separate Meeting of Independent Directors

Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, mandates the Independent Directors of the Company to hold at least one meeting in a financial year without the attendance of Non-Independent Directors and members of the management. The Independent Directors Meeting were held on February 10, 2026 and March 3, 2026 to review:

- the performance of Non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into account the views of the Executive Director and the Non-Executive Director;
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties; and
- the compliance of the Code of Conduct framed by the Company.

Mr. Yatish Parekh, Independent Director was the Chairperson of the Meeting of Independent Directors.

Attendance of Independent Directors in Separate Meeting of Independent Directors held on February 10, 2026:

Separate Meeting of Independent Directors:

Independent Directors	No. of Meetings held	Meetings attended
Mr. Yatish Parekh	1	1
Ms. Vijayanti Punjabi	1	1
Mr. Sandeep Randery	1	1
Mr. Jayesh Shah	1	1

Attendance of Independent Directors in the Meeting of Independent Directors' Committee held on March 3, 2026 :

Independent Directors' Committee Meeting:

Independent Directors	No. of Meetings held	Meetings attended
Mr. Yatish Parekh	1	1
Ms. Vijayanti Punjabi	1	1
Mr. Sandeep Randery	1	1
Mr. Jayesh Shah	1	1

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairperson of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meeting of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has established the following statutory and non-statutory Committees:

AUDIT COMMITTEE

Composition

The Audit Committee of the Company comprises of three Independent Directors and one Executive Director. Mr. Yatish Parekh, Independent Director (Chairperson of the Audit Committee), Mr. Sandeep Randery, Independent Director (Member), Mr. Jayesh Shah, Independent Director (Member) and Mr. Aalap Patel, Executive Director (Member). The Chairperson is a qualified Chartered Accountant and has relevant accounting and financial management expertise and experience. All Members of the Audit Committee are financially literate and have relevant finance and audit exposure.

The Company Secretary acts as the Secretary of the Audit Committee. The Committee acts as a link between the management, external and internal auditors and the Board of Directors of the Company.

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 177 of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 read with Part C of Schedule II of the Listing Regulations. Apart from the above, the Committee also carries out such functions/responsibilities entrusted on it by the Board of Directors from time to time. All the members of Audit Committee are financially literate and at least one member has the relevant accounting or financial management expertise. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

Terms of Reference

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls

and financial reporting process and inter-alia, performs the following functions:

1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

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

4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for its approval, with particular reference to:

   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;

   b) Changes, if any, in accounting policies and practices and reasons for the same;

   c) Major accounting entries involving estimates based on the exercise of judgement by management;

   d) Significant adjustments made in the financial statements arising out of audit findings;

   e) Compliance with listing and other legal requirements relating to financial statements;

   f) Disclosure of any related party transactions;

   g) modified opinion(s) in the draft audit report;

5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7) Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process;

8) Approval or any subsequent modification of transactions of the Company with related parties;

9) Scrutiny of inter-corporate loans and investments;

10) Valuation of undertakings or assets of the Company, wherever it is necessary;

11) Evaluation of internal financial controls and risk management systems;

12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14) Discussion with internal auditors of any significant findings and follow up there on;

15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

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

17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18) To review the functioning of the Whistle Blower mechanism;

19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;

20) Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

21) Reviewing the utilization of loans and / or advances from / investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

22) Review the functioning of vigil mechanism/ whistle blower mechanism for the Directors and employees to report their genuine concerns or grievances and provide mechanism for adequate safeguards against victimisation.

23) Audit Committee also monitors the Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

24) Carry out all the functions as may be entrusted (i) by the Board of Directors, from time to time; and (ii) by the virtue

of applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as amended from time to time.

25) The Audit Committee shall mandatorily review the following information:

i. Management discussion and analysis of financial condition and results of operations;

ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;

iv. Internal audit reports relating to internal control weaknesses;

v. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

vi. Statement of deviations:

(a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Consolidated Financial Statements as required by the Regulation 33 of the Listing Regulations. The Company's quarterly Un-audited Standalone and Consolidated Financial Statements are available on the web-link https://hleglascoat.com/financials/

Meeting and Attendance

The Audit Committee meets at least once a quarter. The Audit Committee met 6 (six) times during the financial year which fulfills the requirements stipulated under the provisions of the Companies Act, 2013 and the Rules made there under and the Listing Regulations. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 19, 2025, August 11, 2025, August 26, 2025, November 10, 2025, February 10, 2026 and March 3, 2026. The requisite quorum was present at all the Meetings. The Chairperson of the Audit Committee was present at the 34th Annual General Meeting of the Company held on September 26, 2025 to answer the Shareholders' queries.

The meetings of Audit Committee are also attended by the Chief Financial Officer, representatives of Statutory Auditors, Internal Auditors and executives from accounts and finance department as special invitees, as and when invited by the Audit Committee. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board.

The Table below provides the attendance of the Audit Committee members:

Name of Member	Category	Designation	Attendance
Mr. Yatish Parekh	Independent Director	Chairperson	6
Mr. Aalap Patel	Executive Director	Member	6
Mr. Sandeep Randery	Independent Director	Member	6
Mr. Jayesh Shah	Independent Director	Member	5

All the recommendations made by the Audit Committee during the financial year under review were accepted by the Board.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Composition

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations, Stakeholders Relationship Committee (SRC) has been constituted comprising of Mr. Sandeep Randery, Independent Director (Chairperson of the Stakeholders Relationship Committee), Mr. Jayesh Shah, Independent Director (Member), Mr. Harsh Patel, Whole-Time Director (Member) and Mr. Aalap Patel, Executive Director (Member).

Stakeholders Relationship Committee is entrusted with responsibilities to resolve grievances of the stakeholders including but not limited to the suppliers, customers, shareholders or any party dealing with the Company.

Terms of Reference

The brief terms of reference of the Stakeholders Relationship Committee includes:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, issue of new/duplicate share certificates, general meetings, non-receipt of annual report, non-receipt of declared dividends, non-receipt of balance sheets of the Company or any other documents or information to be sent by the Company to its shareholders, etc.

(2) Review of measures taken for effective exercise of voting rights by shareholders.

(3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company.

(5) The Committee also oversees the performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement of the quality of investor services as and when need arises.

Meetings and Attendance

During the financial year, the Stakeholders Relationship Committee had met 3 (three) times on May 19, 2025, November 11, 2025 and February 10, 2026. The requisite quorum was present at the Meeting. Mr. Sandeep Randery, the Chairperson of the Committee was present at the 34th AGM of the company held on September 26, 2025 to answer the shareholders' queries.

The table below provides the attendance of the Stakeholders Relationship Committee Members:

Name of Member	Category	Designation	Attendance
Mr. Sandeep Randery	Independent Director	Chairperson	3
Mr. Jayesh Shah	Independent Director	Member	2
Mr. Aalap Patel	Executive Director	Member	3
Mr. Harsh Patel	Whole-Time Director	Member	3

Name and Designation of the Compliance Officer

M/s MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited), the Registrar and Share transfer Agent of the Company attend to day-to-day requests and the grievances of the shareholders under due supervision of Mr. Achal Thakkar, the Company Secretary and Compliance Officer of the Company. The Stakeholders Relationship Committee regularly oversees the functions of the Compliance Officer and systems and manner of investor grievance handling and resolving the same expeditiously.

The Company as on March 31, 2026 had 71,271 members. The status of the complaints received by the Company during the financial year under review is as under:

As on April 1, 2025: Nil

Received during the year: 2

Resolved during the year: 2

Outstanding as on March 31, 2026: Nil

During financial year 2025-2026, the Company has satisfactorily responded and resolved the various requests of the shareholders. No investor grievances remained unattended /pending for more than Fifteen days as on March 31, 2026.

The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

NOMINATION AND REMUNERATION COMMITTEE

Composition

The Nomination and Remuneration Committee comprises of Ms. Vijayanti Punjabi, Women Independent Director (Chairperson of the Nomination and Remuneration Committee), Mr. Yatish Parekh, Independent Director (Member) and Mr. Jayesh Shah, Independent Director (Member). The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 19 and Part D of Schedule II of the Listing Regulations. Apart from the above, the Committee also carries out such functions / responsibilities entrusted on it by the Board of Directors from time to time.

Terms of Reference

Brief terms of reference of the Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration of directors, Key Managerial Personnel and other Employees.
- Formulation of the criteria for evaluation of performance of Independent Directors and the Board.
- Devising a policy on Board Diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and / or removal.
- Consider extension or continuation of the term of appointment of the independent directors on the basis of the report of performance evaluation of Independent Directors.
- Determine / recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board.

- Crafting a fair, reasonable and transparent remuneration policy for the Directors, Key Managerial Personnel and Senior Management Executives of the Company so as to serve the purpose of the objective of the existence of the Nomination and Remuneration Committee.
- Assessment of experience, expertise and skills required for appointment of Directors, Key Managerial Personnel and Senior Management Executives of the Company.
- Maintaining the composition of the Board of Directors in accordance with the applicable legal provisions.
- Identifying the potential candidates and hence assisting the Board in selection of Directors, Key Managerial Personnel and Senior Management Executives for the Company.
- Reviewing the performance of the Directors, Key Managerial Personnel and Senior Management Executives.
- Recommending the Board for appointment, renewal and removal of the Directors, Key Managerial Personnel and Senior Management Executives.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme.
- To assist the Board in fulfilling responsibilities entrusted from time-to-time; and
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory Notification, amendment or modification as may be applicable.

Meeting and Attendance

During the financial year, the Nomination and Remuneration Committee had met 2 (two) times on May 19, 2025 and February 10, 2026. The requisite quorum was present at the Meeting. Ms. Vijayanti Punjabi, the Chairperson of the Committee was present at the 34th AGM of the Company held on September 26, 2025 to answer the Shareholder queries.

The table below provides the attendance of the Nomination and Remuneration Committee members:

Name of Member	Category	Designation	Attendance
Ms. Vijayanti Punjabi	Independent Director	Chairperson	2
Mr. Yatish Parekh	Independent Director	Member	2
Mr. Jayesh Shah	Independent Director	Member	1

Performance evaluation criteria for Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 read with the Rules made thereunder and the Listing Regulations, performance evaluation of Directors, Committees and Board as a whole was carried out.

A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. Individual directors including the Chairperson of the Board were also evaluated on parameters such as level of engagement and contribution, independence of judgement.

The performance evaluation of the Independent Directors was carried out by the entire Board on the basis of participation of the Independent directors in the meeting, raising of concerns to the Board, safeguarding the confidential information, rendering of independent decisions, unbiased opinions and resolution of issues in the meetings, timely inputs on the minutes and initiatives in terms of planning and new ideas. The Directors expressed their satisfaction with the evaluation process.

Some of the criteria for evaluation of independent directors on the basis of which the Board of Directors carries out the annual performance evaluation of the Independent Directors, are as under:

- Attendance, quality and value of contribution of the Independent Directors at the Meetings;
- Awareness about the significant information relating to the Company and the industry in which the Company operates;
- Contribution to the development of strategy and risk management;
- Awareness of the latest developments in the areas of corporate governance framework, financial reporting and industry and market conditions; and
- Communication and relations with other Board Members and Senior Management.

The details of the manner of performance evaluation carried out in financial year 2025-26 and outcome thereof have been provided in the Board's Report.

Nomination and Remuneration Policy

The Company believes that human resource is the key for the continuous growth and development of the Company. The Board on the recommendation of Nomination and Remuneration Committee approved the Nomination and Remuneration Policy for Directors, KMP and senior management employees. The

policy describes various aspects and guiding factors while determining the remuneration to Directors, KMP and senior managerial personnel of the Company with intent to maintain the level and composition of remuneration reasonable and sufficient to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and also create competitive advantage.

The Policy on remuneration of Directors, Key Managerial Personnel and Senior Managerial Personnel of the Company is in consonance with the existing industry practice.

i) Remuneration to Non-Executive Directors (including the Independent Directors)

The details of the remuneration and sitting fees paid to the Non-Executive Directors (including Independent Directors) have been disclosed below. The sitting fees paid to the Non-Executive Directors for attending the Board Meetings and the Committee Meetings are within the limits specified by the Companies Act, 2013. Except as stated above and elsewhere in this Report, the Non-Executive Directors do not have any other pecuniary relationship with the Company. The Company has uploaded the extract of the Policy for Remuneration of Directors of the Company and can be accessed from the following web-link https://www.hleglascoat.com/wp-content/uploads/2026/07/10.-Policy-for-Remuneration-of-the-Directors.pdf which includes the criteria for making payments to the Non-Executive Directors.

(₹ In Lakhs)

Name of Director	Remuneration	Sitting Fees	Total
Mr. Nilesh Patel	-	0.60	0.60
Ms. Vijayanti Punjabi	-	1.60	1.60
Mr. Yatish Parekh	-	2.20	2.20
Mr. Sandeep Randery	-	2.55	2.55
Mr. Jayesh Shah	-	1.75	1.75

ii) Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Whole time Director and Managing Director is governed by the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company.

The Company pays remuneration to the Executive Directors in compliance with the provisions of Schedule V to the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. The details of remuneration (excluding applicable taxes) paid by the Company to the Executive Directors for the year 2025-26 are given below:

(₹ In Lakhs)

Name of Director	Gross Salary Including Allowances	Bonus	Commission	Total
Mr. Himanshu Patel	130.68	0	53.19	183.87
Mr. Aalap Patel	108.90	0	-	108.90
Mr. Harsh Patel	76.30	0	-	76.30
TOTAL	315.88	0	53.19	369.07

Note:

(a) The abovementioned Directors are entitled to bonus, allowances and perquisites as per the agreements entered into with them.

(b) The appointment and remuneration of the Directors of the Company is governed by the Company's policies framed in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder.

(c) The tenure of the contract of service entered into by the Company with its Executive Directors is for a period of 3 (three) years with effect from December 31, 2025, which can be terminated by either party with at least 6 (Six) months' notice period in writing to the other party. No severance fee is payable by the Company on termination of the agreement(s); and

(d) The Company does not have any ESOP Scheme.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition

The Corporate Social Responsibility (CSR) Committee has been constituted with a commitment towards continual improvement of the society at large. The CSR Committee comprises of Mr. Sandeep Randery, Independent Director (Chairperson of the Corporate Social Responsibility Committee); Ms. Vijayanti Punjabi, Women Independent Director (Member) and Mr. Aalap Patel, Executive Director (Member).

Terms of Reference

The Role of the CSR Committee is as under:

- Formulate, monitor and recommend to the Board, the CSR Policy and to make it more comprehensive to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor the entire process;

- Recommend to the Board, any modifications to the CSR Policy, as and when required;
- Recommend to the Board, the amount of expenditure to be incurred on the activities to be undertaken by the Company for CSR;
- Review the performance of the Company in the area of CSR including the evaluation of the impact of the CSR activities undertaken by the Company;
- Review the Company's disclosure of CSR matters;
- Ensure disclosure of the CSR Policy in the Board's Report and on the Website of the Company;
- Ensure activities as included in the CSR Policy are undertaken and are monitored regularly;
- Ensure the CSR spend is made in terms of Section 135(5) of the Companies Act, 2013;
- Consider other functions, as defined by the Board, or as may be stipulated under any law, rule or regulation including the listing regulations and the Companies Act, 2013.

Meeting and Attendance

During the financial year, the CSR Committee has met 4 (four) times during the year on May 19, 2025, August 11, 2025, November 10, 2025 and February 10, 2026. The requisite quorum was present at the Meeting.

The table below provides the attendance of the CSR Committee members:

Name of Member	Category	Designation	Attendance
Mr. Sandeep Randery	Independent Director	Chairperson	4
Ms. Vijayanti Punjabi	Independent Director	Member	4
Mr. Aalap Patel	Executive Director	Member	4

The Policy on Corporate Social Responsibility of the Company is available on Company's website and can be accessed on the web-link https://hleglascoat.com/wp-content/uploads/2021/04/CSR-POLICY-1.pdf

RISK MANAGEMENT COMMITTEE

Composition

The Risk Management Committee (RMC) comprises of Mr. Aalap Patel, Executive Director (Chairperson of Risk Management Committee), Mr. Yatish Parekh, Independent Director (Member) and Mr. Sandeep Randery, Independent Director (Member). The Company has formulated a Risk Management Committee to establish an effective and integrated framework for the risk management process. 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.

Terms of Reference

The Role of the RMC is as under:

- To formulate a detailed risk management policy which shall include:
  a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  c. Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Meeting and Attendance

During the financial year, the RMC Committee has met 3 (three) times during the year on August 11, 2025, November 10, 2025 and February 10, 2026. The requisite quorum was present at the meeting.

The table below provides the attendance of the RMC Committee members:

Name of Member	Category	Designation	Attendance
Mr. Aalap Patel	Executive Director	Chairperson	3
Mr. Yatish Parekh	Independent Director	Member	3
Mr. Sandeep Randery	Independent Director	Member	3

The Risk Management Policy of the Company is available on Company's website and can be accessed from the web-link: https://hleglascoat.com/wp-content/uploads/2021/09/HGL_RISK-MANAGEMENT-POLICY.pdf

Subsidiary Companies (including step-down subsidiaries)

The Company has eight (8) subsidiaries. The Board of Directors have adopted the Policy for determining 'material' subsidiaries as specified in Listing Regulations. This Policy is uploaded on the Company's website https://www.hleglascoat.com/ and the weblink is https://hleglascoat.com/wp-content/uploads/2022/11/POLICY-ON-MATERIAL-SUBSIDIARIES_09.11.2022.pdf

As defined in Regulation 16(1)(c) of Listing Regulations, during 2025-26 one of the Indian subsidiaries, viz. Kinam Engineering Industries Pvt. Ltd. falls under the category of 'material subsidiary'. The financial statements of all subsidiary companies including investments made, if any, are periodically reviewed. The financial performance, Minutes of Board Meetings of these subsidiary companies and all significant transactions or arrangements entered into by the subsidiary companies are reviewed by the Board. Requisite Independent Director of the Company are on the Board of the Indian wholly-owned subsidiary of the Company.

Particulars of Key Managerial Personnel and Senior Management

The details of the Key Managerial Personnel are specifically mentioned in the Board's Report under the head Key Managerial Personnel.

The details of Senior Management as per SEBI Listing Regulations, which includes the officers and personnel of the listed entity who are the members of its core management team, are as under:

Particulars of Senior Managerial Personnel		
Sr.No.	**Name**	**Designation**
1	Mr. Amit Kalra	Director
2	Mr. Pascoal Dantas	Chief People Officer
3	Mr. Vijay Saini	Vice President - Operations
4	Mr. Hitesh Patel	Unit Director (Silvassa)
5	Mr. Rajesh Lad	Vice President - Product Excellence
6	Mr. Naveen Kandpal	Chief Financial Officer
7	Mr. Achal Thakkar	Company Secretary & Compliance Officer

GOVERNANCE CODES

Codes of Conduct

The Board has laid down a Code of Conduct for Professional Ethics for all the Board Members and the Senior Management Personnel of the Company. All the Board Members and the Senior Management Personnel have affirmed their compliance with the Code during the financial year 2025-26. The Managing Director of the Company has given Declaration to the Company regarding the affirmation, which is annexed hereto and forms part of this Annual Report. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner.

Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairpersonships and notifies changes during the year, if any. The Members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

Insider Trading Code

The Company has also adopted the Code for Prevention of Insider Trading and Code for Fair Disclosures and Conduct in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time ("the PIT Regulations"). The Code is applicable to Promoters, Member of Promoter's Group, all Directors and such Designated Persons who are expected to have access to unpublished price sensitive Information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. The Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the PIT Regulations. The Company has complied with the requirement of maintenance of a structured digital database by the Company, which contains the names and other particulars as prescribed of the persons covered under the Codes drawn up pursuant to the PIT Regulations.

All the aforesaid Codes adopted by the Company are available on the Company's website and can be accessed through web-link: https://hleglascoat.com/wp-content/uploads/2021/08/HGL-INSIDER-CODE-2021.pdf

GENERAL BODY MEETINGS

(a) Details of location and time of last three Annual General Meetings (AGM) and Extra-ordinary General Meeting (EGM) of the Company are given below:

Financial Year- Type of General Meeting	Date	Time	Location	Details of Special Resolutions Passed which were approved by the Members with requisite majority
2024-25 AGM	September 26, 2025	12:00 noon	Virtual Meeting held through Audio-Visual means- Deemed Registered Office at H-106, GIDC Estate, Vitthal Udyognagar – 388 121	a. Re-appointment of Mr. Himanshu Patel as a Managing Director of the Company. b. Re-appointment of Mr. Aalap Patel as an Executive Director of the Company. c. Re-appointment of Mr. Harsh Patel as a Whole-time Director of the Company.
2024-25 EGM	April 18, 2025	11:00 A.M. for shareholders 02.00 P.M. for Secured Creditors		a. Approval of the Scheme of Amalgamation of Kinam Enterprise Private Limited (the 'Transferor Company' or 'KEPL') with HLE Glascoat Limited (the 'Transferee Company' or 'HGL') and their respective shareholders and creditors ('Scheme').
2023-24-AGM	September 26, 2024	11:00 A.M.		NIL
2022-23-AGM	September 28, 2023	10:00 A.M.		a. To re-appoint Mr. Jayesh Shah (DIN: 03570056), as an Independent Director of the Company for a period of five (5) years. b. To approve raising of additional funds by way of one or more public or private offerings including through a Qualified Institutional Placement ('QIP') to eligible investors through an issuance of equity shares or other eligible securities.

(b) Postal Ballot

For matters which are urgent and require shareholders' approval in the period between the AGMs, the Company seeks the approval of shareholders through postal ballot. In compliance with Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 read with the related Rules, the Company also provides electronic voting (e-voting) facility to all its members.

During the FY 2025-26, the Company did not pass any special resolution through postal ballot.

DISCLOSURES

A. Compliances with Governance Framework

The Company is in compliance with all mandatory requirements under the Listing Regulations.

B. Related Party Transactions

There were no materially significant transactions with related parties i.e. Promoters, Directors or the Management or relatives conflicting with the Company's interest. All transactions with the related parties are put before the Board for their approval, after getting in-principle approval of the Audit Committee of the Company as and when required. The prior approvals of Shareholders/ Audit Committee/ the Board of Directors, whenever required, have also been obtained by the Company before entering into any related party transactions.

The Company executes the related party transactions considering business exigencies, including but not limited to, sectoral specialization, operational efficiencies, etc. All transactions entered into with the Related Parties as defined under the Act and Regulation 23 of the Listing Regulations during the financial year were on arm's length basis with an intention to further the Company's interests and are in compliance with the requirements of the provisions of Section 188 of the Act. As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a Policy on Related Party Transaction, the extract of the policy on dealing with the related party transactions is available on the Company's website and can

be accessed from the web-link :https://hleglascoat.com/wp-content/uploads/2022/02/POLICY-FOR-RELATED-PARTY-TRANSACTIONS_11.02.2022-1.pdf

Disclosure of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity as per IND AS 24, if any, has been provided in the Notes to the Financial Statements.

In addition pursuant to Regulation 23(9) of the Listing Regulations, the Company has also submitted disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results and also published it on the website of the Company.

C. Details of Non-Compliance, Penalties, Strictures Imposed by the Stock Exchange(s) or SEBI or any Statutory Authority on any Matter Related to Capital Markets since Listing

The Company has complied with all requirements specified under the Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three financial years.

D. Vigil Mechanism and Whistle Blower Policy

The Company has devised a Vigil Mechanism for directors and employees to report their genuine concerns and has also formulated a Whistle Blower Policy. The details of establishment of the said vigil mechanism is available on the Company's website at https://www.hleglascoat.com/wp-content/uploads/2023/08/HGL-WHISTLE-BLOWER-POLICY-VIGIL-MECHANISM_12.06.2021-R.pdf. The Company's personnel have direct access to the Chairperson of the Audit Committee to report concerns about unethical behavior (actual or suspected), frauds and other grievances. During the financial year 2025-26, no employee has been denied access to the Compliance Officer/ the Chairperson of the Audit Committee.

E. Details of compliance of mandatory requirements and adoption of non-mandatory requirements of applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with all mandatory requirements stipulated in Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has obtained a Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is annexed hereto.

F. Web link where policy on dealing with related party transactions is disclosed

The Policy of Related party transactions is available on the weblink https://hleglascoat.com/wp-content/uploads/2022/02/POLICY-FOR-RELATED-PARTY-TRANSACTIONS_11.02.2022-1.pdf

G. Commodity trading/ hedging activities

The Company does not deal in future and options related to commodities and therefore the disclosure pursuant to SEBI circular dated November 15, 2018 is not required to be given. The Company is exposed to exchange fluctuation risk for its sales to overseas customers in various foreign currencies. However, Company has a natural hedging from Export proceeds it receives with regard to foreign exchange risk.

There are no materially uncovered exchange rate risks in the context of the Company's exports. The Company does not enter into any derivative instruments for trading or speculative purposes. The details of foreign exchange exposures as on March 31, 2026 are disclosed in Notes to the standalone financial statements.

H. Details of utilization of funds raised through preferential allotment or Qualified Institutional Placement as specified under Regulation 32 (7A)

The Company has not raised any funds through preferential allotment or Qualified Institutional Placement during the financial year under review.

I. Certificate from Practicing Company Secretary

Mr. Nimish Mehta, Proprietor of M/s. N. M. & Co., Practicing Company Secretary, has provided a Certificate, in accordance with the provisions of Schedule V to the Listing Regulations that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ MCA or any such statutory authority, which is annexed hereto and forms part of this Report.

J. The Board has accepted all the recommendations, if any, of any of its Committees, which is mandatorily required, in the financial year 2025-26.

K. Details relating to fees paid to the Statutory Auditors for all the services rendered during the period under review are as under

Statutory audit fees ₹ 20.50 Lakhs, Tax audit fees ₹ 2.30 Lakhs and Other fees ₹ 7.19 Lakhs.

The same is also provided in the Notes to the Financial Statements.

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

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect for human rights. The Company is also committed to provide a work environment that ensures every woman employee is treated with dignity, respect and accorded equal treatment.

The Company has formulated a Policy on prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to ensure prevention, prohibition and redressal against sexual harassment at workplace.

The disclosures and details related to sexual harassment of women at workplace have been provided in the Board's Report.

M. Details of loans and advances in the nature of loans to firms/companies in which directors are interested

Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount – Nil.

N. Framework for Monitoring Subsidiary Companies

The details of material subsidiaries, during the financial year 2025-26, are given below:

Sr. No.	Name	Date of Incorporation/ Stake Acquisition	Place of Incorporation	Name of Statutory Auditors	Date of Appointment
1	Thaletec GmbH ("Thaletec")	December 17, 2021	Thale Germany	REITBAUER GMBH(German Public Auditor)	NA
2	Thaletec Inc., USA.	December 17, 2021	USA	REITBAUER GMBH(German Public Auditor)	NA
3	HLE Surface Technologies GmbH	July 28, 2025	Saxony, Germany	REITBAUER GMBH(German Public Auditor)	NA
4	OmeraStore GmbH	August 13, 2025	Saxony, Germany	REITBAUER GMBH(German Public Auditor)	NA
5	HLE International S.à.r.l.	March 03, 2026	Luxembourg	NA	NA
6	Kinam Engineering Industries Private Limited (KEIPL)	October 9, 2023	Anand, Gujarat	M M Nissim & Co LLP	December 28, 2024 – 5 years appointment November 6, 2023- 1st Appointment
7	Kinam Process Equipments Private Limited (KPEPL)	July 25, 2023	Navsari, Gujarat	M M Nissim & Co LLP	November 29, 2024 – 5 years appointment August 23, 2023 – 1st Appointment
8	Thaletec LLP	January 11, 2017	Anand, Gujarat	M M Nissim & Co LLP	February 12, 2025

O. Board Disclosures – Risk Management

The Audit Committee is entrusted with the responsibility of implementing and monitoring the risk management plan for the Company and inform the Board Members about the risk assessment and minimization procedures. The same is periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

P. Appointment / Re-appointment of Directors

Mr. Harsh Patel (DIN: 00141863), Director, who retires by rotation and being eligible, has offered himself for re-appointment at the ensuing Annual General Meeting.

The details of the Directors proposed to be appointed/ re-appointed in the 35th Annual General Meeting of the Company is annexed to the Notice convening Annual General Meeting.

Q. The Company has duly complied with all the requirements of para (2) to (10) of Schedule V read with provisions of Regulation 34(3) and of the Listing Regulations.

R. Disclosure on Compliance with Corporate Governance requirement

The Company has complied with all the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) of the Listing Regulations.

S. Discretionary Requirements under the Listing Regulations, 2015

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations. The Corporate Governance Report of the Company for the Financial Year 2025-26 is in compliance with the applicable requirements of SEBI as per Listing Regulations.

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

i) **The Board:** The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairperson is not applicable to the Company.

ii) **Shareholder Rights:** The Company has not adopted the practice of sending out half - yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to the Stock Exchanges and updated on the website of the Company.

iii) **Modified Opinion(s) in the Board:** There are no modified opinions in Board.

iv) **Reporting of Internal Auditor:** In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports to the Audit Committee. Quarterly internal audit reports are submitted to the Audit Committee which reviews the audit reports and suggests necessary action.

COMPLIANCE CERTIFICATE BY PRACTICING COMPANY SECRETARY

Certificate from Mr. Nimish Mehta, Proprietor of M/s. N. M. & Co., a Company Secretaries in Practice, Mumbai, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report.

CEO/ CFO CERTIFICATION

The Managing Director of the Company has certified to the Board regarding review of financial statements for the financial year, compliance with the Accounting Standards, maintenance of internal control for financial reporting, accounting policies, etc. The same is provided elsewhere in this Annual Report.

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 to all the stakeholders, which promotes transparency, accountability and confidence in the stakeholders and strengthens robust shareholder relations. The Company regularly interacts with Members through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications.

* **Website:** Your Company's Website - www.hleglascoat.com the Investors/ Financials head of the website provides comprehensive information on its financial performance, operational performance, announcements and periodical compliances of the Listing Regulations.

* **Financial Results:** The annual, half-yearly and quarterly results are regularly submitted to the Stock Exchanges in accordance with the Listing Regulations and are also published in newspapers, namely, Business Standard and Jai hind.

* **Annual Report:** The Annual Report containing, inter- alia, the Financial Statements, the Board's Report, the Independent Auditors' Report and other important information is circulated to the Members and others entitled thereto.

* **Corporate Filing:** Announcements, Periodical Financial Results, Shareholding Pattern, etc. of the Company are regularly filed by the Company and are available on the website of the BSE Limited– www.bseindia.com and National Stock Exchange of India Limited– www.nseindia.com, where on the shares of the Company are listed.

* **Reminder to Shareholders:** Every year the Company sends a reminder to its shareholders to realise their unclaimed/ unpaid dividends of previous years.

GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting for FY 2025-26

Compliance Officer	:	**Mr. Achal Thakkar**
Date, Time and Venue of the 35th Annual General Meeting	:	Wednesday, 30th day of September, 2026 at 11:00 A.M. (IST) through audio-visual means.
Financial Year	:	1st April, 2025 to 31st March, 2026
Book Closure Dates	:	Thursday, 24th September, 2026 to Wednesday, 30th September, 2026 (both days inclusive)
Last Date of Receipt of Proxy Forms	:	Not Applicable
Registrar and Share Transfer Agents	:	MUFG Intime India Private Limited (formerly known as Link Intime India Pvt Ltd) "Geetakunj" 1, Bhakti Nagar Society, Behind ABS Tower, Old Padra Road, Vadodara - 390 015 Phone No.: 0265-6136000 Fax no.: 0265-2356791 E- Mail Id: vadodara@in.mpms.mufg.com
ISIN of DEMAT Shares	:	INE461D01028
Credit Rating	:	Provided in the Board's Report

b) Listing on Stock Exchanges

The Company's Equity Shares are listed and traded on the following Stock Exchanges:

Name	Address	Stock Code
BSE Limited (BSE)	1st Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	522215
National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051	HLEGLAS

Listing Fees

Listing fees of both the exchanges for the year 2025-26 have been paid.

c) Dividend

The dividend, if declared at the Annual General Meeting, shall be paid on or before 30 days from the date of declaration.

d) Market Price Data

The details of monthly high/low market price of the Equity shares of the Company at BSE Ltd (BSE) and at the National Stock Exchange of India Ltd (NSEL) for the year under review is provided here under:

BSE:

Month	High Price	Low Price	Spread High-Low	Month	High Price	Low Price	Spread High-Low
Apr-25	292	232	60	Oct-25	585	450	135
May-25	444	246	198	Nov-25	662	447	216
Jun-25	484	403	81	Dec-25	483	429	54
Jul-25	481	406	75	Jan-26	472	366	106
Aug-25	553	414	139	Feb-26	410	311	99
Sep-25	580	443	137	Mar-26	325	250	75

*(Source: www.bseindia.com)

** The decimals in the prices of the shares are rounded to ones (without decimals).

NSE:

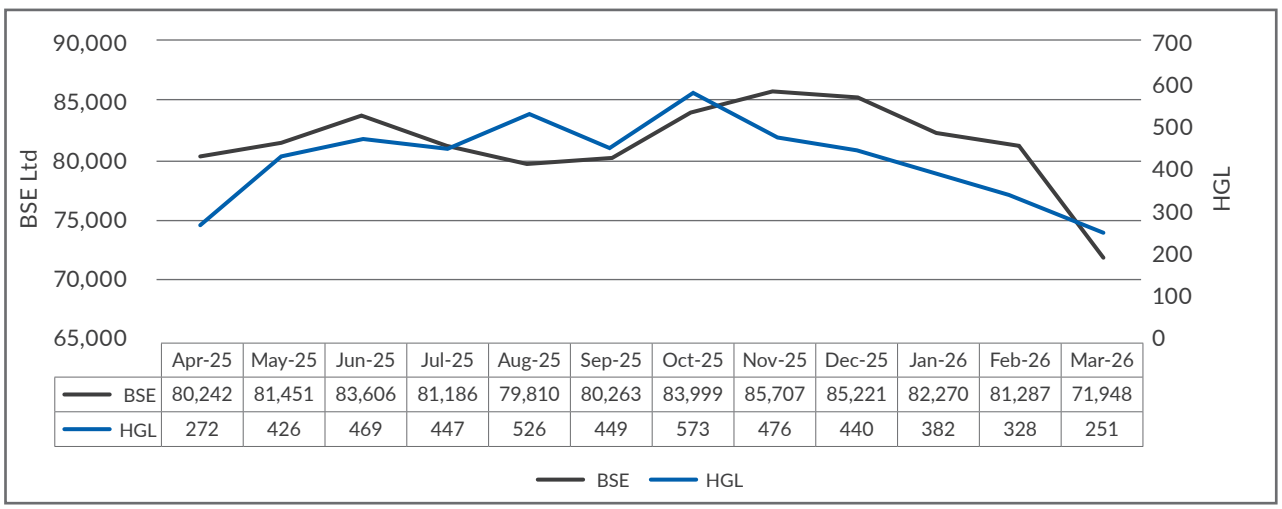
Month	High Price	Low Price	Spread High-Low	Month	High Price	Low Price	Spread High-Low
Apr-25	287	240	47	Oct-25	585	450	135
May-25	443	253	191	Nov-25	662	446	216
Jun-25	485	401	84	Dec-25	484	428	56
Jul-25	481	406	75	Jan-26	383	286	97
Aug-25	554	414	140	Feb-26	416	311	104
Sep-25	580	442	137	Mar-26	328	250	78

*(Source: www.nseindia.com)

** The decimals in the prices of the shares are rounded to ones (without decimals).

e) Performance of the Company's Equity Share Price in comparison to BSE and NSE Indices:

➢ **Company's closing share price movement during the financial year 2025-26 on BSE vis-à-vis S&P BSE Sensex**

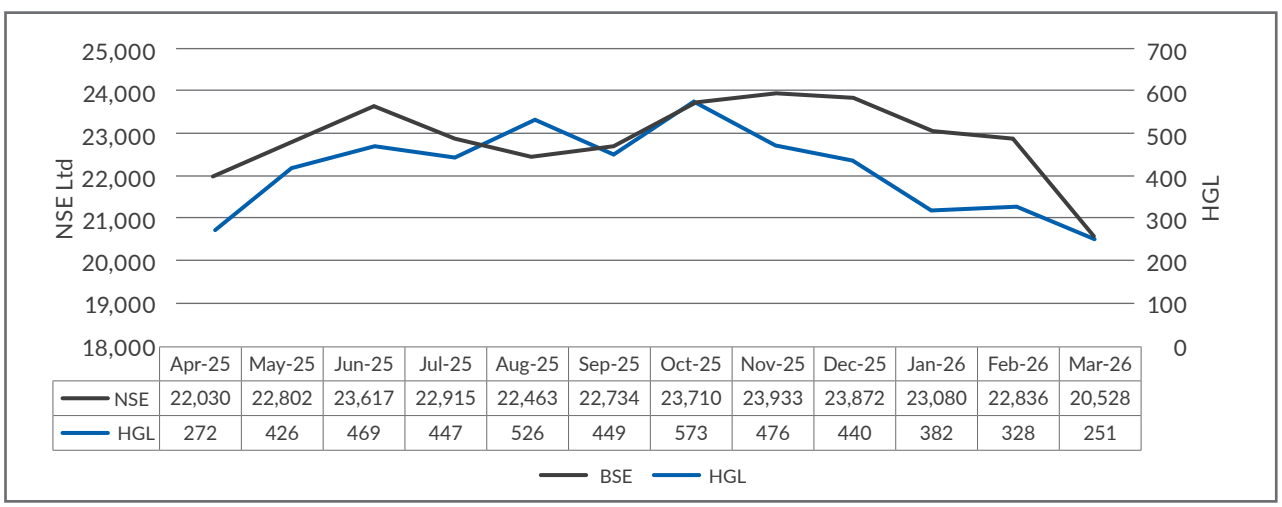


	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
BSE	80,242	81,451	83,606	81,186	79,810	80,263	83,999	85,707	85,221	82,270	81,287	71,948
HGL	272	426	469	447	526	449	573	476	440	382	328	251

*(Source: www.bseindia.com)

** The decimals in the prices of the shares are rounded to ones (without decimals).

➢ **Company's closing share price movement during the financial year 2025-26 on NSE vis-à-vis Nifty500**



	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
NSE	22,030	22,802	23,617	22,915	22,463	22,734	23,710	23,933	23,872	23,080	22,836	20,528
HGL	272	426	469	447	526	449	573	476	440	382	328	251

*(Source: www.nseindia.com)

**The decimals in the prices of the shares are rounded to ones (without decimals).

f) Share Transfer System in accordance with the proviso to Regulation 40(1) of the Listing Regulations:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

The shares held in dematerialized form are transferable through the depository system.

g) Dematerialisation of Shares and Liquidity:

The Company's shares are available for dematerialization with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2026, 6,69,60,239 shares (96.41%) of the Company are held in dematerialized form.

The Shareholders holding shares of the Company in physical form are requested to dematerialize their shares for easy and expeditious transfers thereof. Your Company confirms that the promoters their group holdings are fully converted into electronic form and the same is in line with the circulars issued by SEBI.

h) Reconciliation of Share Capital Audit:

A qualified practicing Company Secretary carries out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the Company's shares are listed. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

i) Distribution of shareholding of shares of the Company as on March 31, 2026 is as follows:

(A) Distribution of Shares as per Category as on March 31, 2026.

Category Code	Category of Shareholders	No. of Shareholders	Total No. of Shares	% of (A+B)
(A)	Shareholding of Promoter and Promoter Group	7	4,55,89,060	65.64
(B)	Public Shareholding Institutions	20	49,61,573	7.14
(C)	Public Shareholding- Non- Institutions	71,244	1,89,04,106	27.22
	GRAND TOTAL (A+B+C)	**71,271**	**6,94,54,739**	**100.00**

(B) Distribution of Shares by size of holding as on March 31, 2026

Category of Shares	No. of shareholders	% Holders	No. of Shares	% Shares
1 to 500	70,056	95.98%	43,36,182	6.24%
501 to 1000	1,539	2.11%	11,70,200	1.68%
1001 to 2000	682	0.93%	10,00,773	1.44%
2001 to 3000	285	0.39%	7,10,894	1.03%
3001 to 4000	95	0.13%	3,35,285	0.48%
4001 to 5000	93	0.13%	4,38,192	0.63%
5001 to 10000	119	0.16%	8,45,732	1.22%
10001 and above	121	0.17%	6,06,17,481	87.28%
TOTAL	72,990	100.00%	6,94,54,739	100.00%

Note: As per shareholding pattern filed with the BSE/NSE Limited, number of shareholders as on March 31, 2026 has been clubbed on the basis of PAN of the shareholders of the Company.

The quarterly shareholding patterns filed with the stock exchanges are also available on the website of the Company and on the website of the BSE Limited and NSE Limited.

Details of ADRs / GDRs – NA / Nil.

Details of commodity price risk or foreign exchange risk and hedging activities:

The Company is exposed to Currency Risk arising primarily from foreign currency loans, import liability of materials and capital goods as well as export of finished goods and hence, the Company has adopted Forex Risk Management Policy. This would broadly include setting of the recognition parameters, benchmark targets, the boundaries within which the treasury has to perform and also lays down the checks and controls to ensure the continuing success of the treasury function.

j) Plant Location and Address for Correspondence:

Plant Location:

(1) HLE Glascoat Limited
H-106, G I D C Estate,
Vitthal Udyognagar – 388 121
Dist. Anand, Gujarat
E-mail ID: share@hleglascoat.com

(2) HLE Glascoat Limited
A-6, Maroli Udhyognagar
At. Post. Maroli Bazaar
Navsari – 396436
Gujarat

(3) HLE Glascoat Limited
Sr.No.183/P1,Zaroli Road,
Village: Naroli, Silvassa,
Dadra & Nagar Haveli-396230

Registered Office:

HLE Glascoat Limited
H-106, G I D C Estate,
Vitthal Udyognagar – 388 121
Dist. Anand, Gujarat
Contact No.: (02692) 236842 to 236845

Details of credit ratings received by the Company:

Your Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations in a timely manner. ICRA Limited (formerly Investment Information and Credit Rating Agency of India Limited) has continued its ratings with regards to the banking facilities enjoyed by your Company from its Bankers as "A" (for long term facilities) and A2+ (for short-term facilities) with a stable outlook. The details of credit ratings obtained by the Company are placed on the Company's website: www.hleglascoat.com.

DISCLOSURE WITH RESPECT TO UNCLAIMED SUSPENSE ACCOUNT:

In accordance with the provisions of Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has opened a demat account namely "HLE Glascoat Limited - Unclaimed Suspense Account", wherein it has transferred all the physical share certificates lying unclaimed in its possession after following prescribed procedure as specified in the said provisions.

The details of the shares transferred to the said Unclaimed Suspense Account during the financial year 2025-2026 are as under:

Particulars	No. of Share-holders	No. of Shares
Outstanding balance in Unclaimed Suspense Account as on April 1, 2025	1	1,500
Request for transfer from Unclaimed Suspense Account received and processed	-	-
Outstanding balance in Unclaimed Suspense Account as on March 31, 2026	1	1,500

The voting rights on the shares transferred to the Unclaimed Suspense account of the Company shall remain frozen till the rightful owner of such shares claims the shares.

By the Order of the Board of
HLE Glascoat Limited

Sd/-
Himanshu Patel
Managing Director
(DIN: 00202312)

Sd/-
Aalap Patel
Executive Director
(DIN: 06858672)

Date : May 18, 2026
Place : Maroli, Navsari

STATEMENT ON DECLARATION BY THE INDEPENDENT DIRECTORS UNDER SECTION 134 OF THE COMPANIES ACT, 2013

In accordance with Section 134(3) of the Companies Act, 2013, I hereby confirm that the Independent Directors of the Company have affirmed their compliance with the criteria of independence as stipulated in Section 149 (6) of the Companies Act, 2013 read with Schedule IV - Code of Independence to the said Act (as amended from time to time) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time).

For **HLE Glascoat Limited**

Sd/-
Himanshu Patel
Managing Director
(DIN: 00202312)

Date : May 18, 2026
Place : Maroli, Navsari

CERTIFICATION BY THE MD AND CFO AS REQUIRED UNDER REGULATIONS 17(8) AND 33(2)(a) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Board of Directors,
HLE Glascoat Limited,
H-106, GIDC Estate,
Vitthal Udyognagar – 388121,
Dist. Anand, Gujarat.

We, Himanshu Patel, the Managing Director and Naveen Kandpal, the Chief Financial Officer of the Company, certify to the Board that:

A. We have reviewed the Standalone and Consolidated Audited Financial Results for the year ended on March 31, 2026 and to the best of our knowledge and belief:

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

   (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated, to the extent applicable, to the Auditors and the Audit Committee:

   (1) significant changes in internal control over financial reporting during the year;

   (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **HLE Glascoat Limited**

Sd/-	Sd/-
Naveen Kandpal	**Himanshu Patel**
Chief Financial Officer	Managing Director

Date : May 18, 2026
Place : Maroli, Navsari

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE COMPANY'S CODE OF CONDUCT

In accordance with Regulations 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, I hereby confirm that all Directors and Senior Management personnel of the Company have affirmed their compliance with the Code of Conduct laid down by the Company, as applicable to them for the Financial Year ended March 31, 2026.

For **HLE Glascoat Limited**

Sd/-
Himanshu Patel
Managing Director
(DIN: 00202312)

Date : May 18, 2026
Place : Maroli, Navsari

CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF HLE GLASCOAT LIMITED

To,
The Members,
HLE Glascoat Limited
H -106, Phase IV, GIDC Estate,
Vitthal Udyognagar,
Anand, Gujarat - 388121

1. I, Nimish Mehta, proprietor of N. M. & Co., Practicing Company Secretaries, Mumbai, being the Secretarial Auditor of HLE Glascoat Limited having CIN L26100GJ1991PLC016173 ("the Company") have examined the compliance of conditions of Corporate Governance by the Company for the year ended on March 31, 2026, as stipulated in regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and other applicable regulations of Chapter IV pertaining to Corporate Governance and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance with the conditions of Corporate Governance is the responsibility of the Management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditor Responsibility

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

4. I have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of SEBI Listing Regulations.

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

For **N.M. & Co.**

Date : May 18, 2026
Place : Mumbai
UDIN: F006270H000394671

Nimish Mehta
Proprietor
Membership No. F6270 | CP No. 9651

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
HLE Glascoat Limited
H -106, Phase IV, G I D C Estate,
Vitthal Udyognagar,
Anand, Gujarat - 388121

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HLE Glascoat Limited having CIN: L26100GJ1991PLC016173 and having registered office at H -106, Phase IV, G I D C Estate, Vitthal Udyognagar, Anand, Gujarat – 388121 (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 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 Director	DIN	Date of appointment in Company
1.	Mr. Himanshu Khushalbhai Patel	00202312	31/12/2016
2.	Mr. Nilesh Khushalbhai Patel	00141873	31/12/2016
3.	Mr. Aalap Nileshbhai Patel	06858672	31/12/2016
4.	Mr. Harsh Himanshubhai Patel	00141863	31/12/2016
5.	Ms. Vijayanti Punjabi	07651296	31/12/2016
6.	Mr. Yatish Chandrakant Parekh	00168488	29/05/2017
7.	Mr. Sandeep Dipak Randery	07663581	29/05/2017
8.	Mr. Jayeshbhai Vastupal Shah	03570056	03/11/2018

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 **N.M. & Co.**

Company Secretaries
Nimish Mehta
Proprietor
Membership No. F6270 | CP No. 9651

Date : May 18, 2026
Place : Mumbai
UDIN : F006270H000394625

Secretarial Compliance Report of HLE Glascoat Limited

for the financial year ended March 31, 2026

I have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by HLE Glascoat Limited having CIN: L26100GJ1991PLC016173 having Registered Office at H -106, Phase IV, G I D C Estate, Vitthal Udyognagar, Anand, Gujarat – 388121. Secretarial Review was conducted in a manner that provided me a reasonable basis for evaluating the corporate/ statutory compliances and to provide my observations thereon.

Based on my verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial review, I hereby report that the listed entity has during the review period covering the financial year ended on March 31, 2026 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made thereunder:

I have examined:

(a) all the documents and records made available to us and explanation provided by HLE Glascoat Limited having CIN:- L26100GJ1991PLC016173 and having registered office at H -106, Phase IV, G I D C Estate, Vitthal Udyognagar, Anand, Gujarat, 388121 ("the Company");

(b) the filings/ submissions made by the listed entity to the Stock Exchanges;

(c) website of the listed entity;

(d) any other document/ filing, as may be relevant, which has been relied upon to make this Report for the financial year ended March 31, 2026 ("Review Period") in respect of compliance with the provisions of:

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the regulations, circulars, guidelines issued thereunder by the SEBI;

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

(a) Securities and Exchange Board of India (LODR) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the review period)**

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the review period)**

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Review Period)**.

(g) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the review period)**

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/ guidelines issued thereunder;

Based on the above examination, I hereby report that, during the Review Period:

I. (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr No	Compliance Requirement	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observation/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr . No.	Observations/ Remarks of the Practicing Company Secretary (PCS) in the previous reports)	Observations made in the Secretarial Compliance report for the year ended	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of violation/ Deviations and actions taken/ penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
NIL						

II. I hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations/ Remarks by PCS*
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	Nil
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of irectors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/guidelines issued by SEBI.	Yes	Nil
3.	**Maintenance and disclosures on Website:** • The listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/section of the website.	Yes	Nil
4.	**Disqualification of Director(s):** None of the director(s) of the listed entity is/ are disqualified under Section 164 of Companies Act, 2013.	Yes	Nil
5.	**Details related to subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries.	Yes	Nil
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per policy of preservation of documents and archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	Nil
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the board, independent directors and the committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	Nil
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified / rejected by the Audit Committee.	Yes	Nil

Sr. No.	Particulars	Compliance Status (Yes/ No/ NA)	Observations/ Remarks by PCS*
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	Nil
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No actions has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	NA	Nil
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries:** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	N.A.	Nil
13.	**Additional non-compliances, if any:** No additional non-compliances observed for any SEBI regulation/circular/guidance note etc.	N.A.	Nil

I further, report that the listed entity is in compliance~~/ not in compliance~~ with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the LODR Regulations. **(Not Applicable to the Company during the Review Period)**.

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

3. We have not verified the correctness and appropriateness of financial records and books of account of the listed entity.

4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **N. M. & Co.**

Company Secretaries
Nimish Mehta
Proprietor
FCS: 6270 | CP: 9651

Place : Mumbai
Date : May 18, 2026
UDIN : F006270H000394570

ANNEXURE-VIII TO THE BOARD'S REPORT

DETAILS RELATED TO CORPORATE SOCIAL RESPONSIBILITY [CSR] OF THE COMPANY FOR THE FINANCIAL YEAR 2025-26

1. Brief outline on CSR Policy of the Company

The Company believes in enriching Society and the surrounding environment and it has accordingly formulated a policy related to CSR and the CSR Policy is available on the Company's website: www.hleglascoat.com in the Corporate Social Responsibility section. The website also provides details related to the Composition of the CSR Committee and the CSR activity.

The following are the areas of emphasis for CSR activities under the CSR Policy:

a. The activities carried out under this CSR policy will be in the areas as per Schedule VII to the Companies Act, 2013.

b. These activities will be carried out directly and through implementing agencies.

c. Surplus arising out of the CSR Projects/ programs/ activities, if any, shall not form part of business profits.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sandeep Randery	Chairperson/ Independent Director	4	4
2	Ms. Vijayanti Punjabi	Member/ Independent Director	4	4
3	Mr. Aalap Patel	Member/ Executive Director	4	4

3. Web-link(s) where the Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

The CSR activities undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR Committee composition, CSR Policy and projects/ programmes undertaken by the Company along with the implementing agencies/ partners are available on links given below:

(i) CSR Committee Composition and CSR Policy: https://www.hleglascoat.com/csr/

(ii) CSR Projects programmes undertaken by the Company: https://www.hleglascoat.com/csr/

4. 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): None

5. (a) Average net profit of the Company as per section 135(5): ₹ 4,239.10 lakhs

(b) Two percent of average net profit of the Company as per section 135(5): ₹ 84.78 lakhs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

d) Amount required to be set off for the financial year, if any: ₹ 63.50 lakhs

(e) Total CSR obligation for the financial year (5b+5c-5d): ₹ 21.28 lakhs

6. (a) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. 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	Amo-unt Alloc-ated for the project (in ₹)	Amo-unt spent in the current finan-cial Year (in ₹)	Amount Transf-erred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
				State	Dist.						Name	CSR Registration number
						N.A.						

(b) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. 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 finan-cial Year (₹ In Lakhs)	Mode of Implemen-tation - Direct (Yes/No)	Mode of Implemen-tation-Through Implementing Agency	
				State	Dist.			Name	CSR Registration number
1.	Donation to Yashaswati Foundation	*Eradicating hunger, poverty and malnutrition, *promoting education, art and culture, healthcare, destitute care and rehabilitation, *environment sustainability, disaster relief, COVID-19 relief and rural development projects	Yes	Gujarat	Surat	21.08	No	Yashaswati Foundation	CSR00003105
2.	Donation to I.T.I Bilimora	*promoting education	Yes	Gujarat	Surat	0.20	Yes	-	-
3.	Shree Maroli Kantha Vibhag Sarvajanik Smashan Bhum	Providing a gas cremation facility at the crematorium	Yes	Gujarat	Surat	13.16	Yes	-	-
	Total					**34.44**			

(c) Amount spent in Administrative Overheads: None

(d) Amount spent on Impact Assessment, if applicable: None

(e) Total amount spent for the Financial Year (6a+6b+6c): ₹ 34.44 lakhs

(f) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	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
₹34.44 lakhs	N.A.	N.A.		N.A.	

(g) Excess amount for set off, if any:

Sr. No.	Particular	Amount (₹ In Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	84.78
(ii)	Total amount spent for the Financial Year	34.44
(iii)	Excess amount spent for the financial year [(ii)-(i)]	(50.34)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	63.51
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	13.17

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance amount in Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting Financial Year (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 ₹)	Deficiency if any
					Name of the Fund	Amount (in ₹)	Date of transfer		
NIL									

8. Whether any capital asset have been created or acquired through, CSR spent in the financial year: N.A.

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

By the Order of the Board of
HLE Glascoat Limited

Sd/-
Sandeep Randery
Chairperson- CSR Committee
(DIN: 07663581)

Sd/-
Himanshu Patel
Managing Director
(DIN: 00202312)

Date : May 18, 2026
Place : Maroli

ANNEXURE-IX TO THE BOARD'S REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,
The Members,
HLE GLASCOAT LIMITED
H-106, GIDC Estate,
Vitthal Udyognagar,
Anand, Gujarat - 388121

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HLE Glascoat Limited** (hereinafter called the "Company") having CIN: L26100GJ1991PLC016173. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of Company's book, registers, 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, and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 ("Financial Year") complied with the applicable 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, registers, papers, minute books, forms and returns filed and other records maintained by the Company during the Financial Year ended on March 31, 2026 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investments. **The Company has not taken any External Commercial Borrowings and hence the rules and regulations pertaining to the External Commercial Borrowings are not applicable**;

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

   a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

   e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with the client to the extent of securities issued.

f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **(Not applicable to the Company during the audit period)**;

g. 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)**;

h. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**;

i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)**;

j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period);**

vi) Other Applicable Acts

As informed to me, there are no laws which have specific applicability to the Company other than general laws applicable to industry generally.

I have not examined compliance by the Company with applicable financial laws like direct and indirect tax laws, since the same have been subject to review by the statutory financial audit and other designated professionals.

I, have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board and General Meetings

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

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. No changes in the composition of the Board of Directors have taken place during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent seven days in advance for Meetings other than those held by a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meetings and for meaningful participation at the Meetings.

All the decisions at the Board Meetings during the year under review were passed unanimously. The Resolutions at the 34th Annual General Meeting were passed with requisite majority. No resolutions were required to be passed by postal ballot during the year under review.

I, further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I, further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates/reports taken on record by the Board of Directors of the Company, in my opinion 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 review period, the following major events which had bearing on the Company's affairs in pursuance of the above referred laws rules, regulations, guidelines standards etc. had occurred:

- On August 14, 2025 Hon'ble National Company Law Tribunal (Ahmedabad Bench) approved the Scheme of Amalgamation of Kinam Enterprise Private Limited (the 'Transferor Company' or 'KEPL') and HLE Glascoat Limited (the 'Transferee Company' or 'HGL') under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

  Pursuant to the Scheme of Amalgamation, the authorised share capital of the Transferor Company amounting to ₹ 7,00,00,000/- was merged with that of the Company, resulting in the authorised share capital of the Company increasing to ₹ 27,60,00,000/- divided into 12,50,00,000 equity shares of ₹ 2/- each and 26,00,000 preference shares of ₹ 10/- each, and accordingly, the Company allotted 11,89,259 fully paid-up equity shares of ₹ 2/- each in accordance with the approved exchange ratio of 100 fully paid-up equity shares of ₹ 2/- each of the Transferee Company for every 559 fully paid-up equity shares of ₹ 10/- each held in the Transferor. These equity shares issued rank pari-passu with the existing equity shares of the Company and are listed and traded on the BSE Limited and National Stock Exchange of India Limited.

- Thaletec GmbH, a wholly owned subsidiary of the Company, acquired 100% of the equity share capital of HLE Surface Technologies GmbH (formerly known as Blitz F25-14 GmbH) on July 28, 2025, consequent to which HLE Surface Technologies GmbH became a wholly owned step-down subsidiary of the Company.

- HLE Surface Technologies GmbH, a wholly owned step-down subsidiary of the Company, has completed the acquisition of certain specified assets of Omeras GmbH, including all shares of OmeraStore GmbH, on August 18, 2025.

- The Wholly Owned Subsidiary, "HLE International S.à.r.l.", was incorporated in Luxembourg on March 3, 2026, and an amount of EURO 12,000 (Euro Twelve Thousand Only) was remitted towards its share capital.

For **N. M. & Co.**
Company Secretaries

Place : Mumbai
Date : May 18, 2026
UDIN : F006270H000394559

Nimish Mehta
Proprietor
FCS: 6270 | CP: 9651

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

Annexure A

To,
The Members
HLE GLASCOAT LIMITED
H-106, GIDC Estate,
Vitthal Udyognagar,
Anand, Gujarat - 388121

Our Secretarial Audit Report for Financial Year ended on March 31, 2026 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 auditing standards issued by the Institute of Company Secretaries of India (ICSI) and audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we have followed are aligned with Auditing Standards issued by the ICSI and provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations 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 **N. M. & Co.**

Company Secretaries
Nimish Mehta
Proprietor
FCS: 6270 | CP: 9651

Place : Mumbai
Date : May 18, 2026
UDIN: F006270H000394559

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

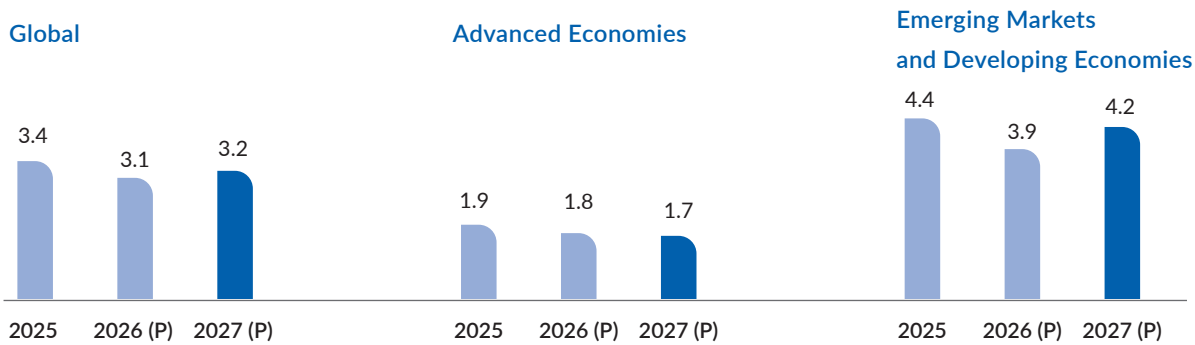
The global economy showed resilience in 2025 amid a challenging and uncertain macroeconomic backdrop characterised by rising trade barriers, policy-related uncertainty and continuing geopolitical tensions. Ongoing conflicts in Eastern Europe and the Middle East, including the Russia-Ukraine war, continued to affect global supply chains, energy markets and investment sentiment, resulting in periodic fluctuations in commodity prices and financial markets. In addition, higher tariffs, evolving trade frameworks and increasing geoeconomic fragmentation contributed to uncertainty in global trade and cross-border investment activity.

Despite these challenges, global economic activity remained relatively resilient during the year, supported by stable employment conditions, continued fiscal measures and technology-driven investments, particularly in artificial intelligence (AI). Countries also adjusted through supply chain diversification, alternative trade routes and stronger energy security measures, which helped support a gradual recovery in economic activity. Consequently, global economic growth stood at 3.4% in 2025 as compared to 3.3% in 2024.

Advanced economies recorded growth of 1.9% in 2025, supported by stable labour market conditions, easing financial environments and recovery in demand. Emerging market and developing economies (EMDEs) grew by 4.4%, driven by resilient domestic consumption, improving manufacturing and services activity, and continued infrastructure spending across major Asian economies.

Global headline inflation moderated to 4.1% in 2025 due to easing supply-side constraints and the impact of earlier monetary tightening measures. However, inflationary trends remained uneven across regions, with inflation staying above target levels in the United States while remaining comparatively moderate in several other major economies.

Real GDP Growth



* P stands for Projected

[Source: IMF World Economic Outlook April 2026]

Outlook

As 2026 progresses, the global economy continues to face elevated uncertainty due to escalating geopolitical tensions in West Asia and disruptions across key energy transit corridors. Concerns regarding the supply of oil, LNG and fertilisers have increased risks related to energy security, inflation and supply chain stability across major economies. In this environment, global economic growth is projected to moderate to 3.1% in 2026 before improving marginally to 3.2% in 2027. Global trade volume growth is also expected to slow from 5.1% in 2025 to 2.8% in 2026, before recovering to 3.8% in 2027, reflecting the impact of weaker global demand, geopolitical uncertainties and changing trade dynamics across economies.

At the same time, improving diplomatic engagement, diversification of energy sources and stronger regional cooperation are expected to gradually reduce these pressures, thereby supporting supply chain stability, easing inflationary trends and contributing to a more balanced global recovery. Advanced economies are projected to grow by 1.8% in 2026, while emerging market and developing economies are expected to expand by 3.9%, supported by domestic demand and continued infrastructure investments. The United States is expected to remain a key contributor to global growth, with the IMF projecting GDP growth of around 2.3% in 2026 and 2.1% in 2027.

Central banks are likely to maintain a cautious policy approach, while governments continue to focus on fiscal prudence, targeted policy measures and strengthening supply chain resilience in response to the evolving global economic environment.

[Source: IMF World Economic Outlook April 2026]

Indian Economy

The Indian economy remained one of the fastest-growing major economies in FY 2025-26, supported by resilient domestic demand, infrastructure-led investment and policy reforms. According to the Second Advance Estimates released by the National Statistical Office (NSO), real GDP is estimated to have grown by 7.6% in FY 2025-26, driven by strong private consumption and investment activity. The services sector remained the key growth driver, while manufacturing witnessed continued improvement supported by government-led production initiatives and infrastructure spending. Real GVA is estimated at ₹ 294.40 lakh crores, reflecting growth of 7.7% over FY 2024-25.

India continues to remain among the world's largest economies, currently ranking as the sixth-largest economy globally in nominal GDP terms as per the IMF. Structural reforms such as GST, Production Linked Incentive (PLI) schemes, and Make in India 2.0 continue to improve formalisation, manufacturing competitiveness and ease of doing business, while strengthening India's position within global supply chains. Manufacturing activity remained strong, with the HSBC India Manufacturing PMI rising to 54.7 in April 2026, supported by domestic demand and higher output levels.

The conflict in West Asia and disruptions across global trade routes have created fresh uncertainty around energy prices, logistics and availability of critical industrial inputs. As an import-dependent economy for crude oil and intermediate goods, India remains exposed to global supply chain disruptions and commodity price volatility. However, diversified sourcing strategies, domestic manufacturing capabilities and integration with emerging markets are helping mitigate external risks and support industrial continuity.

The government's large-scale investments, reforms and flagship initiatives, such as Make in India, Product-Linked Incentive (PLI) Schemes, have been instrumental in fostering industrial growth. The PLI scheme has attracted investments of approximately ₹ 2.16 lakh crores across 14 key sectors, in line with the national goals like 'Atmanirbhar Bharat' and India's vision of a US$ 5 trillion economy.

India's Index of Industrial Production (IIP) registered a growth of 4.1% in March 2026, supported by 4.3% growth in the Manufacturing sector and 5.5% growth in Mining activity, reflecting continued resilience in industrial and infrastructure-led economic activity.

Inflation moderated significantly during the year, with the RBI lowering its CPI inflation forecast for FY 2025-26 to 2.0%, supported by favourable supply conditions and easing food prices. In response, the RBI reduced the repo rate cumulatively to 5.25%, supporting credit availability and investment activity. India's exports are projected to reach US$ 1 trillion in FY 2026-27, strengthened by trade agreements, manufacturing scale-up and improving export competitiveness.

India's GDP Growth

Year	Growth
FY23	7.2%
FY24	8.2%
FY25	7.1%
FY26	7.6%
FY27	7.4% (P)

*P stands for Projected

*E stands for Estimated

(Source: Tradingeconomics, Tradingeconomics, MOSPI, RBI, PIB, Fortuneindia)

Outlook

India's GDP growth for FY 2026-27 is estimated at 7.4%, driven by the double engine of consumption and investment. It reaffirms India's status as the fastest-growing major economy for the fourth consecutive year. The nation is expected to become a US$ 30-35 trillion economy by 2047, entering the league of developed nations. Structural reforms and sustained growth momentum are driving this rapid progress, while digital and physical infrastructure are also expanding significantly.

Amid persistent trade policy uncertainties, geopolitical tensions, and tighter financial conditions, India's growth outlook remains resilient, supported by strong domestic consumption, easing inflation, and a revival in private investments. Initiatives such as Make in India 2.0 will prioritise emerging and high-growth sectors while improving the business environment. The PLI scheme continues to act as a catalyst for scaling manufacturing, boosting exports, and enhancing India's competitiveness. Improved rural consumption, driven by moderating inflation, further bolsters this growth trajectory.

India's Union Budget FY 2026-27 emphasises public investment by raising the capital expenditure (capex) outlay to a record ₹ 12.2 lakh crores. This nearly 9% increase from the previous year's estimate of ₹ 11.2 lakh crores is intended to sustain economic momentum and fulfil the government's "Viksit Bharat" vision for a developed India. Capital expenditure is prioritised in the budget, with allocations directed towards roads, railways, ports, airports, power transmission and urban infrastructure.

(Source: PIB, PIB, Global Economic Cooperation (GEC), PIB, Economictimes)

Industrial Overview

Engineering Sector - Glass lining, Filtration & Drying, Heat Exchanger Equipment

The engineering equipment sector in India continued to benefit from the growth in the country's engineering industry and export ecosystem during FY 2025-26. Engineering exports from India reached a record high of US$ 122.43 billion in FY 2025-26, up from US$ 116.75 billion in FY 2024-25, registering growth of 4.86% despite geopolitical uncertainties, supply chain disruptions, and volatility in global trade conditions. Growth in engineering exports was supported by government initiatives, market diversification strategies, and progress in free trade agreements (FTAs), which improved export opportunities for Indian manufacturers across process engineering and industrial equipment segments.

The engineering sector accounted for a significant share of India's merchandise exports during FY 2025-26, with engineering goods contributing approximately 27.7% of total merchandise exports during April-February 2026. Export growth was supported by rising shipments to North America, the European Union, ASEAN, and other diversified markets. The United States remained the largest destination for Indian engineering goods, with exports growing by 2.3% year-on-year (YoY) to US$ 19.60 billion during FY 2025-26, followed by Germany, the United Kingdom, China, Italy, South Africa, Vietnam, Sri Lanka, and Malaysia. However, exports to the West Asia and North Africa (WANA) region declined due to supply chain disruptions, higher freight costs, and logistical challenges arising from geopolitical tensions in West Asia.

Within this broader engineering industry, the glass-lined equipment segment continued to witness demand from pharmaceutical, specialty chemical, agrochemical, and chemical processing industries. These industries require corrosion-resistant equipment and contamination-free processing systems for handling aggressive chemicals and regulated manufacturing processes. Capacity additions in active pharmaceutical ingredients (API), specialty chemicals, and intermediates manufacturing supported investments in glass-lined reactors, receivers, storage vessels, and associated systems. The glass-lined equipment market in India is expected to reach a projected revenue of US$ 358.2 million by 2033. The growth is being driven by rising demand for reactors, agitators, heat exchangers, and storage systems, alongside increasing focus on process safety, environmental compliance, and modernisation of manufacturing facilities under the "Make in India" initiative.

The market is characterised by the combined presence of global manufacturers with integrated solutions and focused players specialised in advanced glass-lining technologies. Competition remains high, which necessitates continuous technological innovation, product reliability, lifecycle performance, and robust after-sales service. Tightening global quality, safety, and environmental regulations are accelerating the shift towards high-performance glass-lined systems. On the geographic front, Asia-Pacific continues to experience momentum with India and China showing growth potential by 2033, owing to rapid industrialisation and capacity additions in pharmaceutical and chemical manufacturing. Developed markets, including North America and Europe, sustain stable demand, propelled by plant modernisation, compliance requirements, and sustainability-focused manufacturing.

The filtration and drying equipment segment remained driven by process industries that require separation, purification, solvent recovery, and moisture reduction during manufacturing operations. Pharmaceutical and specialty chemical manufacturers continued to invest in filtration and drying systems to improve product quality, operational efficiency, and compliance with environmental and safety standards. Increasing adoption of integrated process systems, automation, and closed-loop manufacturing processes supported demand for advanced filtration and drying technologies. The segment also benefited from growing emphasis on reducing batch processing time, improving energy utilisation, and minimising contamination risks in regulated industries. The filtration and drying equipment market in India is expected to reach a projected revenue of US$ 205.1 million by 2030, growing at a 10.5% CAGR from 2024 to 2030. Growth over the years was driven by regulatory tightening, industrial expansion, higher safety and quality protocols, globalisation, and ongoing cost-efficiency measures.

In the future, the growth is expected to be led by industrialisation, evolving environmental regulations, demand from emerging markets, sustainability-led investments, and innovation within the pharmaceutical and biotechnology sectors. Key industry trends include rapid technological upgrades, sustainable product designs, improved regulatory compliance, tailored filtration, supply chain globalisation, and the emerging hybrid drying solutions. All of these contribute to enhancing performance and energy efficiency.

Rising adoption of high-potency APIs, biologics, and multi-stage synthesis processes in the pharmaceutical industry leads to increased expenditure on research and development. As a result, the market demand for Filtration and drying equipment is increasing, given its significance in supporting product testing, process refinement, and material evaluation before commercial scale-up. Moreover, capacity additions in the chemical sector are reinforcing equipment consumption. Increasing production

scale and complexity are strengthening the requirement for reliable separation and drying solutions.

Heat exchanger equipment demand remained supported by industrial requirements for thermal management, energy efficiency, heating, cooling, condensation, and heat recovery applications. Industries such as chemicals, pharmaceuticals, oil and gas, power generation, HVAC, and food processing continued to invest in heat transfer systems to optimise energy consumption and improve operational reliability. The Indian heat exchanger market was valued at US$ 904.0 million in 2025 and is expected to grow to US$ 1,477.7 million by 2034, registering a CAGR of 5.44% during 2026-2034. Shell and tube heat exchangers accounted for nearly 42.6% of the Indian heat exchanger market in 2025 due to their suitability across high-pressure and high-temperature industrial applications. Stainless steel-based heat exchangers also accounted for a significant share owing to corrosion resistance and sanitary requirements in the pharmaceutical and food processing industries.

The industry also witnessed increasing focus on compact equipment design, automation, predictive maintenance, and material innovation to improve operational performance and equipment durability. Manufacturers adopted corrosion-resistant alloys, stainless steel, and specialised fabrication technologies to address demanding operating environments and evolving customer requirements. Demand for energy-efficient systems and sustainable industrial operations also encouraged the adoption of advanced heat transfer and process engineering solutions across end-user industries.

Stricter pollution norms from the Central Pollution Control Board (CPCB) and rising emphasis on clean technologies are accelerating system upgrades and the transition to energy-efficient heat exchangers. India's Nationally Determined Contributions (NDCs) are further driving implementation of heat recovery solutions in energy-intensive sectors. Industrial corridors and expanding special economic zones (SEZs) are supporting new process equipment installations, including heat exchangers. Elevated fossil fuel costs are further encouraging the shift toward compact and high-efficiency exchanger designs to minimise thermal losses and optimise energy use.

(Source: EEPCIndia, EEPC, Grandviewresearch, IMARC)

Pharmaceutical Sector

The Indian pharmaceutical industry continues to play an important role in both domestic healthcare and global medicine supply. India ranks third globally by volume and eleventh by value, supported by more than 3,000 pharmaceutical companies and over 10,500 manufacturing units. The sector remains one of the largest suppliers of generic medicines globally, contributing nearly 20% of global generic drug supply and manufacturing around 60,000 generic brands across 60 therapeutic categories.

The Indian pharmaceutical market was valued at US$ 57.61 billion in 2025 and is estimated to reach US$ 60.32 billion in 2026. It is projected to grow to US$ 79.74 billion by 2031 at a CAGR of 5.74% during 2026–2031. Growth is being supported by rising chronic disease burden, patent expiries that expand the generic pipeline, and government initiatives such as the Production Linked Incentive (PLI) scheme for strengthening domestic API manufacturing.

Prescription drugs accounted for 61.26% of total revenue in 2025, while anti-infectives remained the largest therapy segment with a 34.11% share. Oncology is expected to be the fastest-growing segment with a CAGR of 8.22% through 2031. Retail pharmacies continued to dominate distribution with a 64.57% share, while online pharmacies are expected to grow faster with increasing digital healthcare adoption.

Pharmaceutical exports also remained strong, reaching US$ 31.1 billion in FY 2025-26 from US$ 30.5 billion in FY2024-25, with supplies to 191 countries. With strong manufacturing capacity, export growth and policy support, the industry outlook remains positive for the coming years

India's pharmaceutical exports are projected to grow from approximately US$ 27 billion in 2023 to US$ 65 billion by 2030 and further to nearly US$ 350 billion by 2047. This growth will be driven by stronger global demand, expansion into regulated markets and competitiveness in complex therapies. India currently ranks 11th globally in export value, and the industry aims to move into the top five pharmaceutical exporters by 2047.

Innovation, regulatory compliance, quality standards and supply chain resilience will be critical for long-term growth. Greater investment in research, manufacturing excellence and domestic API capacity will support this transition. Collaboration between government and industry will also remain important in improving market access and strengthening India's position as a global pharmaceutical manufacturing and export hub. Overall, the industry is likely to shift from scale-driven growth to value-led expansion.

Under the Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP), more than 18,000 Jan Aushadhi Kendras (JAKs) were operational across the country, expanding access to affordable generic medicines across urban and rural areas. The Government has also set a target to increase the network to 25,000 Kendras by March 2027. The scheme continues to support affordable healthcare by providing generic medicines at prices that are generally 50-80% lower than branded medicines. The PMBJP

product basket currently comprises 2,110 medicines and around 315 surgical, medical consumables, and devices covering major therapeutic categories. In parallel, the Government's Production Linked Incentive (PLI) framework has continued to strengthen domestic pharmaceutical manufacturing capacity and support supply chain localisation.

The Union Budget 2026-27 proposes to allocate ₹ 5,931.22 crores for the Department of Pharmaceuticals (DoP), around a 12.6% increase compared to the ₹ 5,268.72 crores allocated under the Budget Estimate (BE) for the fiscal 2025-26. This includes an allocation of around ₹ 1,100 crores for two new schemes announced. An increased allocation for the production-linked incentive (PLI) schemes of around ₹ 2,499.84 crores during FY 2026-27 is also announced, which is around 2.2% higher than the ₹ 2,444.93 crores allocated in FY 2025-26. Additionally, this budget proposed the Biopharma SHAKTI with an outlay of ₹ 10,000 crores over five years, aimed at strengthening India's ecosystem to produce biologics and biosimilars. PLI scheme for bulk drugs has been allocated ₹ 66.40 crores in the budget to reduce import dependence and promote indigenous production of critical raw materials, including fermentation-based products like Penicillin G. The Scheme for Strengthening of Medical Devices Industry (SMDI) has an allocation of ₹ 124.17 crores during FY 2026-27, encouraging indigenous production of advanced medical equipment such as MRI systems and cardiac implants. Promotion of Bulk Drug Parks is also implemented, with a budgetary outlay of ₹ 3,000 crores, under which three bulk drug parks are approved and at developing stages in Andhra Pradesh, Gujarat and Himachal Pradesh, through their respective state implementing agencies. These initiatives aim to improve cost efficiency and supply chain resilience. The Strengthening of Pharmaceutical Industry (SPI) scheme includes providing support for common infrastructure in pharma clusters, MSME technology upgrades, and promotion of pharmaceuticals and medical devices.

[Source: PIB, Pharmabiz, Mordorintelligence, IPA]

Chemical Industry

The Indian chemical industry is highly diversified, with more than 80,000 commercial products across bulk chemicals, agrochemicals, speciality chemicals, fertilisers, petrochemicals and polymers. Due to its proximity to the Middle East, which is a major petrochemical feedstock hub, India benefits from competitive sourcing and improved scalability. Being a crucial pillar of India's industrial and economic landscape, the sector is poised to grow exponentially, supported by rising domestic consumption, expanding manufacturing activity, and increasing demand from emerging sectors such as semiconductors, electric vehicles, batteries, renewables, aerospace, and construction. India's chemical industry is projected to grow from the current US$ 155-165 billion to US$ 230-255 billion by 2030, registering a CAGR of 8-9% and potentially outpacing the country's GDP growth. Eight high-growth sectors, including construction, semiconductors, renewables, and automotive, have significant usage of chemical inputs that could generate an additional US$ 30-35 billion in chemical demand by 2030. Significant opportunities for import substitution in inorganic chemicals and polymers are further highlighted, where India currently has a chemical trade deficit of nearly US$ 31 billion. The growth outlook continues to be supported by infrastructure development, supply chain diversification under the "China+1" strategy and investments in specialty and performance chemicals.

The Indian specialty chemicals industry witnessed a mixed performance during FY 2025-26, with gradual demand recovery across domestic and export markets after a period of volatility. Pricing pressure persisted in certain segments due to continued inflow of low-priced imports, particularly from China, although sectors such as agrochemicals showed improvement supported by normalisation of inventory levels and demand recovery. Despite near-term challenges, the long-term outlook for the sector remains positive, supported by industrialisation, urbanisation, and increasing demand from agriculture, construction, and automotive industries. India's specialty chemicals market was valued at US$ 67.0 billion in 2025 and is expected to reach US$ 93.4 billion by 2034, growing at a CAGR of 3.65% during 2026-2034, while supply chain diversification and the China+1 strategy continue to create opportunities for Indian manufacturers in global markets.

100% FDI is allowed under the automatic route in the chemical sector, excluding some hazardous chemicals. Government policies are further boosting this sector. The Union Budget 2026-27 announced a new scheme to support the establishment of three dedicated Chemical Parks through a challenge-based selection mechanism, with a budgetary allocation of ₹ 600 crores. The proposed parks will follow a cluster-based, plug-and-play model with shared infrastructure and common environmental compliance facilities to strengthen domestic chemical manufacturing, improve supply-chain integration, and reduce import dependence. In addition, the Budget also announced an allocation of ₹ 20,000 crores for the development and deployment of Carbon Capture, Utilisation and Storage (CCUS) technologies, supporting low-carbon and sustainable industrial growth. The initiative is expected to improve manufacturing competitiveness, reduce project timelines, and support long-term growth of India's chemical and petrochemical sector. The Dahej Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) project in Bharuch, comprising 180 existing and 650 under construction industrial units, has attracted an investment of ₹ 1 lakh crores (~US$ 12 billion) and is expected to generate 32,000 jobs.

(Source: Mckinsey, IBEF, IMARC, PIB)

Company Overview

HLE Glascoat Limited ("the Company" or "HGL") is a well-recognised Indian manufacturer of specialised process equipment for the chemical and pharmaceutical industries. Since HGL's establishment in 1991 as Shri Glassteel Equipments Limited and later renamed Swiss Glascoat Equipment Limited, the Company has evolved through restructuring. The Company reorganised its core operations under a Demerger Scheme in 2019 and adopted the present name, HLE Glascoat Limited. As a part of the Patel Group, founded in 1951 by the late Dr. Khushalbhai H. Patel, the Company benefits from decades of industry expertise and a strong legacy in chemical manufacturing and engineered equipment.

HGL operates across core segments, such as Filtration, Drying, Glass-Lined Equipment, Heat Transfer Equipment, and Exotic Metal Fabrication. The Company holds a leadership position in filtration and drying technologies and is a well-established global manufacturer of glass-lined equipment. HGL's diverse product range spans reactors, storage tanks, dryers, filters, columns, agitators, valves, pipes, and fittings, all of which support essential industrial processes, including reaction, separation, distillation, and heat transfer. HGL delivers standardised and customised solutions, serving Active Pharmaceutical Ingredient (API) manufacturers.

Owing to the Company's three integrated plants at Maroli, Anand, and Silvassa, HGL maintains a strong manufacturing base. To pursue strategic growth, the Company focuses on acquisitions. In December 2021, the Company took over the global business of Thaletec GmbH, reinforcing its global reach and glass-lining portfolio. In a move to expand its heat transfer capabilities, HGL acquired a majority stake in Kinam Engineering Industries in August 2023, and both companies are now amalgamated. The commissioning of a Greenfield plant at Silvassa in 2022 strengthened the Company's filtration and drying capacity. Moreover, as part of its product expansion strategy, the Company introduced SS Reactors, Pharmaskid and Chem-skid systems and expanded its Thaletec portfolio in FY 2023-24. Further, in 2025, HLE Surface Technologies acquires the global business of Omeras GmbH and 100% stake in OmeraStore GmbH.

The Company has established a state-of-the-art dedicated R&D Centre at Anand, Gujarat, with a strategic focus on advanced research in glass-lining technologies and product development. The Centre also demonstrates the functioning of key products at a laboratory scale and has received accreditation from the Department of Scientific and Industrial Research (DSIR), Government of India.

Financial Overview

Financial Performance FY 2025-26

(₹ In Lakhs)

Particulars	Consolidated		Standalone	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Total Income	1,36,176.36	1,03,575.28	73,903.67	56,339.65
Profit Before Finance costs, Tax, Depreciation and Amortisation (after adjusting Other Comprehensive Income)	16,241.65	14,412.22	9,848.95	6,335.24
Profit Before Tax (after adjusting Other Comprehensive Income)	8,482.95	7,825.60	4,858.74	1,989.31
Profit After Tax (after adjusting Other Comprehensive Income)	7,044.80	6,495.60	3,796.34	1,574.50
Total Assets	1,38,179.92	1,29,336.32	90,663.44	88,076.07
Equity Share Capital	1,389.09	1,389.09	1,389.09	1,389.09
Other Equity	52,003.19	46,416.84	37,908.57	34,863.15
Non-controlling interest	8,432.57	7,622.54	-	-
Total Equity	**61,824.85**	**55,428.47**	**39,297.66**	**36,252.24**
Bank Borrowings	31,303.18	33,231.20	30,657.38	30,958.90
Debt: Equity Ratio (including long-term and short-term borrowings)	0.51	0.63	0.78	0.85
Book Value per Equity Share of ₹ 2 each – In ₹	89.01	79.81	56.58	52.20
Earnings per Equity Share - Basic and Diluted –In ₹	7.20	8.00	5.50	2.40
Dividend Per Share – In ₹ (FY 2025-26 – proposed)	**1.10**	**1.10**	**1.10**	**1.10**

*Previous year's figures are restated / regrouped, rearranged and recast, wherever considered necessary.

Key Financial Ratios

Particulars	FY 2025-26	FY 2024-25	Explanations
Debtors Turnover (times)	6.75	5.05	Improved collection of receivables and better credit control.
Inventory Turnover (times)	3.30	2.53	Better inventory rotation, higher revenue from operations and higher EBIT for the year.
Interest Coverage Ratio (times)	2.74	1.71	
Current Ratio	0.95	0.91	
Debt Equity Ratio (considering long-term & short-term debt)	0.78	0.85	
Operating Profit Margin (%)	10.63%	8.94%	
Net Profit Margin (%)	5.28%	2.97%	
Return on Net Worth (%)	10.12%	4.57%	

Strategic Outlook

The Company continues to focus on strengthening its position as an integrated process equipment manufacturer with capabilities across glass-lined equipment, filtration and drying systems, heat exchangers and engineered systems. Its strategic outlook is centred on expanding product offerings, increasing manufacturing efficiencies, enhancing global market presence and improving technological capabilities through continuous investment in research and development. The Company also aims to leverage opportunities arising from supply chain diversification, increasing domestic manufacturing, and growth in the pharmaceutical, chemical and allied sectors.

The Company remains focused on capacity expansion, operational integration across subsidiaries and increasing localisation to improve competitiveness and reduce dependence on imports. Investments in advanced manufacturing technologies, automation and process optimisation are expected to support productivity and quality improvements across operations. Through its DSIR-recognised R&D Centre at Anand, Gujarat, the Company continues to undertake research in glass-lining technologies and product innovation to strengthen its engineering capabilities and customer offerings.

The Company also intends to expand its international footprint through its subsidiaries and global partnerships, while strengthening its presence across regulated and high-growth markets. With diversified product capabilities, an established customer base and a focus on operational efficiency, the Company aims to improve long-term growth visibility while maintaining financial discipline and sustainable business practices.

Opportunities and Threats

The Company is committed to delivering high-quality products at a competitive price, driven by constant innovation, integrating cutting-edge technology and diversifying its product range. Investment in infrastructure, product development and supply chain optimisation has reinforced operational scalability. These measures improve cost effectiveness, capacity, and support access to both domestic and international markets, positioning the Company for market reach. The Company benefits from the China+1 strategy as global customers diversify sourcing toward Indian manufacturers.

The Company is well-positioned for continued growth, strengthened by demand from engineering, chemical and pharmaceutical sectors. Leveraging its leadership position, the Company is well placed to capitalise on favourable industry trends, address internal challenges and sustain growth across domestic and global markets.

The Company is exposed to risks from cyclical industry trends, inflationary pressure, and material costs, shaped by global geopolitics. Additional challenges include limited skilled manpower, escalating fuel and energy expenses, rising wages and financing costs. On the positive side, the recovery of key markets and faster easing of inflation could create favourable conditions for accelerated growth. However, the market may be affected due to sudden market corrections or geopolitical fragmentations.

Risk and Concerns

Over the past few years, the Company has demonstrated strong resilience in managing a complex risk environment. Plans implemented during and after the pandemic enhanced preparedness and risk responses. In FY 2025-26, additional risk emerged, requiring proactive measures, including supply chain disruptions due to geopolitical tensions such as the Russia-Ukraine conflict.

Environmental, Social, and Governance (ESG) reporting is evolving and is expected to become increasingly comprehensive. Inadequate preparedness in this area could pose risks. Organisations need governance frameworks to ensure accurate insights related to ESG-related risks and opportunities. The Company emphasises key ESG disclosures, identifies critical data and establishes systems to ensure timely compliance with local regulations.

While risk identification is crucial, effective mitigation ensures business continuity. The Company concentrates on systematic risk that could cause disruptions in the Company or the industry. Management regularly updates its risk appetite to guide strategic decisions. The Company also prioritises ESG risk assessment, supported by a strong governance framework and internal controls.

Risk Management

The Company strongly emphasises risk management as a key enabler of sustainable business expansion. In line with the SEBI Listing Regulations and the Companies Act, 2013, the Board of Directors has approved a comprehensive risk management policy. The policy provides a framework to identify, assess, and mitigate risks and is available on the Company's website at https://hleglascoat.com/wp-content/uploads/2021/09/HGL_RISK-MANAGEMENT-POLICY.pdf.

The board is equipped with clear guidance for informed decision-making and proactive mitigation. It encompasses multiple risk categories such as economic, geopolitical, production, inventory and pricing. Additionally, the policy includes technology, competitive pressure, financial exposure, volatile raw material prices and pandemic-related issues. The Company actively monitors and manages risks such as human resources, reputation, regulatory, cybersecurity and legal under this framework.

The policy is aimed at supporting sustainable growth and organisational stability. It encourages a proactive approach to monitoring, evaluating and addressing risks across business functions. A dedicated Risk Management Committee, composed of designated directors, is responsible for managing risks, with the Board of Directors providing strategic supervision.

Environmental, Social and Governance

HLE Glascoat fosters long-term, sustainable growth through embedding Environmental, Social, and Governance (ESG) practices across operations. The Company actively engages with stakeholders to address their concerns and contribute meaningfully to community development.

Social Initiatives and Community Engagement: Responding to stakeholder feedback, the Company implements targeted programs to support vulnerable populations. These programs constitute a central part of the Company's Corporate Social Responsibility as outlined below:

- **Livelihood Enhancement Programmes:** Through focused training and skill-building sessions, the Company empowers economically disadvantaged youth and women. The program aims at strengthening employability and entrepreneurial skills while contributing to sustainable income opportunities.

- **Promoting Inclusive Education:** HLE Glascoat is dedicated to improving access to quality education. The Company provides scholarships, invests in school infrastructure, and offers digital learning resources for students from economically disadvantaged backgrounds in rural and tribal areas. This initiative seeks to strengthen academic performance and empower underprivileged youth.

- **Healthcare Access and Support:** To improve healthcare for the underserved population, the Company offers subsidised medical assistance while running a low-cost clinic, affordable test and medicines. This reduces financial burden on low-income families and promotes preventive care.

- **Infrastructure Development:** The Company supports vulnerable communities by building and upgrading residential facilities, enhancing security for residents.

The Company's CSR programs have positively impacted the lives of thousands in marginalised communities. Its scholarship scheme has supported 2,900 students, while the TB Mukt Bharat programme has aided 130 patients. 3,050 individuals have benefited from services at the low-cost Rahat Dar nu Dawakhanu clinic. Furthermore, several families from the economically weaker section have received financial support to secure permanent homes under the Pradhan Mantri Awas Yojana.

Human Resources

Employees remain a key driver of the Company's success in the manufacturing industry. Through its comprehensive policies, the Company improves transparency, ethical practices and inclusive career growth. Owing to its improved HR processes, the Company attracts and retains top talent while ensuring comprehensive learning and development and safety training. Collectively, these initiatives enhance competitiveness and reinforce a resilient workforce.

These HR processes improve employee efficiency while supporting career growth in the Company. Focused on developing its workforce, the Company offers internal training programs and sessions with external experts. This training initiative aims to prepare employees for responsibilities that boost productivity and strengthen commitment, integrity and professional behaviour.

The Company extends its social responsibility to workforce development, emphasising the development of a resilient, people-centric culture. In FY 2025-26, HLE Glascoat onboarded 106 new employees and conducted 392 training sessions for employees and workers, totalling 11,163 man-hours. Safety

continued to remain a key priority, with 294 dedicated shopfloor and classroom based training sessions providing 5,463 man-hours of safety training.

To enhance the workplace environment, the Company implemented employee engagement initiatives such as cultural celebrations, inter-departmental sports events, and creative workshops. Employee well-being was further reinforced through mediation sessions and personalised birthday greetings that foster a culture of inclusivity and recognition.

Learning and development continued to hold a central focus, with workshops on Leadership, Organisational Development, and skill-building sessions on The Art of Giving Feedback and QCD. Outbound programmes for Design, R&D, and Operations teams fostered collaboration and hands-on learning. A performance-driven culture was reinforced through the Reward & Recognition programme and employee engagement surveys, celebrating achievements and listening to employee feedback.

The Company maintains comprehensive and updated policies to prevent discrimination and harassment, including sexual harassment. The Whistle Blower Policy further strengthens this framework. As of March 31, 2026, the Company employed 594 individuals.

Internal Control System

The Company is committed to ensuring an effective internal control environment that provides reasonable assurance regarding the effectiveness and efficiency of operations, adequacy of safeguarding of assets, reliability of financial controls and compliance with applicable laws and regulations. Towards this end, HGL has laid down standard operating procedures and policies to guide the various business operations. To further strengthen the internal control systems, independent external professional agencies have been appointed to conduct an internal audit of the systems and processes of its manufacturing locations (Maroli, Anand and Silvassa). The internal auditors ensure that internal controls are reviewed through the periodical internal audit process in consultation with the Audit Committee. Internal auditors cover every operational unit and all major corporate functions under the guidance of the Audit Committee of the Board. The Board's Audit Committee oversees the adequacy of the internal control environment through periodic reviews of audit findings and monitoring implementations of internal audit recommendations through compliance reports. The statutory auditors have opined in their report that there are adequate internal controls over financial reporting at the Company. The Certification by the Managing Director and the Chief Financial Officer of the Company has been provided elsewhere in this Annual Report and discusses the adequacy of the internal control systems and procedures

Cautionary Statement

The narrative within this Management Discussion and Analysis includes 'forward-looking statements' relating to, among other things, the execution of strategic plans, future business developments, and economic performance. While these statements reflect the Company's assessment and expectations for the future direction of its business, numerous risks, uncertainties, and other unforeseen factors could cause actual outcomes to differ significantly from these expectations. These factors include, but are not limited to, general market, macroeconomic, governmental, and regulatory trends, fluctuations in currency exchange and interest rates, competitive pressures, technological advancements, changes in the financial standing of third parties engaged with the Company, legislative changes, and other significant factors that could influence the Company's business and financial results.

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the Separate financial statements (also known as Standalone Financial Statements) of **HLE GLASCOAT Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2026, and its profit (financial performance including Other Comprehensive Income), the Changes in Equity and its Cash Flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr No	Key Audit Matter	How the matter was addressed in our audit
1	**Defined Benefit Obligation** The valuation of the retirement benefit schemes in the Company is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation, mortality rates and attrition rates. Further, the changes to employee benefits plans arising from legislative amendments are treated as plan amendments, requiring recognition of past service cost in the statement of profit and loss. Due to the enacted amendments and the size of these schemes, the changes due to the amendments and assumptions have a material impact on the estimated employee benefits. Refer note 30(f) to Standalone financial statements	**Our audit procedures included:** • We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit. • We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlements, past service costs, remeasurements, benefits paid, the salary restructuring exercise in compliance with the Labour Codes and any other amendments made to the obligations during the year. From the evidence obtained, we found the data and assumptions used by management in the actuarial valuations for retirement benefit obligations to be appropriate.

Sr No	Key Audit Matter	How the matter was addressed in our audit
2	**Property, Plant & Equipment (Including Capex)** • Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of Property, Plant and Equipment. • Further, technical complexities require management to assess and make estimates/judgements about capitalization, estimated useful life, impairment, etc. which has material impact on Balance sheet and operating results. • Refer note 2 to Standalone financial statements.	**Our audit procedures included:** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We assessed company's process regarding maintenance of records and accounting of transactions pertaining to Property, Plant and Equipment including capital work in progress with reference to Ind AS 16. • We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant and Equipment • We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and Equipment in accordance with Schedule II of the Companies Act, 2013. • We have relied on physical verification conducted by management and management representations.
3	**Related Party Transactions** The Company has undertaken several transactions with its related parties. These include sale of goods, purchase of goods and availing / rendering of services from/to related parties. We identified related party transactions as a key audit matter due to the significance of related party transactions, increased regulatory compliances and risk of such transactions remaining undisclosed in the financial statements.	**Our audit approach included:** • Obtaining and reading the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, determining whether the same are at Arm's Length basis, recording and disclosure of related party transactions; • Reading minutes of shareholder meetings, board meetings and audit committee meetings regarding Company's assessment of related party transactions being in the ordinary course of business and at arm's length; • Testing on a sample basis, related party transactions with the underlying confirmations and other supporting documents; • Verified the related party information disclosed in the financial statements as per the relevant Indian accounting standards with the underlying supporting documents, on a sample basis.

4. Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility and Sustainability Report, but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

5. Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation

and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

6. Auditor's Responsibility for the audit of the Standalone Financial Statements

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

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

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

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

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

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

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

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 Standalone Financial Statements of the current year 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.

7. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors as on 19th May 2025 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

g) As required by section 197(16) of the Act, based on our audit, we report that the Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 30(m) to the Standalone Financial Statements;

ii. The Company has long-term contracts including derivative contracts for which there were no material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

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

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

(c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the above representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

v. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software's:

a) The feature of recording audit trail at the database level was not enabled during the year in three accounting software systems used by the Company. Consequently, direct data changes made at the database level in these systems were not logged.

b) In respect of one accounting software, the software provides an option to enable or disable the audit trail feature. Access to this setting is strictly controlled by the system administrator. We have reviewed relevant system logs and observed that there were no instances of the audit trail feature being enabled or disabled during the year, thereby ensuring its continuous operation.

c) While audit trail functionality was available, the master audit logs did not capture the old and new values of modified data, limiting the ability to track the precise nature of changes made

Further, based on our procedures performed, we did not notice any instance of the audit trail feature being tampered with. In respect of the aforesaid database, in the absence of audit trail for the said period, the question of our commenting on whether the audit trail was tampered with, does not arise. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **M M NISSIM & CO LLP**
Chartered Accountants
Firm Reg.No.107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
UDIN: 26142067SLDWWL8387
Place: Maroli
Date: May 18, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HLE GLASCOAT LIMITED

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Right-of-Use assets;.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification. All discrepancies have been properly dealt with in the books of accounts.

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed / property tax paid documents (which evidences title) provided to us, we report that, the title in respect of self – constructed buildings and title deeds of all other immovable properties, (other than immovable properties where the Company is the lessee and where the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and Intangible Assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2026 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder.

(ii) (a) The inventory, except for goods in transit and stocks held with third parties, has been physically verified by the management during the year at reasonable intervals. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operation. For stocks held with third parties at the year end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year-end or confirmation have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventory when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any point of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company for the first three quarters and with the audited books of account in respect of fourth quarter ending 31st March 2026 and there are no material discrepancies.

(iii) The Company has made investments in, provided guarantee or security and has granted loans or advances in nature of loans, secured or unsecured to companies, and other parties, in respect of which:

(a) The Company has granted unsecured loans to subsidiaries, made investments in subsidiaries and has given corporate guarantee on behalf of its subsidiary Company, the details of which are as under :

Particulars	Aggregate amount of loan/ Investments/ guarantee during the year	Balance outstanding as at March 31, 2026
Loans To Subsidiary Companies	₹ 1,642.80 lakhs	₹ 1,642.80 lakhs
Guarantees given To Subsidiary Companies	₹ 2,100.00 lakhs	₹ 2,100.00 lakhs
Investments in Subsidiary Companies	₹ 12.89 lakhs	₹ 12.89 lakhs

(b) In our opinion and according to the information and explanations given to us, the investments made, guarantees provided and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees, provided during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loan given to Thaletec GmbH a subsidiary, as per the information available to us the repayment of loan and the receipt of interest thereon are repayable on demand. During the year, the Company has not demanded the repayment of the loan.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) According to information and explanations given to us and based on the audit procedures performed, loans given by the Company has not been fallen due during the year.

(f) The Company has granted loans repayable on demand to its subsidiary, Thaletec GmbH (Germany), the aggregate amount of which stands at ₹ 1,642.80 Lakhs. which is 0.98 percent of the total loans granted by the Company.

(iv) In our opinion, in respect of investments made, the Company has complied with the provisions of Section 186 of the Act.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended. Accordingly, the provisions of clause 3(v) of Para 3 of the Order are not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value Added Tax during the year since effective July 1, 2017, these statutory dues has been subsumed into GST.

(a) The Company is regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, Cess and any other statutory dues with appropriate authorities, where applicable. There are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at March 31, 2026 for a period of more than six months from the date they became payable.

(b) According to the records of the Company, the statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2026 on account of any dispute, are as follows:

Statute	Financial year to which the matter pertains	Forum where dispute is pending	₹ in Lakhs
Central Excise Act, 1944 and Finance Act, 1994 (Service Tax)	For the period 2008- 2013	CESTAT	11.28
	For the period 2012- 2015	CESTAT	23.98
	For the period 2013- 2017	CESTAT	18.91

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the 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.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any moneys by way of Initial Public Offer or Further Public Offer (including debt instruments), during the year and hence reporting under Clause (x) (a) of Para 3 of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x)(b) of Para 3 of the Order are not applicable to the Company.

(xi) (a) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.

(b) To the best of our knowledge, 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 with the Central Government, during the year.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and accordingly provisions of clause (xii) of Para 3 of the order are not applicable to the Company.

(xiii) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties are in compliance with Section 177 and 188 of the Act, and the details have been disclosed in the Standalone Financial Statements in Note 30(g) as required by the applicable Indian Accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non -cash transactions with directors or persons connected with the directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions of clause (xvi)(a) of Para 3 of the Order are not applicable to the Company.

(b) During the year, the Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, provisions of clause (xvi)(b) of Para 3 of the Order are 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 and accordingly the provisions of clause (xvi)(c) of Para 3 of the Order is not applicable to the Company.

(d) The group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the Financial Year covered by our audit and in the immediately preceding Financial Year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **M M NISSIM & CO LLP**
Chartered Accountants
Firm Reg.No.107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
UDIN: 26142067SLDWWL8387
Place: Maroli
Date: May 18, 2026

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HLE GLASCOAT LIMITED.

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("the Act")

1. OPINION

We have audited the internal financial controls with reference to Standalone Financial Statements of HLE GLASCOAT LIMITED ("the Company") as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India (ICAI).

2. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

3. AUDITORS' RESPONSIBILITY

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

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

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

4. MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

5. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

For **M M NISSIM & CO LLP**
Chartered Accountants
Firm Reg.No.107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
UDIN: 26142067SLDWWL8387
Place: Maroli
Date: May 18, 2026

STANDALONE BALANCE SHEET

As at March 31, 2026

₹ in Lakhs

Particulars	Note	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
I) ASSETS				
1) Non-current assets				
a) Property, plant and equipment	2 (a)	26,662.88	26,112.03	22,184.25
b) Right of use assets	2 (b)	978.73	693.22	704.21
c) Capital work-in-progress	2 (c)	163.73	86.76	1,586.24
d) Investment property	2 (d)	-	127.46	132.31
e) Other intangible assets	2 (e)	182.59	174.55	212.90
f) Financial assets				
(i) Investments	3	23,346.00	23,394.02	23,474.77
(ii) Others financial assets	4	506.21	955.91	139.95
g) Non current tax assets (net)		755.77	1,319.91	1,196.81
h) Other non-current assets	5	219.79	55.23	204.67
Total non-current assets		**52,815.70**	**52,919.09**	**49,836.11**
2) Current assets				
a) Inventories	6	20,838.60	22,938.93	20,626.87
b) Financial assets				
(i) Trade receivables	7	12,814.50	8,596.04	13,238.21
(ii) Cash and cash equivalents	8	4.49	1,216.55	347.45
(iii) Bank balances other than cash and cash equivalents	9	1,023.58	293.75	658.97
(iv) Loans	10	1,681.68	39.56	23.91
(v) Others financial assets	4	737.10	493.03	246.01
c) Other current assets	5	721.87	1,579.12	1,007.01
Total current assets		**37,821.82**	**35,156.98**	**36,148.43**
Non-current assets held for sale		**25.92**	-	-
TOTAL ASSETS		**90,663.44**	**88,076.07**	**85,984.54**
II) EQUITY AND LIABILITIES				
1) Equity				
a) Equity share capital	11	1,389.09	1,389.09	1,389.09
b) Other equity	12	37,908.57	34,863.15	34,039.57
Total Equity		**39,297.66**	**36,252.24**	**35,428.66**
2) Liabilities				
i) Non-current liabilities				
a) Financial liabilities				
(i) Borrowings	13	9,537.73	10,790.01	14,555.04
(ii) Lease liabilities		488.89	223.39	201.93
(iii) Other financial liabilities	14	0.25	734.57	1,491.68
b) Provisions	15	202.98	107.86	123.15
c) Deferred tax liabilities (net)	16	1,124.49	1,186.45	1,059.93
Total non-current liabilities		**11,354.34**	**13,042.28**	**17,431.73**
ii) Current liabilities				
a) Financial liabilities				
(i) Borrowings	13	21,119.65	20,180.99	19,245.80
(ii) Lease liabilities		81.83	34.51	63.18
(iii) Trade payables	17			
- Outstanding dues of micro enterprises and small enterprises		199.13	261.59	619.50
- Outstanding dues of creditors other than micro enterprises and small enterprises		11,054.88	7,502.35	7,243.43
(iv) Other financial liabilities	14	1,610.82	1,630.80	1,578.17
b) Other current liabilities	18	4,769.09	8,796.43	4,017.34
c) Provisions	15	772.15	374.88	356.73
d) Income tax liabilities (net)		403.89	-	-
Total current liabilities		**40,011.44**	**38,781.55**	**33,124.15**
Total liabilities		**51,365.78**	**51,823.83**	**50,555.88**
TOTAL EQUITY AND LIABILITIES		**90,663.44**	**88,076.07**	**85,984.54**

Material accounting policies 1

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Aalap Patel
Director
DIN - 06858672

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Naveen Kandpal
Chief Financial Officer
ACA 406038

STANDALONE STATEMENT OF PROFIT AND LOSS

For the Year Ended March 31, 2026

₹ in Lakhs

Particulars	Note	Year ended March 31, 2026	Year ended March 31, 2025
I) INCOME			
a) Revenue from operations	19	72,311.46	55,106.92
b) Other income	20	1,592.21	1,232.73
TOTAL INCOME (a+b)		**73,903.67**	**56,339.65**
II) EXPENSES			
a) Cost of materials consumed	21	36,703.82	33,527.47
b) Changes in inventories of finished goods and work-in-progress	22	2,125.70	(3,401.46)
c) Employee benefits expense	23	6,823.06	5,787.44
d) Finance costs	24	2,799.89	2,875.87
e) Depreciation and amortisation expense	25	1,753.06	1,470.06
f) Other expenses	26	18,377.39	14,028.34
TOTAL EXPENSES (a to f)		**68,582.92**	**54,287.72**
III) PROFIT FOR THE YEAR BEFORE EXCEPTIONAL ITEMS (I-II)		**5,320.75**	**2,051.93**
IV) Exceptional items (Refer note 30 e)		437.26	-
V) PROFIT BEFORE TAX (III-IV)		**4,883.49**	**2,051.93**
VI) TAX EXPENSE			
a) Current tax		1,094.42	253.94
b) Current tax in relation to earlier year		29.95	34.34
c) Deferred tax		(61.97)	126.53
TOTAL TAX EXPENSE (a+b+c)		**1,062.40**	**414.81**
VII) PROFIT FOR THE YEAR (V-VI)		**3,821.09**	**1,637.12**
VIII) OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified to the Statement of Profit and Loss			
(a) Remeasurements of Defined benefit plans		(33.07)	(83.68)
(b) Income tax relating to items that will not be reclassified to the Statement of Profit and Loss		8.32	21.06
TOTAL OTHER COMPREHENSIVE (LOSS) FOR THE YEAR, NET OF TAX (a+b)		**(24.75)**	**(62.62)**
IX) TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+VIII)		**3,796.34**	**1,574.50**
X) EARNINGS PER EQUITY SHARE (in ₹)	30(a)		
Basic		5.6	2.4
Diluted		5.6	2.4

Material accounting policies 1

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Aalap Patel
Director
DIN - 06858672

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Naveen Kandpal
Chief Financial Officer
ACA 406038

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2026

Equity share capital (refer Note 11)

(A) Equity share capital

₹ in Lakhs

Particulars	Number	Amount
Balance at the year ended on March 31, 2023	**6,82,65,480**	**1,365.31**
Balance at the year ended on March 31, 2024	**6,82,65,480**	**1,365.31**
Balance at the year ended on March 31, 2025	**6,82,65,480**	**1,365.31**
Add: Issued during the year upon merger of a Subsidiary	11,89,259	23.78
Balance at the year ended on March 31, 2026	**6,94,54,739**	**1,389.09**

(B) Equity shares pending issuance

₹ in Lakhs

Particulars	Number	Amount
Obligation to issue fixed number of equity shares		
At April 1, 2023	-	-
Changes during the year	11,89,259	23.78
At April 1, 2024	**11,89,259**	**23.78**
Changes during the year		
At March 31, 2025	**11,89,259**	**23.78**
Changes during the year	(11,89,259)	(23.78)
At March 31, 2026	-	-

Other equity (refer Note 12)

₹ in Lakhs

Particulars	Reserves and Surplus							Equity Component of Compound Financial Instrument	Preference share capital	TOTAL
	Securities premium	General reserve	Capital reserve	Capital reserve on account of merger	Retained earnings	Remeasurements of defined benefit plans	Capital redemption reserve			
Balance at the year ended on March 31, 2023	**9,892.75**	**7,540.05**	**1.52**	**-**	**12,671.87**	**24.45**	**112.50**	**1,209.03**	**75.02**	**31,527.19**
Transfer to capital redemption reserve	-	-	-	-	(37.50)	-	37.50	-	-	-
Other adjustment	-	-	-	-	-	-	-	37.50	(37.50)	-
Profit for the year ended on March 31, 2024	-	-	-	-	2,663.84	-	-	-	-	2,663.84
Other comprehensive income (Net of tax)	-	-	-	-	-	(32.43)	-	-	-	(32.43)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**2,626.34**	**(32.43)**	**37.50**	**37.50**	**(37.50)**	**2,631.41**
Transactions with owners in their capacity as owners:										
Dividends										
-Final dividend (₹ 1.10/- per share)	-	-	-	-	(750.92)	-	-	-	-	(750.92)
Transfer to general reserve	-	1,000.00	-	-	(1,000.00)	-	-	-	-	-
Upon merger of a Subsidiary		-		641.02	(9.13)			-	-	631.89
Balance at the year ended on March 31, 2024	**9,892.75**	**8,540.05**	**1.52**	**641.02**	**13,538.16**	**(7.98)**	**150.00**	**1,246.53**	**37.52**	**34,039.57**
Transfer to capital redemption reserve	-	-	-	-	(37.52)	-	37.52	-	-	-

STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2026

₹ in Lakhs

Particulars	Reserves and Surplus							Equity Component of Compound Financial Instrument	Preference share capital	TOTAL
	Securities premium	General reserve	Capital reserve	Capital reserve on account of merger	Retained earnings	Remeasure ments of defined benefit plans	Capital redemption reserve			
Other adjustment	-	-	-	-	-	-	-	37.52	(37.52)	-
Profit for the year ended on March 31, 2025	-	-	-	-	1,637.12	-	-	-	-	1,637.12
Other comprehensive income (Net of tax)	-	-	-	-	-	(62.62)	-	-	-	(62.62)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**1,599.60**	**(62.62)**	**37.52**	**37.52**	**(37.52)**	**1,574.50**
Transactions with owners in their capacity as owners:										
Dividends										
-Final dividend (₹ 1.10/- per share)	-	-	-	-	(750.92)	-	-	-	-	(750.92)
Transfer to general reserve	-	750.00	-	-	(750.00)	-	-	-	-	-
Balance at the year ended on March 31, 2025	**9,892.75**	**9,290.05**	**1.52**	**641.02**	**13,636.84**	**(70.60)**	**187.52**	**1,284.05**	**-**	**34,863.15**
Other adjustment					1,284.05			(1,284.05)		-
Profit for the year ended on March 31, 2026					3,821.09			-		3,821.09
Other comprehensive income (Net of tax)						(24.75)		-		(24.75)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**5,105.14**	**(24.75)**	**-**	**(1,284.05)**	**-**	**3,796.34**
Transactions with owners in their capacity as owners:										
Dividends										
-Final dividend (₹ 1.10/- per share)					(750.92)					(750.92)
Transfer to general reserve		750.00			(750.00)					-
Balance at the year ended on March 31, 2026	**9,892.75**	**10,040.05**	**1.52**	**641.02**	**17,241.06**	**(95.35)**	**187.52**	**-**	**-**	**37,908.57**

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Aalap Patel
Director
DIN - 06858672

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Naveen Kandpal
Chief Financial Officer
ACA 406038

STATEMENT OF STANDALONE AUDITED CASH FLOW

For the year ended March 31, 2026

₹ in Lakhs

	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	NET PROFIT BEFORE TAX	**4,883.49**	**2,051.93**
	Adjustment for :		
	Depreciation	1,753.06	1,470.06
	Finance cost	2,799.89	2,875.87
	Foreign currency unrealised profit / (loss) (Net)	(57.89)	19.18
	Share of loss / (profit) from LLP (subsidiary)	(153.59)	19.26
	Expected credit loss provision - Trade receivables	141.48	70.00
	Expected credit loss provision - Advances	50.00	10.60
	Interest income	(100.83)	(57.06)
	Dividend income	(802.06)	(761.01)
	Deferred income	-	(38.47)
	Bad debts written off	-	5.04
	Impairment of property, plant and equipment	-	35.25
	Loss/(profit) on sale & disposal of property, plant and equipment	(5.88)	0.48
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**8,507.67**	**5,701.13**
	Trade receivables	(4,250.28)	4,566.21
	Other current assets	807.43	(582.71)
	Other financial assets	(159.69)	(672.86)
	Loans and advances	0.68	(15.65)
	Inventories	2,100.33	(2,312.06)
	Trade payables	3,435.87	(86.36)
	Provisions	459.32	(80.82)
	Other financial liabilities	(138.96)	76.58
	Other liabilities	(4,006.34)	4,791.09
	CASH GENERATED FROM OPERATIONS	**6,756.03**	**11,384.55**
	Direct taxes paid (net of refunds)	(148.01)	(390.32)
	NET CASH FROM OPERATING ACTIVITIES	**6,608.02**	**10,994.23**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of PPE including capital work in progress and capital advance	(3,285.20)	(4,530.02)
	Proceeds from sale of property, plant and equipment	288.63	4.09
	Investment in subsidiary	(12.89)	-
	Withdrawals from capital account of LLP (subsidiary)	60.91	80.75
	Share in profit / (loss) from LLP (subsidiary)	153.59	(19.26)
	Fixed deposits matured / (placed)	(249.77)	35.27
	Interest income	91.33	73.51
	Dividend income	802.06	761.01
	NET CASH USED IN INVESTING ACTIVITIES	**(2,151.34)**	**(3,594.65)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from / (Repayment of) working capital facilities (Net)	2,578.46	(238.84)
	Proceeds from long-term borrowings	3,028.50	4,258.50
	Repayments of term loans	(6,026.08)	(6,201.82)
	Repayments of unsecured loans	(12.10)	-
	Loan to subsidiary	(1,635.10)	-
	Redemption of preference share	-	(747.74)
	Payment of Lease Liability	(109.23)	(99.78)
	Interest paid	(2,742.30)	(2,749.45)
	Dividend paid	(750.92)	(750.92)
	NET CASH FROM FINANCING ACTIVITIES	**(5,668.77)**	**(6,530.05)**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(1,212.09)**	**869.53**
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**1,216.55**	**347.04**
	UNREALISED GAIN / (LOSS) ON FOREIGN CURRENCY CASH AND CASH EQUIVALENTS	**0.03**	**(0.02)**
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**4.49**	**1,216.55**

STATEMENT OF STANDALONE AUDITED CASH FLOW

For the year ended March 31, 2026

Footnotes to Cash Flow Statement:

1. The above cash flow statement has been prepared under the indirect method.
2. Reconciliation of borrowings and lease liabilities.

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance		
Long term borrowing	10,790.01	9,795.74
Current borrowing	14,347.63	9,772.72
Current maturities of long term borrowing	5,833.36	4,483.42
Lease liabilities	257.90	320.43
Total (A)	**31,228.90**	**24,372.31**
(a) Cash flow movements		
Cash (outflow)/inflow in/from non-current borrowings	(1,240.42)	1,013.81
Cash (outflow)/inflow in/from current borrowings	938.66	5,924.85
Lease liabilities	(109.23)	(99.78)
(b) Non-cash flow movements		
Effect of amortization of loan origination costs	(11.86)	(19.54)
Lease Liabilities	422.05	37.25
Total (B)	**(0.80)**	**6,856.59**
Closing balance (A+B)	**31,228.10**	**31,228.90**
Closing Balance break up		
Long term borrowing	9,537.73	10,790.01
Current borrowing	17,031.59	14,347.63
Current maturities of long term borrowing	4,088.06	5,833.36
Lease liabilities	570.72	257.90

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Aalap Patel
Director
DIN - 06858672

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Naveen Kandpal
Chief Financial Officer
ACA 406038

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

A) Corporate Information

HLE Glascoat Limited (the 'Company') was incorporated on 26th August 1991 and is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India: the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The registered office of the Company is located at H – 106, G.I.D.C. Estate, Vitthal Udyognagar – 388121, District Anand, Gujarat.

The Company is engaged, inter alia, in the following businesses:

(i) Glass Lined Equipment - Manufacturing of Carbon Steel Glass Lined Equipment viz. reactors, receivers, storage tanks, columns, agitators, valves, pipes and fittings and other similar equipment and related spares and accessories.

(ii) Filtration, Drying and Other Equipment – Manufacturing of Agitated Filters and Dryers, Rotary Vacuum Paddle Dryers, other Chemical Process Equipment and related spares and accessories.

Note 1 – Material Accounting Policies under IND AS

B) Basis of preparation of financial statements

The principle accounting policies applied in the preparation of these financial statements are set out in Para C below. These policies have been consistently applied to all the years presented.

i. Statement of compliance

These separate financial statements (also known as Standalone Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, and subsequent amendments thereto.

ii. Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis considering the applicable provisions of the Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

a) Certain financial assets/liabilities measured at fair value (refer Note 29A) and

b) Any other item as specifically stated in the accounting policy.

The Financial Statement is presented in INR ("₹") and all values are rounded off to Rupees Lakhs unless otherwise stated.

The Company reclassifies comparative amounts, unless impracticable and whenever the Company changes the presentation or classification of items in its financial statements materially. No such material reclassification has been made during the year.

The financial statements of the Company for the year ended March 31, 2026 were approved for issue in accordance with a resolution of the directors on May 18, 2026.

iii. Major Sources of Estimation Uncertainty

In the application of accounting policy which is described in note (C) below, the management is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both the current and future period.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment:

The useful life of Property, Plant and Equipment are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support. The Company reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in a change in depreciation charge in future periods.

Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the Company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of Financial Assets:

The Company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of the probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates includes estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

Defined Benefit Plans:

The cost of the defined benefit plan and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer Note 30F)

Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

Income taxes:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences.

The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Leases:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

Allowance for credit losses on receivables:

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

C) Summary of Material Accounting Policies:

Ind AS 1 was amended vide notification no G.S.R.242(E) dated March 31, 2023 to require disclosure of Material Accounting Policy information from accounting periods beginning on or after April 1, 2023 instead of significant accounting policy disclosure by amending paragraph 117, inserting paragraphs 117A to 117E and deleting paragraphs 118 to 121. Paragraph 117 of Ind AS 1 states when an information on accounting policy is considered as 'Material Accounting Policy information' as follows:

Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Each of the policies disclosed herein below has been tested to determine whether the information disclosed is Material Accounting Policy information.

1) Property, Plant and Equipment (PPE)

The Company has elected to continue with the carrying value of Property, Plant and Equipment

('PPE') recognized as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not amortized.

Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Profit or Loss aggregated with other income or other expense line item on net basis, respectively.

The depreciable amount of an asset is determined after deducting its residual value. Depreciation on the property, plant and equipment, is calculated using the straight-line method over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013. Given below are the estimated useful lives for each class of property, plant and equipment:

Description of the Asset	Estimated Useful life
Tangible (Owned Assets):	
Building –Factory (Includes Investment Property)	30 Years
Plant and Equipment	5-25 Years
Furniture and Fixtures	10 Years
Computer and Computer servers	3-6 Years
Office Equipment	5 Years
Other Assets, viz., Electrical Fittings and Air conditioners	5-10 Years
Renewable Energy Saving Device – Windmill	22 Years
Vehicles	8-10 Years
Right of use assets:	
Leasehold Land	Primary period of lease (10 and 99 Years)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Description of the Asset	Estimated Useful life
Building	Primary period of lease (3 to 10 Years)
Intangible:	
Software	3-5 Years
Technical Know How	10 Years

2) Intangible Assets:

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

Software (not being an integral part of the related hardware) and Technical Know How acquired for internal use are treated as intangible assets.

Any gain or loss arising from derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively

Intangible Assets are amortized over 3 to 10 years on straight-line method over the estimated useful economic life of the assets.

3) Investment Property:

Investment properties are land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are initially recognized at cost including transaction costs. Subsequently investment properties comprising building are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on Factory Building is provided over the estimated useful lives as specified in note 1 above.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition.

4) Inventories:

Inventories consisting of stores and spares, raw materials, work in progress, and finished goods are measured at lower of cost and net realizable value However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

Cost of raw material, components and stores and spares is determined on a first in first out basis for Glass Lined Equipment division and a weighted average method for Filtration, drying and other equipment.

5) Leases:

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and building. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve 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.

The lease term includes extension or termination options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

The Company as a lessor

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

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

6) Government Grants:

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Where the grant relates to an asset under the EPCG Scheme, it is presented as a deferred income aggregated under other liabilities in the Balance Sheet and presented under other income in profit and loss on a systematic and rational basis associated with fulfillment of export obligation.

7) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Provisions for warranty-related costs are recognized when the product is sold to the customer. Initial recognition is based on scientific basis as per past trends of such claims. The initial estimate of warranty-related costs is revised annually.

8) Foreign Currency Transactions:

The financial statements of the Company are presented in INR, which is also the functional currency (i.e. the currency of the primary economic environment in which the Company operates). In preparing the financial statements, transactions in currencies other than the entity's functional currency 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 translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction.

9) Cash Flows and Cash and Cash Equivalents:

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. However, Bank overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

10) Revenue Recognition:

The Company derives revenues primarily from sale of goods comprising of (i) Glass Lined Equipment- Manufacturing of Carbon Steel Glass Lined Equipment viz. reactors, receivers, storage tanks, columns, agitators, valves, pipes and fittings and other similar equipment and related spares and accessories and (ii) Filtration, Drying and Other Equipment - Manufacturing of Agitated Filters and Dryers, Rotary Vacuum Paddle Dryers, other Chemical Process Equipment and related spares and accessories.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of delayed delivery of goods /product discounts and schemes offered by the company as part of the contract with the customers. The Company recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs. Revenue also excludes taxes collected from customers.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when payment is being made.

Revenue from contract with customers is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer.

Revenue from sale of services is recognised when the activity is performed.

Revenue in excess of invoicing are classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Use of significant judgements in revenue recognition.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as delayed delivery of goods/ product discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period. Some contracts for the sale of goods provide customers with a right of return.

- Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of product discounts and schemes offered by the company as part of the contract with the customers. The Company recognizes changes in the estimated amounts of obligations for discounts in the period in which the change occurs.

11) Employee Benefits:

a) Short-term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

b) Long-Term Employee Benefits:

The cost of providing long-term employee benefits such as earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period. The expected costs of the benefit are accrued over the period of employment using the same methodology as used for defined benefits post-employment plans. Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are charged or credited to profit or loss section of the Statement of Profit or Loss in the period in which they arise except those included in the cost of assets as permitted. The benefit is measured annually by independent actuary.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

c) Post-Employment Benefits:

The Company provides the following post-employment benefits:

i) Defined benefit plan i.e., gratuity

ii) Defined contributions plan i.e., provident fund.

d) Defined benefits Plans:

The cost of providing benefits on account of gratuity obligations is determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date.

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan assets (excluding net interest as defined above) are recognized in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

e) Defined Contribution Plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund are recognized as an expense when employees have rendered the service entitling them to the contribution.

12) Taxes on Income:

Income tax expense represents the sum of income tax currently payable and deferred tax. Tax is recognized in the profit or loss section of the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax:

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Tax on Income for the current year is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

b) Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all tax-deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which these deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilized.

13) Earnings per Share:

Basic earnings per share are calculated by dividing the total profit attributable to equity shareholders of the Company by the weighted average number of equities shares outstanding during the year. Basic earnings per share are calculated separately for both continuing and discontinuing operations.

14) Financial Instruments:

a) Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual rights to receive cash or another financial asset or to exchange financial asset or financial liability under conditions that are potentially favorable to the Company.

Investments in subsidiaries

Investments in subsidiaries are carried at cost.

Financial assets other than investment in subsidiaries

Financial assets of the Company comprise trade receivable, cash and cash equivalents, Bank balances, loans/advances to employees/ others, security deposit, etc.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Profit or Loss.

Subsequent measurement

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

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss.

Financial assets at fair value through OCI (FVTOCI)

Financial assets are mandatorily measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purposes at FVTOCI. Fair value changes are recognized in the other comprehensive income (OCI). On derecognition of the financial assets other than equity instruments, cumulative gain or loss previously recognized in OCI is reclassified to Profit or Loss.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss.

Derecognition

The Company derecognies a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of financial assets

The Company assesses impairment based on expected credit loss (ECL) model on the following:

- Financial assets that are measured at amortized cost.
- Financial assets (excluding equity instruments) measured at fair value through other comprehensive income (FVTOCI).

  ECL is measured through a loss allowance on the following basis after considering the value of recoverable security:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since its initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in profit or loss.

b) Financial Liabilities

The Company's financial liabilities include loans and borrowings, trade payable, accrued expenses and other payables.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. 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.

Financial Liabilities classified as Amortised Cost:

All Financial Liabilities other than derivatives are measured at amortised cost at the end of subsequent accounting periods. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

Derecognition

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

15) Recent Ind AS and other pronouncements:

The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for 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 supplier finance arrangements during the financial year have been suitably disclosed.

(b) Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

i) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

ii) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

iii) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. The Company do not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms

The Company is within the scope of the OECD Pillar Two Model Rules. Based on the current assessment, no material exposure to Pillar-Two Top-up taxes is envisaged.

This assessment is based on currently available information and interpretations of the Pillar Two Rules which are evolving. The Company continues to monitor development in tax legislations and guidance across relevant jurisdictions and the actual impact, if any, may differ in future periods.

(d) Amendment to Ind AS 21-Lack of exchangeability

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2025

Note 2 (a): Property, plant and equipment

₹ in Lakhs

Particulars	Freehold Land	Buildings	Plant and equipment	Windmill	Tools and Equipments	Electric Installation and Equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
GROSS BLOCK											
Opening balance as at April 1, 2023	**5,297.10**	**7,963.02**	**8,603.84**	**536.91**	**716.42**	**679.25**	**328.66**	**594.91**	**262.72**	**312.75**	**25,295.58**
Additions	476.20	370.81	895.04	-	-	247.89	14.56	55.29	9.80	44.52	**2,114.11**
Disposals /adjustment	-	-	(56.14)	-	-	-	-	-	-	(0.77)	**(56.91)**
Opening balance as at April 1, 2024	**5,773.30**	**8,333.83**	**9,442.74**	**536.91**	**716.42**	**927.14**	**343.22**	**650.20**	**272.52**	**356.50**	**27,352.78**
Additions	435.76	2,741.29	1,471.23	-	65.43	151.87	216.93	92.21	49.34	45.53	**5,269.59**
Disposals /adjustment	-	-	(8.17)	-	-	-	-	(18.83)	(0.11)	-	**(27.11)**
Closing balance as at March 31, 2025	**6,209.06**	**11,075.12**	**10,905.80**	**536.91**	**781.85**	**1,079.01**	**560.15**	**723.58**	**321.75**	**402.03**	**32,595.26**
Additions	449.38	323.93	1,094.12	-	43.92	203.44	10.78	73.83	32.24	73.34	**2,304.98**
Transferred from investment property	-	153.17	-	-	-	-	-	-	-	-	**153.17**
Disposals /adjustment		-	(503.17)	-	-	-	(10.30)	(6.34)	(9.62)	-	**(529.43)**
Closing balance as at March 31, 2026	**6,658.44**	**11,552.22**	**11,496.75**	**536.91**	**825.77**	**1,282.45**	**560.63**	**791.07**	**344.37**	**475.37**	**34,523.98**
ACCUMULATED DEPRECIATION											
Opening balance as at April 1, 2023	**-**	**753.44**	**1,533.87**	**303.38**	**237.59**	**237.70**	**117.73**	**244.43**	**150.38**	**160.33**	**3,738.85**
Depreciation for the year	-	265.39	590.96	14.26	43.96	147.38	27.36	60.58	32.83	62.99	**1,245.71**
Impairment	-	-	195.22	-	-	9.09	0.08	-	0.22	0.06	**204.67**
Disposals /adjustment	-	-	(19.93)	-	-	-	-	-	-	(0.73)	**(20.66)**
Opening balance as at April 1, 2024	**-**	**1,018.83**	**2,300.08**	**317.64**	**281.55**	**394.17**	**145.17**	**305.01**	**183.43**	**222.65**	**5,168.53**
Depreciation for the year	-	272.18	625.05	14.17	43.52	160.22	28.69	63.55	30.33	64.25	**1,301.96**
Impairment	-	35.25	-	-	-	-	-	-	-	-	**35.25**
Disposals /adjustment	-	-	(5.16)	-	-	-	-	(17.30)	(0.05)	-	**(22.51)**
Closing balance as at March 31, 2025	**-**	**1,326.26**	**2,919.97**	**331.81**	**325.07**	**554.39**	**173.86**	**351.26**	**213.71**	**286.90**	**6,483.23**
Depreciation for the year	-	351.84	759.14	14.19	48.86	174.16	47.80	73.04	38.08	58.84	**1,565.95**
Transferred from investment property	-	30.56	-	-	-	-	-	-	-	-	**30.56**
Assets held for sale	-	-	-	25.92	-	-	-	-	-	-	**25.92**
Disposals /adjustment	-	-	(231.11)	-	-	-	(3.12)	(2.31)	(8.02)	-	**(244.56)**
Closing balance as at March 31, 2026	**-**	**1,708.66**	**3,448.00**	**371.92**	**373.93**	**728.55**	**218.54**	**421.99**	**243.77**	**345.74**	**7,861.10**
NET BLOCK											
Carrying value as at April 1, 2024	**5,773.30**	**7,315.00**	**7,142.66**	**219.27**	**434.87**	**532.97**	**198.05**	**345.19**	**89.09**	**133.85**	**22,184.25**
Carrying value as at March 31, 2025	**6,209.06**	**9,748.86**	**7,985.83**	**205.10**	**456.78**	**524.62**	**386.29**	**372.32**	**108.04**	**115.13**	**26,112.03**
Carrying value as at March 31, 2026	**6,658.44**	**9,843.56**	**8,048.75**	**164.99**	**451.84**	**553.90**	**342.09**	**369.08**	**100.60**	**129.63**	**26,662.88**

Footnotes:

(i) The title deeds of freehold land are held in the name of the company. Title Deeds in respect of buildings on immovable property which are constructed on company's freehold/leasehold land is based on documents constituting evidence of legal ownership.

(ii) The amount of borrowing cost capitalised during the year ended March 31, 2026: ₹ Nil (Previous year March 31, 2025 ₹ 88.31 lakhs & March 31, 2024 ₹ 44.54 lakhs).

(iii) Windmills which has stopped generating income is transferred to "Non-current assets held for sale".

(iv) Impairment is related to a building which is planned to demolish.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 2 (b): Right of use asset

₹ in Lakhs

Particulars	Land	Buildings	Total
GROSS BLOCK			
Opening balance as at April 1, 2023	**912.42**	**-**	**912.42**
Additions	-	-	-
Disposals	-	-	-
Opening balance as at April 1, 2024	**912.42**	**-**	**912.42**
Additions	-	66.63	66.63
Disposals	(153.75)	-	(153.75)
Closing balance as at March 31, 2025	**758.67**	**66.63**	**825.30**
Additions	-	380.28	380.28
Disposals	-	-	-
Closing balance as at March 31, 2026	**758.67**	**446.91**	**1,205.58**
ACCUMULATED AMORTISATION			
Opening balance as at April 1, 2023	**143.73**	**-**	**143.73**
Amortisation for the year	64.48	-	64.48
Disposals	-	-	-
Opening balance as at April 1, 2024	**208.21**	**-**	**208.21**
Amortisation for the year	64.29	13.33	77.62
Disposals	(153.75)	-	(153.75)
Closing balance as at March 31, 2025	**118.75**	**13.33**	**132.08**
Amortisation for the year	33.63	61.14	94.77
Disposals	-	-	-
Closing balance as at March 31, 2026	**152.38**	**74.47**	**226.85**
NET BLOCK			
Carrying value as at April 1, 2024	**704.21**	**-**	**704.21**
Carrying value as at March 31, 2025	**639.92**	**53.30**	**693.22**
Carrying value as at March 31, 2026	**606.29**	**372.44**	**978.73**

Note 2 (c): Capital work-in-progress

₹ in Lakhs

Particulars	Total
Carrying value as at April 1, 2023	**192.10**
Additions	2,954.96
Capitalisations	(1,560.82)
Carrying value as at April 1, 2024	**1,586.24**
Additions	3,436.25
Capitalisations	(4,935.73)
Carrying value as at March 31, 2025	**86.76**
Additions	1,769.44
Capitalisations	(1,692.47)
Carrying value as at March 31, 2026	**163.73**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Capital work-in-Progress ageing schedule

₹ in Lakhs

Capital Work-in-Progress	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026					
Projects in progress	163.73	-	-	-	163.73
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2025					
Projects in progress	86.76	-	-	-	86.76
Projects temporarily suspended	-	-	-	-	-
As at April 1, 2024					
Projects in progress	1,468.43	117.81	-	-	1,586.24
Projects temporarily suspended	-	-	-	-	-

Footnotes:

(i) There were no material projects which have exceeded their original planned cost and timelines.

Note 2 (d): Investment property

₹ in Lakhs

Particulars	Buildings
GROSS BLOCK	
Opening balance as at April 1, 2023	**153.17**
Additions	-
Disposals	-
Opening balance as at April 1, 2024	**153.17**
Additions	-
Disposals	-
Closing balance as at March 31, 2025	**153.17**
Additions	-
Disposals	-
Transfer to PPE	(153.17)
Closing balance as at March 31, 2026	**-**
ACCUMULATED DEPRECIATION	
Opening balance as at April 1, 2023	**20.86**
Depreciation for the year	4.85
Disposals	-
Opening balance as at April 1, 2024	**20.86**
Depreciation for the year	4.85
Disposals	-
Closing balance as at March 31, 2025	**25.71**
Depreciation for the year	4.85
Disposals	-
Transfer to PPE	(30.56)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Buildings
Closing balance as at March 31, 2026	-
NET BLOCK	
Carrying value as at April 1, 2024	**132.31**
Carrying value as at March 31, 2025	**127.46**
Carrying value as at March 31, 2026	-

Footnotes:

(i) The amount of rental income from the investment property during the year ended March 31, 2026: ₹ 15.38 lakhs (Previous Year ₹ 18.72 lakhs)

(ii) The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. There is no restrictions on the realisability of investment properties or the remittance of income and proceeds of disposal on the Company.

(iii) The fair value of investment property has been determined by external independent registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

(iv) The fair value measurement for all the investments properties has been categorised as Level 2 based on the inputs to the valuation technique used. Considering the type of the assets, "Market approach" to estimate the fair value of the subject properties is adopted.

(v) The fair value of investment property as at March 31, 2026: ₹ Nil (Previous year ₹ 142.00 lakhs)

Note 2 (e): Other intangible assets

₹ in Lakhs

Particulars	Computer Software	Technical Know - how	Total
GROSS BLOCK			
Opening balance as at April 1, 2023	**160.57**	**586.25**	**746.82**
Additions	8.85	-	8.85
Disposals	-	-	-
Opening balance as at April 1, 2024	**169.42**	**586.25**	**755.67**
Additions	47.28	-	47.28
Disposals	-	-	-
Closing balance as at March 31, 2025	**216.70**	**586.25**	**802.95**
Additions	95.53	-	95.53
Disposals	-	-	-
Closing balance as at March 31, 2026	**312.23**	**586.25**	**898.48**
ACCUMULATED AMORTISATION			
Opening balance as at April 1, 2023	**101.58**	**358.88**	**460.46**
Amortisation for the year	25.41	56.90	82.31
Disposals	-	-	-
Opening balance as at April 1, 2024	**126.99**	**415.78**	**542.77**
Amortisation for the year	28.88	56.75	85.63

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Computer Software	Technical Know - how	Total
Disposals	-	-	-
Closing balance as at March 31, 2025	**155.87**	**472.53**	**628.40**
Amortisation for the year	30.75	56.74	87.49
Disposals	-	-	-
Closing balance as at March 31, 2026	**186.62**	**529.27**	**715.89**
NET BLOCK			
Carrying value as at April 1, 2024	**42.43**	**170.47**	**212.90**
Carrying value as at March 31, 2025	**60.83**	**113.72**	**174.55**
Carrying value as at March 31, 2026	**125.61**	**56.98**	**182.59**

Note 3
Investments

₹ in Lakhs

Name of the body corporate	Subsidiaries	No. of shares and face value of shares						As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
		As at March 31, 2026		As at March 31, 2025		As at April 1, 2024				
		Holding- In Nos. / %	Face Value	Holding- In Nos. / %	Face Value	Holding- In Nos. / %	Face Value			
A. Unquoted - Investment in equity instruments (at cost)										
i) Thaletec GmbH	Wholly Owned Subsidiary	1	€ 150,000	1	€ 150,000	1	€ 150,000	11,260.52	11,260.52	11,260.52
ii) HLE International S.à.r.l	Wholly Owned Subsidiary	12,000	€ 1	-		-		12.89	-	-
iii) Kinam Engineering Industries Private Limited	Subsidiary	8,00,13,556	₹10.00	8,00,13,556	₹10.00	8,00,13,556	₹10.00	8,228.75	8,228.75	8,228.75
iv) Kinam Process Equipments Private Limited [refer note no 30 j]	Wholly Owned Subsidiary	66,81,360	₹10.00	66,81,360	₹10.00	₹66,81,360	₹10.00	668.14	668.14	668.14
B. Unquoted - Investments in LLP (at cost)										
i) Thaletec LLP (formerly known as Thaletec / H L Equipments)	Subsidiary	99.00%	NA	99.00%	NA			3,175.70	3,236.61	3,317.36
Aggregate value of unquoted investment						99.00%	NA	**23,346.00**	**23,394.02**	**23,474.77**
Total								**23,346.00**	**23,394.02**	**23,474.77**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Footnotes:

(i) Details of country of incorporation and % controlling interest have been disclosed in note no. 1(B)(ii) of the consolidated financial statements for the year ended March 31, 2026.

(ii) Details of investments in LLP

₹ in Lakhs

Name of the LLP and their partners	Total capital			Share of each partner		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Thaletec LLP (formerly known as Thaletec / H L Equipments)						
M/s HLE Glascoat Limited	3,175.70	3,236.61	3,317.36	99.00%	99.00%	99.00%
Mr. Himanshu Patel	(0.24)	3.12	2.48	0.25%	0.25%	0.25%
Mr. Harsh Patel	121.55	13.43	0.72	0.25%	0.25%	0.25%
Mr. Aalap Patel	0.55	0.41	0.46	0.25%	0.25%	0.25%
Mrs. Sheetal H Patel	(1.78)	0.08	0.13	0.25%	0.25%	0.25%
Total	**3,295.78**	**3,253.65**	**3,321.15**	**100.00%**	**100.00%**	**100.00%**

Note 4
Other financial assets (Secured, considered good)

₹ in Lakhs

Particulars	Non-Current			Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
At amortised cost						
Security deposits	491.50	475.08	130.84	3.68	4.78	2.98
Bank deposits with more than 12 months maturity (under lien)	14.71	480.83	9.11	-	-	-
Others:						
Interest accrued on loans and deposits	-	-	-	7.13	5.33	21.78
Income receivable	-	-	-	-	26.08	87.52
Balance with government authorities	-	-	-	506.45	347.49	100.40
Export benefit receivable (Duty drawback)	-	-	-	4.05	13.56	2.52
Others				-	-	-
At Fair value through profit or loss (FVTPL)						
Derivative Asset	-	-	-	215.79	95.79	30.81
Total	**506.21**	**955.91**	**139.95**	**737.10**	**493.03**	**246.01**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 5
Other assets (Unsecured, considered good unless otherwise stated)

₹ in Lakhs

Particulars	Non-Current			Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Capital advances	219.79	55.05	204.49			
Advances to employees	-	-	-	25.91	11.94	38.28
Advances to suppliers	-	-	-	293.61	450.44	600.71
Considered doubtful	-	-	-	122.27	9.82	11.02
Less: Provision for doubtful advances	-	-	-	(122.27)	(9.82)	(11.02)
Sub Total	**219.79**	**55.05**	**204.49**	**319.52**	**462.38**	**638.99**
Others						
Balance with Government authorities	-	-	-	158.71	836.64	85.79
Prepaid expenses	-	0.18	0.18	243.64	280.10	282.23
Sub Total	**-**	**0.18**	**0.18**	**402.35**	**1,116.74**	**368.02**
Total	**219.79**	**55.23**	**204.67**	**721.87**	**1,579.12**	**1,007.01**

Note 6
Inventories (at lower of cost & net realizable value)

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Raw materials	7,470.97	7,322.72	8,394.60
Work-in-progress	11,675.67	13,047.08	10,147.98
Finished goods	1,002.03	1,756.32	1,253.96
Stores and spares	689.93	812.81	830.33
Total	**20,838.60**	**22,938.93**	**20,626.87**

Footnotes:

(i) Inventories includes goods in transit:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
- Raw materials	-	8.34	-
- Finished goods	418.92	369.17	319.87

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

(ii) The cost of inventories recognised as an expense during the year:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Cost of inventories	41,968.73	32,535.39	34,492.94

(iii) The cost of inventories expensed during the year includes ₹ Nil (Previous Year ₹ Nil) in respect of write-down of inventories to net realisable value.

(iv) Inventories have been offered as security against the working capital facilities provided by the banks (refer Note No. 13).

(v) During the year ended March 31, 2026, the Company changed the use of certain Plant & Machinery items from Property, Plant and Equipment to Inventory, as it is now intended for use in the ordinary course of business. Consequently, the carrying amount of ₹ 2.09 lakhs (Net Block) was transferred to the Inventory. This transfer did not have any impact on the statement of profit and loss.

Note 7
Trade receivables

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Trade receivables			
Unsecured, considered good [refer footnote (i & ii)]	12,814.50	8,596.04	13,238.21
Credit impaired [refer footnote (iii & iv)]	271.24	129.70	59.70
Less: Impairment provision on expected credit loss model	(271.24)	(129.70)	(59.70)
Total	**12,814.50**	**8,596.04**	**13,238.21**

Footnotes:

(i) Of the above, trade receivable due from related party ₹ 1,793.31 lakhs (Previous Year ₹ 32.35 lakhs) (refer note no. 30 g).

(ii) Trade receivables have been offered as security against working capital facilities provided by the bank (refer Note No. 13).

(iii) The movement in change in allowance for expected credit loss and credit impairment.

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance as at beginning of the year	129.70	52.23	52.23
Provision during the year	141.48	70.00	60.00
Reversal during the year	0.06	7.47	(52.53)
Balance as at the end of the year	**271.24**	**129.70**	**59.70**

(iv) The company has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and future foreseeable credit loss and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Trade receivables ageing schedule

₹ in Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
As at March 31, 2026							
Undisputed – considered good	6,228.93	5,943.50	346.36	238.74	56.97	-	**12,814.50**
Undisputed – significant increase in credit risk	-	3.42	36.70	12.57	132.93	85.63	**271.24**
Less: Allowance for expected credit loss	-	3.42	36.70	12.57	132.93	85.63	**271.24**
Total	**6,228.93**	**5,943.50**	**346.36**	**238.74**	**56.97**	**-**	**12,814.50**
As at March 31, 2025							
Undisputed – considered good	2,981.75	4,491.44	496.83	606.84	19.18	-	**8,596.04**
Undisputed – significant increase in credit risk	-	1.80	2.50	31.94	79.67	13.79	**129.70**
Less: Allowance for expected credit loss	-	1.80	2.50	31.94	79.67	13.79	**129.70**
Total	**2,981.75**	**4,491.44**	**496.83**	**606.84**	**19.18**	**-**	**8,596.04**
As at March 31, 2024							
Undisputed – considered good	4,776.03	7,059.40	1,048.79	353.99	-	-	**13,238.21**
Undisputed – significant increase in credit risk	-	-	-	17.12	42.58	-	**59.70**
Less: Allowance for expected credit loss	-	-	-	17.12	42.58	-	**59.70**
Total	**4,776.03**	**7,059.40**	**1,048.79**	**353.99**	**-**	**-**	**13,238.21**

Note 8
Cash and cash equivalents (As per cash flow statement)

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balances with banks			
- In current accounts	2.13	0.52	0.87
- Term deposits with original maturity of less than three months	-	1,213.97	344.67
Cash on hand	2.36	2.06	1.91
Total	**4.49**	**1,216.55**	**347.45**

Note 9
Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Margin money deposits with bank (under lien)	871.84	155.95	532.82
Unclaimed dividend account	151.74	137.80	126.15
Total	**1,023.58**	**293.75**	**658.97**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 10
Loans

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Unsecured, considered good			
Loan to Wholly owned subsidiary (Refer Note 30(c))	1,642.80	-	-
Loans to employees	38.88	39.56	23.91
Total	**1,681.68**	**39.56**	**23.91**

Note 11
Equity share capital

(A) Equity share capital

₹ in Lakhs

Particulars	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
	Number	Amount	Number	Amount	Number	Amount
Authorised share capital						
Equity share of ₹ 2/- each (Previous year ₹ 2/- each)	9,00,00,000	1,800.00	9,00,00,000	1,800.00	9,00,00,000	1,800.00
Preference shares of ₹ 10/- each (Previous year ₹ 10/- each)	26,00,000	260.00	26,00,000	260.00	26,00,000	260.00
Issued, subscribed and fully paid up						
Equity share of ₹ 2/- each (Previous year ₹ 2/- each)	6,94,54,739	1,389.09	6,82,65,480	1,365.31	6,82,65,480	1,365.31
Reconciliation of number of equity share outstanding						
Balance at the beginning of the year	6,82,65,480	1,365.31	6,82,65,480	1,365.31	6,82,65,480	1,365.31
Add: Shares issued upon merger of a Subsiadiary	11,89,259	23.78	-	-	-	-
Balance at the end of the reporting year	**6,94,54,739**	**1,389.09**	**6,82,65,480**	**1,365.31**	**6,82,65,480**	**1,365.31**

(B) Equity shares pending issuance

₹ in Lakhs

Particulars	Number	Amount
Obligation to issue fixed number of equity shares		
At April 1, 2023	-	-
Changes during the year	11,89,259	23.78
At April 1, 2024	**11,89,259**	**23.78**
Changes during the year	-	-
At March 31, 2025	**11,89,259**	**23.78**
Changes during the year	(11,89,259)	(23.78)
At March 31, 2026	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Footnotes:

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

(i) The Company has issued only one class of equity share having par value of ₹ 2/- per share (Previous year ₹ 2/- per share). Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity share will be entitled to receive remaining assets of the Company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) The company has proposed final dividend aggregating to ₹ 750.92 lakhs (₹ 1.10 per share) during the FY 2025-26 [Previous year ₹ 750.92 lakhs (₹ 1.10 per share)]

(iii) The details of shareholders holding more than 5% shares:

Name of the shareholder	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
	No.	%	No.	%	No.	%
Himanshu Khushalbhai Patel	1,69,93,535	24.47%	1,69,93,535	24.89%	1,69,78,535	24.87%
Nilesh Khushalbhai Patel	1,72,06,114	24.77%	1,72,06,114	25.20%	1,71,86,114	25.18%
Harsh Himanshu Patel	88,57,761	12.75%	88,57,761	12.98%	88,32,173	12.94%

Footnote:

The decrease in shareholding % is on account of issue of 11,89,259 equity shares upon merger of a Subsidiary. [refer note no 30 j]

(iv) The details of the shares held by promoters:

Promoter name	As at March 31, 2026			As at March 31, 2025			As at April 1, 2024		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Promoter									
Himanshu Khushalbhai Patel	1,69,93,535	24.47%	-1.71%	1,69,93,535	24.89%	0.09%	1,69,78,535	24.87%	-5.56%
Nilesh Khushalbhai Patel	1,72,06,114	24.77%	-1.71%	1,72,06,114	25.20%	0.12%	1,71,86,114	25.18%	-5.55%
Harsh Himanshu Patel	88,57,761	12.75%	-1.71%	88,57,761	12.98%	0.29%	88,32,173	12.94%	-5.01%
Aalap Nilesh Patel	9,44,165	1.36%	-1.71%	9,44,165	1.38%	-	9,44,165	1.38%	-
Promoter Group									
Priti Himanshubhai Patel	46,350	0.07%	-1.71%	46,350	0.07%	-			
Kishoriben Nilesh Patel	81,110	0.12%	-1.71%	81,110	0.12%	-	46,350	0.07%	-
Swara Rajeev Patel	14,60,025	2.10%	-1.71%	14,60,025	2.14%	-	81,110	0.12%	-
	4,55,89,060	**65.64%**		**4,55,89,060**	**66.78%**		**14,60,025**	**2.14%**	-
							4,55,28,472	**66.69%**	

Footnote:

The decrease in shareholding % is on account of issue of 11,89,259 equity shares upon merger of a Subsidiary. [refer note no 30 j]

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 12
Other equity

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
(i) Securities premium	9,892.75	9,892.75	9,892.75
(ii) General reserve	10,040.05	9,290.05	8,540.05
(iii) Capital reserve	1.52	1.52	1.52
(iv) Capital reserve on account of merger	641.02	641.02	641.02
(v) Retained earnings	17,241.06	13,636.84	13,538.16
(vi) Remeasurements of defined benefit plans	(95.35)	(70.60)	(7.98)
(vii) Capital redemption reserve	187.52	187.52	150.00
(viii) Equity component of compound financial interest	-	1,284.05	1,246.53
(ix) Preference share capital	-	-	37.52
Total other equity	**37,908.57**	**34,863.15**	**34,039.57**

The movement in other equity is as follows:

(i) Securities premium

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	9,892.75	9,892.75	9,892.75
Movement during the year	-	-	-
Balance at the end of the year	**9,892.75**	**9,892.75**	**9,892.75**

(ii) General reserve

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	9,290.05	8,540.05	7,540.05
Transferred from retained earning	750.00	750.00	1,000.00
Balance at the end of the year	**10,040.05**	**9,290.05**	**8,540.05**

(iii) Capital reserve

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	1.52	1.52	1.52
Movement during the year	-	-	-
Balance at the end of the year	**1.52**	**1.52**	**1.52**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

(iv) Capital reserve on account of merger

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	641.02	641.02	-
Upon merger of a Subsidiary	-	-	641.02
Balance at the end of the year	**641.02**	**641.02**	**641.02**

(v) Retained earnings

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	13,636.84	13,538.16	12,671.87
Transfer to capital redemption reserve	-	(37.52)	(37.50)
Profit for the year	3,821.09	1,637.12	2,663.84
Dividend	(750.92)	(750.92)	(750.92)
Transfer to general reserve	(750.00)	(750.00)	(1,000.00)
Upon merger of a Subsidiary	-	-	(9.13)
Other adjustment	1,284.05	-	-
Balance at the end of the year	**17,241.06**	**13,636.84**	**13,538.16**

(vi) Remeasurements of defined benefit plans

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	(70.60)	(7.98)	24.45
Other comprehensive loss for the year	(24.75)	(62.62)	(32.43)
Balance at the end of the year	**(95.35)**	**(70.60)**	**(7.98)**

(vii) Capital redemption reserve

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	187.52	150.00	112.50
Transferred from retained earning	-	37.52	37.50
Balance at the end of the year	**187.52**	**187.52**	**150.00**

(viii) Equity component of compound financial interest

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	1,284.05	1,246.53	1,209.03
Other adjustment	(1,284.05)	37.52	37.50
Balance at the end of the year	**-**	**1,284.05**	**1,246.53**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

(ix) Preference share capital

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	-	37.52	75.02
Other adjustment	-	(37.52)	(37.50)
Balance at the end of the year	**-**	**-**	**37.52**

Nature and purpose of each component of equity

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provisions of The Companies Act, 2013.

(ii) General reserve

The general reserve represents amounts appropriated out of retained earnings based on the provisions of The Companies Act prior to its amendment.

(iii) Capital reserve

Amount pertaining to forfeiture of shares.

(iv) Capital reserve on account of merger

A Capital Reserve on account of merger arises when the purchase consideration paid by the transferee company is less than the net assets acquired from the transferor company.

(v) Retained earnings

Retained earnings represents net profits after distributions and transfers to other reserves.

(vi) Remeasurements of defined benefit plans

Gains / Losses arising on remeasurements of defined benefit plans are recognized in the other comprehensive Income as per IND AS-19 and shall not be reclassified to the statement of profit or loss in the subsequent years.

(vii) Capital redemption reserve

Capital redemption reserve is created by the company for redemption of preference share from its profits.

(viii) Equity component of compound financial interest

The component parts of compound financial instruments issued by the Company are classified as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument. Financial Liabilities are recognised at fair value net of directly attributable transaction costs and subsequently measured at amortised cost using effective interest method.

(ix) Preference share capital

Current year Nil (Previous year March 31, 2025 Nil & March 31, 2024 18,75,152 Nos.) 9.50% redeemable preference shares of ₹ Nil (Previous year March 31, 2025 ₹ Nil & March 31, 2024 ₹ 10/- each).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 13
Borrowings

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
NON CURRENT			
Secured (at amortised cost)			
Term loans (at amortised cost)			
- from banks and financial institutions	9,537.73	10,790.01	14,555.04
Sub-total	**9,537.73**	**10,790.01**	**14,555.04**
CURRENT			
Secured (at amortised cost)			
Current maturities of long-term debt	4,088.06	5,833.36	4,011.66
Loans repayable on demand			
- from banks and financial institutions	17,031.59	14,335.53	14,478.52
Preference share liability (at amortised cost)			
Nil (Previous year March 31, 2025 Nil & Previous year March 31, 2024 18,75,152 Nos.) 9.50% redeemable preference shares of ₹ Nil (Previous year March 31, 2025 ₹ Nil & March 31, 2024 ₹ 10/- each)	-	-	755.12
Unsecured (At amortized cost)			
Loan from directors & others	-	12.10	0.50
Sub-total	**21,119.65**	**20,180.99**	**19,245.80**
Total	**30,657.38**	**30,971.00**	**33,800.84**

Non-Current Borrowings

1) Term Loan from HDFC Bank Limited is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 63 unequal monthly instalments commencing from November 2022 and carries an interest of 8.59% p.a. (March 31, 2025: 9.59% p.a.) payable monthly.

2) Term Loan from Citibank N.A. is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 16 equal quarterly instalments commencing from October, 2022 and carries an interest of 10.30% p.a. (March 31, 2025: 11.68% p.a) payable monthly.

3) Term loan from Citibank N.A. is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The term loan is repayable in 16 equal quarterly instalments commencing from June, 2022 and carried an interest of 11.37% p.a. (March 31, 2025: 11.68% p.a) payable monthly. This term loan has been repaid in full and closed during the year 2025-26.

4) Term Loan (foreign currency loan) from Citibank N.A. is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 16 equal quarterly instalments commencing from March, 2023 and carries an interest of 8.30% p.a. (March 31, 2024: 8.30% p.a.) payable monthly.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

5) Term Loan from ICICI Bank is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 48 equal monthly instalments commencing from March, 2024 and carries an interest of 9.37% p.a. (March 31, 2025: 9.37%) payable monthly.

6) Term Loans from Bajaj Finance Limited were secured by mortgage of certain immovable property(ies) owned by the Promoters. The Term Loans were repayable in 76 and 79 quarterly instalments commencing from November, 2017 and May, 2018 respectively and carried an interest of Nil (March 31, 2025: 11.70% p.a.) payable monthly. These term loans were repaid in full and closed during the year 2024-25.

7) During the year 2024-25 the Company has availed a fresh term loan from Bajaj Finance Limited is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 66 equal monthly instalments commencing from October 2025 and carries an interest of 8.85% p.a. (March 31, 2025: 9.25% p.a.) payable monthly.

8) During the year the Company has availed a fresh term loan from Bajaj Finance Limited, which is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 72 equal monthly instalments commencing from September 2025 and carries an interest of 8.60% p.a. (March 31, 2025: Nil) payable monthly.

9) Term Loan from Axis Finance Limited is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of Company. The Term Loan is repayable in 53 equal monthly instalments commencing from October 2024 and carries an interest of 9.55% p.a. (March 31, 2025: 10.15% p.a.) payable monthly.

10) Vehicle Loans availed from HDFC Bank are secured by hypothecation of respective vehicles taken on loan. Each loan is repayable in equal monthly instalments from the month subsequent to the disbursement of the loan. Interest is payable on monthly basis and ranges from 6.25% p.a to 10.00% p.a. (March 31, 2025: 6.25% p.a to 10.00% p.a.)

11) Term Loans from State Bank of India were secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loans were repayable in 48 equal monthly instalments commencing from October, 2019 respectively and carried an interest of Nil p.a. (March 31, 2025: 9.80% p.a.) payable monthly. These term loans were repaid in full and closed during the financial year 2024-25.

Current Borrowings

1) Working capital facilities including working capital demand loans, packing credit, foreign bill discounting, bank guarantees and letter of credit from HDFC Bank Limited are secured by first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company. The rate of interest for cash credit is 8.50% p.a. (March 31, 2025: 8.43% p.a.), for WCDL is 8.25% p.a. (March 31, 2025: 8.50% p.a.) and for other facilities is SOFR plus 250 bps [March 31, 2025: SOFR plus 250 bps].

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

2) Working capital facilities including working capital demand loans, packing credit, foreign bill discounting, bank guarantees and letter of credit from Citibank N.A. are secured by first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company. The rate of interest for cash credit is 10.00% p.a. (March 31, 2025: 10.00% p.a.), for WCDL is 8.25% p.a. (March 31, 2025: 8.50% p.a.)

3) Working capital facilities including working capital demand loans, packing credit, foreign bill discounting, bank guarantees and letter of credit from ICICI Bank Limited are secured by first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company. The rate of interest for cash credit is 8.95% p.a. (March 31, 2025: 9.25% p.a.), for WCDL is 8.10% p.a. (March 31, 2025: 8.50% p.a.)

4) Working capital loan facilities including packing credit and foreign bill discounting from State Bank of India were secured by secured first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company. The rate of Interest for cash credit was Nil (March 31, 2025: 9.35% p.a.). This facility was repaid and closed during the financial year 2024-25.

5) Purchase Bill Discounting/ Short Term Revolving Loan facility from Bajaj Finance Limited are secured by secured first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and carries an interest of 8.70% p.a. (March 31, 2025: 8.70% p.a.) payable monthly.

6) The unsecured loans taken from directors and others were repayable on demand and carried interest rate of 10.00% p.a. These unsecured loans have been repaid in full during the year 2025-26.

7) The quarterly statement of stock and book debt filed by the Company with the banks are in agreement with the books of account with no material discrepancies.

Compliance with Loan Covenants

The Company has various financial and non-financial covenants (including maintenance of debt-related ratios and reporting requirements) in respect of its non-current and current borrowings. The Company has complied with all such covenants as stipulated in the respective loan agreements / sanction letters.

List of immovable properties of the Company which have been offered as security are as under:

(i) Plot No A/6, R.S. No 153, New Block No 140, Maroli to Ubhrat Road, Village Nanod, Maroli, Navsari.

(ii) Plot No 200, Village Nadod, Navsari, Block B-3, Navsari.

(iii) Block No. 200 Paiky, Plot No. B/1/4, Maroli to Ubhrat Road, Village Nanod, Maroli, Navsari.

(iv) Survey No-183/P1, Village Naroli, Silvassa.

(v) Plot No. H 106, R S No. 1425/P, 1435/P, 1431/P, 1416/P and 1424/P, Vitthal Udyognagar Industrial Area, Village Mogri, Taluka Anand, District Kheda.

(vi) Plot No. I 107, 107/A and I-105, Revenue Survey No. 808/P, 809/P, 811/P, R S No. 426/P, 1427/P, 1428/P, 1429/P and 1430/P, Village Mogri, Taluka Anand, District Kheda.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 14
Other financial liabilities (At Amortised cost)

₹ in Lakhs

Particulars	Non-Current			Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Unclaimed dividends (refer footnote)	-	-	-	151.74	137.80	126.15
Interest accrued but not due on borrowings	-	-	-	149.27	135.83	115.71
Others :						
Security deposit	0.25	0.25	0.75	4.60	4.60	0.60
Employee related payable	-	-	-	522.56	661.53	588.45
Capital creditors	-	734.32	1,490.93	782.65	691.04	747.26
Total	**0.25**	**734.57**	**1,491.68**	**1,610.82**	**1,630.80**	**1,578.17**

Footnote:

Unclaimed dividend includes no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except for Nil (Previous year ₹ 20.89 lakhs), wherein legal disputes with regards to ownership had remained unresolved.

Note 15
Provisions

₹ in Lakhs

Particulars	Non-Current			Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Provision for employee benefits						
Gratuity	-	-	-	505.00	232.42	204.88
Leave benefits	202.98	107.86	123.15	59.27	26.32	29.26
Provision for unexpired warranty	-	-	-	207.88	116.14	122.59
Total	**202.98**	**107.86**	**123.15**	**772.15**	**374.88**	**356.73**

Movement of provision for unexpired warranty

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Opening balance	116.14	122.59	140.01
Add: Addition during the year	189.64	127.53	169.63
Less: Utilization during the year	(97.90)	(133.98)	(187.05)
Closing balance	**207.88**	**116.14**	**122.59**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Movement of provision for employee benefits

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Opening balance	366.60	357.29	218.66
Add: Addition during the year	483.22	181.64	206.36
Less: Utilization during the year	(82.57)	(172.33)	(67.73)
Closing balance	**767.25**	**366.60**	**357.29**

Note 16
Deferred tax liabilities - (Net)

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Deferred tax liabilities	1,583.71	1,380.08	1,236.32
Deferred tax assets	(459.22)	(193.63)	(176.39)
Total	**1,124.49**	**1,186.45**	**1,059.93**

₹ in Lakhs

Particulars	As at March 31, 2025	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2026
Deferred tax assets/(liabilities) in relation to:				
Provision for gratuity	58.50	68.60	-	127.10
Provision for Leave encashment	33.77	32.23	-	66.00
Depreciation and amortisation	(1,297.76)	(99.85)	-	(1,397.61)
Right-of-use assets	(58.21)	(73.58)	-	(131.79)
Lease liability	64.90	78.74	-	143.64
Mark to market gains on derivative	(24.11)	(30.20)	-	(54.31)
Addition upon merger of a Subsiadiary	1.35	-	-	1.35
Merger expenses	-	22.09	-	22.09
Allowance for doubtful debts and advances	35.11	63.93	-	99.04
	(1,186.45)	**61.96**	**-**	**(1,124.49)**

Deferred tax assets/(liabilities) in relation to:	**Assets**	**Liabilities**	**Net**
Provision for gratuity	127.10	-	127.10
Provision for Leave encashment	66.00	-	66.00
Depreciation and amortisation	-	(1,397.61)	(1,397.61)
Right-of-use assets	-	(131.79)	(131.79)
Lease liability	143.64	-	143.64
Mark to market gains on derivative	-	(54.31)	(54.31)
Addition upon merger of a Subsiadiary	1.35	-	1.35
Merger expenses	22.09	-	22.09
Allowance for doubtful debts and advances	**99.04**	**-**	**99.04**
	459.22	**(1,583.71)**	**(1,124.49)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	As at March 31, 2024	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2025
Deferred tax assets/(liabilities) in relation to:				
Provision for gratuity	51.56	6.94	-	58.50
Provision for Leave encashment	38.36	(4.59)	-	33.77
Depreciation and amortisation	(1,169.31)	(128.45)	-	(1,297.76)
Right-of-use assets	(59.26)	1.05	-	(58.21)
Lease liability	66.72	(1.82)	-	64.90
Mark to market gains on derivative	(7.75)	(16.36)	-	(24.11)
Allowance for doubtful debts and advances	17.80	17.31	-	35.11
Addition upon merger of a Subsiadiary	1.35	-	-	1.35
	(1,060.53)	**(125.92)**	**-**	**(1,186.45)**

Deferred tax assets/(liabilities) in relation to:	Assets	Liabilities	Net
Provision for gratuity	58.50	-	58.50
Provision for Leave encashment	33.77	-	33.77
Depreciation and amortisation	-	(1,297.76)	(1,297.76)
Right-of-use assets	-	(58.21)	(58.21)
Lease liability	64.90	-	64.90
Mark to market gains on derivative	-	(24.11)	(24.11)
Allowance for doubtful debts and advances	35.11	-	35.11
Addition upon merger of a Subsiadiary	1.35	-	1.35
	193.63	**(1,380.08)**	**(1,186.45)**

₹ in Lakhs

Particulars	As at March 31, 2023	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at April 1, 2024
Deferred tax assets/(liabilities) in relation to:				
Provision for gratuity	5.80	45.76	-	51.56
Provision for Leave encashment	1.04	37.32	-	38.36
Depreciation and amortisation	(1,245.91)	76.60	-	(1,169.31)
Right-of-use assets	(61.56)	2.30	-	(59.26)
Lease liability	63.85	2.87	-	66.72
Mark to market gains on derivative	(144.48)	136.73	-	(7.75)
Addition upon merger of a Subsiadiary	-	1.95	-	1.95
Merger expenses	-	-	-	-
Allowance for doubtful debts and advances	9.07	8.73	-	17.80
	(1,372.19)	**312.26**	**-**	**(1,059.93)**

Deferred tax assets/(liabilities) in relation to:	Assets	Liabilities	Net
Provision for gratuity	51.56	-	51.56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	As at March 31, 2023	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at April 1, 2024
Provision for Leave encashment		38.36	-	38.36
Depreciation and amortisation		-	(1,169.31)	(1,169.31)
Right-of-use assets		-	(59.26)	(59.26)
Lease liability		66.72	-	66.72
Mark to market gains on derivative		-	(7.75)	(7.75)
Addition upon merger of a Subsiadiary		1.95	-	1.95
Merger expenses		-	-	-
Allowance for doubtful debts and advances		17.80	-	17.80
		176.39	**(1,236.32)**	**(1,059.93)**

Note 17
Trade payables

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Outstanding dues of micro enterprises and small enterprises	199.13	261.59	619.50
Outstanding dues of creditors other than micro enterprises and small enterprises	11,054.88	7,502.35	7,243.43
Total	**11,254.01**	**7,763.94**	**7,862.93**
Of the above;			
- Acceptances	679.37	655.66	421.17
- Payable to related party (Refer note 30 g)	386.03	159.71	63.90

Trade payables ageing schedule

₹ in Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026						
(i) MSME	189.27	9.86	-	-	-	**199.13**
(ii) Others	6,644.77	4,391.13	18.98	-	-	**11,054.88**
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	**6,834.04**	**4,400.99**	**18.98**	**-**	**-**	**11,254.01**
As at March 31, 2025						
(i) MSME	227.37	34.22	-	-	-	**261.59**
(ii) Others	4,341.94	3,131.61	12.35	10.35	6.10	**7,502.35**
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	**4,569.31**	**3,165.83**	**12.35**	**10.35**	**6.10**	**7,763.94**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024						
(i) MSME	557.36	62.14	-	-	-	**619.50**
(ii) Others	3,922.20	3,236.57	61.94	14.46	8.26	**7,243.43**
(iii) Disputed dues – MSME	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	**-**
Total	**4,479.56**	**3,298.71**	**61.94**	**14.46**	**8.26**	**7,862.93**

Note 18
Other current liabilities

₹ in Lakhs

Particulars	Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Contract liability (Advance from customers)	4,164.36	8,213.13	3,261.83
Statutory dues	320.79	150.11	413.32
Liabilities for expenses	283.94	433.19	303.72
Unamortised Government grant	-	-	38.47
Total	**4,769.09**	**8,796.43**	**4,017.34**

Footnotes:

(i) Of the above, Contract liability from related party ₹ Nil (Previous Year ₹ 257.75 Lakhs) (refer note no. 30 g)

(ii) During the year ended March 31, 2026, the company has recognised revenue of ₹ 8,098.87 lakhs (Previous Year 2024-25 ₹ 3,021.90 lakhs & 2023-24 ₹ 4,086.80 Lakhs) arising from opening unearned revenue (contract liabilities).

Movement of contract liabilities is as under:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
As at beginning of the year	8,213.21	3,261.83	4,484.49
Recognised as revenue from contracts with customers	8,098.87	3,021.90	4,086.80
Advance returned back to customer	-	-	-
Advance from customers received during the year	4,050.02	7,973.20	2,864.14
Balance at the close of the year	**4,164.36**	**8,213.13**	**3,261.83**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 19
Revenue from operations

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of goods (refer footnote)	69,601.52	53,308.52
Sale of services	1,695.55	1,318.70
Other operating revenues:		
- Scrap sales	1,014.39	479.70
Total	**72,311.46**	**55,106.92**

Footnotes:

(i) Reconciliation of revenue from sale of goods with the contracted price is as follows:

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Gross sales (Contracted price)	69,660.76	53,340.03
Reductions towards variable consideration (Discounts & delayed delivery charges)	59.24	31.51
Revenue recognised	**69,601.52**	**53,308.52**

(ii) During the year and previous year, there is one customer with whom the Company has earned revenue of more than 10% of its total revenue (March 31, 2026: ₹ 16,094.35 lakhs and March 31, 2025: ₹ 12,043.80 Lakhs).

Note 20
Other income

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income:		
Interest on financial assets (at amortised cost)	100.83	57.06
Other interest (ROU security deposit)	0.44	0.36
Interest on income tax refund	59.51	50.37
Dividend income:		
Dividend from Subsidiaries (measured at cost)	802.06	761.01
Other non-operating income:		
Rent income	154.31	84.19
Corporate guarantee commission	21.00	21.00
Export incentives	64.26	44.59
Net gain on unrealized MTM	120.00	64.97
Gain on sale of property, plant and equipment	5.88	-
Unwinding of deferred income (EPCG)	-	38.47
Share of profit in subsidiary (LLP)	153.59	-
Income from windmill	104.76	108.28
Miscellaneous income	5.57	2.43
Total	**1,592.21**	**1,232.73**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 21
Cost of materials consumed

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock of raw materials	7,322.72	8,394.60
Purchases during the year	36,852.07	32,455.59
Closing stock of raw materials	(7,470.97)	(7,322.72)
Total	**36,703.82**	**33,527.47**

Note 22
Changes In inventories of finished goods and work-In-progress

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock:		
Finished goods	1,756.32	1,253.96
Work-in-progress	13,047.08	10,147.98
	14,803.40	**11,401.94**
Less: Closing stock:		
Finished goods	1,002.03	1,756.32
Work-in-progress	11,675.67	13,047.08
	12,677.70	14,803.40
Total	**2,125.70**	**(3,401.46)**

Note 23
Employee benefits expense

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	6,086.36	5,207.02
Contribution to provident, gratuity and other funds	281.97	235.05
Staff welfare expenses	454.73	345.37

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 24
Finance costs

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on loans	1,316.26	1,520.62
Interest on working capital facilities	1,343.46	1,292.26
Interest on lease liabilities	44.15	28.02
Interest - others	96.02	15.70
Dividend on redeemable preference share	-	0.89
Other borrowing costs:		
Unwinding of discount relating to long term liabilities	-	18.38
Total	**2,799.89**	**2,875.87**

Note 25
Depreciation and amortisation expense

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of property, plant and equipment	1,565.95	1,301.96
Depreciation of investment property	4.85	4.85
Amortisation of right-of-use assets	94.77	77.62
Amortisation of intangible assets	87.49	85.63
Total	**1,753.06**	**1,470.06**

Note 26
Other expenses

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Stores and spares consumed	3,139.21	2,409.38
Power and fuel	2,348.99	2,004.69
Processing expenses	7,374.72	5,052.33
Rent	47.05	22.81
Royalty, rates and taxes	67.76	67.80
Insurance expenses	179.41	139.50
Printing and stationery	52.71	67.22

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Repairs and renewals:		
Buildings	125.13	53.34
Plant and machinery	345.50	226.71
Other assets	40.56	22.22
Travelling and conveyance	528.42	490.11
Communication expenses	97.56	103.93
Vehicle expenses	45.46	74.35
Auditors' remuneration:		
Statutory audit fees	20.50	20.84
Tax audit fees	2.30	2.30
Reimbursement of expenses	-	0.15
Other fees (including certification)	7.19	6.00
Director's sitting fee	8.70	6.75
Sales promotion expenses	208.55	251.56
Bad debts written-off	-	5.04
Donation (refer footnote)	0.56	11.14
"Corporate social responsibility expenses (Refer note 30-o)"	84.78	39.00
Commission	125.65	349.26
Freight and forwarding (Net)	1,301.20	1,004.10
Expected credit loss provision - Trade receivables	141.48	70.00
Expected credit loss provision - Advances	50.00	10.60
Bank charges	169.56	145.72
Net loss on foreign currency transaction	46.49	67.35
Loss on sale of property, plant and equipment	-	0.48
Impairment of property, plant and equipment	-	35.25
Share of loss in subsidiary (LLP)	-	19.26
Legal and professional fees	1,142.59	738.84
Warranty expense (Refer note 15)	189.64	127.53
Miscellaneous expenses	485.72	382.78
Total	**18,377.39**	**14,028.34**

Footnote:

Donation includes an amount of ₹ Nil (Previous Year ₹ 11.00 Lakhs) paid as political contribution.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 27

A. CAPITAL MANAGEMENT

For the purpose of Company's capital management, capital includes issued equity capital, securities premium, and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company's capital management is to maximise the shareholder's value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Interest bearing loans and borrowings	30,657.38	30,971.00	33,800.84
Less: Cash and short term deposits	876.33	1,372.50	880.27
Net debt	29,781.05	29,598.50	32,920.57
Equity	1,389.09	1,389.09	1,389.09
Other equity	37,908.57	34,863.15	34,039.57
Total capital	39,297.66	36,252.24	35,428.66
Capital and net debt	69,078.71	65,850.74	68,349.23
Gearing ratio %	43.11%	44.95%	48.17%

B. FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprises of borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets includes trade receivables, other receivables and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

(a) Market risk

Is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily includes loans, borrowings, foreign currency receivables and payables.

i) Interest rate risks

Interest rate risk can be either fair value interest rate or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rate. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

The Company's interest rate risk arises from borrowings. Borrowings issued at fixed rates are exposed to fair value interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported by the management of the Company is as follows:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Fixed-rate instruments			
Borrowings	1,784.45	3,657.20	6,727.83
Floating-rate instruments			
Borrowings	28,872.93	27,313.80	27,073.01

Fair value sensitivity analysis for floating-rate instruments

The Company accounts for floating-rate financial assets or financial liabilities at amortised cost.

If the interest rates had been 1% higher / lower and all other variables held constant, the company's profit for the year ended March 31, 2026 would have been decreased / increased by ₹ 280.41 lakhs (Previous Year ₹ 255.82 lakhs)

ii) **Commodity Price Risks**

The Company is affected by price stability of certain commodity due to significantly increased volatility of certain commodities , the Company has entered into contracts with the customers that has provision to pass on the change in raw material prices. The Company has risk management framework aimed at prudently managing the risk arising from volatility in commodity prices.

(b) Credit Risk Management:

It is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. It arises from cash and cash equivalents, investments as well as credit exposure to customers.

The Company holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company also has an external credit risk insurance cover with ECGC Policy. The Company uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain.

The ageing of trade receivables is as follows:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
More than 6 months	642.07	1,122.85	1,402.78
Others	12,172.43	7,473.19	11,835.43
	12,814.50	**8,596.04**	**13,238.21**

The amounts reflected in the table above are not impaired as on the reporting date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

(c) Liquidity Risk Management:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts based on expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

As at March 31, 2026

₹ in Lakhs

Particulars	Refer Note	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	13	21,119.65	5,399.17	3,930.23	208.33
Interest accrued but not due on borrowings	14	149.27	-	-	-
Lease liabilities		81.83	206.11	161.59	121.19
Trade payables	17	11,235.03	18.98	-	-
Security deposit	14	4.60	0.25	-	-
Employee related payable	14	522.56	-	-	-
Unclaimed dividends	14	151.74	-	-	-
Others	14	782.65	-	-	-

As at March 31, 2025

₹ in Lakhs

Particulars	Refer Note	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	13	20,180.99	6,166.28	3,393.31	1,230.42
Interest accrued but not due on borrowings	14	135.83	-	-	-
Lease liabilities		34.51	81.40	81.01	60.98
Trade payables	17	7,735.14	22.70	6.10	-
Security deposit	14	4.60	0.25	-	-
Employee related payable	14	661.53	-	-	-
Unclaimed dividends	14	137.80	-	-	-
Others	14	691.04	734.32	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

As at April 1, 2024

₹ in Lakhs

Particulars	Refer Note	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	13	19,245.80	8,522.27	3,795.57	2,237.20
Interest accrued but not due on borrowings	14	115.71	-	-	-
Lease liabilities		63.18	201.93	-	-
Trade payables	17	7,778.27	76.40	8.26	
Security deposit	14	0.60	0.75	-	-
Employee related payable	14	588.45	-	-	-
Unclaimed dividends	14	126.15	-	-	-
Others	14	747.26	1,490.93	-	-

Note 28
THE INCOME TAX EXPENSES FOR THE YEAR CAN BE RECONCILED TO THE ACCOUNTING PROFIT AS FOLLOWS:

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax from continuing operations	**4,883.49**	**2,051.93**
Income tax expenses calculated at 25.17% (March 31, 2025: 25.17%) (Company's domestic tax rate)	1,229.17	516.47
Adjustment of prior period taxes	29.95	34.34
Effect of income that is deductible/exempt from taxation	(854.11)	(983.70)
Effect of expenses not deductible for tax computation	719.36	720.97
Impact upon merger of a Subsidiary	-	0.20
Changes in recognised deductible temporary differences	(61.97)	126.53
Total tax expenses	**1,062.40**	**414.81**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Note 29
FAIR VALUES AND HIERARCHY

1. Financial instruments – Fair values

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

₹ in Lakhs

As at March 31, 2026	Note	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets									
Investments	4	-	-	23,346.00	23,346.00	-	-	-	-
Trade Receivables	7	-	-	12,814.50	12,814.50	-	-	-	-
Loans	10	-	-	1,681.68	1,681.68	-	-	-	-
Derivative Asset	4	215.79	-	-	215.79	-	215.79	-	215.79
Others financial assets	4	-	-	1,027.52	1,027.52	-	-	-	-
Cash and cash equivalents	8	-	-	4.49	4.49	-	-	-	-
Bank balances other than above	9	-	-	1,023.58	1,023.58	-	-	-	-
Total		**215.79**	**-**	**39,897.77**	**40,113.56**	**-**	**215.79**	**-**	**215.79**
Financial liabilities									
Borrowings	13	-	-	30,657.38	30,657.38	-		-	-
Lease liabilities		-	-	570.72	570.72	-	-	-	-
Trade Payables	17	-	-	11,254.01	11,254.01	-	-	-	-
Other financial liabilities	14	-	-	1,611.07	1,611.07	-	-	-	-
Total		**-**	**-**	**44,093.18**	**44,093.18**	**-**	**-**	**-**	**-**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

As at March 31, 2025	Note	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets									
Investments	4	-	-	23,394.02	23,394.02	-	-	-	-
Trade receivables	7	-	-	8,596.04	8,596.04	-	-	-	-
Loans	10	-	-	39.56	39.56	-	-	-	-
Derivative Asset	4	95.79	-	-	95.79	-	95.79	-	95.79
Others financial assets	4	-	-	1,353.15	1,353.15	-	-	-	-
Cash and cash equivalents	8	-	-	1,216.55	1,216.55	-	-	-	-
Bank balances other than above	9	-	-	293.75	293.75	-	-	-	-
Total		**95.79**	**-**	**34,893.07**	**34,988.86**	**-**	**95.79**	**-**	**95.79**
Financial liabilities									
Borrowings	13	-	-	30,971.00	30,971.00	-	-	-	-
Lease liabilities		-	-	257.90	257.90	-	-	-	-
Trade payables	17	-	-	7,763.94	7,763.94	-	-	-	-
Other financial liabilities	14	-	-	2,365.37	2,365.37	-	-	-	-
Total		**-**	**-**	**41,358.21**	**41,358.21**	**-**	**-**	**-**	**-**

₹ in Lakhs

As at April 1, 2024	Note	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets									
Investments	4	-	-	23,474.77	23,474.77	-	-	-	-
Trade receivables	7	-	-	13,238.21	13,238.21	-	-	-	-
Loans	10	-	-	23.91	23.91	-	-	-	-
Derivative Asset	4	30.81	-	-	30.81	-	30.81	-	30.81
Others financial assets	4	-	-	355.15	355.15	-	-	-	-
Cash and cash equivalents	8	-	-	347.45	347.45	-	-	-	-
Bank balances other than above	9	-	-	658.97	658.97	-	-	-	-
Total		**30.81**	**-**	**38,098.46**	**38,129.27**	**-**	**30.81**	**-**	**30.81**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

As at April 1, 2024	Note	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial liabilities									
Borrowings	13	-	-	33,800.84	33,800.84	-	-	-	-
Lease liabilities		-	-	265.11	265.11	-	-	-	-
Trade payables	17	-	-	7,862.93	7,862.93	-	-	-	-
Other financial liabilities	14	-	-	3,069.85	3,069.85	-	-	-	-
Total		-	-	**44,998.73**	**44,998.73**	-	-	-	-

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Fair Value of financial assets included is the amount at which the instrument could be exchanged in a current transaction between willing parties.

The following methods and assumptions were used to estimate the fair value.

1. Non current financial assets / liabilities measured at amortised cost.
2. The Company enters into Derivative financial instruments with counterparties principally with Banks with investment grade credit ratings. The Interest Rate swaps is valued using valuation techniques which employs the use of market observable inputs namely, Marked-to-Market.

NOTE 30
ADDITIONAL/EXPLANATORY INFORMATION

a) Earnings per Equity Share

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Profit after tax (₹ in Lakhs)	3,821.09	1,637.12
Weighted average number of equity shares for the purpose of calculation of earnings per share	6,88,71,513	6,88,71,513
EARNINGS PER EQUITY SHARE		
Basic EPS (₹)	5.6	2.4
Diluted EPS (₹)	5.6	2.4
Weighted Average Number of equity shares (Face Value ₹ 2/-)		
Opening Balance (01-04-2025)	6,82,65,480	6,82,65,480
Add: Issue of shares upon merger of a Subsidiary (27-09-2025) [11,89,259*186/365]	6,06,033	6,06,033
Total Weighted Average Number of equity shares	**6,88,71,513**	**6,88,71,513**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

b) Disclosures under The micro, small and medium enterprises development act, 2006 ('MSMED'):

The details of liabilities to micro and small enterprises, to the extent information available with the Company are given under:

₹ in Lakhs

	Particulars	As at March 31, 2026	As at March 31, 2025
(i)	Principal amounts remaining unpaid to suppliers as at the end of the accounting year	199.13	261.59
(ii)	Interest accrued and due to suppliers on above amount, unpaid	-	-
(iii)	The amount of interest paid by the buyer in terms of Section16 of the MSMED Act,2006, along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(iv)	The amount of interest due and payable for the period of delay in making payment(which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act,2006	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi)	The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act,2006	-	14.47

Dues to MSME have been determined to the extent such parties have been identified on the basis of information certified by the management. This has been relied upon by the auditors.

c) Disclosure required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and section 186(4) of the Companies Act, 2013:

1. Amount of Loans and advances in the nature of loans outstanding from subsidiaries ₹ 1,642.8 Lakhs (Previous Year ₹ Nil)

2. Loans to employees have been considered to be outside the purview of disclosure requirements.

3. Investment by Loanee in the shares of the Company- Not applicable (Previous Year Not applicable)

d) Other statutory information.

(i) The Company neither have any Benami property nor any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall.

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall.

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company has not been declared a wilful defaulter by any bank or financial institution or any of the lenders.

e) Exceptional items:

i) Transaction cost of ₹ 230.53 lakhs is related to a business acquisition during the year.

ii) Effective November 21, 2025, the Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes (collectively referred to as the 'New Labour Codes'). The Ministry of Labour & Employment also published draft Central Rules and FAQS to enable assessment of the financial impact due to changes in these regulations. The Company has ascertained its estimated obligation under the New Labour Codes based on actuarial valuation and best estimate in accordance with Ind AS 19 - 'Employee Benefits'. Accordingly, the Company has recognised an incremental estimated obligation aggregating to ₹ 206.73 lakhs as an exceptional item on account of employees' past services. Recognition is consistent with the guidance provided by the Institute of Chartered Accountants of India. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government of India on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

f) Disclosures as per Ind AS - 19 - Employee benefits

The Company make contributions towards provident fund, in substance a defined contribution retirement plan to the Regional Provident Fund Commissioner for qualifying employees.

The Company make annual contributions to the Employees' Gratuity Trust, for funding the defined benefit plans for qualifying employees.

1) During the year, the Company has recognised the following amounts in the statement of profit and loss:

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i) Employer's contribution to provident fund (Refer footnote 1)	195.16	174.20
ii) Leave encashment - unfunded	116.85	18.49

Footnote:

(i) Included in "Contribution to provident, gratuity and other funds" (Note 23).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

2) The valuation results for the defined benefit gratuity plan are produced in the tables below:

i) Change in the present value of defined benefit obligation

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of obligation as at the beginning	**640.86**	**580.64**
Interest expense or cost	48.29	39.78
Current service cost	71.31	54.02
Past Service Cost	167.09	-
Re-measurement or Actuarial (gain) / loss arising from:		
- Demographic assumptions	-	-
- Change in financial assumptions	(28.01)	20.29
- Experience variance	78.06	50.44
Liability transferred out	-	(54.85)
Benefits paid from the fund	(36.06)	(37.15)
Benefits paid directly by the employer	(19.08)	(12.31)
Present value of obligation as at the end	**922.46**	**640.86**

ii) Changes in the fair value of plan assets

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets as at the beginning	**408.45**	**375.76**
Investment income	26.84	27.02
Return on plan assets excluding interest income	16.98	(12.95)
Employer's contribution	1.25	55.77
Benefits paid	(36.06)	(37.15)
Fair value of plan assets as at the end	**417.46**	**408.45**

iii) Expenses recognised in the income statement

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current service cost	71.31	54.02
Net interest cost on the net defined benefit liability	21.45	12.76
Past Service Cost	167.09	-
Expenses recognised in the income statement	**259.85**	**66.78**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

iv) Other comprehensive income

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Actuarial gains / (losses)		
- Demographic assumptions	-	-
- Change in financial assumptions	28.01	(20.29)
- Experience variance	(78.06)	(50.44)
Adjustment of present value of obligation at the beginning of the year	-	-
Return on plan assets excluding interest income	16.98	(12.95)
Net income / (expense) for the year recognized in OCI	**(33.07)**	**(83.68)**

v) Major categories of plan assets (as percentage of total plan assets)

Particulars	As at March 31, 2026	As at March 31, 2025
Funds managed by insurer	100%	100%
Investment in Insurance Company		
Life Insurance Corporation of India	18%	17%
Reliance Nippon Life Insurance Company Limited	22%	27%
Bajaj Life Insurance Limited	54%	55%
Cash and cash equivalents	6%	1%

vi) Risk Exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

(a) **Interest Rate Risk:** While calculating the defined benefit obligation a discount rate based on government bonds yields of matching tenure is used to arrive at the present value of future obligations. If the bond yield falls, the defined benefit obligation will tend to increase and plan assets will decrease.

(b) **Salary Risk:** Higher than expected increases in salary will increase the defined benefit obligation.

(c) **Investment Risk:** If future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower, and the funding level higher than expected.

vii) Actuarial assumptions

a. Financial assumptions

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate (refer footnote i)	7.14%	6.61%
Salary growth rate (refer footnote ii)	7.00%	7.00%

Footnotes:

(i) Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

(ii) The estimates of future salary increases considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

b. Demographic Assumptions

Particulars	As at March 31, 2026	As at March 31, 2025
Indian Assured Lives Mortality 2012-14 (Urban)	100.00%	100.00%
Withdrawal rates, based on age: (per annum)		
For service 4 years and below	20.00%	20.00%
For service 5 years and above	10.00%	10.00%

viii) Amount, timing and uncertainty of future cash flows

a. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting year, while holding all other assumptions constant. The results of sensitivity analysis is given below:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Defined Benefit Obligation (Base)	922.46	640.86

₹ in Lakhs

Particulars	As at March 31, 2026		As at March 31, 2025	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	52.67	(46.84)	38.46	(34.15)
(% change compared to base due to sensitivity)	5.7%	(5.1)%	6.0%	(5.3)%
Salary Growth Rate (- / + 1%)	(44.00)	47.51	(32.19)	35.47
(% change compared to base due to sensitivity)	(4.8)%	5.2%	(5.0)%	5.5%
Employee Turnover Rate (- / + 1%)	0.89	(1.05)	1.97	(1.90)
(% change compared to base due to sensitivity)	0.1%	(0.1)%	0.3%	(0.3)%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

b. Asset Liability Matching Strategies

The scheme is managed on funded basis.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

c. **Effect of Plan on Entity's Future Cash Flows**

- Funding arrangements and Funding Policy

The scheme is managed on funded basis.

₹ in Lakhs

Expected Contribution during the next annual reporting year	As at March 31, 2026	As at March 31, 2025
The Company's best estimate of Contribution during the next year	124.03	76.84
- Maturity Profile of Defined Benefit Obligation		
Weighted average duration (based on discounted cash flows)	7 Years	7 Years

₹ in Lakhs

Expected payments over the next (valued on undiscounted basis)	As at March 31, 2026	As at March 31, 2025
1 year	164.73	94.18
2 to 5 years	376.27	266.06
6 to 10 years	390.22	274.88
11 and above years	577.83	388.35

g) Related party disclosures

Related parties and their relationship (as defined under Ind AS-24 Related Party Disclosures):

Direct subsidiaries	Thaletec GmbH
	Thaletec LLP (formerly known as Thaletec / H L Equipments)
	Kinam Engineering Industries Private Limited (01.01.2024 onwards)
	Kinam Engineering Industries (from 26.09.2023 till 11.11.2024)
	Kinam Process Equipments Private Limited
	HLE International S.à.r.l (03.03.2026 onwards)
Step-down subsidiary	Thaletec Inc., USA
	HLE Surface Technologies GmbH (28.07.2025 onwards)
	OmeraStore GmbH (13.08.2025 onwards)
Key management personnel	**Executive Directors / CS / CFO**
	Mr. Himanshu Patel (Managing Director)
	Mr. Aalap Patel (Executive Director)
	Mr. Harsh Patel (Whole Time Director)
	Mr. Achal Thakkar (Company Secretary & Compliance Officer)
	Mr. Naveen Kandpal (Chief Financial Officer)
	Non-Executive / Independent Directors
	Mr. Nilesh Patel
	Ms. Vijayanti Punjabi
	Mr. Yatish Parekh
	Mr. Sandeep Randery
	Mr. Jayesh Shah

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Relatives of key management personnel	Priti H. Patel (spouse of Mr. Himanshu Patel)
	Bhoomi A. Patel (spouse of Mr. Aalap Patel)
	Sheetal H. Patel (spouse of Mr. Harsh Patel)
	Swara R. Patel (daughter of Mr. Himanshu Patel)
	Kishori N. Patel (wife of Mr. Nilesh Patel)
Entities in which directors are interested:	Yashashvi Rasayan Private Limited
	Yashaswati Foundation
	Yash Speciality Chemicals LLP
	H.N. Indigos Private Limited
	Maroli Udyognagar Land Development and Management Company Private Limited
	Newpar Aromatics LLP
	Aashee Logic
	HLE Engineers Private Limited
Entities in which relatives of Key Management Personnel are interested :	Applied Electrostatics & Controls Private Limited
	HLE Glascoat Limited Employee Gratuity Fund

Transactions with related parties (excluding reimbursements)

₹ in Lakhs

Nature of Transactions	Transactions		Payable / (Receivable) / Closing Balances	
	Year ended March 31, 2026	Year ended March 31, 2025	As at March 31, 2026	As at March 31, 2025
I. Subsidiary Company:				
a. Thaletec LLP (Formerly known as Thaletec / H L Equipments)				
Sales of goods / services	3,658.86	130.78	(1,370.57)	257.75
Purchase of goods / services	-	-	-	-
Capital introduced	10.50	6.51	-	-
Capital withdrawn	225.00	68.00	-	-
Capital balance	-	-	3,175.70	3,236.61
Share of profit / (loss)	153.59	(19.26)	-	-
Corporate guarantee commission	21.00	21.00	(24.78)	(24.36)
Corporate guarantee provided	2,100.00	2,100.00	-	-
b. Thaletec GmbH				
Investment	-	-	11,260.52	11,260.52
Dividend income	802.06	761.01	-	-
Sales of goods / services	195.04	73.12	(89.01)	-
Purchase of goods / services	418.23	204.59	331.08	101.51
Loan given	1,635.10	-	(1,635.10)	-
Interest income on loan	41.55	-	(7.71)	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Nature of Transactions	Transactions		Payable / (Receivable) / Closing Balances	
	Year ended March 31, 2026	Year ended March 31, 2025	As at March 31, 2026	As at March 31, 2025
c. Kinam Engineering Industries Private Limited				
Investment	-	-	8,228.75	8,228.75
Share of profit	-	-	-	-
Interest on capital	-	-	-	-
Purchase of goods / services	38.63	17.26	38.58	-
Sales of goods / services	8.58	41.79	(4.25)	-
d. Kinam Process Equipments Private Limited				
Investment	-	-	668.14	668.14
II. Key management personnel :				
Remuneration [refer foot note (i)]	393.28	363.63	22.26	10.59
Commission	53.19	24.14	35.10	24.14
Sitting fees	8.70	6.75	-	-
Capital advance	100.00		(100.00)	
Rent expense	36.96	36.96	-	-
Dividend (Equity shares)	484.02	483.35	-	-
Equity share issued				
Unsecured Loan taken	1,000.00	8.85	-	8.85
Unsecured Loan repaid	(1,008.85)	-	-	-
III. Relatives of KMP :				
Dividend (Equity shares)	17.46	17.46	-	-
Dividend (Preference shares)	-	0.11	-	-
Rent expense	3.00	3.00	-	-
Purchase of goods / services	10.74	12.00	0.37	3.24
Redemption of Preference shares	-	22.61	-	-
IV. Entities in which directors are interested:				
Sales of goods/services	773.33	1,094.41	(304.71)	(32.35)
Purchase of goods/services	61.13	34.36	0.32	0.10
Rent income	102.00	-	-	-
Gratuity liability transferred-out	-	54.85	-	54.85
Contribution towards Corporate Social Responsibility	21.08	102.50	-	-
V. Entities in which relatives of KMP are interested:				
Purchase of goods / services	39.24	81.52	15.68	-
Contribution to gratuity fund	1.25	55.77	-	-
Plan assets of gratuity fund	-	-	417.46	408.44

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Footnotes:

i) Remuneration does not include provisions made for Gratuity and Leave benefits amounting to ₹ 57.56 Lakhs (Previous year ₹ 38.99 Lakhs)

ii) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than unsecured loan at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: ₹ Nil). This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

h) Lease Accounting (Disclosure as per Ind AS 116: Lease)

(i) The movement in Lease liabilities during the year

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Opening Balance	257.90	265.11	320.43
Additions during the year	377.90	64.55	-
Finance costs incurred during the year	44.15	28.02	27.52
Payments of Lease Liabilities	(109.23)	(99.78)	(82.84)
Closing Balance	**570.72**	**257.90**	**265.11**

(ii) The carrying value of the Rights-of-use and depreciation charged during the Year

For details pertaining to the carrying value of right of use of lease assets and depreciation charged thereon during the year, kindly refer note 2(b).

(iii) Amount Recognised in Statement of Profit & Loss Account during the Year

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	As at April 1, 2024
Expenses related to short term lease & low value lease	47.05	22.81	72.18
Total expenses	**47.05**	**22.81**	**72.18**

(iv) Maturity analysis of lease liabilities

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Maturity analysis of contractual undiscounted cash flows			
Less than one year	130.22	55.71	85.41
One to five years	473.33	211.97	159.84
More than five years	140.10	65.60	105.56
Total undiscounted lease liability	**743.65**	**333.28**	**350.81**
Discounted Cash flows			
Non-current lease liability	488.89	223.39	201.93
Current lease liability	81.83	34.51	63.18
Total lease liability	**570.72**	**257.90**	**265.11**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

i) Ratio

₹ in Lakhs

Particulars	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	Variance (in %)	Explanation for change of 25% or more
a) Current ratio	Current assets	Current liabilities	0.95	0.91	5.34%	
b) Debt equity ratio	Total debt(current and non current)	shareholders' equity	0.78	0.85	-8.68%	
c) Debt service coverage ratio	Earnings available for debt service	Debt Service	0.98	0.61	62.40%	The debt service coverage ratio improved significantly due to higher earnings available for debt service during the year and better operating performance.
d) Return on equity %	Net profits after taxes	Average shareholder's equity	10.12%	4.57%	121.45%	Return on equity improved materially due to higher profit after tax during the year. The increase reflects improved profitability and better utilization of shareholders' funds.
e) Inventory Turnover Ratio	Revenue from operations	Average inventory	3.30	2.53	30.59%	Inventory turnover improved due to better inventory rotation and higher revenue from operations during the year. This indicates more efficient inventory management.
f) Trade receivables turnover ratio	Revenue from operations	Average trade receivables	6.75	5.05	33.82%	Trade receivables turnover improved, mainly due to improved collection of receivables and better credit control. This reflects reduced credit period to the customers during the year.
g) Trade payables turnover ratio	Purchases of goods & services and other expenses	Average trade payables	3.88	4.15	-6.70%	
h) Net capital turnover ratio	Revenue from operations	Working capital	-40.49	-15.20	166.34%	The ratio changed significantly and reflects the negative net current assets (after adjusting current portion ofthe long term borrowings) and higher revenue during the year. The comparison is not directly meaningful due to the negative denominator.
i) Net profit %	Net profit	Revenue from operations	5.28%	2.97%	77.87%	Net profit margin improved due to better operating performance, improved realization, and control over costs. This resulted in a higher net profit percentage compared to the previous year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	Variance (in %)	Explanation for change of 25% or more
j) Return on capital employed %	Earnings before interest and taxes	Capital employed	11.45%	7.22%	58.61%	ROCE improved due to higher EBIT and better overall capital utilization during the year. The improvement reflects stronger operating profitability relative to capital employed.
k) Return on investment %	Interest income, net gain on sale of investments and net fair value gain	Investments	0.00%	0.00%	0.00%	

j) Business Combination under Common Control

The Board of Directors has approved an additional acquisition of 34.44% profit share and increase in controlling interest, subject to fulfillment of certain obligations and NCLT approval, by way of amalgamation under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 for amalgamation of Kinam Enterprise Private Limited 'Amalgamating Company') with the Company ('Scheme').

The aforesaid Scheme was sanctioned by Hon'ble National Company Law Tribunal (NCLT) Ahmedabad Bench vide order dated August 14, 2025 . The Scheme has become effective on August 7, 2023 upon filing of the certified copy of the orders passed by NCLT with the Registrar of Companies. In terms of the Scheme, all the assets, liabilities, reserves and surplus of the Amalgamating Company have been transferred to and vested in the Company. The Appointed Date of the Scheme is August 7, 2023.

Accounting Treatment

The amalgamation has been accounted in accordance with "Pooling of interest method" as laid down in Appendix C - 'Business combinations of entities under common control' of Ind AS 103 notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as specified in the scheme, such that

a) All assets and liabilities of the Amalgamating Company are stated at the carrying values as appearing in the standalone financial statements of Amalgamating Company.

b) The identity of the reserves have been preserved and are recorded in the same form and at the carrying amount as appearing in the standalone financial statements of Amalgamating Company.

c) The inter-company balances between both the companies have been eliminated.

d) Comparative financial information in the financial statements of the Amalgamated Company has been restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period.

The difference between the consideration paid and the net assets acquired as adjusted by the retained earnings amount, has been adjusted in the "Capital Reserve" as required by Appendix C to Ind AS 103 irrespective of the fair value of the net assets/ liabilities acquired.

Pursuant to the Scheme of Amalgamation,the Company has issued and allotted 11,89,259 Equity Shares of ₹ 2/- each, fully paid-up to the shareholders of the Transferor Company (except the Transferee Company).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

As required under Ind AS 103, the current accounting period and comparative accounting period presented in the financial statements of the Company and accompanying Notes have been prepared by including the accounting effects of the acquisition of the business, as stated above, as if the purchase had occurred from the beginning of the comparative period in the financial statements.

Details of assets and liabilities of Kinam Enterprise Private Limited added to the opening balances of the Company (i.e., August 7, 2023) and consequential adjustment to Capital Reserve:

₹ in Lakhs

Particulars	As at August 7, 2023
I) ASSETS	
1) Non-current assets	
a) Financial assets	
(i) Investments	668.14
Total non-current assets	**668.14**
2) Current assets	
a) Financial assets	
(i) Cash and cash equivalents	0.50
Total current assets	**0.50**
TOTAL ASSETS	**668.64**
II) EQUITY AND LIABILITIES	
1) Equity	
a) Equity share capital	668.14
b) Other equity	-
Total Equity	**668.14**
2) Liabilities	
i) Current liabilities	
a) Financial liabilities	
(i) Borrowings	0.50
b) Other current liabilities	
Total current liabilities	**0.50**
Total liabilities	**0.50**
TOTAL EQUITY AND LIABILITIES	**668.64**
Net Assets	668.14
Own Share Eliminated	3.34
Net Assets after elimination (A)	664.80
Allotment of Equity Shares to equity shareholders of Kinam Enterprise Private Limited (B)	23.78
Capital Reserve on account of Amalgamation (A)-(B)	**641.02**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Restated Balance Sheet As at April 1, 2024

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
I) ASSETS			
1) Non-current assets			
a) Property, plant and equipment	22,184.25	-	22,184.25
b) Right of use assets	704.21	-	704.21
c) Capital work-in-progress	1,586.24	-	1,586.24
d) Investment property	132.31	-	132.31
e) Other intangible assets	212.90	-	212.90
f) Financial assets			
(i) Investments	22,809.97	664.80	23,474.77
(ii) Others financial assets	139.95	-	139.95
g) Non current tax assets (net)	1,196.81	-	1,196.81
h) Other non-current assets	204.67	-	204.67
Total non-current assets	**49,171.31**	**664.80**	**49,836.11**
2) Current assets			
a) Inventories	20,626.87	-	20,626.87
b) Financial assets		-	
(i) Trade receivables	13,238.21	-	13,238.21
(ii) Cash and cash equivalents	347.04	0.41	347.45
(iii) Bank balances other than cash and cash equivalents	658.97	-	658.97
(iv) Loans	23.91	-	23.91
(v) Others financial assets	246.01	-	246.01
c) Other current assets	1,007.01	-	1,007.01
Total current assets	**36,148.02**	**0.41**	**36,148.43**
TOTAL ASSETS	**85,319.33**	**665.21**	**85,984.54**
II) EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	1,365.31	23.78	1,389.09
b) Other equity	33,407.68	631.89	34,039.57
Total Equity	**34,772.99**	**655.67**	**35,428.66**
2) Liabilities			
i) Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	14,555.04	-	14,555.04
(ii) Lease liabilities	201.93	-	201.93
(iii) Other financial liabilities	1,491.68	-	1,491.68
b) Provisions	123.15	-	123.15
c) Deferred tax liabilities (net)	1,061.88	(1.95)	1,059.93
Total non-current liabilities	**17,433.68**	**(1.95)**	**17,431.73**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
ii) Current liabilities			
a) Financial liabilities			
(i) Borrowings	19,245.30	0.50	19,245.80
(ii) Lease liabilities	63.18	-	63.18
(iii) Trade payables		-	-
Outstanding dues of micro enterprises and small enterprises	619.50	-	619.50
Outstanding dues of creditors other than micro enterprises and small enterprises	7,243.43	-	7,243.43
(iv) Other financial liabilities	1,578.17	-	1,578.17
b) Other current liabilities	4,006.35	10.99	4,017.34
c) Provisions	356.73	-	356.73
Total current liabilities	**33,112.66**	**11.49**	**33,124.15**
Total liabilities	**50,546.34**	**9.54**	**50,555.88**
TOTAL EQUITY AND LIABILITIES	**85,319.33**	**665.21**	**85,984.54**

Restated Balance Sheet As at March 31, 2025

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
I) ASSETS			
1) Non-current assets			
a) Property, plant and equipment	26,112.03	-	26,112.03
b) Right of use assets	693.22	-	693.22
c) Capital work-in-progress	86.76	-	86.76
d) Investment property	127.46	-	127.46
e) Other intangible assets	174.55	-	174.55
f) Financial assets			
(i) Investments	22,729.22	664.80	23,394.02
(ii) Others financial assets	955.91	-	955.91
g) Non current tax assets (net)	1,319.91	-	1,319.91
h) Other non-current assets	55.23	-	55.23
Total non-current assets	**52,254.29**	**664.80**	**52,919.09**
2) Current assets			
a) Inventories	22,938.93	-	22,938.93
b) Financial assets			
(i) Trade receivables	8,596.04	-	8,596.04
(ii) Cash and cash equivalents	1,216.03	0.52	1,216.55

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
(iii) Bank balances other than cash and cash equivalents	293.75	-	293.75
(iv) Loans	39.56	-	39.56
(v) Others financial assets	493.03	-	493.03
c) Other current assets	1,579.12	-	1,579.12
Total current assets	**35,156.46**	**0.52**	**35,156.98**
TOTAL ASSETS	**87,410.75**	**665.32**	**88,076.07**
II) EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	1,365.31	23.78	1,389.09
b) Other equity	34,232.67	630.48	34,863.15
Total Equity	**35,597.98**	**654.26**	**36,252.24**
2) Liabilities			
i) Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	10,790.01	-	10,790.01
(ii) Lease liabilities	223.39	-	223.39
(iii) Other financial liabilities	734.57	-	734.57
b) Provisions	107.86	-	107.86
c) Deferred tax liabilities (net)	1,187.80	(1.35)	1,186.45
Total non-current liabilities	**13,043.63**	**(1.35)**	**13,042.28**
ii) Current liabilities			
a) Financial liabilities			
(i) Borrowings	20,168.89	12.10	20,180.99
(ii) Lease liabilities	34.51	-	34.51
(iii) Trade payables		-	-
Outstanding dues of micro enterprises and small enterprises	261.59	-	261.59
Outstanding dues of creditors other than micro enterprises and small enterprises	7,502.35	-	7,502.35
(iv) Other financial liabilities	1,630.80	-	1,630.80
b) Other current liabilities	8,796.12	0.31	8,796.43
c) Provisions	374.88	-	374.88
d) Income tax liabilities		-	-
Total current liabilities	**38,769.14**	**12.41**	**38,781.55**
Total Assets	**51,812.77**	**11.06**	**51,823.83**
TOTAL EQUITY AND LIABILITIES	**87,410.75**	**665.32**	**88,076.07**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

Restated Statement of Profit And Loss For The Year Ended March 31, 2025

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
I) INCOME			
a) Revenue from operations	55,106.92	-	55,106.92
b) Other income	1,178.27		1,232.73
TOTAL INCOME (a+b)	**56,285.19**	**-**	**56,339.65**
II) EXPENSES			
a) Cost of materials consumed	33,527.47	-	33,527.47
b) Changes in inventories of finished goods and work-in-progress	(3,401.46)	-	(3,401.46)
c) Employee benefits expense	5,787.44	-	5,787.44
d) Finance costs	2,875.87	-	2,875.87
e) Depreciation and amortisation expense	1,470.06	-	1,470.06
f) Other expenses	14,027.54	0.80	14,028.34
TOTAL EXPENSES (a to f)	**54,286.92**	**0.80**	**54,287.72**
III) PROFIT FOR THE YEAR BEFORE EXCEPTIONAL ITEMS (I-II)	**1,998.27**	**(0.80)**	**2,051.93**
IV) Exceptional items (Refer note 30 e)			-
V) PROFIT BEFORE TAX (III-IV)	**1,998.27**	**(0.80)**	**2,051.93**
VI) TAX EXPENSE			
a) Current tax	253.94	-	253.94
b) Current tax in relation to earlier year	34.34	-	34.34
c) Deferred tax	125.92	0.61	126.53
TOTAL TAX EXPENSE (a+b+c)	**414.20**	**0.61**	**414.81**
VII) PROFIT FOR THE YEAR (V-VI)	**1,584.07**	**(1.41)**	**1,637.12**
VIII) OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified to the Statement of Profit and Loss			
(a) Remeasurements of Defined benefit plans	(83.68)	-	(83.68)
(b) Income tax relating to items that will not be reclassified to the Statement of Profit and Loss	21.06	-	21.06
TOTAL OTHER COMPREHENSIVE (LOSS) FOR THE YEAR, NET OF TAX (a+b)	**(62.62)**	**-**	**(62.62)**
IX) TOTAL COMPREHENSIVE INCOME FOR THE YEAR (VII+VIII)	**1,521.45**	**(1.41)**	**1,574.50**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

k) Disclosure regarding derivative instruments and unhedged foreign currency exposure :

₹ in Lakhs

Particulars	Currency	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
		Foreign Currency	Indian Rupees	Foreign Currency	Indian Rupees	Foreign Currency	Indian Rupees
Foreign currency loan	USD	17.76	1,684.13	41.44	3,541.78	65.11	5,430.87
Trade payables	USD	5.00	473.07	5.30	453.23	2.56	213.57
	EUR	3.18	347.08	2.73	251.77	1.27	114.70
Advances to suppliers	USD	0.04	3.31	0.06	5.71	0.50	41.38
	EUR	0.23	25.04	0.18	16.19	0.25	22.81
	CHF	0.11	12.83	-	-	-	-
	GBP	-	-	0.01	1.15	-	-
Trade receivables	USD	1.98	187.57	1.97	168.34	2.27	189.37
	EUR	0.82	89.01	-	-	3.71	335.10
Contract liability (Advance from customers)	USD	3.42	305.99	10.51	889.59	1.59	132.00
Derivative asset	USD	2.28	215.79	1.12	95.79	0.37	30.81
EEFC accounts / Cash & cash equivalents	USD	0.01	0.87	0.01	0.86	-	-
	EUR	-	-	0.00	0.22	-	-

l) Commitment

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
(i) Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for	-	-	1,132.28
ii) Other Commitments			
a Letters of credit issued by the banks	520.00	419.47	-
b Corporate guarantee provided by the Company to the bank on behalf of a subsidiary	2,100.00	2,100.00	-

m) Contingent liabilities not provided for:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
(a) Disputed Service Tax for the period from 2008 to 2013 is pending before CESTAT, against which the Company has made payment of ₹ 5.19 lakhs	16.47	16.47	16.47
(b) Disputed Service Tax for the period from 2012 to 2015 is pending before CESTAT, against which the Company has made payment of ₹ 5.09 lakhs	29.07	29.07	29.07
(c) Disputed Service Tax for the period from 2013 to 2017 is pending before CESTAT, against which the Company has made payment of ₹ 4.01 lakhs	22.92	22.92	22.92

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

n) The amount due and paid during the year to "Investor Education and Protection Fund" is ₹ 12.71 lakhs (Previous Year: ₹ 14.64 lakhs).

o) Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
i) Amount required to be spent by the Company during the year	84.78	124.00
ii) Previous years Shortfall/(excess)	(63.50)	(85.00)
iii) Net amount required to be spent (i - ii)	**21.28**	**39.00**
iv) Amount of expenditure incurred		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	34.44	102.50
v) Shortfall/(excess) at the end of the year (excess amount is accounted as prepaid expenses)	(13.16)	(63.50)
vi) Reason for shortfall	NA	NA
vii) Nature of CSR activities	Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects	
viii) Details of related party transactions, e.g. Contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Ind AS	21.08	102.50
ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2026

p) In terms of Paragraph 4 of Ind AS 108 'Operating Segments', if financial statement contains both the consolidated financial statements and standalone financial statements, no separate disclosure on segment information is required to be given in the standalone financial statements. Accordingly, segment information has been disclosed in the consolidated financial statements of the Company.

q) Subsequent events post balance sheet

i) The Board of directors has recommended a dividend @ 55% (₹ 1.10) per equity share at its meeting held on May 18, 2026 which is subject to approval of shareholders.

r) Previous year's figures have been regrouped and/or rearranged, wherever considered necessary.

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Aalap Patel
Director
DIN - 06858672

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Naveen Kandpal
Chief Financial Officer
ACA 406038

INDEPENDENT AUDITOR'S REPORT

Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying Consolidated Financial Statements of **HLE Glascoat Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended on that date and notes to financial statements, a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the Consolidated state of affairs (financial position) of the Group as at March 31, 2026, and its Consolidated profit (financial performance including Other Comprehensive Income), the Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr No	Key Audit Matter	How the matter was addressed in our audit
1	**Defined Benefit Obligation** The valuation of the retirement benefit schemes in the Company is determined with reference to various actuarial assumptions including discount rate, future salary increases, rate of inflation, mortality rates and attrition rates. Further, the changes to employee benefits plans arising from legislative amendments are treated as plan amendments, requiring recognition of past service cost in the statement of profit and loss. Due to the enacted amendments and the size of these schemes, the changes due to the amendments and assumptions have a material impact on the estimated employee benefits. Refer Note 32(e) to Consolidated Financial Statements.	**Our audit procedures included:** • We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit. • We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlements, past service costs, remeasurements, benefits paid, and any other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by management in the actuarial valuations for retirement benefit obligations to be appropriate.

Sr No	Key Audit Matter	How the matter was addressed in our audit
2	**Property, Plant & Equipment (Including Capex)** • Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of Property, plant and equipment. • Further, technical complexities require management to assess and make estimates/judgements about capitalization, estimated useful life, impairment etc. which has material impact on Balance sheet and operating results. • Refer Note 2 to Consolidated Financial Statements.	**Our audit procedures included:** Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We assessed Group's process regarding maintenance of records and accounting of transactions pertaining to property, plant and equipment including capital work in progress with reference to Ind AS 16. • We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant & Equipment • We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and equipment in accordance with Schedule II of the Companies Act, 2013. • We have relied on physical verification conducted by management and management representations.
3	**Related Party Transactions** The Company has undertaken several transactions with its related parties. These include sale of goods, purchase of goods and availing / rendering of services from/to related parties. We identified related party transactions as a key audit matter due to the significance of related party transactions, increased regulatory compliances and risk of such transactions remaining undisclosed in the financial statements.	**Our audit approach included:** • Obtaining and reading the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, determining whether the same are at Arm's Length basis, recording and disclosure of related party transactions; • Reading minutes of shareholder meetings, board meetings and audit committee meetings regarding Company's assessment of related party transactions being in the ordinary course of business and at arm's length; • Testing on a sample basis, related party transactions with the underlying confirmations and other supporting documents; • Verified the related party information disclosed in the financial statements as per the relevant Indian accounting standards with the underlying supporting documents, on a sample basis.

4. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Report on Corporate Governance, Business Responsibility and Sustainability Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

5. Management's Responsibility and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, 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 (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group

are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Companies or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Companies.

6. Auditor's Responsibilities for the audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, 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 in the consolidated financial statements made by the management.

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current year 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.

7. Other Matters

The Statement includes the financial statements and other financial information of three subsidiaries whose financial statements have been audited by us.

The consolidated audited financial statements include the financial statements of a foreign subsidiary, Thaletec GmBH, whose financial information have been prepared in accordance with accounting principles generally accepted in its country which have been audited by local auditors under generally accepted accounting standards applicable in its country. The Parent Company's management has converted the financial information from accounting principles generally accepted in their respective country to accounting principles generally accepted in India.

The consolidated audited financial statements include the financial statements of three foreign step-down subsidiaries (Thaletec Inc., USA, HLE Surface Technologies GmbH and OmeraStore GmbH) whose financial information have been prepared in accordance with accounting principles generally accepted in its country which have been reviewed by local auditors under generally accepted accounting standards applicable in its country. The Parent Company's management has converted the financial information from accounting principles generally accepted in its country to accounting principles generally accepted in India. According to the information and explanations given to us by the Management, these financial statements and financial information are not material to the group. Our conclusion on the Statement is not modified in respect of this matter.

We did not audit the financial statements and other financial information of two foreign subsidiaries and three step-down foreign subsidiaries whose financial statements reflect Group's share of total assets of ₹ 40,844.55 lakh as on March 31, 2026, total revenue of ₹ 43,797.10 lakh, total comprehensive income of ₹ 748.74 lakh respectively for the year ended March 31, 2026, as considered in the consolidated financial statements.

Our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this step-down subsidiary, is based solely on the management certified accounts and the procedures performed by us as stated under Auditor's Responsibilities section above.

8. Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit 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 and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

g) As required by section 197(16) of the Act, based on our audit, we report that the Holding Company and its subsidiary companies incorporated in India, has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

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

i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated financial position of the Group – Refer Note 32(l) to the Consolidated Financial Statements;

ii. The Group has long-term contracts including derivative contracts for which there were no material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that to the best of their knowledge and belief, 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 Holding Company and its subsidiary companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities (Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of its subsidiaries, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that to the best of their knowledge and belief, no funds have been received by the Holding Company and its subsidiary companies incorporated in India, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures, we have considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that causes us to believe that the above representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.

v. The Holding Company has complied with the provisions with respect to Section 123 of the Companies Act, 2013 in respect of final dividend proposed in the previous year and the proposed final dividend for the year which is subject to the approval of members at the ensuing Annual General Meeting, as applicable.

vi. Based on our examination which included test checks and that performed by us in case of subsidiaries, which are companies incorporated in India whose financial statements have been audited by us under the Act, the holding company, subsidiaries which are companies incorporated in India, have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software's:

a) In case of Holding Company, the feature of recording audit trail at the database level was not enabled during the year in three accounting software systems used by the Company. Consequently, direct data changes made at the database level in these systems were not logged.

b) In case of Holding Company, in respect of one accounting software, the software provides an option to enable or disable the audit trail feature. Access to this setting is strictly controlled by the system administrator. We have reviewed relevant system logs and observed that there were no instances of the audit trail feature being enabled or disabled during the year, thereby ensuring its continuous operation.

c) In case of Holding Company, while audit trail functionality was available, the master audit logs did not capture the old and new values of modified data, limiting the ability to track the precise nature of changes made.

Further, based on our procedures performed, we did not notice any instance of the audit trail feature being tampered with. In respect of the aforesaid database of the Holding Company, in the absence of audit trail for the said period, the question of our commenting on whether the audit trail was tampered with, does not arise. Additionally, the audit trail has been preserved by the Group as per the statutory requirements for record retention.

vii. 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 explanation given to us, and based on CARO reports issued by us for the Holding company and its subsidiaries incorporated in India included in the consolidated financial statements of the company, to which the reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports. We also report that CARO reporting is not applicable to the foreign subsidiaries included in the Consolidated Financial Statements.

For **M M NISSIM & CO LLP**
Chartered Accountants
Firm Reg.No.107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
UDIN: 26142067FQBWPY5226
Place: Maroli
Date: May 18, 2026

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HLE GLASCOAT LIMITED.

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("the Act")

OPINION

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to Financial Statements of HLE GLASCOAT LIMITED ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and internal financial controls were operating effectively as at March 31, 2026, based on the internal financial control with reference to Consolidated Financial Statement criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

1. MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal financial control reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India ("ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

2. AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to Financial Statements of the Holding Company and its subsidiary companies which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by ICAI and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of a subsidiary company incorporated in India, in terms of their report referred to in other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company and its subsidiary companies which are incorporated in India.

3. MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's

internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

4. INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

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

5. OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Financial Statements in so far as it relates to subsidiary companies, incorporated in India, is based on our audit report of that subsidiaries.

For **M M NISSIM & CO LLP**
Chartered Accountants
Firm Reg.No.107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
UDIN: 26142067FQBWPY5226
Place: Maroli
Date: May 18, 2026

CONSOLIDATED BALANCE SHEET

As at March 31, 2026

₹ in Lakhs

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
I) ASSETS				
1) Non-Current Assets				
a) Property, plant and equipment	2 (a)	39,560.21	36,301.52	31,467.22
b) Right of use assets	2 (b)	3,369.62	3,176.75	3,008.32
c) Capital work-in-progress	2 (c)	374.47	500.28	1,943.06
d) Investment property	2 (d)	233.15	368.56	132.31
e) Goodwill	2 (e)	4,036.47	4,035.89	4,034.69
f) Other intangible assets	2 (f)	15,548.15	15,426.11	15,472.03
g) Financial assets;				
(i) Others financial assets	3	771.05	2,385.33	500.17
h) Deferred tax assets (net)	4	1,386.05	535.00	11.01
i) Non current tax assets (net)		1,047.48	1,538.17	1,395.19
j) Other non-current assets	5	220.39	187.36	251.89
Total non-current assets		**66,547.04**	**64,454.97**	**58,215.89**
2) Current Assets				
a) Inventories	6	35,575.57	36,949.95	31,214.90
b) Financial assets;				
(i) Trade receivables	7	26,988.51	18,490.26	23,718.02
(ii) Cash and cash equivalents	8	3,435.93	3,959.13	3,328.58
(iii) Bank balances other than cash and cash equivalents	9	2,413.84	1,256.57	1,218.33
(iv) Loans	10	38.88	39.56	23.91
(v) Others financial assets	3	791.15	521.74	274.12
c) Other current assets	5	2,363.08	3,664.14	2,201.94
Total current assets		**71,606.96**	**64,881.35**	**61,979.80**
Assets classified as held for sale		**25.92**	**-**	**-**
TOTAL ASSETS		**1,38,179.92**	**1,29,336.32**	**1,20,195.69**
II) EQUITY AND LIABILITIES				
1) Equity				
a) Equity share capital	11	1,389.09	1,389.09	1,389.09
b) Other equity	12	52,003.19	46,416.84	41,358.43
c) Non controlling interest	13	8,432.57	7,622.54	6,922.83
Total Equity		**61,824.85**	**55,428.47**	**49,670.35**
2) Liabilities				
i) Non-Current Liabilities				
a) Financial liabilities				
(i) Borrowings	14	10,064.87	10,790.01	14,555.04
(ii) Lease liabilities		2,747.17	2,647.91	2,367.09
(iii) Other financial liabilities	15	209.27	738.12	1,491.68
b) Provisions	16	1,453.22	1,416.33	2,082.53
c) Deferred tax liabilities (net)	17	1,506.29	1,334.20	1,173.33
d) Other non-current liabilities	18	1.60	4.96	8.59
Total non-current liabilities		**15,982.42**	**16,931.53**	**21,678.26**
ii) Current Liabilities				
a) Financial liabilities				
(i) Borrowings	14	21,260.31	24,051.84	21,554.36
(ii) Lease liabilities		688.10	428.79	348.01
(iii) Trade payables	19			
- Outstanding dues of micro enterprises and small enterprises		346.89	551.53	1,126.42
- Outstanding dues of creditors other than micro enterprises and small enterprises		14,377.35	10,331.12	9,934.38
(iv) Other financial liabilities	15	3,090.85	2,596.02	2,463.69
b) Other current liabilities	18	17,561.15	16,609.64	12,276.98
c) Provisions	16	2,454.57	1,958.20	1,005.49
d) Income tax liabilities (net)		593.43	449.18	137.75
Total current liabilities		**60,372.65**	**56,976.32**	**48,847.08**
Total Liabilities		**76,355.07**	**73,907.85**	**70,525.34**
TOTAL EQUITY AND LIABILITIES		**1,38,179.92**	**1,29,336.32**	**1,20,195.69**

Material accounting policies 1

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Aalap Patel
Director
DIN - 06858672

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Naveen Kandpal
Chief Financial Officer
ACA 406038

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the Year Ended March 31, 2026

₹ in Lakhs

Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
I) INCOME			
a) Revenue from operations	20	1,35,297.94	1,02,753.33
b) Other income	21	878.42	821.95
TOTAL INCOME (a+b)		**1,36,176.36**	**1,03,575.28**
II) EXPENSES			
a) Cost of materials consumed	22	60,324.40	50,042.74
b) Purchase of Stock-in-Trade	23	-	137.66
b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	3,038.58	(5,141.95)
c) Employee benefits expense	25	25,320.80	20,057.92
d) Finance costs	26	3,444.73	3,619.34
e) Depreciation and amortisation expense	27	3,645.36	2,967.28
f) Other expenses	28	32,639.16	24,385.55
TOTAL EXPENSES (a to f)		**1,28,413.03**	**96,068.54**
III) PROFIT FOR THE YEAR BEFORE EXCEPTIONAL ITEM (I-II)		**7,763.33**	**7,506.74**
IV) Exceptional items (Refer note 32 d)		668.61	-
V) PROFIT BEFORE TAX (III-IV)		**7,094.72**	**7,506.74**
VI) TAX EXPENSE			
a) Current tax		2,101.80	1,552.54
b) Current tax in relation to earlier year		29.95	157.36
c) Deferred tax		(693.60)	(379.90)
TOTAL TAX EXPENSE (a+b+c)		**1,438.15**	**1,330.00**
VII) PROFIT FOR THE YEAR (V-VI)		**5,656.57**	**6,176.74**
VIII) OTHER COMPREHENSIVE INCOME (OCI)			
(A) Items that will not be reclassified to the Consolidated Statement of Profit and Loss			
(a) Remeasurements of Defined benefit plans		49.61	(61.93)
(b) Income tax relating to items that will not be reclassified to the Consolidated Statement of Profit and Loss		(24.70)	8.73
(B) Items that will be reclassified to the Consolidated Statement of Profit and Loss			
(a) Exchange difference in translating the financial statements of foreign components		1,363.32	372.06
(b) Income tax relating to items that will be reclassified to the Consolidated Statement of Profit and Loss		-	-
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX (A+B)		**1,388.23**	**318.86**
IX) TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**7,044.80**	**6,495.60**
X) A. Profit attributable to:			
Owners of the parent		**4,942.41**	**5,485.23**
Non-controlling interest		**714.16**	**691.51**
X) B. Other comprehensive income attributable to:			
Owners of the parent		**1,394.86**	**324.10**
Non-controlling interest		**(6.63)**	**(5.24)**
X) C. Total comprehensive income for the year attributable to:			
Owners of the parent		**6,337.27**	**5,809.33**
Non-controlling interest		**707.53**	**686.27**
XI) EARNINGS PER EQUITY SHARE (in ₹)	32(a)		
Basic		7.2	8.0
Diluted		7.2	8.0

Material accounting policies 1

Accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Aalap Patel
Director
DIN - 06858672

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Naveen Kandpal
Chief Financial Officer
ACA 406038

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2026

Equity share capital (refer Note 11)

(A) Equity share capital

₹ in Lakhs

Particulars	Number	Amount
Balance at the year ended on March 31, 2023	**6,82,65,480**	**1,365.31**
Balance at the year ended on March 31, 2024	**6,82,65,480**	**1,365.31**
Balance at the year ended on March 31, 2025	**6,82,65,480**	**1,365.31**
Add: Issued during the year upon merger of a Subsidiary	11,89,259	23.78
Balance at the year ended on March 31, 2026	**6,94,54,739**	**1,389.09**

(B) Equity shares pending issuance

₹ in Lakhs

Particulars	Number	Amount
Obligation to issue fixed number of equity shares		
At April 1, 2023	-	-
Changes during the year	11,89,259	23.78
At April 1, 2024	**11,89,259**	**23.78**
Changes during the year		
At March 31, 2025	**11,89,259**	**23.78**
Changes during the year	(11,89,259)	(23.78)
At March 31, 2026	-	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2026

Other equity (refer Note 12)

₹ in Lakhs

Particulars	Reserves and Surplus							Foreign currency translation reserve	Equity Component of Compound Financial Instrument	Preference Share Capital	Total Other Equity	Share of Non controlling Interest
	Securities Premium	General Reserve	Capital Reserve	Capital reserve on account of merger	Retained Earnings	Remeasurements of Defined Benefit Plans	Capital Redemption Reserve					
Balance at the end of the reporting year ending March 31, 2023	**9,892.75**	**7,540.05**	**1.52**	**-**	**11,491.00**	**310.43**	**112.50**	**672.02**	**1,209.03**	**75.02**	**31,304.32**	**13.26**
Transfer to capital redemption reserve					(37.50)		37.50				-	
Other adjustment									37.50	(37.50)	-	
Profit for the current reporting year ending Mar 31, 2024					3,664.72						3,664.72	424.15
Other comprehensive income (Net of tax)						(57.36)		102.21			44.85	(6.46)
Total comprehensive Income for the reporting year	**-**	**-**	**-**	**-**	**3,627.22**	**(57.36)**	**37.50**	**102.21**	**37.50**	**(37.50)**	**3,709.57**	**417.69**
Transactions with owners in their capacity as owners:												
Dividends												
-Final dividend (₹ 1.10/- per share)					(750.92)						(750.92)	-
Transfer to general reserve		1,000.00	-		(1,000.00)						-	-
On acquisition of Kinam Engineering Industries Private Limited			7,035.75		(295.30)						6,740.45	6,879.97
Upon merger of a Subsidiary			-	641.02	(286.01)						355.01	(378.80)
(Withdrawal)/Contribution during the year in Thaletec LLP (formerly known as Thaletec / H L Equipments)												(9.29)
Balance at the end of the reporting year ending March 31, 2024	**9,892.75**	**8,540.05**	**7,037.27**	**641.02**	**12,785.99**	**253.07**	**150.00**	**774.23**	**1,246.53**	**37.52**	**41,358.43**	**6,922.83**
Transfer to capital redemption reserve					(37.52)		37.52				-	
Other adjustment					-				37.52	(37.52)	-	
Profit for the current reporting year ending Mar 31, 2025					5,485.23						5,485.23	691.51
Other comprehensive income (Net of tax)						(47.96)		372.06			324.10	(5.24)
Total comprehensive Income for the reporting year	**-**	**-**	**-**	**-**	**5,447.71**	**(47.96)**	**37.52**	**372.06**	**37.52**	**(37.52)**	**5,809.33**	**686.27**
Transactions with owners in their capacity as owners:												
Dividends												
-Final dividend (₹ 1.10/- per share)					(750.92)						(750.92)	-
Transfer to general reserve		750.00	-		(750.00)						-	-
(Withdrawal)/Contribution during the year in Thaletec LLP (formerly known as Thaletec / H L Equipments)											-	13.44
Balance at the end of the reporting year ending March 31, 2025	**9,892.75**	**9,290.05**	**7,037.27**	**641.02**	**16,732.78**	**205.11**	**187.52**	**1,146.29**	**1,284.05**	**-**	**46,416.84**	**7,622.54**
Other adjustment					1,284.05				(1,284.05)			
Profit for the current reporting year ending Mar 31, 2026					4,942.41						4,942.41	714.16
Other comprehensive income (Net of tax)						31.54		1,363.32			1,394.86	(6.63)
Total comprehensive Income for the reporting year	**-**	**-**	**-**	**-**	**6,226.46**	**31.54**	**-**	**1,363.32**	**(1,284.05)**	**-**	**6,337.27**	**707.53**
Transactions with owners in their capacity as owners:												
Dividends											-	
-Final dividend (₹ 1.10/- per share)					(750.92)						(750.92)	-
Transfer to general reserve		750.00			(750.00)						-	-
(Withdrawal)/Contribution during the year in Thaletec LLP (formerly known as Thaletec / H L Equipments)											-	102.50
Balance at the end of the reporting year ending March 31, 2026	**9,892.75**	**10,040.05**	**7,037.27**	**641.02**	**21,458.32**	**236.65**	**187.52**	**2,509.61**	**-**	**-**	**52,003.19**	**8,432.57**

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Aalap Patel
Director
DIN - 06858672

Naveen Kandpal
Chief Financial Officer
ACA 406038

STATEMENT OF CONSOLIDATED AUDITED CASH FLOW

For the year ended March 31, 2026

₹ in Lakhs

	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	NET PROFIT BEFORE TAX	**7,094.72**	**7,506.74**
	Adjustment for :		
	Depreciation	3,645.36	2,967.28
	Finance cost	3,444.73	3,619.34
	Foreign currency unrealised profit / (loss) (Net)	(16.78)	47.57
	Expected credit loss provision - Trade receivables	256.46	81.84
	Expected credit loss provision - Advances	50.00	10.60
	Interest income	(151.29)	(144.44)
	Deferred income	(3.82)	(41.87)
	Bad debts written off	-	42.17
	Effect of exchange rate change	1,435.63	233.74
	Impairment of property, plant and equipment	50.87	35.25
	Loss/(Gain) on sale & disposal of property, plant and equipment	(0.42)	0.35
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**15,805.46**	**14,358.57**
	Trade receivables	(12,977.86)	4,543.56
	Other current assets	747.93	(1,507.65)
	Other financial assets	1,332.91	(1,745.22)
	Loans and advances	0.68	(15.65)
	Inventories	4,584.28	(5,735.04)
	Trade payable	7,293.81	330.80
	Provisions	127.42	191.38
	Other financial liabilities	581.36	170.61
	Other liabilities	266.74	4,357.35
	CASH GENERATED FROM OPERATIONS	**17,762.73**	**14,948.71**
	Direct taxes paid (net of refunds)	(1,640.35)	**(1,512.58)**
	NET CASH FROM OPERATING ACTIVITIES	**16,122.38**	**13,436.13**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of PPE including capital work in progress and capital advance	(5,565.97)	(6,638.62)
	Proceeds from sale of property, plant and equipment	292.63	5.12
	Business acquisition	(2,997.68)	-
	Fixed deposits matured / (placed)	(670.09)	(371.13)
	Interest income	350.55	166.54
	NET CASH USED IN INVESTING ACTIVITIES	**(8,590.56)**	**(6,838.09)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from working capital facilities (Net)	424.82	1,335.04
	Proceeds from long-term borrowings	3,555.64	4,258.50
	Repayments of term loans	(6,026.08)	(6,201.82)
	Repayments of unsecured loans	(1,588.65)	-
	Redemption of preference share	-	(747.74)
	Payment of Lease Liability	(885.92)	(698.20)
	Net movement in capital accounts	50.03	32.70
	Interest paid	(3,370.78)	(3,184.72)
	Dividend paid	(750.92)	(774.67)
	Contribution of capital by Non controlling interest	102.50	13.44
	NET CASH FROM FINANCING ACTIVITIES	**(8,489.36)**	**(5,967.47)**
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(957.54)**	**630.57**
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	**3,959.13**	**3,328.58**
	CASH AND CASH EQUIVALENTS OF SUBSIDIARY ON DATE OF ACQUISITION	**434.31**	**-**
	UNREALISED GAIN/(LOSS) ON FOREIGN CURRENCY CASH AND CASH EQUIVALENTS	**0.03**	**(0.02)**
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**3,435.93**	**3,959.13**

STATEMENT OF CONSOLIDATED AUDITED CASH FLOW

For the year ended March 31, 2026

Footnotes to Cash Flow Statement:

1. The above cash flow statement has been prepared under the indirect method.
2. Reconciliation of borrowings and lease liabilities.

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance		
Long term borrowing	10,790.01	14,555.04
Current borrowing	18,218.48	16,787.58
Current maturities of long term borrowing	5,833.36	4,766.78
Lease liabilities	3,076.70	2,715.10
Total (A)	**37,918.55**	**38,824.50**
(a) Cash flow movements		
Cash (outflow)/inflow in/from non-current borrowings	(713.28)	(3,745.49)
Cash (outflow)/inflow in/from current borrowings	(2,791.53)	2,497.48
Lease liabilities	(885.92)	(698.20)
(b) Non-cash flow movements		
Effect of amortization of loan origination costs	(11.86)	(19.54)
Lease Liabilities	1,244.49	1,059.80
Total (B)	**(3,158.10)**	**(905.95)**
Closing balance (A + B)	**34,760.45**	**37,918.55**
Closing Balance break up		
Long term borrowing	10,064.87	10,790.01
Current borrowing	17,106.27	18,218.48
Current maturities of long term borrowing	4,154.04	5,833.36
Lease Liabilities	3,435.27	3,076.70

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Aalap Patel
Director
DIN - 06858672

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Naveen Kandpal
Chief Financial Officer
ACA 406038

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

A) Corporate Information

The consolidated financial statements comprise financial statements of HLE Glascoat Limited (the 'Holding Company') and its subsidiaries (collectively the "Group") for the year ended March 31, 2026. The Holding Company was incorporated on August 26, 1991 and is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India: the Bombay Stock Exchange ('BSE') and the National Stock Exchange ('NSE'). The registered office of the Company is located at H – 106, G.I.D.C. Estate, Vitthal Udyognagar – 388121, District Anand, Gujarat.

The Group is engaged, inter alia, in the following businesses:

(i) Glass Lined Equipment - Manufacturing of Carbon Steel Glass Lined Equipment viz. reactors, receivers, storage tanks, columns, agitators, valves, pipes and fittings and other similar equipment and related spares and accessories.

(ii) Filtration, Drying and other Equipment – Manufacturing of Agitated Filters and Dryers, Rotary Vacuum Paddle Dryers, other Chemical Process Equipment and related spares and accessories.

(iii) Heat Transfer Equipment & other Equipment – Manufacturing of Heat Transfer Equipment, Shell & Tube Heat Exchangers (STHE), Corrugated Tube Heat Exchangers (CTHE), Spiral Heat Exchangers (SPHE), Plate Heat Exchangers (PHE), & Box Type Heat Exchangers.

Note 1 – Basis of Consolidation and Material Accounting Policies under IND AS

B) Principles of consolidation

The material accounting policies applied in the preparation of these consolidated financial statements are set out in Para C below. These policies have been consistently applied to all the years presented.

i. Statement of Compliance

The Consolidated financial statements have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

ii. Basis of Consolidation

The Group has invested in the following subsidiaries and the Company's respective ownership interest as at March 31, 2026 is as follows:

Name	Country of incorporation	Proportion of ownership interest	Type of subsidiary	Accounting Period covered for consolidation
Thaletec GmbH	Germany	100.00%	Subsidiary	April 1, 2025 – March 31, 2026
Thaletec Inc., USA	USA	100.00%	Step-down subsidiary	April 1, 2025 – March 31, 2026
HLE Surface Technologies GmbH	Germany	100.00%	Step-down subsidiary	July 28, 2025 – March 31, 2026
OmeraStore GmbH	Germany	100.00%	Step-down subsidiary	August 13, 2025 – March 31, 2026
HLE International S.à.r.l.	Luxembourg	100.00%	Subsidiary	March 3, 2026 – March 31, 2026
Kinam Engineering Industries Private Limited	India	35.56%	Subsidiary	April 1, 2025 – March 31, 2026
Kinam Process Equipments Private Limited	India	100.00%	Subsidiary	April 1, 2025 – March 31, 2026
Thaletec LLP (formerly known as Thaletec / H L Equipments)	India	99.00%	Subsidiary	April 1, 2025 – March 31, 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

The Consolidated Financial Statements comprise the Financial Statements of the Holding Company and its Subsidiaries as at March 31, 2026. Control is achieved when the Holding Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments, if material, are made to that group's Financial Statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Holding Company, i.e., year ended on March 31.

Consolidation procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its Subsidiaries.

b) Offset (eliminate) the carrying amount of the Holding Company's investment in each Subsidiary and the Holding Company's portion of equity of each Subsidiary.

c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, Plant and Equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

iii. Basis of preparation and presentation

The financial statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant IND AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

a) Certain financial assets/liabilities measured at fair value (refer Note 31A) and

b) Any other item as specifically stated in the accounting policy.

The Financial Statement is presented in Indian Rupee ("INR") and all values are rounded off to Rupees Lakhs unless otherwise stated.

The Group reclassifies comparative amounts, unless impracticable and whenever the Group changes the presentation or classification of items in its financial statements materially. No such material reclassification has been made during the year.

The Consolidated financial statements of the Group for the year ended March 31, 2026 were approved for issue in accordance with a resolution of the directors on May 18, 2026.

iv. Major Sources of Estimation Uncertainty

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment:

Useful life of Property, Plant and Equipment are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support. The Group reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods.

Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the Group is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Group is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of Financial Assets:

The Group impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

Defined Benefit Plans:

The cost of the defined benefit plan and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer Note 32(e))

Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

Income taxes:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Group will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Leases:

IND AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

Allowance for credit losses on receivables:

The Group determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Group considered current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates. In calculating expected credit loss, the Group has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

C) Summary of Material Accounting Policies:

Ind AS 1 was amended vide notification no G.S.R.242(E) dated March 31, 2023 to require disclosure of Material Accounting Policy information from accounting periods beginning on or after 1 April 2023 instead of significant accounting policy disclosure by amending paragraph 117, inserting paragraphs 117A to 117E and deleting paragraphs 118 to 121. Paragraph 117 of Ind AS 1 states when an information on accounting policy is considered as 'Material Accounting Policy information' as follows:

Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Each of the policy disclosed herein below has been tested to determine whether the information disclosed is Material Accounting Policy information.

1) Property, Plant and Equipment (PPE)

The Group has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognized as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost of the PPE.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not amortised.

Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Profit or Loss aggregated with other income or other expense line item on net basis, respectively.

The depreciable amount of an asset is determined after deducting its residual value

Depreciation on the property, plant and equipment, is calculated using the straight-line method over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

II to the Companies Act, 2013. Given below are the estimated useful lives for each class of property, plant and equipment:

Description of the Asset	Estimated Useful life
Tangible:	
Factory buildings (includes Investment Property)	10 to 30 Years
Plant and Equipment	3 to 25 Years
Furniture and Fixtures	10 Years
Computers and Computer Servers	3 to 6 Years
Office Equipment	1 to 10 Years
Other Assets, viz., Electrical Fittings and Air conditioners	5 to 10 Years
Windmills	22 Years
Vehicles	8 to 10 Years
Right of use assets:	
leasehold Land	Primary period of lease (10 and 99 years)
Building	Primary period of lease (3 to 10 Years)
Operating and Office Equipment's	Primary period of lease (3 to 10 Years)
Goodwill	To be tested for impairment
Intangible:	
Software	3-5 Years
Technical know-how	10 Years & Indefinite (To be tested for impairment)
Brand Value	Indefinite (To be tested for impairment)
Customer network & relationship	Indefinite (To be tested for impairment)

2) Intangible Assets:

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

Software (not being an integral part of the related hardware) and certain technical Know-how for internal use are treated as intangible assets with finite life. Technical know-how, brand value and customer network & relationship are treated as intangible assets with indefinite life.

Any gain or loss arising from derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis.

Intangible Assets are classified based on finite and indefinite useful life. The intangible assets with finite life are amortized over 3 to 10 years on straight-line method over the estimated useful economic life of the assets. The intangible assets with indefinite life are not amortized but are subject to impairment testing annually.

3) Investment Property:

Investment properties are land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are initially recognized at cost including transaction costs. Subsequently investment properties comprising building are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation on factory buildings is provided over the estimated useful lives as specified in note C.1 above.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Consolidated Statement of Profit and Loss in the period of de-recognition.

4) Inventories:

Inventories consisting of stores and spares, raw materials, Work in progress and finished goods are measured at lower of cost and net realizable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Cost of raw material, components and stores and spares is determined on a first in first out basis for Glass Lined Equipment division & Heat Transfer Equipment and on a weighted average method for Filtration, drying & other Equipment and its foreign subsidiaries.

5) **Leases:**

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land, buildings and operating & office equipment. The Group assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve 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.

The lease term includes extension or termination options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, and subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset

The lease liability is initially measured 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. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

The Group as a lessor

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

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

6) **Government Grants:**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Where the grant relates to an asset under the EPCG Scheme, it is presented as a deferred income aggregated under other liabilities in Balance Sheet and presented under other income in profit and loss on systematic and rational basis associated with fulfilment of export obligations.

7) **Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed based on judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Provisions for warranty-related costs are recognized when the product is sold to the customer. Initial recognition is based on scientific basis as per past trends of such claims. The initial estimate of warranty-related costs is revised annually.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

8) Foreign Currency Translation:

The financial statements of the Group are presented in INR.

(i) Foreign Currency transactions and balances:

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities, denominated in a foreign currency, are translated at the exchange rate prevailing on the Consolidated Balance Sheet date and the resultant exchange gains or losses are recognized in the Consolidated Statement of Profit and Loss. Non-monetary items, which are carried in terms of historical cost, denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Foreign exchange differences regarded as an adjustment to the borrowing cost are presented in the Consolidated Statement of Profit and Loss within finance cost. Exchange differences arising from the translation of equity investments at Fair value through other comprehensive income ('FVTOCI') are recognized in OCI. All other foreign exchange gains and losses are presented on a net basis within other income or other expense.

(ii) Foreign Operations:

Assets and liabilities of entities with functional currencies other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the Consolidated Balance Sheet date. The Statement of Profit and Loss has been translated using the average exchange rates. The net impact of such translation are recognized in OCI and held in foreign currency translation reserve ('FCTR'), a component of Equity. On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control, over a subsidiary that includes a foreign operation), the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to the Consolidated Statement of Profit and Loss as part of the gain or loss on disposal.

In case of a partial disposal of interests in a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interest and are not recognized in the Consolidated Statement of Profit and Loss.

9) Cash Flows and Cash and Cash Equivalents:

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. However, Bank overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

10) Revenue Recognition:

The Group derives revenues primarily from sale of goods comprising of (i) Glass Lined Equipment- Manufacturing of Carbon Steel Glass Lined Equipment viz. reactors, receivers, storage tanks, columns, agitators, valves, pipes and fittings and other similar equipment and related spares and accessories, (ii) Filtration, Drying and Other Equipment - Manufacturing of Agitated Filters and Dryers, Rotary Vacuum Paddle Dryers, other Chemical Process Equipment and related spares and accessories, and (iii) Heat Transfer Equipment.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of delayed delivery of goods, product discount and schemes offered by the group as part of the contract with the customers. The Group recognises changes in the estimated amounts of obligations for product discount in the period in which the change occurs. Revenue also excludes taxes collected from customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when payment is being made.

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

The foreign subsidiary primarily generates revenues from customer-specific construction contracts. Such contracts are entered into before construction of the equipment begins. Under the terms of the contracts, the subsidiary has an enforceable right to payment for work done. The constructed equipment does not have any alternative use for the subsidiary and is accordingly recognized over time on a cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs (Percentage of Completion).

Revenue from sale of services is recognized when the activity is performed.

The foreign subsidiary derives its revenue also to a lesser extent from services and goods transferred at a point of time (e.g, sale of spare parts). Revenue relating to services and goods transferred at a point of time is recognized at the point of time at which it has satisfied its performance obligation and has a present right to payment for the services.

Revenue in excess of invoicing are classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Use of significant judgements in revenue recognition.

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as delayed delivery of goods/ product discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. Some contracts for the sale of goods provide customers with a right of return.

- Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of product discounts and schemes offered by the Group as part of the contract with the customers. The Group recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs.

11) Employee Benefits:

a) Short-term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

b) Long-Term Employee Benefits:

The cost of providing long-term employee benefit such as earned leave is measured as the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period. The expected cost of the benefit is accrued over the period of employment using the same methodology as used for defined benefits post-employment plans. Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are charged or credited to the Consolidated Statement of Profit and Loss in which they arise except those included in cost of

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assets as permitted. The benefit is valued annually by independent actuary.

c) Post-Employment Benefits:

The Group provides the following post-employment benefits:

i) Defined benefit plans i.e. gratuity, partial retirement, pension and others benefits;

ii) Defined contributions plan i.e. provident fund.

d) Defined benefits Plans:

The cost of providing benefits under defined benefits plans are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date.

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest as defined above) are recognized in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Consolidated Statement of Profit and Loss in subsequent periods.

Defined Contribution Plans

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered the service entitling them to the contribution.

12) Taxes on Income:

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the profit or loss section of the Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

a) Current Tax:

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Tax on Income for the current year is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

b) Deferred Tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all tax-deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which these deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilized.

The deferred tax assets (net) and deferred tax liabilities (net) are determined separately for the parent and for each subsidiary in the Group, as per their applicable Laws and the aggregated.

13) Earnings per Share:

Basic earnings per share are calculated by dividing the total profit attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Basic earnings per share are calculated separately for both continuing and discontinued operations.

14) Financial Instruments:

a) Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual rights to receive cash or another financial asset or to exchange financial asset or financial liability under conditions that are potentially favorable to the Group.

Financial assets of the Group comprise trade receivable, cash and cash equivalents, Bank balances, loans/advances to employees/others, security deposits etc.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

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

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

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

Financial assets at fair value through OCI (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes are recognized in the other comprehensive income (OCI). On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognized in OCI is reclassified to Profit or Loss.

Financial assets at fair value through profit or loss (FVTPL)

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss.

Derecognition

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of financial assets

The Group assesses impairment based on expected credit loss (ECL) model on the following:

- Financial assets that are measured at amortized cost.
- Financial assets (excluding equity instruments) measured at fair value through other comprehensive income (FVTOCI).

  ECL is measured through a loss allowance on a following basis after considering the value of recoverable security:

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Group follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Group assesses the credit risk characteristics on instrument-by-instrument basis.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in profit or loss.

b) Financial Liabilities

The Group's financial liabilities include loans and borrowings including trade payable, accrued expenses and other payables.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. 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.

Financial Liabilities classified as Amortised Cost:

All Financial Liabilities other than derivatives are measured at amortised cost at the end of subsequent accounting periods. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

Derecognition

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

15) Segment Reporting:

The Group identifies segments as operating segments whose operating results are regularly reviewed by the Management to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment assets include all operating assets used by the business segments and consist of property plant and equipment, intangible assets, debtors and inventories. Segment liabilities include the operating liabilities that result from the operating activities of the business segment. Assets and Liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities, respectively. Income/ Expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segments are reflected as unallocated corporate income/expenses.

16) 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. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

The Ministry of corporate Affairs ("MCA") notified amendments on May 7, 2025 and August 13, 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after April 1, 2025.

(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for 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 supplier finance arrangements during the financial year have been suitably disclosed.

(b) Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

i) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

ii) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

iii) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. The Company do not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms

The Company is within the scope of the OECD Pillar Two Model Rules. Based on the current assessment, no material exposure to Pillar-Two Top-up taxes is envisaged.

This assessment is based on currently available information and interpretations of the Pillar Two Rules which are evolving. The Company continues to monitor development in tax legislations and guidance across relevant jurisdictions and the actual impact, if any, may differ in future periods.

(d) Amendment to Ind AS 21-Lack of exchangeability

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

As at March 31, 2025

Note 2 (a): Property, plant and equipment

₹ in Lakhs

Particulars	Freehold Land	Buildings	Plant and equipment	Windmill	Tools and Equipments	Electric Installation and Equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
GROSS BLOCK											
Opening balance as at April 1, 2023	**5,681.86**	**14,534.32**	**10,886.41**	**536.91**	**716.32**	**679.25**	**328.65**	**605.08**	**3,068.73**	**312.73**	**37,350.26**
Additions	476.20	370.81	1,080.96	-	-	247.89	17.71	55.29	396.35	49.14	**2,694.35**
Additions on Acquisition	-	251.00	705.12	-	-	-	205.54	163.57	24.66	103.00	**1,452.89**
Disposals /adjustment	-	-	(56.14)	-	-	-	-	-	(140.64)	(0.77)	**(197.55)**
Exchange fluctuations	2.62	44.66	16.85	-	-	-	-	-	20.70	-	**84.83**
Opening balance as at April 1, 2024	**6,160.68**	**15,200.79**	**12,633.20**	**536.91**	**716.32**	**927.14**	**551.90**	**823.94**	**3,369.80**	**464.10**	**41,384.78**
Additions	435.76	2,960.87	2,408.81	-	65.43	151.87	303.07	92.21	690.75	77.73	**7,186.50**
Transfer to Investment Property	-	(251.00)	-	-	-	-	-	-	-	-	**(251.00)**
Disposals /adjustment	-	(9.49)	(20.13)	-	-	-	-	(18.83)	(35.86)	-	**(84.31)**
Exchange fluctuations	9.05	154.21	57.72	-	-	-	-	-	69.88	-	**290.86**
Closing balance as at March 31, 2025	**6,605.49**	**18,055.38**	**15,079.60**	**536.91**	**781.75**	**1,079.01**	**854.97**	**897.32**	**4,094.57**	**541.83**	**48,526.83**
Additions	497.34	589.44	2,364.86	-	43.92	203.44	44.41	73.83	822.03	100.46	**4,739.73**
Additions from asset deal	167.17	737.59	638.12	-	-	-	-	-	123.60	-	**1,666.48**
Transferred from investment property	-	153.17	-	-	-	-	-	-	-	-	**153.17**
Disposals /adjustment	-	-	(503.17)	-	-	-	(10.30)	(22.86)	(158.49)	-	**(694.82)**
Exchange fluctuations	(10.63)	(381.28)	431.16	-	-	-	-	-	662.75	-	**702.00**
Closing balance as at March 31, 2026	**7,259.37**	**19,154.30**	**18,010.57**	**536.91**	**825.67**	**1,282.45**	**889.08**	**948.29**	**5,544.46**	**642.29**	**55,093.39**
ACCUMULATED DEPRECIATION											
Opening balance as at April 1, 2023	**-**	**1,173.60**	**3,011.14**	**303.40**	**237.59**	**237.70**	**117.70**	**253.90**	**1,952.80**	**160.34**	**7,448.17**
Depreciation for the year	-	547.45	736.79	14.26	43.96	147.38	36.98	70.58	455.09	72.65	**2,125.14**
Additions on Acquisition	-	-	91.11	-	-	-	38.67	66.84	12.80	59.10	**268.52**
Impairment	-	-	195.20	-	-	9.09	0.08	-	0.22	0.06	**204.65**
Disposals /adjustment	-	-	(19.95)	-	-	-	-	-	(138.60)	(0.73)	**(159.28)**
Exchange fluctuations	-	0.31	13.98	-	-	-	-	-	16.07	-	**30.36**
Opening balance as at April 1, 2024	**-**	**1,721.36**	**4,028.27**	**317.66**	**281.55**	**394.17**	**193.43**	**391.32**	**2,298.38**	**291.42**	**9,917.56**
Depreciation for the year	-	570.20	830.60	14.17	43.52	160.22	55.19	82.61	409.27	85.52	**2,251.30**
Transfer to Investment Property	-	(3.96)	-	-	-	-	-	-	-	-	**(3.96)**
Impairment	-	35.25	-	-	-	-	-	-	-	-	**35.25**
Disposals /adjustment	-	(0.21)	(17.14)	-	-	-	-	(17.30)	(35.72)	-	**(70.37)**
Exchange fluctuations	-	1.35	40.81	-	-	-	-	-	53.37	-	**95.53**
Closing balance as at March 31, 2025	**-**	**2,323.99**	**4,882.54**	**331.83**	**325.07**	**554.39**	**248.62**	**456.63**	**2,725.30**	**376.94**	**12,225.31**
Depreciation for the year	-	664.63	1,130.04	14.19	48.86	174.16	77.85	90.93	482.54	83.89	**2,767.09**
Additions from asset deal	-	-	-	-	-	-	-	-	3.92		**3.92**
Transferred from investment property	-	30.56	-	-	-	-	-	-	-	-	**30.56**
Assets held for sale	-	-	-	25.92	-	-	-	-	-	-	**25.92**
Impairment	-	-	-	-	-	-	-	-	50.87	-	**50.87**
Disposals /adjustment	-	-	(231.12)	-	-	-	(3.12)	(16.84)	(156.89)	-	**(407.97)**
Exchange fluctuations	-	14.31	334.40	-	-	-	-	-	488.77	-	**837.48**
Closing balance as at March 31, 2026	**-**	**3,033.49**	**6,115.86**	**371.94**	**373.93**	**728.55**	**323.35**	**530.72**	**3,594.51**	**460.83**	**15,533.18**
NET BLOCK											
Carrying value as at April 1, 2024	**6,160.68**	**13,479.43**	**8,604.93**	**219.25**	**434.77**	**532.97**	**358.47**	**432.62**	**1,071.42**	**172.68**	**31,467.22**
Carrying value as at March 31, 2025	**6,605.49**	**15,731.39**	**10,197.06**	**205.08**	**456.68**	**524.62**	**606.35**	**440.69**	**1,369.27**	**164.89**	**36,301.52**
Carrying value as at March 31, 2026	**7,259.37**	**16,120.81**	**11,894.71**	**164.97**	**451.74**	**553.90**	**565.73**	**417.57**	**1,949.95**	**181.46**	**39,560.21**

Footnotes:

(i) The title deeds of freehold land are held in the name of the company. Title Deeds in respect of buildings on immovable property which are constructed on company's freehold/ leasehold land is based on documents constituting evidence of legal ownership.

(ii) The amount of borrowing cost capitalised during the year ended March 31, 2026: ₹ Nil (Previous year March 31, 2025 ₹ 88.31 lakhs & March 31, 2024 ₹ 44.54 lakhs).

(iii) Windmills which has stopped generating income is transferred to "Non-current assets held for sale".

(iv) Impairment is related to a building which is planned to demolish.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Note 2 (b): Right of use asset

₹ in Lakhs

Particulars	Land	Buildings	Property, Plant and Equipment	Total
GROSS BLOCK				
Opening balance as at April 1, 2023	**912.42**	**424.00**	**594.35**	**1,930.77**
Additions / adjustments	-	-	234.59	234.59
Additions on Acquisition	-	1,920.99	-	1,920.99
Disposals / adjustments	-	-	(94.94)	(94.94)
Exchange fluctuations	-	2.89	4.99	7.88
Opening balance as at April 1, 2024	**912.42**	**2,347.88**	**738.99**	**3,999.29**
Additions / adjustments	-	352.74	338.77	691.51
Disposals / adjustments	(153.75)	69.84	(296.95)	(380.86)
Exchange fluctuations	-	9.97	16.29	26.26
Closing balance as at March 31, 2025	**758.67**	**2,780.43**	**797.10**	**4,336.20**
Additions / adjustments	-	490.41	545.75	1,036.16
Disposals / adjustments	-	(244.56)	(231.80)	(476.36)
Exchange fluctuations		80.27	144.03	224.30
Closing balance as at March 31, 2026	**758.67**	**3,106.55**	**1,255.08**	**5,120.30**
ACCUMULATED AMORTISATION				-
Opening balance as at April 1, 2023	**143.72**	**91.05**	**289.85**	**524.62**
Amortisation for the year	64.48	149.39	179.19	393.06
Additions on Acquisition	-	162.11	-	162.11
Disposals / adjustments	-	-	(93.45)	(93.45)
Exchange fluctuations	-	0.91	3.72	4.63
Opening balance as at April 1, 2024	**208.20**	**403.46**	**379.31**	**990.97**
Amortisation for the year	64.29	318.48	211.96	594.73
Disposals / adjustments	(153.75)	-	(287.92)	(441.67)
Exchange fluctuations	-	3.82	11.60	15.42
Closing balance as at March 31, 2025	**118.74**	**725.76**	**314.95**	**1,159.45**
Amortisation for the year	33.63	399.09	311.08	743.80
Disposals / adjustments	-	(76.24)	(195.63)	(271.87)
Exchange fluctuations		36.97	82.33	119.30
Closing balance as at March 31, 2026	**152.37**	**1,085.58**	**512.73**	**1,750.68**
NET BLOCK				
Carrying value as at April 1, 2024	**704.22**	**1,944.42**	**359.68**	**3,008.32**
Carrying value as at March 31, 2025	**639.93**	**2,054.67**	**482.15**	**3,176.75**
Carrying value as at March 31, 2026	**606.30**	**2,020.97**	**742.35**	**3,369.62**

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As at March 31, 2026

Note 2 (c): Capital work-in-progress

₹ in Lakhs

Particulars	Total
Carrying value as at April 1, 2023	**290.53**
Additions	3,249.04
Capitalisations	(1,597.18)
Exchange fluctuations	0.67
Carrying value as at April 1, 2024	**1,943.06**
Additions	4,370.40
Capitalisations	(5,821.51)
Exchange fluctuations	8.33
Carrying value as at March 31, 2025	**500.28**
Additions	2,884.73
Capitalisations	(3,013.04)
Exchange fluctuations	2.50
Carrying value as at March 31, 2026	**374.47**

Capital work-in-Progress ageing schedule

₹ in Lakhs

Capital work-in-progress	Amount in Capital Work-in-Progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026					
Projects in progress	374.47	-	-	-	374.47
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2025					
Projects in progress	500.28	-	-	-	500.28
Projects temporarily suspended	-	-	-	-	-
As at April 1, 2024					
Projects in progress	1,825.25	117.81	-	-	1,943.06
Projects temporarily suspended	-	-	-	-	-

Footnotes:

(i) There were no material projects which have exceeded their original planned cost and timelines.

Note 2 (d): Investment property

₹ in Lakhs

Particulars	Buildings
GROSS BLOCK	
Opening balance as at April 1, 2023	**153.17**
Additions	-
Disposals	-
Opening balance as at April 1, 2024	**153.17**
Additions	251.00
Disposals	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Buildings
Closing balance as at March 31, 2025	**404.17**
Additions	-
Disposals	-
Transfer to PPE	(153.17)
Closing balance as at March 31, 2026	**251.00**
ACCUMULATED DEPRECIATION	
Opening balance as at April 1, 2023	**16.00**
Depreciation for the year	4.86
Disposals	-
Opening balance as at April 1, 2024	**20.86**
Depreciation for the year	10.79
Adjustment	3.96
Disposals	-
Closing balance as at March 31, 2025	**35.61**
Depreciation for the year	12.80
Disposals	-
Transfer to PPE	(30.56)
Closing balance as at March 31, 2026	**17.85**
NET BLOCK	
Carrying value as at April 1, 2024	**132.31**
Carrying value as at March 31, 2025	**368.56**
Carrying value as at March 31, 2026	**233.15**

Footnotes:

(i) The amount of rental income from the investment property during the year ended March 31, 2026: ₹ 15.38 lakhs (Previous Year ₹ 18.72 lakhs)

(ii) The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements. There is no restrictions on the realisability of investment properties or the remittance of income and proceeds of disposal on the Company.

(iii) The fair value of investment property has been determined by external independent registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

(iv) The fair value measurement for all the investments properties has been categorised as Level 2 based on the inputs to the valuation technique used. Considering the type of the assets, “Market approach” to estimate the fair value of the subject properties is adopted.

(v) The fair value of investment property as at March 31, 2026: ₹ Nil (Previous year ₹ 142.00 lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Note 2 (e) : Goodwill on consolidation

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Opening carrying value	4,035.89	4,034.69	51.30
Addition on acquisition	-	-	3,983.04
Exchange fluctuations	0.58	1.20	0.35
Closing carrying value	**4,036.47**	**4,035.89**	**4,034.69**

Note 2 (f) : Other intangible assets

₹ in Lakhs

Particulars	Computer Software	Brand value	Customer Network and relationship	Technical Know - how	Total
GROSS BLOCK					
Opening balance as at April 1, 2023	**386.50**	**-**	**-**	**586.25**	**972.75**
Additions	28.38	-	-	-	28.38
Additions on Acquisition		1,197.00	5,656.00	8,372.00	15,225.00
Disposals		-	-	-	-
Exchange Fluctuations	2.12	-	-	-	2.12
Opening balance as at April 1, 2024	**417.00**	**1,197.00**	**5,656.00**	**8,958.25**	**16,228.25**
Additions	64.17	-	-	-	64.17
Disposals		-	-	-	-
Exchange Fluctuations	5.19	-	-	-	5.19
Closing balance as at March 31, 2025	**486.36**	**1,197.00**	**5,656.00**	**8,958.25**	**16,297.61**
Additions	130.61	-	-	-	130.61
Additions from asset deal	100.00	-	-	22.70	122.70
Disposals	-	-	-	-	-
Exchange Fluctuations	48.72	-	-	-	48.72
Closing balance as at March 31, 2026	**765.69**	**1,197.00**	**5,656.00**	**8,980.95**	**16,599.64**
ACCUMULATED AMORTISATION					
Opening balance as at April 1, 2023	**287.35**	**-**	**-**	**358.88**	**646.23**
Amortisation for the year	51.10	-	-	56.90	108.00
Disposals	-	-	-	-	-
Exchange Fluctuations	1.99	-	-	-	1.99
Opening balance as at April 1, 2024	**340.44**	**-**	**-**	**415.78**	**756.22**
Amortisation for the year	53.72	-		56.74	110.46
Disposals	-	-	-	-	-
Exchange Fluctuations	4.82	-	-	-	4.82
Closing balance as at March 31, 2025	**398.98**	**-**	**-**	**472.52**	**871.50**
Amortisation for the year	64.58			57.09	121.67
Additions from asset deal	-	-	-	11.57	11.57
Disposals	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Computer Software	Brand value	Customer Network and relationship	Technical Know - how	Total
Exchange Fluctuations	46.74	-	-	0.01	46.75
Closing balance as at March 31, 2026	**510.30**	**-**	**-**	**541.19**	**1,051.49**
NET BLOCK					
Carrying value as at April 1, 2024	**76.56**	**1,197.00**	**5,656.00**	**8,542.47**	**15,472.03**
Carrying value as at March 31, 2025	**87.38**	**1,197.00**	**5,656.00**	**8,485.73**	**15,426.11**
Carrying value as at March 31, 2026	**255.39**	**1,197.00**	**5,656.00**	**8,439.76**	**15,548.15**

Note 3
Other financial assets (Secured, considered good)

₹ in Lakhs

Particulars	Non-Current			Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
At amortised cost						
Security deposits	620.29	578.01	216.90	45.32	9.06	2.98
Bank deposits with more than 12 months maturity (under lien)	100.31	1,807.32	283.27	-	-	-
Others:						
Interest accrued on loans and deposits	-	-	-	11.17	16.01	39.09
Income receivable	-	-	-	-	26.08	87.52
Balance with Government authorities	-	-	-	509.40	361.24	111.20
Export benefit receivable (Duty drawback)	-	-	-	4.06	13.56	2.52
Others	50.45			5.41	-	-
At fair value through profit or loss (FVTPL)						
Derivative Asset	-	-	-	215.79	95.79	30.81
Total	**771.05**	**2,385.33**	**500.17**	**791.15**	**521.74**	**274.12**

Note 4
Deferred tax Assets - (Net)

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Deferred tax assets	1,914.22	1,015.63	11.01
Deferred tax liabilities	(528.17)	(480.63)	-
Total	**1,386.05**	**535.00**	**11.01**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	As at March 31, 2025	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2026
Deferred tax assets/(liabilities) in relation to:				
Depreciation and amortisation	(42.69)	(15.12)	-	(57.81)
Right-of-use assets	(437.94)	(32.42)	-	(470.36)
Lease liability	518.53	66.46		584.99
Provision for gratuity	11.88	6.24	-	18.12
Provision for Leave encashment	17.16	6.01	-	23.17
Unabsorbed depreciation	444.53	58.96	-	503.49
Allowance for doubtful debts and advances	4.24	6.38	-	10.62
Business loss	-	773.83	-	773.83
	515.71	**870.34**	**-**	**1,386.05**
Deferred tax assets/(liabilities) in relation to:		**Assets**	**Liabilities**	**Net**
Depreciation and amortisation		-	(57.81)	(57.81)
Right-of-use assets			(470.36)	(470.36)
Lease liability		584.99		584.99
Provision for gratuity		18.12	-	18.12
Provision for Leave encashment		23.17	-	23.17
Unabsorbed depreciation		503.49	-	503.49
Allowance for doubtful debts and advances		10.62	-	10.62
Business loss		773.83		773.83
		1,914.22	**(528.17)**	**1,386.05**

₹ in Lakhs

Particulars	As at April 1, 2024	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2025
Deferred tax assets/(liabilities) in relation to:				
Depreciation and amortisation	-	(42.69)	-	(42.69)
Right-of-use assets	-	(437.94)	-	(437.94)
Lease liability	-	518.53		518.53
Provision for gratuity	-	11.88	-	11.88
Provision for Leave encashment	-	17.16	-	17.16
Unabsorbed depreciation	-	444.53	-	444.53
Allowance for doubtful debts and advances	11.01	(6.77)	-	4.24
Business loss	-	19.29	-	19.29
	11.01	**523.99**	**-**	**535.00**
Deferred tax assets/(liabilities) in relation to:		**Assets**	**Liabilities**	**Net**
Depreciation and amortisation		-	(42.69)	(42.69)
Right-of-use assets			(437.94)	(437.94)
Lease liability		518.53		518.53

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	As at April 1, 2024	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2025
Provision for gratuity		11.88	-	11.88
Provision for Leave encashment		17.16	-	17.16
Unabsorbed depreciation		444.53	-	444.53
Allowance for doubtful debts and advances		4.24	-	4.24
Business loss		19.29	-	19.29
		1,015.63	**(480.63)**	**535.00**

₹ in Lakhs

Particulars	As at March 31, 2023	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at April 1, 2024
Deferred tax assets/(liabilities) in relation to:				
Allowance for doubtful debts and advances	-	11.01	-	11.01
Business loss	-	-	-	-
	-	**11.01**	**-**	**11.01**
Deferred tax assets/(liabilities) in relation to:		**Assets**	**Liabilities**	**Net**
Allowance for doubtful debts and advances		11.01	-	11.01
Business loss		-	-	-
		11.01	**-**	**11.01**

Note 5
Other assets (Unsecured, considered good unless otherwise stated)

₹ in Lakhs

Particulars	Non-Current			Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Capital advances	220.39	187.18	251.71	-	-	-
Advances to employees	-	-	-	35.69	17.90	47.45
Advances to suppliers	-	-	-	613.45	1,295.70	1,170.34
Considered doubtful	-	-	-	122.27	9.82	11.02
Less:-Provision for doubtful advances	-	-	-	(122.27)	(9.82)	(11.02)
Sub Total	**220.39**	**187.18**	**251.71**	**649.14**	**1,313.60**	**1,217.79**
Others						
Balance with Government authorities	-	-	-	456.73	1,469.90	107.20
Prepaid expenses	-	0.18	0.18	986.62	766.75	716.29
Others	-	-	-	270.59	113.89	160.66
Sub Total	**-**	**0.18**	**0.18**	**1,713.94**	**2,350.54**	**984.15**
Total	**220.39**	**187.36**	**251.89**	**2,363.08**	**3,664.14**	**2,201.94**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Note 6
Inventories (at lower of cost & net realizable value)

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Raw materials	16,696.31	16,645.06	16,097.51
Work-in-progress	16,236.60	17,584.19	12,857.64
Finished goods	1,681.49	1,795.16	1,379.75
Stores and spares	961.17	925.54	880.00
Total	**35,575.57**	**36,949.95**	**31,214.90**

Footnotes:

(i) Inventories includes goods in transit:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Raw materials	0.78	8.34	70.36
Finished goods	413.01	369.17	319.87

(ii) The cost of inventories recognised as an expense during the year:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Cost of inventories	67,400.78	47,745.58	46,750.86

(iii) The cost of inventories expensed during the year includes ₹ 790.22 Lakhs (Previous Year ₹ 547.48 Lakhs) in respect of write-down of inventories to net realisable value.

(iv) Inventories have been offered as security against the working capital facilities provided by the bank.

(v) During the year ended March 31, 2026, the Company changed the use of certain Plant & Machinery items from Property, Plant and Equipment to Inventory, as it is now intended for use in the ordinary course of business. Consequently, the carrying amount of ₹ 2.09 lakhs (Net Block) was transferred to the Inventory. This transfer did not have any impact on the statement of profit and loss.

Note 7
Trade receivables

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Trade receivables			
Unsecured, considered good [refer footnote (i & ii)]	26,988.51	18,490.26	23,718.02
Credit impaired [refer footnote (iii & iv)]	335.35	150.79	75.98
Less: Impairment provision on expected credit loss model	(335.35)	(150.79)	(75.98)
Total	**26,988.51**	**18,490.26**	**23,718.02**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Footnotes:

(i) The movement in change in allowance for expected credit loss and credit impairment

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance as at beginning of the year	150.79	75.98	63.67
Provision during the year	256.46	81.84	94.20
Reversal during the year	(71.90)	(7.03)	(81.89)
Balance as at the end of the year	**335.35**	**150.79**	**75.98**

(ii) of the above, trade receivable due from related party ₹ 304.71 lakhs (Previous Year ₹ 32.35 lakhs) (refer note no. 32 f).

(iii) The Group has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and future foreseeable credit loss and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

(iv) Trade receivables have been offered as security against working capital facilities provided by the bank (refer Note No. 14).

Trade receivables ageing schedule

₹ in Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3years	
As at March 31, 2026							
Undisputed – considered good	14,285.84	11,758.50	575.01	301.98	67.18	-	**26,988.51**
Undisputed – significant increase in credit risk	-	26.27	37.25	15.89	156.76	99.18	**335.35**
Less: Allowance for expected credit loss	-	26.27	37.25	15.89	156.76	99.18	**335.35**
Total	**14,285.84**	**11,758.50**	**575.01**	**301.98**	**67.18**	**-**	**26,988.51**
As at March 31, 2025							
Undisputed – considered good	9,924.77	7,381.68	510.29	654.31	19.21	-	**18,490.26**
Undisputed – significant increase in credit risk	-	6.08	2.57	34.44	79.69	28.01	**150.79**
Less: Allowance for expected credit loss	-	6.08	2.57	34.44	79.69	28.01	**150.79**
Total	**9,924.77**	**7,381.68**	**510.29**	**654.31**	**19.21**	**-**	**18,490.26**
As at April 1, 2024							
Undisputed – considered good	12,225.75	9,815.70	1,306.70	354.66	15.21	-	**23,718.02**
Undisputed – significant increase in credit risk	-	11.28	-	17.12	47.58	-	**75.98**
Less: Allowance for expected credit loss	-	11.28	-	17.12	47.58	-	**75.98**
Total	**12,225.75**	**9,815.70**	**1,306.70**	**354.66**	**15.21**	**-**	**23,718.02**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Note 8
Cash and cash equivalents (As per cash flow statement)

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balances with banks			
- In current accounts	3,428.66	2,740.52	2,980.35
- Term deposits with original maturity of less than three months	-	1,213.97	344.68
Cash on hand	7.27	4.64	3.55
Total	**3,435.93**	**3,959.13**	**3,328.58**

Note 9
Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Margin money deposits with bank (Under lien)	2,262.10	1,118.77	1,092.18
Unclaimed dividend account	151.74	137.80	126.15
Total	**2,413.84**	**1,256.57**	**1,218.33**

Note 10
Loans

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Loan to Wholly owned subsidiary (Refer Note 30(c))	-	-	-	-		
Loans to employees	-	-	-	38.88	39.56	23.91
Total	**-**	**-**	**-**	**38.88**	**39.56**	**23.91**

Note 11
Equity share capital

₹ in Lakhs

Particulars	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
	Number	Amount	Number	Amount	Number	Amount
Authorised share capital						
Equity share of ₹ 2/- each [Previous year ₹ 2/- each]	9,00,00,000	1,800.00	9,00,00,000	1,800.00	9,00,00,000	1,800.00
Preference shares of ₹ 10/- each [Previous year ₹ 10/- each]	26,00,000	260.00	26,00,000	260.00	26,00,000	260.00
Issued, subscribed and fully paid up						
Equity share of ₹ 2/- each (Previous year ₹ 2/- each)	6,94,54,739	1,389.09	6,82,65,480	1,365.31	6,82,65,480	1,365.31

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
	Number	Amount	Number	Amount	Number	Amount
Reconciliation of number of equity share outstanding						
Balance at the beginning of the year	6,82,65,480	1,365.31	6,82,65,480	1,365.31	6,82,65,480	1,365.31
Add: Shares issued upon merger of a Subsiadiary	11,89,259	23.78	-	-	-	-
Balance at the end of the reporting year	**6,94,54,739**	**1,389.09**	**6,82,65,480**	**1,365.31**	**6,82,65,480**	**1,365.31**

(B) Equity shares pending issuance

₹ in Lakhs

Particulars	Number	Amount
Obligation to issue fixed number of equity shares		
At April 1, 2023	-	-
Changes during the year	11,89,259	23.78
At April 1, 2024	**11,89,259**	**23.78**
Changes during the year	-	-
At March 31, 2025	**11,89,259**	**23.78**
Changes during the year	(11,89,259)	(23.78)
At March 31, 2026	-	-

Footnotes:

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

(i) The Holding Company has issued only one class of equity share having par value of ₹ 2/- per share (Previous year ₹ 2/- per share). Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity share will be entitled to receive remaining assets of the Company after distribution of preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) The Holding Company has proposed final dividend aggregating to ₹ 750.92 lakhs (₹ 1.10 per share) during the FY 2025-26 [Previous year ₹ 750.92 lakhs (₹ 1.10 per share)]

(iii) The details of shareholders holding more than 5% shares:

₹ in Lakhs

Name of the shareholder	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
	No.	%	No.	%	No.	%
Himanshu Khushalbhai Patel	1,69,93,535	24.47%	1,69,93,535	24.89%	1,69,78,535	24.87%
Nilesh Khushalbhai Patel	1,72,06,114	24.77%	1,72,06,114	25.20%	1,71,86,114	25.18%
Harsh Himanshu Patel	88,57,761	12.75%	88,57,761	12.98%	88,32,173	12.94%

Footnote:

The decrease in shareholding % is on account of issue of 11,89,259 equity shares upon merger of a Subsidiary. [refer note no 30 i]

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

(iv) The details of the shares held by promoters:

Promoter name	As at March 31, 2026			As at March 31, 2025			As at April 1, 2024		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Promoter									
Himanshu Khushalbhai Patel	1,69,93,535	24.47%	-1.71%	1,69,93,535	24.89%	0.09%	1,69,78,535	24.87%	-5.56%
Nilesh Khushalbhai Patel	1,72,06,114	24.77%	-1.71%	1,72,06,114	25.20%	0.12%	1,71,86,114	25.18%	-5.55%
Harsh Himanshu Patel	88,57,761	12.75%	-1.71%	88,57,761	12.98%	0.29%	88,32,173	12.94%	-5.01%
Aalap Nilesh Patel	9,44,165	1.36%	-1.71%	9,44,165	1.38%	-	9,44,165	1.38%	-
Promoter Group									
Priti Himanshubhai Patel	46,350	0.07%	-1.71%	46,350	0.07%	-	46,350	0.07%	-
Kishoriben Nilesh Patel	81,110	0.12%	-1.71%	81,110	0.12%	-	81,110	0.12%	-
Swara Rajeev Patel	14,60,025	2.10%	-1.71%	14,60,025	2.14%	-	14,60,025	2.14%	-
	4,55,89,060	**65.64%**		**4,55,89,060**	**66.78%**		**4,55,28,472**	**66.69%**	

Footnote:

The decrease in shareholding % is on account of issue of 11,89,259 equity shares upon merger of a Subsidiary. [refer note no 30 i]

Note 12
Other equity

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
(i) Securities premium	9,892.75	9,892.75	9,892.75
(ii) General reserve	10,040.05	9,290.05	8,540.05
(iii) Capital reserve	7,037.27	7,037.27	7,037.27
(iv) Capital reserve on account of merger	641.02	641.02	641.02
(v) Retained earnings	21,458.32	16,732.78	12,785.99
(vi) Remeasurements of defined benefit plans	236.65	205.11	253.07
(vii) Capital redemption reserve	187.52	187.52	150.00
(viii) Foreign currency translation reserve	2,509.61	1,146.29	774.23
(ix) Equity component of compound financial interest	-	1,284.05	1,246.53
(x) Preference share capital	-	-	37.52
Total other equity	**52,003.19**	**46,416.84**	**41,358.43**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Note 13
Non controlling interest

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Share of Non controlling Interest	8,432.57	7,622.54	6,922.83
Total non controlling interest	**8,432.57**	**7,622.54**	**6,922.83**

The movement in other equity is as follows:

(i) Securities premium

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	9,892.75	9,892.75	9,892.75
Movement during the year	-	-	-
Balance at the end of the year	**9,892.75**	**9,892.75**	**9,892.75**

(ii) General reserve

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	9,290.05	8,540.05	7,540.05
Transferred from retained earning	750.00	750.00	1,000.00
Balance at the end of the year	**10,040.05**	**9,290.05**	**8,540.05**

(iii) Capital reserve

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	7,037.27	7,037.27	1.52
Movement during the year		-	7,035.75
Balance at the end of the year	**7,037.27**	**7,037.27**	**7,037.27**

(iv) Capital reserve on account of merger

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	641.02	641.02	-
Upon merger of a Subsidiary	-	-	641.02
Balance at the end of the year	**641.02**	**641.02**	**641.02**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

(v) Retained earnings

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	16,732.78	12,785.99	11,491.00
Transfer to capital redemption reserve	-	(37.52)	(37.50)
Profit for the year	4,942.41	5,485.23	3,664.72
Dividend	(750.92)	(750.92)	(750.92)
Transfer to general reserve	(750.00)	(750.00)	(1,000.00)
Impact on acquisition of Kinam Engineering Industries Private Limited	-	-	(295.30)
Upon merger of a Subsidiary	-	-	(286.01)
Other adjustment	1,284.05	-	-
Balance at the end of the year	**21,458.32**	**16,732.78**	**12,785.99**

(vi) Remeasurements of defined benefit plans

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	205.11	253.07	310.43
Other comprehensive income/(loss) for the year (net of tax)	31.54	(47.96)	(57.36)
Balance at the end of the year	**236.65**	**205.11**	**253.07**

(vii) Capital redemption reserve

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	187.52	150.00	112.50
Transferred from retained earning	-	37.52	37.50
Other adjustment	-	-	-
Balance at the end of the year	**187.52**	**187.52**	**150.00**

(viii) Foreign currency translation reserve

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	1,146.29	774.23	672.02
Other comprehensive income/(loss) for the year (net of tax)	1,363.32	372.06	102.21
Balance at the end of the year	**2,509.61**	**1,146.29**	**774.23**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

(ix) Equity component of compound financial interest

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	1,284.05	1,246.53	1,209.03
Other adjustment	(1,284.05)	37.52	37.50
Balance at the end of the year	**-**	**1,284.05**	**1,246.53**

(x) Preference share capital

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	-	37.52	75.02
Other adjustment	-	(37.52)	(37.50)
Balance at the end of the year	**-**	**-**	**37.52**

(xi) Non controlling interest

Subsidiaries that have non-controlling interests are listed below:

Particulars	Country of incorporation and operation	Non-controlling interests share		
		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Thaletec LLP	India	1%	1%	1%
Kinam Engineering Industries Private Limited	India	30%	30%	30%

Movement of non-controlling interests

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Balance at the beginning of the year	7,622.54	6,922.83	13.26
Profit for the year	714.16	691.51	424.15
Other comprehensive income/(loss) for the year (net of tax)	(6.63)	(5.24)	(6.46)
On acquisition of Kinam Engineering Industries Private Limited	-	-	6,879.97
Upon merger of a Subsidiary	-	-	(378.80)
(Withdrawal)/Contribution	102.50	13.44	(9.29)
Balance at the end of the year	**8,432.57**	**7,622.54**	**6,922.83**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Nature and purpose of each component of equity

(i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is eligible for utilisation in accordance with the provisions of The Companies Act, 2013.

(ii) General reserve

The general reserve represents amounts appropriated out of retained earnings based on the provisions of The Companies Act prior to its amendment.

(iii) Capital reserve

Amount pertaining to forfeiture of shares.

(iv) Capital reserve on account of merger

A Capital Reserve on account of merger arises when the purchase consideration paid by the transferee company is less than the net assets acquired from the transferor company.

(v) Retained earnings

Accumulated balance of total comprehensive income for the year.

(vi) Remeasurements of defined benefit plans

Gains / Losses arising on remeasurements of defined benefit plans are recognized in the other comprehensive Income as per IND AS-19 and shall not be reclassified to the statement of profit or loss in the subsequent years.

(vii) Capital redemption reserve

Capital redemption reserve is created by the Holding Company for redemption of preference share from its profits.

(viii) Foreign currency translation reserve

The Foreign currency translation reserve represents all exchange differences arising from translation of Financial Statements of foreign operations.

(ix) Equity component of compound financial interest

The component parts of compound financial instruments issued by the Holding Company are classified as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument. Financial Liabilities are recognised at fair value net of directly attributable transaction costs and subsequently measured at amortised cost using effective interest method.

(x) Preference share capital

Current year Nil (Previous year March 31, 2025: Nil & March 31, 2024: 18,75,152 Nos.) 9.50% redeemable preference shares of ₹ Nil (Previous year March 31, 2025 ₹ Nil & March 31, 2024 ₹ 10/- each).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Note 14
Borrowings

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
NON CURRENT			
Secured (At amortized cost)			
Term loans			
- From banks and financial institutions	10,064.87	10,790.01	14,555.04
Unsecured (At amortized cost)			
loans from Holding company	-	-	-
Sub - Total	**10,064.87**	**10,790.01**	**14,555.04**
CURRENT			
Secured (At amortized cost)			
Current maturities of long-term debt	4,154.04	5,833.36	4,011.66
Loans repayable on demand			
- From banks and financial institutions	17,084.27	16,607.83	15,806.56
Preference share liability (At amortised cost)			
Nil (Previous year March 31, 2025 Nil & Previous year March 31, 2024 18,75,152 Nos.) 9.50% redeemable preference shares of ₹ Nil (Previous year March 31, 2025 ₹ Nil & March 31, 2024 ₹ 10/- each)	-	-	755.12
Unsecured (At amortized cost)			
Loan from directors and others (refer note no.32 f)	22.00	1,610.65	981.02
Sub - Total	**21,260.31**	**24,051.84**	**21,554.36**
Total	**31,325.18**	**34,841.85**	**36,109.40**

Non-Current Borrowings

1) Term Loan from HDFC Bank Limited is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 63 unequal monthly instalments commencing from November 2022 and carries an interest of 8.59% p.a. (March 31, 2025: 9.59% p.a.) payable monthly.

2) Term Loan from Citibank N.A. is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 16 equal quarterly instalments commencing from October, 2022 and carries an interest of 10.30% p.a. (March 31, 2025: 11.68% p.a) payable monthly.

3) Term loan from Citibank N.A. is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The term loan is repayable in 16 equal quarterly instalments commencing from June, 2022 and carried an interest of 11.37% p.a. (March 31, 2025: 11.68% p.a) payable monthly. This term loan has been repaid in full and closed during the year 2025-26.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

4) Term Loan (foreign currency loan) from Citibank N.A. is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 16 equal quarterly instalments commencing from March, 2023 and carries an interest of 8.30% p.a. (March 31, 2025: 8.30% p.a.) payable monthly.

5) Term Loan from ICICI Bank is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 48 equal monthly instalments commencing from March, 2024 and carries an interest of 9.37% p.a. (March 31, 2025: 9.37%) payable monthly.

6) Term Loans from Bajaj Finance Limited were secured by mortgage of certain immovable property(ies) owned by the Promoters. The Term Loans were repayable in 76 and 79 quarterly instalments commencing from November, 2017 and May, 2018 respectively and carried an interest of Nil (March 31, 2025: 11.70% p.a.) payable monthly. These term loans were repaid in full and closed during the year 2024-25.

7) During the year 2024-25 the Company has availed a fresh term loan from Bajaj Finance Limited is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 66 equal monthly instalments commencing from October 2025 and carries an interest of 8.85% p.a. (March 31, 2025: 9.25% p.a.) payable monthly.

8) During the year the Company has availed a fresh term loan from Bajaj Finance Limited, which is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loan is repayable in 72 equal monthly instalments commencing from September 2025 and carries an interest of 8.60% p.a. (March 31, 2025: Nil) payable monthly.

9) Term Loan from Axis Finance Limited is secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of Company. The Term Loan is repayable in 53 equal monthly instalments commencing from October 2024 and carries an interest of 9.55% p.a. (March 31, 2025: 10.15% p.a.) payable monthly.

10) Vehicle Loans availed from HDFC Bank are secured by hypothecation of respective vehicles taken on loan. Each loan is repayable in equal monthly instalments from the month subsequent to the disbursement of the loan. Interest is payable on monthly basis and ranges from 6.25% p.a to 10.00% p.a. (March 31, 2025: 6.25% p.a to 10.00% p.a.)

11) Term Loans from State Bank of India were secured by first pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and second pari passu charge on the entire present and future current assets viz. stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company. The Term Loans were repayable in 48 equal monthly instalments commencing from October, 2019 respectively and carried an interest of Nil p.a. (March 31, 2025: 9.80% p.a.) payable monthly. These term loans were repaid in full and closed during the financial year 2024-25.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Current Borrowings

1) Working capital facilities including working capital demand loans, packing credit, foreign bill discounting, bank guarantees and letter of credit from HDFC Bank Limited are secured by first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company. The rate of interest for cash credit is 8.50% p.a. (March 31, 2025: 8.43% p.a.), for WCDL is 8.25% p.a. (March 31, 2025: 8.50% p.a.) and for other facilities is SOFR plus 250 bps [March 31, 2025: SOFR plus 250 bps].

2) Working capital facilities including working capital demand loans, packing credit, foreign bill discounting, bank guarantees and letter of credit from Citibank N.A. are secured by first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company. The rate of interest for cash credit is 10.00% p.a. (March 31, 2025: 10.00% p.a.), for WCDL is 8.25% p.a. (March 31, 2025: 8.50% p.a.)

3) Working capital facilities including working capital demand loans, packing credit, foreign bill discounting, bank guarantees and letter of credit from ICICI Bank Limited are secured by first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company. The rate of interest for cash credit is 8.95% p.a. (March 31, 2025: 9.25% p.a.), for WCDL is 8.10% p.a. (March 31, 2025: 8.50% p.a.)

4) Working capital loan facilities including packing credit and foreign bill discounting from State Bank of India were secured by secured first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company. The rate of Interest for cash credit was Nil (March 31, 2025: 9.35% p.a.). This facility was repaid and closed during the financial year 2024-25.

5) Purchase Bill Discounting/ Short Term Revolving Loan facility from Bajaj Finance Limited are secured by secured first pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future movable (plant and machinery) and immovable fixed assets of the Company and carries an interest of 8.70% p.a. (March 31, 2025: 8.70% p.a.) payable monthly.

6) Working capital facilities from YES Bank Limited are secured by pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future fixed assets of the Company. Collateral security over (i) Equitable mortgage of self occupied residential property situated at Flat no. B 804/803, 8th Floor, Dosti Elite CHS Ltd, land bearing no.404/6,404 A/6, Village Sion Division, Road no.29, Next to Sion Telephone exchange, Sion East, Mumbai 400002 Owned by Mr. Mehul Mehta and Mrs. Jyotsna Mehta. (ii) Office no.209, Champaklal Industrial Estate, Near Sion Telephone Exchange, Sion East, Mumbai-400022. (iii) Unit No. 809, 8th Floor, NCP Commercial Tower - Supremus, New Cuffe Parade, Mumbai.

   The rate of interest for cash credit is 9.60% p.a. (3.10% spread over & above EBLR)."

7) Working capital facilities from State Bank of India are primarily secured by pari-passu hypothecation charge over stocks, raw material, semi finished goods, finished goods, receivables and other current assets of Company. Collateral security over residential property i.e. flat no. 3803, 38th floor, Tower B, Beaumonte, CTS No. 6 (part), Sion circle, Sion, Mumbai. Personal guarantee of Mr. Kirit Mehta and Mr. Mehul Mehta has been given as third party guarantee.

   The rate of interest for cash credit is 11.15% p.a. (2.50% spread over & above EBLR).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

8) Working capital facilities including Bank Gurantee and Cash Credits from HDFC Bank Limited are secured by pari passu charge on the entire present and future current assets viz. Stocks of raw material, stock in process, finished goods, consumable stores and spares and book debts of the Company and second pari passu charge on the entire present and future fixed assets of the Company. Collateral security over Plot No. A-1 and A/3, old survey no. 140-A, new survey number 449, village Nadod, Taluka Jalalpore, District Navsari. Personal guarantee of Mr. Harsh Patel has been given as third party guarantee.

   The rate of interest for cash credit is 8.75% p.a. (2.50% spread over & above EBLR).

9) Working capital facilities including Bank Gurantee and Cash Credits from ICICI Bank Limited are primarily secured by pari-passu hypothecation charge over stocks, raw material, semi finished goods, finished goods, receivables and other current assets of Company. Collateral security over Plot No. A-1 and A/3, old survey no. 140-A, new survey number 449, village Nadod, Taluka Jalalpore, District Navsari. Personal guarantee of Mr. Harsh Patel has been given as third party guarantee. The rate of interest for cash credit is 9% p.a. (2.50% spread over & above EBLR)."

10) The unsecured loans taken from directors and others were repayable on demand and carried interest rate of 10.00% p.a. These unsecured loans have been repaid in full during the year 2025-26.

11) The quarterly statement of stock and book debt filed by the Company with the banks are in agreement with the books of account with no material discrepancies.

Compliance with Loan Covenants

The Company has various financial and non-financial covenants (including maintenance of debt-related ratios and reporting requirements) in respect of its non-current and current borrowings. The Company has complied with all such covenants as stipulated in the respective loan agreements / sanction letters.

List of immovable properties of the Company is as under:

(i) Plot No A/6, R.S. No 153, New Block No 140, Maroli to Ubhrat Road, Village Nanod, Maroli, Navsari.

(ii) Plot No 200, Village Nadod, Navsari, Block B-3, Navsari.

(iii) Block No. 200 Paiky, Plot No. B/1/4, Maroli to Ubhrat Road, Village Nanod, Maroli, Navsari.

(iv) Survey No-183/P1, Village Naroli, Silvassa.

(v) Plot No. H 106, R S No. 1425/P, 1435/P, 1431/P, 1416/P and 1424/P, Vitthal Udyognagar Industrial Area, Village Mogri, Taluka Anand, District Kheda.

(vi) Plot No. I 107, 107/A and I-105, Revenue Survey No. 808/P, 809/P, 811/P, R S No. 426/P, 1427/P, 1428/P, 1429/P and 1430/P, Village Mogri, Taluka Anand, District Kheda.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Note 15
Other financial liabilities (At Amortised cost)

₹ in Lakhs

Particulars	Non-Current			Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Unclaimed dividends	-	-	-	151.74	137.80	126.15
Interest accrued but not due on borrowings	-	-	-	149.41	146.74	137.40
Others :						
Security deposit	7.43	3.80	0.75	4.60	4.60	0.60
Employee related payable	-	-	-	1,854.13	1,601.05	1,446.11
Capital creditors	-	734.32	1,490.93	802.14	705.83	753.43
Others	201.84	-	-	128.83	-	-
Total	**209.27**	**738.12**	**1,491.68**	**3,090.85**	**2,596.02**	**2,463.69**

Footnote:

Unclaimed dividend includes no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except for Nil (Previous year ₹ 20.89 lakhs), wherein legal disputes with regards to ownership had remained unresolved.

Note 16
Provisions

₹ in Lakhs

Particulars	Non-Current			Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Provision for employee benefits						
Gratuity	-	-	-	576.99	279.63	218.13
Leave benefits	277.42	162.74	157.88	76.91	39.64	37.96
Partial retirement	438.95	221.72	287.92	-	-	-
Other benefits	81.38	71.96	67.19	-	-	-
Pension	516.92	553.68	585.24	-	-	-
Provision for unexpired warranty	133.54	170.80	127.66	449.08	309.70	302.37
Provision for Fire protection	-	230.81	852.13	-	-	-
Other	5.01	4.62	4.51	1,351.59	1,329.23	447.03
Total	**1,453.22**	**1,416.33**	**2,082.53**	**2,454.57**	**1,958.20**	**1,005.49**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Movement of provision for unexpired warranty

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Opening balance	480.50	430.03	514.57
Additions on Acquisition	-	-	3.95
Add: Additional provision made during the year	242.67	330.21	162.64
Less: Provision amount used during the year	(140.55)	(279.74)	(251.13)
Closing balance	**582.62**	**480.50**	**430.03**

Movement of provision for employee benefits

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Opening balance	1,329.37	1,354.32	1,149.99
Additions on Acquisition	-	-	16.65
Add: Addition during the year	957.33	393.92	396.78
Less: Provision amount used during the year	(318.13)	(418.87)	(209.10)
Closing balance	**1,968.57**	**1,329.37**	**1,354.32**

Note 17
Deferred tax liabilities - (Net)

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Deferred tax liabilities	2,374.96	1,973.39	2,161.94
Deferred tax assets	(868.67)	(639.19)	(988.61)
Total	**1,506.29**	**1,334.20**	**1,173.33**

₹ in Lakhs

Particulars	As at March 31, 2025	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2026
Deferred tax assets/(liabilities) in relation to:				
Provision for gratuity	58.50	68.60	-	127.10
Provision for Leave encashment	33.77	32.23	-	66.00
Depreciation and amortisation	(1,278.57)	(293.72)	-	(1,572.29)
Right-of-use assets	(292.37)	(9.05)	-	(301.42)
Lease liability	303.80	15.65	-	319.45
Mark to market gains on derivative	(24.11)	(30.20)	-	(54.31)
Addition upon merger of a Subsiadiary	1.35	-	-	1.35
Merger expenses	-	22.09		22.09
Provision and current liabilities	205.84	27.80	-	233.64
Contract assets / contract liabilities	(378.34)	(68.60)	-	(446.94)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	As at March 31, 2025	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2026
Allowance for doubtful debts and advances	35.12	63.92	-	99.04
Business loss	2.16	(2.16)	-	-
	(1,332.85)	**(173.44)**	-	**(1,506.29)**
Deferred tax assets/(liabilities) in relation to:		**Assets**	**Liabilities**	**Net**
Provision for gratuity		127.10	-	127.10
Provision for Leave encashment		66.00	-	66.00
Depreciation and amortisation		-	(1,572.29)	(1,572.29)
Right-of-use assets		-	(301.42)	(301.42)
Lease liability		319.45	-	319.45
Mark to market gains on derivative		-	(54.31)	(54.31)
Addition upon merger of a Subsiadiary		1.35	-	1.35
Merger expenses		22.09	-	22.09
Provision and current liabilities		233.64	-	233.64
Contract assets / contract liabilities		-	(446.94)	(446.94)
Allowance for doubtful debts and advances		99.04	-	99.04
Business loss		-	-	-
		868.67	**(2,374.96)**	**(1,506.29)**

₹ in Lakhs

Particulars	As at April 1, 2024	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2025
Deferred tax assets/(liabilities) in relation to:				
Provision for gratuity	54.89	3.61	-	58.50
Provision for Leave encashment	49.29	(15.52)	-	33.77
Depreciation and amortisation	(1,226.12)	(52.45)	-	(1,278.57)
Right-of-use assets	(680.39)	388.02	-	(292.37)
Lease liability	725.32	(421.52)	-	303.80
Mark to market gains on derivative	(7.75)	(16.36)	-	(24.11)
Provision and current liabilities	138.09	67.75	-	205.84
Contract assets / contract liabilities	(247.68)	(130.66)	-	(378.34)
Allowance for doubtful debts and advances	19.06	16.06	-	35.12
Business loss	1.96	0.20	-	2.16
	(1,173.33)	**(160.87)**	-	**(1,334.20)**
Deferred tax assets/(liabilities) in relation to:		**Assets**	**Liabilities**	**Net**
Provision for gratuity		58.50	-	58.50
Provision for Leave encashment		33.77	-	33.77
Depreciation and amortisation		-	(1,278.57)	(1,278.57)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	As at April 1, 2024	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2025
Right-of-use assets		-	(292.37)	(292.37)
Lease liability		303.80	-	303.80
Mark to market gains on derivative		-	(24.11)	(24.11)
Provision and current liabilities		205.84	-	205.84
Contract assets / contract liabilities		-	(378.34)	(378.34)
Allowance for doubtful debts and advances		35.12	-	35.12
Business loss		2.16	-	2.16
		639.19	**(1,973.39)**	**(1,334.20)**

₹ in Lakhs

Particulars	As at March 31, 2023	Recognised in the Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at April 1, 2024
Deferred tax assets/(liabilities) in relation to:				
Provision for gratuity	116.36	(61.47)	-	54.89
Provision for Leave encashment	1.04	48.25	-	49.29
Depreciation and amortisation	(1,227.51)	1.39	-	(1,226.12)
Right-of-use assets	(61.56)	(618.83)	-	(680.39)
Lease liability	63.85	661.47	-	725.32
Mark to market gains on derivative	(144.48)	136.73	-	(7.75)
Provision and current liabilities	34.45	103.64	-	138.09
Contract assets / contract liabilities	(383.39)	135.71	-	(247.68)
Allowance for doubtful debts and advances	11.74	7.32	-	19.06
Business loss	(13.45)	15.41	-	1.96
	(1,602.95)	**429.62**	-	**(1,173.33)**
Deferred tax assets/(liabilities) in relation to:		**Assets**	**Liabilities**	**Net**
Provision for gratuity		54.89	-	54.89
Provision for Leave encashment		49.29	-	49.29
Depreciation and amortisation		-	(1,226.12)	(1,226.12)
Right-of-use assets		-	(680.39)	(680.39)
Lease liability		725.32	-	725.32
Mark to market gains on derivative		-	(7.75)	(7.75)
Provision and current liabilities		138.09	-	138.09
Contract assets / contract liabilities		-	(247.68)	(247.68)
Allowance for doubtful debts and advances		19.06	-	19.06
Business loss		1.96	-	1.96
		988.61	**(2,161.94)**	**(1,173.33)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Note 18
Other liabilities

₹ in Lakhs

Particulars	Non-Current			Current		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Contract liability (Advance from customers)	-	-	-	15,993.04	15,438.64	10,746.34
Statutory dues	-	-	-	458.76	505.21	868.67
Liabilities for expenses	-	-	-	505.91	579.24	550.52
Unamortised Government grant	1.60	4.86	8.59	-	-	38.47
Other		0.10	-	603.44	86.55	72.98
Total	**1.60**	**4.96**	**8.59**	**17,561.15**	**16,609.64**	**12,276.98**

During the year ended March 31, 2026, the company has recognised revenue of ₹ 21,280.69 lakhs (Previous Year 2024-25 ₹ 11,587.87 lakhs & 2023-24 ₹ 11,269.92 Lakhs) arising from opening unearned revenue (contract liabilities).

Movement of contract liabilities is as under ;

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
As at beginning of the year	15,438.64	10,746.34	9,133.41
Recognised as revenue from contracts with customers	21,395.12	11,827.80	11,667.61
Advance returned back to customer	-	-	-
Advance from customers received during the year	21,949.52	16,520.10	13,280.54
Balance at the close of the year	**15,993.04**	**15,438.64**	**10,746.34**

Note 19
Trade payables

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Outstanding dues of micro enterprises and small enterprises	346.89	551.53	1,126.42
Outstanding dues of creditors other than micro enterprises and small enterprises	14,377.35	10,331.12	9,934.38
Total	**14,724.24**	**10,882.65**	**11,060.80**
Of the above;			
- Acceptances	679.37	655.66	421.17
- Payable to related party (Refer note 32 f)	0.68	58.19	6.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026						
(i) MSME	335.40	11.49	-	-	-	**346.89**
(ii) Others	8,503.78	5,854.40	19.17	-	-	**14,377.35**
(iii) Disputed dues – MSME	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	**-**
Total	**8,839.18**	**5,865.89**	**19.17**	**-**	**-**	**14,724.24**
As at March 31, 2025						
(i) MSME	369.64	181.89	-	-	-	**551.53**
(ii) Others	6,346.29	3,956.03	12.35	10.35	6.10	**10,331.12**
(iii) Disputed dues – MSME	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	**-**
Total	**6,715.93**	**4,137.92**	**12.35**	**10.35**	**6.10**	**10,882.65**
As at April 1, 2024						
(i) MSME	848.67	277.75	-	-	-	**1,126.42**
(ii) Others	6,269.84	3,579.88	61.94	14.46	8.26	**9,934.38**
(iii) Disputed dues – MSME	-	-	-	-	-	**-**
(iv) Disputed dues – Others	-	-	-	-	-	**-**
Total	**7,118.51**	**3,857.63**	**61.94**	**14.46**	**8.26**	**11,060.80**

Note 20
Revenue from operations

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations		
Sale of goods (refer footnote)	1,26,293.23	94,157.00
Sale of services	7,872.88	8,066.73
Other operating revenues:		
- Scrap sales	1,131.83	529.60
Total	**1,35,297.94**	**1,02,753.33**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Footnotes:

(i) Reconciliation of revenue from sale of goods with the contracted price is as follows:

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Gross sales (Contracted price)	1,26,363.32	94,224.27
Reductions towards variable consideration (Discounts & delayed delivery charges)	70.09	67.27
Revenue recognised	**1,26,293.23**	**94,157.00**

(ii) For operating segments revenue, geographical segments revenue, revenue from major products and revenue from major customers, refer Note No. 32 (g).

Note 21
Other income

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income:		
Interest on bank deposits (financial assets at amortised cost)	151.29	144.44
Other interest (ROU security deposit)	7.43	7.57
Interest on income tax refund	60.55	50.37
Other non-operating income:		
Rent income	174.80	96.34
Export incentives	80.91	70.69
Net gain on foreign currency transaction	74.26	33.34
Net gain on unrealized MTM	120.00	64.97
Gain on sale of property, plant and equipment	0.42	0.12
Excess Provision Reversed	-	-
Unwinding of deferred income	3.82	41.87
Reversal of allowance for doubtful debts	10.64	31.54
Income from windmill	104.76	108.28
Miscellaneous income	89.54	172.42
Total	**878.42**	**821.95**

Note 22
Cost of materials consumed

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock of raw materials	16,645.06	16,097.50
Opening stock on Acquisition	1,617.12	-
Purchases during the year	58,758.53	50,590.30
Closing stock of raw materials	(16,696.31)	(16,645.06)
Total	**60,324.40**	**50,042.74**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Note 23
Purchase of stock-in-trade

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Purchase of stock-in-trade	-	137.66
Total	**-**	**137.66**

Note 24
Changes In inventories of finished goods and work-In-progress

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock:		
Finished goods	1,795.16	1,379.76
Work-in-progress	17,584.19	12,857.64
On acquisition	1,577.32	-
	20,956.67	14,237.40
Less: Closing stock:		
Finished goods	1,681.49	1,795.16
Work-in-progress	16,236.60	17,584.19
	17,918.09	19,379.35
Total	**3,038.58**	**(5,141.95)**

Note 25
Employee benefits expense

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries and wages	23,555.45	19,188.81
Contribution to provident, gratuity and other funds	1,027.82	309.27
Staff welfare expenses	737.53	559.84
Total	**25,320.80**	**20,057.92**

Note 26
Finance costs

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on loans	1,353.08	1,674.92
Interest on working capital facilities	1,516.21	1,370.06
Interest on lease liabilities	316.84	331.34
Interest - others	178.89	76.20

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on unsecured loan	71.90	147.55
Exchange differences regarded as an adjustment to borrowing costs	-	-
Dividend on redeemable preference share	-	0.89
Other borrowing costs:		
Unwinding of discount relating to long term liabilities	7.81	18.38
Total	**3,444.73**	**3,619.34**

Note 27
Depreciation and amortisation expense

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of property, plant and equipment	2,767.09	2,251.30
Depreciation of investment property	12.80	10.79
Amortisation of right- of -use assets	743.80	594.73
Amortisation of intangible assets	121.67	110.46
Total	**3,645.36**	**2,967.28**

Note 28
Other expenses

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Stores and spares consumed	4,037.80	2,707.13
Power and fuel	4,812.42	4,271.89
Processing expenses	10,411.17	7,016.55
Rent	306.10	199.35
Royalty, rates and taxes	85.95	89.77
Insurance expenses	649.21	412.35
Printing and stationery	85.43	92.99
Repairs and renewals:		
Buildings	204.55	229.35
Plant and machinery	827.65	766.11
Other assets	159.24	71.89
Travelling and conveyance	1,214.18	905.00
Communication expenses	208.57	181.20
Vehicle expenses	302.47	204.44
Auditors' remuneration:		
Statutory audit fees	190.39	68.53
Tax audit fees	2.80	3.80
Reimbursement of expenses	-	0.15

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
other fees (including certification)	247.25	30.46
Director's sitting fee	8.70	6.75
Sales promotion expenses	587.21	617.12
Bad debts written-off	-	42.17
Donation (refer footnote)	0.81	21.12
Corporate social responsibility expenses (Refer note 32 o)	119.73	62.49
Commission	801.66	617.88
Freight and forwarding (Net)	2,434.53	1,829.09
Drawings and installation charges	-	-
Partners' remuneration	-	-
Packing expensess	437.00	438.99
Expected credit loss provision	256.46	81.84
Provision for Doubtful Advances	50.00	10.60
Bank charges	258.54	285.74
Net loss on foreign currency transaction	88.91	98.45
Inventory Write Off	-	
Loss on sale of property, plant and equipment	-	0.35
Impairment of property, plant and equipment	50.87	35.25
Share of loss in subsidiary (LLP)	-	-
Legal and professional fees	2,255.84	1,744.81
Warranty expense (Refer note 16)	242.67	330.21
Miscellaneous expenses	1,301.05	911.73
Total	**32,639.16**	**24,385.55**

Footnote:

Donation includes an amount of ₹ Nil (Previous Year ₹ 11.00 Lakhs) paid as political contribution.

Note 29

A. CAPITAL MANAGEMENT

For the purpose of Group capital management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Group. The primary objective of the Group Capital Management is to maximise the Share Holder Value.

The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Group monitors using a gearing ratio which is net debts divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Interest bearing loans and borrowings	31,325.18	34,841.85	36,109.40
Less: Cash and short term deposits	5,698.03	5,077.90	4,420.76
Net debt	25,627.15	29,763.95	31,688.64
Equity	1,389.09	1,389.09	1,389.09
Other equity	52,003.19	46,416.84	41,358.43
Total capital	53,392.28	47,805.93	42,747.52
Capital and net debt	79,019.43	77,569.88	74,436.16
Gearing ratio %	32.43%	38.37%	42.57%

B. FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Group. The principal financial assets include trade and other receivables and cash and short term deposits.

The Group has assessed market risk, credit risk and liquidity risk to its financial liabilities.

(a) Market risk

Is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans , borrowings , foreign currency receivables and payables .

i) Interest rate risks

Interest rate risk can be either fair value interest rate or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rate. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The Group's interest rate risk arises from borrowings. Borrowings issued at fixed rates exposes to fair value interest rate risk. The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Fixed-rate instruments			
Borrowings	2,399.57	6,392.68	7,708.35
Floating-rate instruments			
Borrowings	28,925.61	28,449.17	28,401.05

Fair value sensitivity analysis for floating-rate instruments

The Group accounts for floating-rate financial assets or financial liabilities at fair value through profit or loss.

If the interest rates had been 1% higher / lower and all other variables held constant, the Group profit for the year ended March 31, 2026 would have been decreased/increased by ₹ 288.80 lakhs (Previous Year ₹ 259.19 lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

ii) **Commodity Price Risks**

The Group is affected by price stability of certain commodity due to significantly increased volatility of certain commodities, the Group has entered into contracts with the customers that has provision to pass on the change in raw material prices . The Group has risk management framework aimed at prudently managing the risk arising from volatility in commodity prices.

(b) Credit Risk Management:

It is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. It arises from cash and cash equivalents, investments as well as credit exposure to customers.

The Group holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group also has an external credit risk insurance cover with ECGC Policy. The Group uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain.

The ageing of trade receivables is as follows:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
More than 6 months	944.17	1,183.81	1,676.57
Others	26,044.34	17,306.45	22,041.45
	26,988.51	**18,490.26**	**23,718.02**

The amounts reflected in the table above are not impaired as on the reporting date.

(c) Liquidity Risk Management:

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts based on expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

As at March 31, 2026

₹ in Lakhs

Particulars	Refer Note	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	14	21,260.31	5,926.31	3,930.23	208.33
Interest accrued but not due on borrowings	15	149.41	-	-	-
Lease liabilities		688.10	1,540.27	620.04	586.86
Trade payables	19	14,705.07	19.17	-	-
Security deposit	15	4.60	7.43	-	-
Employee related payable	15	1,854.13	-	-	-
Unclaimed dividends	15	151.74	-	-	-
Others	15	930.97	201.84	-	-

As at March 31, 2025

₹ in Lakhs

Particulars	Refer Note	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	14	24,051.84	6,166.28	3,393.31	1,230.42
Interest accrued but not due on borrowings	15	146.74	-	-	-
Lease liabilities		428.79	2,647.91	-	-
Trade payables	19	10,853.85	22.70	6.10	-
Security deposit	15	4.60	3.80	-	-
Employee related payable	15	1,601.05	-	-	-
Unclaimed dividends	15	137.80	-	-	-
Others	15	705.83	734.32	-	-

As at April 1, 2024

₹ in Lakhs

Particulars	Refer Note	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	14	21,554.36	8,760.73	3,557.11	2,237.20
Interest accrued but not due on borrowings	15	137.40	-	-	-
Lease liabilities		348.01	2,367.09	-	-
Trade payables	19	10,976.14	76.40	8.26	-
Security deposit	15	0.60	0.75	-	-
Employee related payable	15	1,446.11	-	-	-
Unclaimed dividends	15	126.15	-	-	-
Others	15	753.43	1,490.93	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Note 30
THE INCOME TAX EXPENSES FOR THE YEAR CAN BE RECONCILED TO THE ACCOUNTING PROFIT AS FOLLOWS:

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax from continuing operations	**7,094.72**	**7,506.74**
Income tax expenses calculated at 25.17% (March 31, 2023: 25.17%) (Company's domestic tax rate)	1,785.74	1,889.45
Adjustment of prior period taxes	29.95	157.36
Differences in tax rates	(471.86)	(311.98)
Effect of income that is deductible/exempt from taxation	(622.45)	(745.90)
Effect of expenses not deductible for tax computation	721.33	720.97
Changes in recognised deductible temporary differences	(4.56)	(379.90)
	1,438.15	**1,330.00**

Note 31
FAIR VALUES AND HIERARCHY

1. Financial instruments – Fair values

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if their carrying amount is a reasonable approximation of fair value.

₹ in Lakhs

As at March 31, 2026	Note	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets									
Trade Receivables	7	-	-	26,988.51	26,988.51	-	-	-	-
Loans	10	-	-	38.88	38.88	-	-	-	-
Derivative Asset	3	215.79	-	-	215.79	-	215.79	-	215.79
Others financial assets	3		-	1,346.41	1,346.41	-		-	-
Cash and cash equivalents	8	-	-	3,435.93	3,435.93	-	-	-	-
Bank balances other than above	9	-	-	2,413.84	2,413.84	-	-	-	-
Total		**215.79**	**-**	**34,223.57**	**34,439.36**	**-**	**215.79**	**-**	**215.79**
Financial liabilities									
Borrowings	14		-	31,325.18	31,325.18	-	-	-	-
Lease liabilities				3,435.27	3,435.27			-	-
Trade Payables	19	-	-	14,724.24	14,724.24	-	-	-	-
Other financial liabilities	15	-	-	3,300.12	3,300.12	-	-	-	-
Total		**-**	**-**	**52,784.81**	**52,784.81**	**-**	**-**	**-**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

As at March 31, 2025	Note	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets									
Trade receivables	7	-	-	18,490.26	18,490.26	-	-	-	-
Loans	10	-	-	39.56	39.56	-	-	-	-
Derivative Asset	3	95.79	-	-	95.79	-	95.79	-	95.79
Others financial assets	3	-	-	2,811.28	2,811.28	-	-	-	-
Cash and cash equivalents	8	-	-	3,959.13	3,959.13	-	-	-	-
Bank balances other than above	9	-	-	1,256.57	1,256.57	-	-	-	-
Total		**95.79**	**-**	**26,556.80**	**26,652.59**	**-**	**95.79**	**-**	**95.79**
Financial liabilities									
Borrowings	14		-	34,841.85	34,841.85	-	-	-	-
Lease liabilities		-	-	3,076.70	3,076.70	-	-	-	-
Trade payables	19	-	-	10,882.65	10,882.65	-	-	-	-
Other financial liabilities	15	-	-	3,334.14	3,334.14	-	-	-	-
Total		**-**	**-**	**52,135.34**	**52,135.34**	**-**	**-**	**-**	**-**

₹ in Lakhs

As at April 1, 2024	Note No.	Carrying amount				Fair value			
		FVTPL	FVTOCI	Amortised Cost	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets									
Trade receivables	7	-		23,718.02	23,718.02	-	-	-	-
Loans	10	-		23.91	23.91	-	-	-	-
Derivative Asset	3	30.81		-	30.81	-	30.81	-	30.81
Others financial assets	3	-		743.48	743.48	-	-	-	-
Cash and cash equivalents	8	-		3,328.58	3,328.58	-	-	-	-
Bank balances other than above	9	-		1,218.33	1,218.33	-	-	-	-
Total		**30.81**	**-**	**29,032.32**	**29,063.13**	**-**	**30.81**	**-**	**30.81**
Financial liabilities								-	
Borrowings	14	-	-	36,109.40	36,109.40	-	-	-	-
Lease liabilities		-	-	2,715.10	2,715.10	-	-	-	-
Trade payables	19	-	-	11,060.80	11,060.80	-	-	-	-
Other financial liabilities	15	-	-	3,955.37	3,955.37	-	-	-	-
Total		**-**	**-**	**53,840.67**	**53,840.67**	**-**	**-**	**-**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The Fair Value of financial assets included is the amount at which the instrument could be exchanged in a current transaction between willing parties.

The following methods and assumptions were used to estimate the fair value.

1. Non current financial assets / liabilities measured at amortised cost.
2. The Holding Company enters into Derivative financial instruments with counterparties principally with Banks with investment grade credit ratings. The Interest Rate swaps is valued using valuation techniques which employs the use of market observable inputs namely, Marked-to-Market.

NOTE 32
ADDITIONAL/EXPLANATORY INFORMATION

a) Earnings per share

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit after tax (₹ in Lakhs)	4,942.41	5,485.23
Weighted average number of equity shares for the purpose of calculation of earnings per share	6,88,71,513	6,88,71,513
EARNINGS PER EQUITY SHARE		
Basic EPS (₹)	7.20	8.00
Diluted EPS (₹)	7.20	8.00
Weighted Average Number of equity shares (Face Value ₹ 2/-)		
Opening Balance (01-04-2025)	6,82,65,480	6,82,65,480
Add: Issue of shares upon merger of a Subsidiary (27-09-2025) [11,89,259*186/365]	6,06,033	6,06,033
Total Weighted Average Number of equity shares	**6,88,71,513**	**6,88,71,513**

b) Disclosure required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015; and section 186(4) of the Companies Act,2013 :

1. Amount of Loans and advances in the nature of loans outstanding from subsidiaries ₹ 1,642.80 Lakhs (Previous Year ₹ Nil)
2. Loans to employees have been considered to be outside the purview of disclosure requirements.
3. Investment by Loanee in the shares of the Company- Not applicable (Previous Year Not applicable)

c) Other statutory information.

(i) The Holding Company and Companies incorporated in India does not have any Benami property nor any proceeding has been initiated or pending against the companies.

(ii) The Holding Company and Companies incorporated in India does not have any transactions with companies struck off.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

(iii) The Holding Company and Companies incorporated in India does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Holding Company and Companies incorporated in India has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Holding Company and Companies incorporated in India has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall.

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the companies or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Holding Company and Companies incorporated in India has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the companies shall.

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the companies (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Holding Company and Companies incorporated in India has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Holding Company and Companies incorporated in India has not been declared a wilful defaulter by any bank or financial institution or any of the lenders.

d) Exceptional items:

i) Transaction cost of ₹ 230.53 lakhs is related to a business acquisition during the year.

ii) Effective November 21, 2025, the Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes (collectively referred to as the 'New Labour Codes'). The Ministry of Labour & Employment also published draft Central Rules and FAQS to enable assessment of the financial impact due to changes in these regulations. The Company has ascertained its estimated obligation under the New Labour Codes based on actuarial valuation and best estimate in accordance with Ind AS 19 - 'Employee Benefits'. Accordingly, the Company has recognised an incremental estimated obligation aggregating to ₹ 206.73 lakhs as an exceptional item on account of employees' past services. Recognition is consistent with the guidance provided by the Institute of Chartered Accountants of India. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government of India on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

e) Disclosures as per IND AS - 19 - employee benefits

(A) In respect of the Company and domestic subsidiaries

The Holding Company and its domestic subsidiaries make contributions towards provident fund, in substance a defined contribution retirement plan to the Regional Provident Fund Commissioner for qualifying employees.

On account of the above contribution plans, the Holding Company and its domestic subsidiaries have recognised the following amounts in the statement of profit and loss:

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i) Employer's contribution to provident fund (Refer footnote 1)	252.78	220.27
ii) Leave encashment - unfunded	163.39	59.24

Footnote:

1) Included in "Contribution to provident, gratuity and other funds" (Note 25).

The Holding Company and its domestic subsidiaries make annual contributions to the Employees' Gratuity Trust and to the Employees' Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India, for funding the defined benefit plans for qualifying employees.

(B) In respect of overseas subsidiary, the liabilities for employee benefits are determined and accounted as per the regulations and principles followed in the respective countries.

(i) Germany subsidiary Thaletec GmbH

Thaletec GmbH make contribution to retirement savings plans. Participation in one of these plans is available to substantially all represented and non-represented employees.

Pension plans and other post retirement benefit

The pension obligations of the company consist of two different pension commitments:

1. A direct commitment with reinsurance for two current managing directors.
2. A pension plan for all employees who were regular employees on January 1, 1997.

Plan assets

The plan assets consist of reinsurance policies to cover the benefit obligations. The fair value of the plan assets is derived from the actuarial reserve calculated at the end of the insurance period, but at least from the guaranteed surrender value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

C) The following tables set out the funded status and amounts recognised in the Group's Consolidated Financial Statements as at March 31, 2026 and March 31, 2025 for the Defined benefits plans:

i) Changes in the present value of obligation

₹ in Lakhs

Particulars	As at March 31, 2026		As at March 31, 2025	
	Funded	Unfunded	Funded	Unfunded
Present value of obligation as at the beginning	**1,709.21**	**293.68**	**1,600.83**	**361.05**
Additions on Acquisition	-	-	-	-
Interest expense or cost	97.16	7.30	77.47	10.06
Current service cost	124.23	224.05	96.94	16.16
Past Service Cost	167.09	-	-	-
Re-measurement (or Actuarial) (gain) / loss arising from:				
- Demographic assumptions	-	-	-	-
- Change in financial assumptions	(91.17)	(7.34)	(25.28)	(1.77)
- Experience variance	100.68	216.99	63.02	116.93
Liability Transferred Out	-	-	(54.85)	-
Benefits paid	(39.78)	(267.41)	(37.15)	(211.10)
Benefits paid directly by the employer	(62.56)	-	(39.50)	-
Exchange fluctuations	169.06	53.06	27.73	2.35
Present value of obligation as at the end	**2,173.92**	**520.33**	**1,709.21**	**293.68**

ii) Changes in the fair value of plan assets

₹ in Lakhs

Particulars	As at March 31, 2026		As at March 31, 2025	
	Funded	Unfunded	Funded	Unfunded
Fair value of plan assets as at the beginning	**875.90**	**-**	**803.40**	-
Additions on Acquisition	-	-	-	-
Investment income	51.56	-	45.97	-
Return on plan assets excluding interest income	(37.63)	-	(18.36)	-
Employer's contribution	57.33	-	84.96	-
Benefits paid	(39.78)	-	(37.15)	-
Exchange fluctuations	76.51		(2.92)	
Fair value of plan assets as at the end	**983.89**	**-**	**875.90**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

iii) Expenses recognised in the income statement

₹ in Lakhs

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	Funded	Unfunded	Funded	Unfunded
Current service cost	124.23	224.05	96.94	16.16
Net interest cost on the net defined benefit liability	45.60	7.30	31.50	10.06
Expenses recognised in the income statement	**169.83**	**231.35**	**128.44**	**26.22**

iv) Other comprehensive income

₹ in Lakhs

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	Funded	Unfunded	Funded	Unfunded
Actuarial (gains) / losses				
- Demographic assumptions	-	-		-
- Change in financial assumptions	110.94	-	0.56	-
- Experience variance	(125.24)	-	(49.06)	-
Adjustment of present value of obligation at the beginning of the year	-	-	-	-
Return on plan assets excluding interest income	63.91	-	(13.43)	-
Net (Income)/Expense for the year recognized in OCI	**49.61**	**-**	**(61.93)**	**-**

v) Major categories of plan assets (as percentage of total plan assets)

₹ in Lakhs

Particulars	As at March 31, 2026		As at March 31, 2025	
	India	Germany	India	Germany
Funds managed by insurer	100%	100%	100%	100%
Investment in insurance Company				
Life Insurance Corporation of India	35%		31%	
Reliance Nippon Life Insurance Company Limited	18%		22%	
Bajaj Life Insurance Limited	43%		45%	
Cash and cash equivalents	4%		1%	
Allianz		100%		100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

vi) Actuarial assumptions

a. Financial assumptions

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	Year	India		Germany	
		Funded	Unfunded	Funded	Unfunded
Discount rate (per annum)	As at March 31, 2026	7.14% & 6.54%	-	4.27%	2.98% & 4.27%
	As at March 31, 2025	6.61% & 7.18%	-	3.70%	2.55% & 3.70%
Salary growth rate	As at March 31, 2026	7.00% & 10.00%	-	2.00%	2.00%
	As at March 31, 2025	7.00% & 10.00%	-	2.00%	2.00%

b. Demographic Assumptions

Particulars	Year	India		Germany	
		Funded	Unfunded	Funded	Unfunded
Mortality	As at March 31, 2026	Indian Assured Lives Mortality 2012-14 (Urban)		Richttafeln Heubeck 2018 G	
	As at March 31, 2025	Indian Assured Lives Mortality 2012-14 (Urban)		Richttafeln Heubeck 2018 G	
Withdrawal rates, based on age: (per annum)					
For service 4 years and below	As at March 31, 2026	20.00%	-		
For service 5 years and above		10.00%	-		
Staff		15.00%			
Workers		40.00%			
For service 4 years and below	As at March 31, 2025	20.00%	-		
For service 5 years and above		10.00%			
Staff		15.00%			
Workers		40.00%	-		

vii) Amount, timing and uncertainty of future cash flows

a. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
Defined Benefit Obligation	2,694.25	2,002.89

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Impact on defined benefit obligation due to change in assumptions as at March 31, 2026

₹ in Lakhs

Assumptions	HLE Glascoat Limited		Kinam Engineering Industries Private Limited		Germany Thaletec GmbH	
	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate						
1% Change	52.67	(46.84)	9.92	(8.88)	-	-
0.5% Change	-	-	-	-	29.35	(26.96)
Salary Growth Rate						
1% Change	(44.00)	47.51	(7.99)	8.18	-	-
0.25% Change	-	-	-	-	(13.69)	14.21
Employee Turnover Rate						
1% Change	0.89	(1.05)	2.46	(2.30)	18.12	(46.09)

Impact on defined benefit obligation due to change in assumptions as at March 31, 2025

₹ in Lakhs

Assumptions	HLE Glascoat Limited		Kinam Engineering Industries Private Limited		Germany Thaletec GmbH	
	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount Rate						
1% Change	38.46	(34.15)	7.58	(6.76)	-	-
0.5% Change	-	-	-	-	62.69	(56.94)
Salary Growth Rate						
1% Change	(32.19)	35.47	(6.25)	6.46	-	-
0.25% Change	-	-	-	-	(22.87)	23.79
Employee Turnover Rate						
1% Change	1.97	(1.90)	1.98	(1.83)	29.42	(30.22)

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

b. Effect of Plan on Entity's Future Cash Flows

- Funding arrangements and Funding Policy

The scheme is managed on funded basis.

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
The Company's best estimate of Contribution during the next year	1,447.73	1,000.19

₹ in Lakhs

Expected cash flows over the next (valued on undiscounted basis)	As at March 31, 2026		As at March 31, 2025	
	India	Germany	India	Germany
1 year	191.11	-	111.91	-
2 to 5 years	460.77	-	327.40	-
6 to 10 years	464.61	-	329.61	-
11 and above years	577.83	-	388.35	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

f) Related party disclosures

(As per Ind AS 24 : Related party disclosures) :

Names of other related parties and nature of relationship :

Key Management Personnel :	**Executive Directors / CS / CFO**
	Mr. Himanshu Patel (Managing Director)
	Mr. Aalap Patel (Executive Director)
	Mr. Harsh Patel (Whole time director)
	Mr. Achal Thakkar (Company Secretary & Compliance Officer)
	Mr. Naveen Kandpal (Chief Financial Officer)
	Dr. Jürgen Reinemuth (Managing Director) of Thaletec GmbH
	Alexander Barkow (Managing Director) of Thaletec GmbH
	Mehul K. Mehta (Managing Director) of Kinam Engineering Industries Private Limited
	Non-Executive Directors / Independent
	Mr. Nilesh Patel
	Ms Vijayanti Punjabi
	Mr. Yatish Parekh
	Mr. Sandeep Randery
	Mr. Jayesh Shah
Relatives of Key Management Personnel :	Priti H. Patel (spouse of Mr. Himanshu Patel)
	Bhoomi A. Patel (spouse of Mr. Aalap Patel)
	Sheetal H. Patel (spouse of Mr. Harsh Patel)
	Swara R. Patel (daughter of Mr. Himanshu Patel)
	Kishori N. Patel (wife of Mr. Nilesh Patel)
	Kirit N Mehta (father of Mehul K. Mehta)
	Jyotnsa K Mehta (mother of Mehul K. Mehta)
	Neeta M Mehta (spouse of Mehul K. Mehta)
Entities in which directors are interested:	Yashashvi Rasayan Private Limited
	Yashaswati Foundation
	Yash Speciality Chemicals LLP
	H.N. Indigos Private Limited
	Maroli Udyognagar Land Development and Management Company Private Limited
	Newpar Aromatics LLP
	Aashee Logic
	HLE Engineers Private Limited
Entities in which relatives of Key Management Personnel are interested :	Applied Electrostatics & Controls Private Limited
	HLE Glascoat Limited Employee Gratuity Fund

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Transactions with related parties (excluding reimbursements)

₹ in Lakhs

Nature of Transactions	Transactions		Payable/(Receivable)/Closing Balances	
	Year ended March 31, 2026	Year ended March 31, 2025	As at March 31, 2026	As at March 31, 2025
Key management personnel :				
Remuneration [refer foot note (i)]	1,279.61	1,221.07	11.72	11.72
Commission	53.19	24.14	35.10	24.14
Sitting fee	8.70	6.75	-	-
Capital advance	100.00	-	(100.00)	-
Rent expense	36.96	36.96	-	-
Dividend (Equity shares)	484.02	483.35	-	-
Interest on unsecured loan	71.90	64.30	-	-
Unsecured Loan taken	1,110.00	1,516.81	-	-
Unsecured Loan Repaid	(2,694.15)	(400.45)	-	-
Unsecured loan	-	-	22.00	1,606.15
Relatives of KMP :				
Dividend (Equity shares)	17.46	17.46	-	-
Dividend (Preference shares)	-	0.11	-	-
Rent expense	3.00	3.00	-	-
Purchase of goods/services	10.74	12.00	0.37	3.24
Redemption of Preference Shares	-	22.61	-	-
Remuneration	-	59.68	3.25	-
Interest on unsecured loan	-	83.25	-	-
Unsecured Loan taken	-	700.00		
Unsecured Loan Repaid	(4.50)	(1,177.88)		
Unsecured loan	-	-	-	4.50
Entities in which directors are interested:				
Sales of goods/services	783.53	1,127.91	(304.71)	(32.35)
Purchase of goods/services	61.13	34.36	0.32	0.10
Rent income	102.00			
Gratuity Liability Transferred Out	-	54.85		54.85
Contribution towards Corporate Social Responsibility	21.08	102.50	-	-
Entities in which relatives of KMP are interested:				
Purchase of goods/services	39.24	81.52	-	-
Sales of Property, plant and equipment	-	-	-	-
Sales of goods/services	-	-	-	-
Gratuity fund				
Contribution	1.25	55.77	-	-
Plan assets as at the end	-	-	417.46	408.44

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Footnotes:

1) Remuneration does not include provisions made for Gratuity and Leave benefits amounting to ₹ 60.58 Lakhs (Previous year ₹ 39.28 Lakhs)

2) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than unsecured loan at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: ₹ Nil). This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

g) Segment Information

The operations of the Company are limited to three segment viz. (i) Filtration, Drying and Other Equipment (ii) Glass Lined Equipment (iii) Heat Transfer Equipment

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable"

Details of segment information:

₹ in Lakhs

Particulars	Filtration, drying and other equipment		Glass lined equipment		Heat transfer equipment		Total	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Revenue :								
External sales	47,433.82	31,424.75	67,636.39	58,216.75	20,033.53	12,172.89	1,35,103.74	1,01,814.39
Other							194.20	938.94
Total external sales							**1,35,297.94**	**1,02,753.33**
Segment results :								
Profit before tax and interest	5,700.45	3,664.34	2,860.85	5,351.22	2,817.57	2,358.27	11,378.87	11,373.83
Less: Other unallocable expense net of unallocable income							839.42	247.75
Less: Interest expense							3,444.73	3,619.34
Profit before tax							**7,094.72**	**7,506.74**
Taxes							1,438.15	1,330.00
Net profit after tax							**5,656.57**	**6,176.74**
Segment assets	30,452.46	34,375.35	74,838.68	56,617.24	31,794.16	36,303.87	1,37,085.30	1,27,296.46

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Filtration, drying and other equipment		Glass lined equipment		Heat transfer equipment		Total	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Unallocated segment assets							1,094.62	2,039.86
Total assets							**1,38,179.92**	**1,29,336.32**
Segment liabilities	10,673.82	12,194.97	28,821.83	18,451.33	4,648.55	10,981.01	44,144.20	41,627.31
Unallocated segment liabilities							32,210.87	32,280.54
Total liabilities							**76,355.07**	**73,907.85**
Capital expenditure	1,217.93	738.49	5,837.90	4,551.94	512.18	1,459.97	7,568.01	6,750.40
Unallocated capital expenditure							-	
Depreciation	829.98	709.23	2,303.26	1,804.94	497.93	404.75	3,631.17	2,918.92
Unallocated depreciation							14.19	48.36
Total Depreciation							**3,645.36**	**2,967.28**

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Capital employed	61,824.85	55,428.47	49,670.35

Geographical information

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Geographical information		
Revenue from customers		
India	88,265.89	64,191.81
Outside India	47,032.05	38,561.52
Total	**1,35,297.94**	**1,02,753.33**

Footnote:

(i) During the year and previous year, there is one customer with whom the Company has earned revenue of more than 10% of its total revenue (March 31, 2026: ₹ 16,094.35 lakhs and March 31, 2025: ₹ 12,043.80 Lakhs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

h) Lease Accounting (Disclosure as per Ind AS 116: Lease)

(i) The movement in Lease liabilities during the year

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Opening Balance	3,076.70	2,715.10	967.33
Additions/Adjustment during the year	659.83	684.70	233.11
Additions due to Acquisition	387.06	-	1,802.53
Adjustment/Foreclosure during the year	(188.91)	91.24	-
Finance costs incurred during the year	316.84	331.34	156.37
Exchange fluctuations	157.82	15.50	4.39
Payments of Lease Liabilities	(974.07)	(761.18)	(448.63)
Closing Balance	**3,435.27**	**3,076.70**	**2,715.10**

(ii) The carrying value of the Rights-of-use and depreciation charged during the Year

For details pertaining to the carrying value of right of use of lease assets and depreciation charged thereon during the year, kindly refer note 2(b).

(iii) Amount Recognised in Statement of Profit & Loss Account during the Year

₹ in Lakhs

Particulars	Year ended March 31, 2026	Year ended March 31, 2025	As at April 1, 2024
Expenses related to Short Term Lease & Low Asset Value Lease	306.10	199.35	164.43
Total Expenses	**306.10**	**199.35**	**164.43**

(iv) Maturity analysis of lease liabilities

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Maturity Analysis of contractual undiscounted cash flows			
Less than one year	1,039.83	709.66	665.28
One to five years	2,881.26	2,430.20	2,259.65
More than five years	783.50	1,182.11	1,679.53
Total undiscounted Lease Liability	**4,704.60**	**4,321.97**	**4,604.46**
Discounted Cash flows			
Non Current Lease Liability	2,747.17	2,647.91	2,367.09
Current Lease Liability	688.10	428.79	348.01
Total Lease Liability	**3,435.27**	**3,076.70**	**2,715.10**

i) Business Combination under Common Control

The Board of Directors has approved an additional acquisition of 34.44% profit share and increase in controlling interest, subject to fulfillment of certain obligations and NCLT approval, by way of amalgamation under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 for amalgamation of Kinam Enterprise Private Limited 'Amalgamating Company') with the Company ('Scheme').

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

The aforesaid Scheme was sanctioned by Hon'ble National Company Law Tribunal (NCLT) Ahmedabad Bench vide order dated August 14, 2025 . The Scheme has become effective on August 7, 2023 upon filing of the certified copy of the orders passed by NCLT with the Registrar of Companies. In terms of the Scheme, all the assets, liabilities, reserves and surplus of the Amalgamating Company have been transferred to and vested in the Company. The Appointed Date of the Scheme is August 7, 2023.

Accounting Treatment

The amalgamation has been accounted in accordance with "Pooling of interest method" as laid down in Appendix C - 'Business combinations of entities under common control' of Ind AS 103 notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as specified in the scheme, such that

a) All assets and liabilities of the Amalgamating Company are stated at the carrying values as appearing in the standalone financial statements of Amalgamating Company.

b) The identity of the reserves have been preserved and are recorded in the same form and at the carrying amount as appearing in the standalone financial statements of Amalgamating Company.

c) The inter-company balances between both the companies have been eliminated.

d) Comparative financial information in the financial statements of the Amalgamated Company has been restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period.

The difference between the consideration paid and the net assets acquired as adjusted by the retained earnings amount, has been adjusted in the "Capital Reserve" as required by Appendix C to Ind AS 103 irrespective of the fair value of the net assets/ liabilities acquired.

Pursuant to the Scheme of Amalgamation,the Company has issued and allotted 11,89,259 Equity Shares of ₹ 2/- each, fully paid-up to the shareholders of the Transferor Company (except the Transferee Company).

As required under Ind AS 103, the current accounting period and comparative accounting period presented in the financial statements of the Company and accompanying Notes have been prepared by including the accounting effects of the acquisition of the business, as stated above, as if the purchase had occurred from the beginning of the comparative period in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Details of assets and liabilities of Kinam Enterprise Private Limited added to the opening balances of the Company (i.e., August 7, 2023) and consequential adjustment to Capital Reserve:

₹ in Lakhs

Particulars	As at August 7, 2023
I) ASSETS	
1) Non-current assets	
a) Financial assets	
(i) Investments	668.14
Total non-current assets	**668.14**
2) Current assets	
a) Financial assets	
(i) Cash and cash equivalents	0.50
Total current assets	**0.50**
TOTAL ASSETS	**668.64**
II) EQUITY AND LIABILITIES	
1) Equity	
a) Equity share capital	668.14
b) Other equity	-
Total Equity	**668.14**
2) Liabilities	
i) Current liabilities	
a) Financial liabilities	
(i) Borrowings	0.50
b) Other current liabilities	
Total current liabilities	**0.50**
Total liabilities	**0.50**
TOTAL EQUITY AND LIABILITIES	**668.64**
Net Assets	668.14
Own Share Eliminated	3.34
Net Assets after elimination (A)	664.80
Allotment of Equity Shares to equity shareholders of Kinam Enterprise Private Limited (B)	23.78
Capital Reserve on account of Amalgamation (A)-(B)	**641.02**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

Restated Balance Sheet As at April 1, 2024

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
I) ASSETS			
1) Non-current assets			
a) Property, plant and equipment	31,467.22	-	31,467.22
b) Right of use assets	3,008.32	-	3,008.32
c) Capital work-in-progress	1,943.06	-	1,943.06
d) Investment property	132.31	-	132.31
e) Goodwill	4,034.69		4,034.69
f) Other intangible assets	15,472.03	-	15,472.03
g) Financial assets;			
(i) Others financial assets	500.17	-	500.17
h) Deferred tax assets (Net)	11.01		11.01
i) Non current tax assets (net)	1,395.19	-	1,395.19
j) Other non-current assets	251.89	-	251.89
Total non-current assets	**58,215.89**	**-**	**58,215.89**
2) Current assets			
a) Inventories	31,214.90	-	31,214.90
b) Financial assets;		-	
(i) Trade receivables	23,718.02	-	23,718.02
(ii) Cash and cash equivalents	3,328.58	-	3,328.58
(iii) Bank balances other than cash and cash equivalents	1,218.33	-	1,218.33
(iv) Loans	23.91	-	23.91
(v) Others financial assets	274.12	-	274.12
c) Other current assets	2,201.94	-	2,201.94
Total current assets	**61,979.80**	**-**	**61,979.80**
TOTAL ASSETS	**1,20,195.69**	**-**	**1,20,195.69**
II) EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	1,365.31	23.78	1,389.09
b) Other equity	40,314.83	1,043.60	41,358.43
c) Non controlling interest	7,990.21	(1,067.38)	6,922.83
Total Equity	**49,670.35**	**-**	**49,670.35**
2) Liabilities			
i) Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	14,555.04	-	14,555.04
(ii) Lease liabilities	2,367.09	-	2,367.09
(iii) Other financial liabilities	1,491.68	-	1,491.68
b) Provisions	2,082.53	-	2,082.53

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
c) Deferred tax liabilities (net)	1,173.33	-	1,173.33
d) Other non-current liabilities	8.59		8.59
Total non-current liabilities	**21,678.26**	**-**	**21,678.26**
ii) Current liabilities			
a) Financial liabilities			
(i) Borrowings	21,554.36	-	21,554.36
(ii) Lease liabilities	348.01	-	348.01
(iii) Trade payables			
- Outstanding dues of micro enterprises and small enterprises	1,126.42	-	1,126.42
- Outstanding dues of creditors other than micro enterprises and small enterprises	9,934.38	-	9,934.38
(iv) Other financial liabilities	2,463.69	-	2,463.69
b) Other current liabilities	12,276.98	-	12,276.98
c) Provisions	1,005.49	-	1,005.49
d) Income tax liabilities	137.75	-	137.75
Total current liabilities	**48,847.08**	**-**	**48,847.08**
Total liabilities	**70,525.34**	**-**	**70,525.34**
TOTAL EQUITY AND LIABILITIES	**1,20,195.69**	**-**	**1,20,195.69**

Restated Balance Sheet As at March 31, 2025

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
I) ASSETS			
1) Non-current assets			
a) Property, plant and equipment	36,301.52	-	36,301.52
b) Right of use assets	3,176.75	-	3,176.75
c) Capital work-in-progress	500.28	-	500.28
d) Investment property	368.56	-	368.56
e) Goodwill	4,035.89		4,035.89
f) Other intangible assets	15,426.11	-	15,426.11
g) Financial assets;			
(i) Others financial assets	2,385.33	-	2,385.33
h) Deferred tax assets (Net)	535.00	-	535.00
i) Non current tax assets (net)	1,538.17		1,538.17
j) Other non-current assets	187.36	-	187.36
Total non-current assets	**64,454.97**	**-**	**64,454.97**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
2) Current assets			
a) Inventories	36,949.95	-	36,949.95
b) Financial assets;			
(i) Trade receivables	18,490.26	-	18,490.26
(ii) Cash and cash equivalents	3,959.13	-	3,959.13
(iii) Bank balances other than cash and cash equivalents	1,256.57	-	1,256.57
(iv) Loans	39.56	-	39.56
(v) Others financial assets	521.74	-	521.74
c) Other current assets	3,664.14	-	3,664.14
Total current assets	**64,881.35**	**-**	**64,881.35**
TOTAL ASSETS	**1,29,336.32**	**-**	**1,29,336.32**
II) EQUITY AND LIABILITIES			
1) Equity			
a) Equity share capital	1,365.31	23.78	1,389.09
b) Other equity	44,565.41	1,851.43	46,416.84
c) Non controlling interest	9,497.75	(1,875.21)	7,622.54
Total Equity	**55,428.47**	**-**	**55,428.47**
2) Liabilities			
i) Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	10,790.01	-	10,790.01
(ii) Lease liabilities	2,647.91	-	2,647.91
(iii) Other financial liabilities	738.12	-	738.12
b) Provisions	1,416.33	-	1,416.33
c) Deferred tax liabilities (net)	1,334.20		1,334.20
d) Other non-current liabilities	4.96	-	4.96
Total non-current liabilities	**16,931.53**	**-**	**16,931.53**
ii) Current liabilities			
a) Financial liabilities			
(i) Borrowings	24,051.84	-	24,051.84
(ii) Lease liabilities	428.79	-	428.79
(iii) Trade payables	-	-	-
- Outstanding dues of micro enterprises and small enterprises	551.53	-	551.53
- Outstanding dues of creditors other than micro enterprises and small enterprises	10,331.12	-	10,331.12
(iv) Other financial liabilities	2,596.02	-	2,596.02
b) Other current liabilities	16,609.64	-	16,609.64
c) Provisions	1,958.20	-	1,958.20

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
d) Income tax liabilities	449.18	-	449.18
Total current liabilities	**56,976.32**	**-**	**56,976.32**
Total liabilities	**73,907.85**	**-**	**73,907.85**
TOTAL EQUITY AND LIABILITIES	**1,29,336.32**	**-**	**1,29,336.32**

Restated Statement of Profit And Loss For The Year Ended March 31, 2025

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
I) INCOME			
a) Revenue from operations	1,02,753.33	-	1,02,753.33
b) Other income	821.95	-	821.95
TOTAL INCOME (a+b)	**1,03,575.28**	**-**	**1,03,575.28**
II) EXPENSES			
a) Cost of materials consumed	50,042.74	-	50,042.74
b) Purchase of Stock-in-Trade	137.66	-	137.66
b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(5,141.95)	-	(5,141.95)
c) Employee benefits expense	20,057.92	-	20,057.92
d) Finance costs	3,619.34	-	3,619.34
e) Depreciation and amortisation expense	2,967.28	-	2,967.28
f) Other expenses	24,385.55	-	24,385.55
TOTAL EXPENSES (a to f)	**96,068.54**	**-**	**96,068.54**
III) PROFIT FOR THE YEAR BEFORE EXCEPTIONAL ITEM (I-II)	**7,506.74**	**-**	**7,506.74**
IV) Exceptional items (Refer note 32 d)	-	-	-
V) PROFIT BEFORE TAX (III-IV)	**7,506.74**	**-**	**7,506.74**
VI) TAX EXPENSE			
a) Current tax	1,552.54	-	1,552.54
b) Current tax in relation to earlier year	157.36	-	157.36
c) Deferred tax	(379.90)	-	(379.90)
TOTAL TAX EXPENSE (a+b+c)	**1,330.00**	**-**	**1,330.00**
VII) PROFIT FOR THE YEAR (V-VI)	**6,176.74**	**-**	**6,176.74**
VIII) OTHER COMPREHENSIVE INCOME (OCI)			
(A) Items that will not be reclassified to the Consolidated Statement of Profit and Loss			
(a) Remeasurements of Defined benefit plans	(61.93)	-	(61.93)
(b) Income tax relating to items that will not be reclassified to the Consolidated Statement of Profit and Loss	8.73	-	8.73

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	Before effect of Amalgamation	Effect of Amalgamation	Revised Balance Post effect of Amalgamation
(B) Items that will be reclassified to the Consolidated Statement of Profit and Loss			
(a) Exchange difference in translating the financial statements of foreign components	372.06	-	372.06
(b) Income tax relating to items that will be reclassified to the Consolidated Statement of Profit and Loss	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX (A+B)	**318.86**	**-**	**318.86**
IX) TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**6,495.60**	**-**	**6,495.60**
X) A. Profit attributable to:			
Owners of the parent	**4,671.38**	813.85	**5,485.23**
Non-controlling interest	**1,505.36**	(813.85)	**691.51**
X) B. Other comprehensive income attributable to:			
Owners of the parent	**330.12**	(6.02)	**324.10**
Non-controlling interest	**(11.26)**	6.02	**(5.24)**
X) C. Total comprehensive income for the year attributable to:			
Owners of the parent	**5,001.50**	807.83	**5,809.33**
Non-controlling interest	**1,494.10**	(807.83)	**686.27**

j) Disclosure regarding derivative instruments and unhedged foreign currency exposure :

₹ in Lakhs

Particulars	Currency	As at March 31, 2026		As at March 31, 2025		As at April 1, 2024	
		Foreign Currency	Indian Rupees	Foreign Currency	Indian Rupees	Foreign Currency	Indian Rupees
Foreign Currency Loan	USD	17.76	1,684.13	41.44	3,541.78	65.11	5,430.87
Trade Payables	USD	7.18	708.91	5.41	462.68	4.95	413.10
	EUR	5.00	545.45	2.73	251.77	2.01	181.72
	GBP	0.00	0.13	0.00	0.13		
Advances to suppliers	USD	0.04	3.31	0.06	5.71	1.16	97.48
	EUR	0.23	25.04	0.18	16.19	0.27	24.89
	CHF	0.11	12.83				
	GBP	-	-	0.01	1.15	0.11	11.20
Trade Receivables	USD	3.94	401.27	3.37	290.20	3.02	252.08
	EUR	2.95	313.75			4.36	393.68
Contract liability (Advance from customers)	USD	4.85	426.57	11.94	1,010.17	1.74	144.50
	EUR	-	-			0.03	2.77
Derivative Asset	USD	2.28	215.79	1.12	95.79	0.37	30.81
EEFC Accounts / Cash & Cash Equivalents	USD	10.70	1,165.73	2.84	242.01	6.17	514.14
	EUR	9.32	1,015.75	0.00	0.22	5.71	515.52

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

k) Commitment

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
(i) Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for	11.99	199.23	1,430.00
ii) Other Commitments			
a Letters of credit issued by the banks	531.99	419.47	310.51
b Corporate guarantee provided by the Company to the bank on behalf of a subsidiary	2,100.00	2,100.00	-

l) Contingent Liabilities not provided for:

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
(a) Disputed Service Tax for the period from 2008 to 2013 is pending before CESTAT, against which the Company has made payment of ₹ 5.19 lakhs	16.47	16.47	16.47
(b) Disputed Service Tax for the period from 2012 to 2015 is pending before CESTAT, against which the Company has made payment of ₹ 5.09 lakhs	29.07	29.07	29.07
(c) Disputed Service Tax for the period from 2013 to 2017 is pending before CESTAT, against which the Company has made payment of ₹ 4.01 lakhs	22.92	22.92	22.92

m) Statement of Net Assets and Profit or Loss Attributable to Owners and Non-controlling Interests

₹ in Lakhs

Sr. No.	Name of the Company	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	As % of consolidated other comprehensive income	₹ in lakhs	As % of consolidated total comprehensive income	₹ in lakhs
	Parent								
	HLE Glascoat Limited	48.43%	39,297.66	54.38%	3,821.09	-99.36%	(24.75)	53.83%	3,796.34
	Subsidiaries								
	Indian subsidiary								
1	Thaletec LLP (formerly known as Thaletec / H L Equipments)	0.30%	240.24	2.21%	155.13	0.00%	-	2.20%	155.13
2	Kinam Engineering Industries Private Limited	34.14%	27,704.91	33.80%	2,375.37	-88.68%	(22.09)	33.37%	2,353.28
3	Kinam Process Equipments Private Limited	1.12%	906.81	-0.02%	(1.51)		-	-0.02%	(1.51)
	Foreign subsidiary								
1	Thaletec GmbH	16.86%	13,682.81	30.17%	2,119.95	288.04%	71.75	31.08%	2,191.70
2	Thaletec Inc, USA	0.54%	440.05	0.64%	45.25	0.00%	-	0.64%	45.25

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Sr. No.	Name of the Company	Net Assets i.e. total assets minus total liabilities		Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	₹ in lakhs	As % of consolidated profit or loss	₹ in lakhs	As % of consolidated other comprehensive income	₹ in lakhs	As % of consolidated total comprehensive income	₹ in lakhs
3	HLE Surface Technologies GmbH	-2.38%	(1,934.51)	-25.41%	(1,785.90)	0.00%	-	-25.32%	(1,785.90)
4	OmeraStore GmbH	0.97%	788.23	4.24%	297.69	0.00%	-	4.22%	297.69
5	HLE International S.à.r.l	0.02%	13.08	0.00%	-	0.00%	-	0.00%	-
		100.00%	**81,139.28**	**100.00%**	**7,027.07**	**100.00%**	**24.91**	**100.00%**	**7,051.98**
a)	**Non-controlling Interests**								
	Indian subsidiary								
	Thaletec LLP (formerly known as Thaletec / H L Equipments)		(121.09)		(1.55)		-		(1.55)
	Kinam Engineering Industries Private Limited		(8,311.48)		(712.61)		6.63		(705.98)
	Kinam Process Equipments Private Limited		-		-		-		-
	Foreign subsidiary								
	Thaletec GmbH		-		-		-		-
	Thaletec Inc, USA		-		-		-		-
	HLE Surface Technologies GmbH		-		-		-		-
	OmeraStore GmbH		-		-		-		-
	HLE International S.à.r.l.		-		-		-		-
			(8,432.57)		**(714.16)**		**6.63**		**(707.53)**
			-		-		-		-
b)	Adjustments arising out of Consolidation		(19,314.43)		(1,370.50)		1,363.32		(7.18)
	Consolidated		**53,392.28**		**4,942.41**		**1,394.86**		**6,337.27**

n) The amount due and paid during the year to "Investor Education and Protection Fund" is ₹ 12.71 lakhs (Previous Year: ₹ 14.64 lakhs).

o) Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at March 31, 2026

₹ in Lakhs

Particulars	As at March 31, 2026	As at March 31, 2025
i) Amount required to be spent by the Group during the year	119.73	147.49
ii) Previous years Shortfall/(excess)	(63.50)	(85.00)
iii) Net amount required to be spent (i - ii)	**56.23**	**62.49**
iv) Amount of expenditure incurred		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	69.39	125.99
v) Shortfall/(excess) at the end of the year (excess amount is accounted as prepaid expenses)	(13.16)	(63.50)
vi) Reason for shortfall	NA	NA
vii) Nature of CSR activities	Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects	
viii) Details of related party transactions, e.g. Contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant IND AS	21.08	102.50
ix) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

p) Subsequent events post balance sheet

i) The Board of directors has recommended a dividend @ 55% (₹ 1.10) per equity share at its meeting held on May 18, 2026 which is subject to approval of shareholders.

q) Previous period's figures have been regrouped and/or rearranged, wherever considered necessary.

As per our report of even date attached

For **M M Nissim & Co LLP**
Chartered Accountants
Reg. No. 107122W / W100672

Hiren P Muni
Partner
Membership No. 142067
Maroli, Dated May 18, 2026

For and on behalf of the board

Himanshu Patel
Managing Director
DIN - 00202312

Aalap Patel
Director
DIN - 06858672

Achal Thakkar
Company Secretary
ACS 30459
Maroli, Dated May 18, 2026

Naveen Kandpal
Chief Financial Officer
ACA 406038

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