

SWARAJ ENGINES LIMITED

Works:

Plot No. 2, Indl. Focal Point,
Phase-IX, S.A.S. Nagar
Distt. S.A.S. Nagar (Mohali)
(Near Chandigarh)
Tel.: 0172-2234941-47, 2234950

The logo for Swaraj Engines Limited, featuring the word "SWARAJ" in white capital letters on a green rectangular background.

02/SP/EXCH
19th June, 2026

BSE Limited

Listing Department
P.J. Towers, 1st Floor,
Dalal Street, Fort,
Mumbai – 400 001
Email: corp.relations@bseindia.com
Scrip Code: 500407

National Stock Exchange of India Limited

Capital Market-Listing, Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai- 400051
Email: cmlist@nse.co.in
Scrip Name: SWARAJENG

SUB: Annual Report for FY 2025-26

Dear Sir,

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of the Annual Report for FY 2025-26 of the Company including the Notice of the Company's 40th Annual General Meeting (AGM), which is also being sent through electronic mode to the Members. The 40th AGM of the Company will be held on Monday, 20th July, 2026 at 12.30 P.M. (IST) through Video Conferencing / Other Audio Visual Means.

The above is also being uploaded on the Company's website at <https://www.swarajenterprise.com>.

You are requested to kindly take the same on record.

With regards,

For SWARAJ ENGINES LTD.

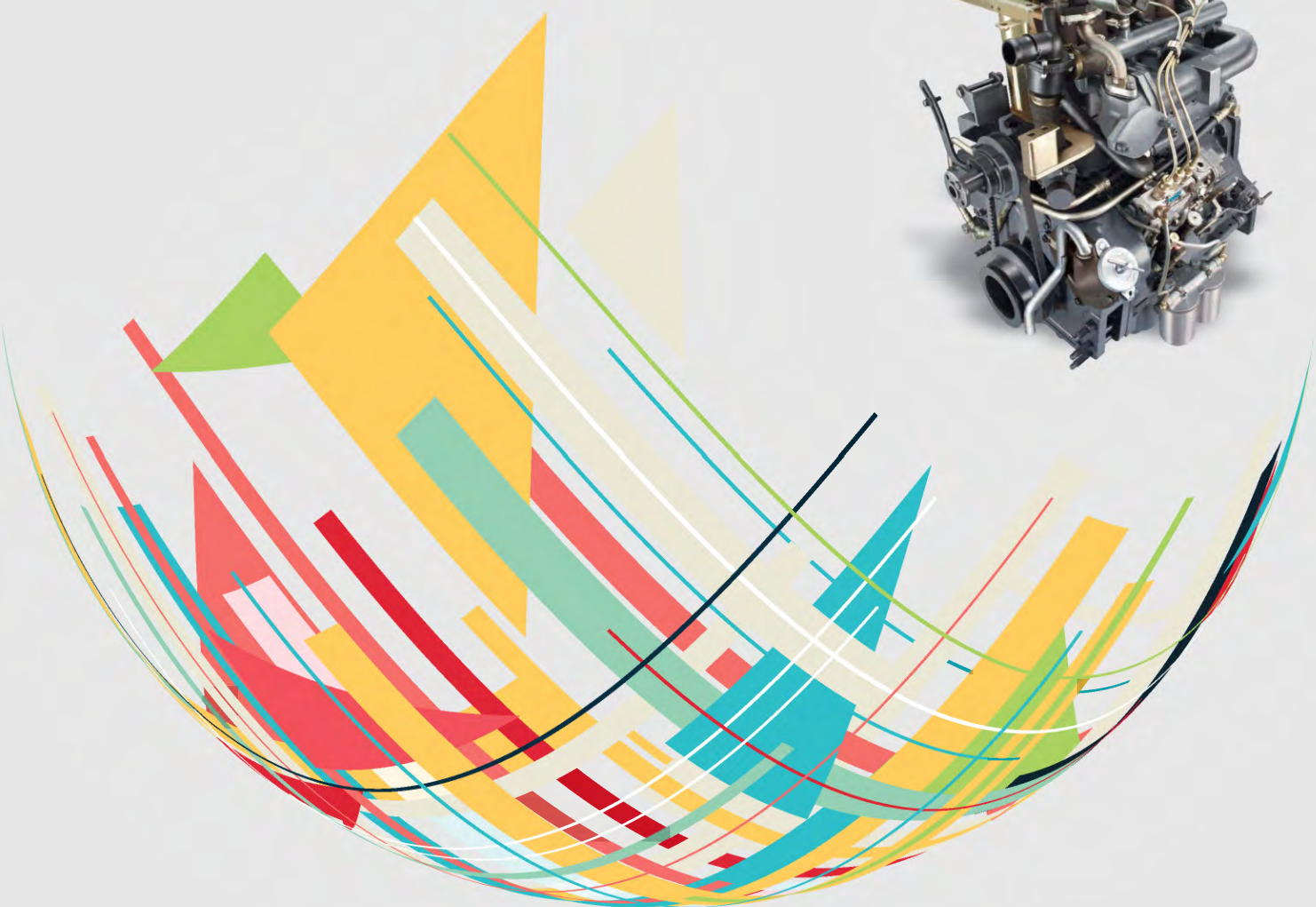
Rajesh Kumar
Kapila

Digitally signed by
Rajesh Kumar Kapila
Date: 2026.06.19
17:10:23 +05'30'

(Rajesh K. Kapila)
Company Secretary
M.No.: ACS-9936

Encl: As above

40th ANNUAL REPORT | 2026



SWARAJ ENGINES LIMITED

Glimpses – Ongoing Capacity Enhancement



New Assembly Shop



New Machine Shop

Swaraj Engines Limited

Chief Financial Officer

MAHESH GUPTA

Company Secretary

RAJESH K. KAPILA

Auditors

M/s B K KHARE & CO.
Chartered Accountants

Bankers

HDFC BANK LIMITED
AXIS BANK LIMITED

Registered Office

Phase IV, Industrial Area,
S.A.S. Nagar (Mohali)
Punjab-160 055

CIN: L50210PB1985PLC006473
Tel: 0172-2271620-21, Fax: 0172-2272731
Email: selinvestor@swarajenterprise.com

Works

Plot No. 2, Industrial Phase IX
S.A.S. Nagar (Mohali)
Punjab-160 062

Website

www.swarajenterprise.com

Registrar and Transfer Agent

M/s MCS Share Transfer Agent Limited
Unit: Swaraj Engines Ltd.
179-180, DSIDC Shed, 3rd Floor,
Okhla Industrial Area, Phase - I,
New Delhi - 110020
Tel: 011-41406149
Fax: 011-41709881
Email: helpdeskdelhi@mcsregistrars.com

BOARD OF DIRECTORS

RAJYA VARDHAN KANORIA
Chairman

S. NAGARAJAN

NIKHILESH PANCHAL

SMITA MANKAD

HARISH CHAVAN

PUNEET RENJHEN

GAGANJOT SINGH

DEVJIT SARKAR
*Whole Time Director &
Chief Executive Officer*

ANNUAL GENERAL MEETING

on Monday, 20th July, 2026

at 12:30 P.M. through

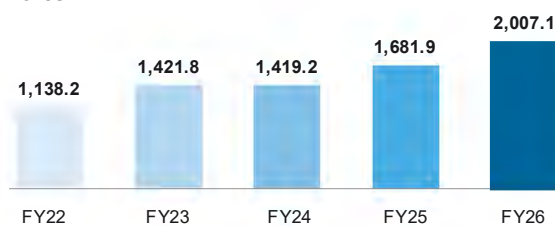
Video Conferencing / Other Audio Visual Means

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FINANCIAL HIGHLIGHTS

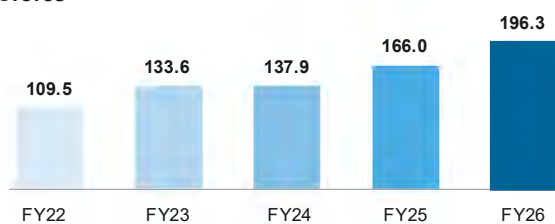
Net Operating Revenue Rs. Crores

CAGR: 15.2%



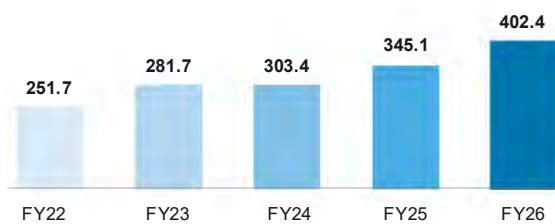
Profit after Tax (PAT) Rs. Crores

CAGR: 15.7%



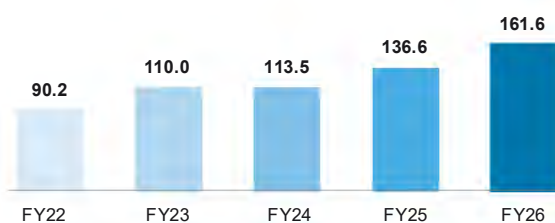
Book Value Per Share Rs.

CAGR: 12.4%



Earning Per Share (EPS) Rs.

CAGR: 15.7%



KEY PERFORMANCE INDICATORS - LAST TEN YEARS
(Rs. in Crores)

Fiscal Year →	Ind AS									
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Engines Sold (Nos.)	82297	92022	99638	89928	113269	116811	137005	138761	168820	202771
Net Operating Revenue	666.14	771.16	871.74	773.30	986.57	1138.15	1421.82	1419.24	1681.89	2007.13
PBIDT	104.54	121.59	131.65	100.43	135.66	155.38	186.41	188.17	227.31	272.12
Finance Cost	0.01	1.01	0.09	0.01	—	0.08	0.08	0.25	0.33	0.39
Depreciation	16.28	16.82	19.54	20.13	19.77	18.10	18.54	17.31	20.34	22.45
Profit Before Other Income & Tax	88.25	103.76	112.02	80.29	115.89	137.20	167.79	170.61	206.64	249.28
Other Income	17.21	18.96	15.38	12.78	8.59	9.66	11.95	14.36	16.41	17.70
Profit Before Exceptional Items & Tax	105.46	122.72	127.40	93.07	124.48	146.86	179.74	184.97	223.05	266.98
Exceptional Items	—	—	—	—	—	—	—	—	—	3.41
Profit Before Tax	105.46	122.72	127.40	93.07	124.48	146.86	179.74	184.97	223.05	263.57
Income Tax	36.63	42.62	44.98	22.03	31.94	37.39	46.13	47.10	57.07	67.27
Profit After Tax	68.83	80.10	82.42	71.04	92.54	109.47	133.61	137.87	165.98	196.31
Other Comprehensive Income (Net of Tax)	0.20	(0.29)	(0.14)	(0.43)	0.05	(0.84)	(0.09)	0.05	(0.19)	0.09
Total Comprehensive Income	69.03	79.81	82.28	70.61	92.59	108.63	133.52	137.92	165.79	196.40
Dividend %	430#	500#	500#	400#	690#	800	920	950	1045	1100
Dividend Payout	53.40	60.63	60.64	48.53	83.75	97.15	111.74	115.40	126.94	133.65
Equity Share Capital	12.42	12.13	12.13	12.13	12.14	12.14	12.15	12.15	12.15	12.15
Net Worth	283.37	228.50	237.98	235.89	280.57	305.68	342.21	368.57	419.20	488.92
Capital Employed	289.64	234.29	245.14	240.49	281.16	305.76	340.93	365.95	416.02	484.04
Market Capitalisation	1842.48	2431.04	1708.78	1098.08	1592.62	1587.65	1869.80	2773.34	4736.84	4020.27
Return on Net Worth	24.3%	35.1%	34.6%	30.1%	33.0%	35.8%	39.0%	37.4%	39.6%	40.2%
Earning per Share (Rs.)	55.42	64.62	67.96	58.57	76.27	90.17	110.02	113.50	136.64	161.60
Book Value per Share (Rs.)	228.2	188.4	196.2	194.4	231.1	251.7	281.7	303.4	345.1	402.4

include Special Dividend of 250% in 2017, 2018 & 2019 and 150% in 2020 and 190% in 2021

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 40th Annual General Meeting of Swaraj Engines Limited will be held on **Monday, 20th July, 2026** at **12:30 P.M.**, through video conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business.

The proceedings of the Annual General Meeting ("AGM") shall be deemed to be conducted at the Works of the Company i.e. Plot No. 2, Industrial Phase IX, S.A.S. Nagar (Mohali), Punjab - 160 062 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2026 and the Reports of the Board of Directors and Auditors thereon:**

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

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2026, and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be considered and adopted."

- 2. To declare a Dividend on Equity Shares:**

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

"RESOLVED THAT a Dividend of Rs. 110.00 (i.e. 1100%) per equity share of the face value of Rs. 10 each for the Financial Year ended 31st March, 2026 on 1,21,49,865 equity shares of the Company aggregating Rs. 133.65 crores, as recommended by the Board of Directors of the Company, be declared and that the said Dividend be distributed out of the Profits for the Financial Year ended 31st March, 2026."

- 3. To appoint a Director in place of Mr. Puneet Renjhen (DIN: 09498488), who retires by rotation and, being eligible, offers himself for re-appointment:**

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

"RESOLVED THAT Mr. Puneet Renjhen (DIN: 09498488), who retires by rotation and being eligible for re-appointment, be re-appointed as a Director of the Company."

- 4. To appoint a Director in place of Mr. Devjit Sarkar (DIN: 10745850), who retires by rotation and being eligible, offers himself for re-appointment:**

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

"RESOLVED THAT Mr. Devjit Sarkar (DIN: 10745850), who retires by rotation and being eligible for re-appointment, be re-appointed as a Director of the Company."

SPECIAL BUSINESS

- 5. Ratification of Remuneration to Cost Auditors:**

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof from time to time) and pursuant to the recommendation of the Audit Committee, the remuneration payable to M/s SDM & Associates, Cost Accountants having Firm Registration No. 000281, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2027, amounting to Rs. 1,55,000/- (Rupees One Lakh Fifty-five thousand only) (plus all applicable taxes and reimbursement of out of pocket expenses), be ratified.

SWARAJ ENGINES LIMITED

FURTHER RESOLVED THAT approval of the Company be accorded to the Board of Directors of the Company (including any Committee thereof) to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

NOTES

1. The Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 is annexed hereto. The Board of Directors have considered and decided to include the Item No. 5 given above as Special Business in the forthcoming Annual General Meeting ("AGM"), as it is unavoidable in nature.
2. The Ministry of Corporate Affairs ("MCA") vide its General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020, dated 5th May, 2020, 10/2022 dated 28th December, 2022, 09/2023 dated 25th September, 2023, 09/2024 dated 19th September, 2024, and 03/2025, dated 22nd September, 2025 (collectively referred to as "MCA Circulars") read with Securities and Exchange Board of India ("SEBI") circular nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11, dated 15th January, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 (collectively referred to as "SEBI Circulars"), permitted the companies for holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The procedure for participating in the meeting through VC / OAVM is explained at Note No. 24.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars 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 AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Company's Registrar and Share Transfer Agent ("RTA") for its Share Registry Work (Physical and Electronic) are M/s MCS Share Transfer Agent Limited having their office at 179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area, Phase - 1, New Delhi - 110020.
6. The Members may kindly note that 3rd July, 2026 has been fixed as the "Record Date" to determine entitlement of the Members to the dividend for the financial year 2025-26, if approved at the Annual General Meeting.
7. The dividend, if declared at the Annual General Meeting, would be paid subject to deduction of tax at source on or after 21st July, 2026 to those shareholders or their mandates:
 - (a) whose names appear as Beneficial Owners as at the end of the business hours on 3rd July, 2026 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - (b) whose names appear as Members in the Register of Members of the Company after giving effect to valid request(s) received for transmission / transposition of shares lodged with the Company / its Registrar and Share Transfer Agent on or before 3rd July, 2026.

8. Members desirous of obtaining any information concerning the accounts and operations of the Company may send their request to the Company Secretary through email at selinvestor@swarajenterprise.com by 14th July, 2026.

Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at selinvestor@swarajenterprise.com from 14th July, 2026 (9:00 a.m. IST) to 16th July, 2026 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

9. Pursuant to the provisions of Section 124 of the Companies Act, 2013, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ("IEPF Rules"), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government. Accordingly, an amount of Rs. 35,80,200/- being unclaimed/unpaid dividend of the Company for the financial year ended 31st March, 2018 was transferred on 16th September, 2025.

The Company has been sending reminders to those members having unclaimed/ unpaid dividend(s) before transfer of such dividend(s) to IEPF. Details of the unclaimed/unpaid dividend(s) as on 31st March, 2025 are also uploaded as per the requirements, on the Company's website www.swarajenterprise.com. The details of unclaimed/unpaid dividend(s) lying with the Company as on 31st March, 2026 shall be updated in due course. Members, who have not encashed their dividend(s) pertaining to the financial year ended on 31st March, 2019 and onwards are advised to write to the Company immediately for claiming dividend(s) declared by the Company.

The due date for transfer of unclaimed/unpaid dividend(s) declared by the Company for FY 2018-19 and thereafter to IEPF is as under :

Financial year ended	Date of Declaration of Dividend	Due for Transfer to IEPF
31st March, 2019	30th July, 2019	4th September, 2026
31st March, 2020	20th July, 2020	25th August, 2027
31st March, 2021	19th July, 2021	24th August, 2028
31st March, 2022	25th July, 2022	30th August, 2029
31st March, 2023	28th July, 2023	2nd September, 2030
31st March, 2024	18th July, 2024	23rd August, 2031
31st March, 2025	15th July, 2025	20th August, 2032

10. Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with IEPF Rules, all shares in respect of which dividend has not been paid or claimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, in compliance with said requirements, the Company has transferred the aforesaid shares to the IEPF Account and details of the same are uploaded on the website of the IEPF viz. www.iepf.gov.in and on the website of the Company www.swarajenterprise.com.

Further, all the Members who have not claimed/encashed their dividend(s) in the last seven consecutive years from 2018 are requested to claim the same by 20th August, 2026. In case valid claim is not received by that date, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules.

The Member(s) whose dividend / shares as transferred to the IEPF Authority can now claim their shares from the IEPF Authority by following the Refund Procedure as detailed on the website of IEPF Authority <https://www.iepf.gov.in/IEPF/refund.html>.

11. The Securities and Exchange Board of India (SEBI) has directed for the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar.
12. Members can avail themselves of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form SH-13 duly filled in to the Company's Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited at their above-mentioned address. Members holding shares in electronic mode may contact their respective Depository Participants to avail themselves of this facility.
13. Payment of Dividend through ECS:

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/Direct Credit, etc.

As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account along with self-attested copy of PAN and the original cancelled cheque bearing the name of the Member to the Company's Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited at their abovementioned address/Company to update their Bank Account details.

Members holding shares in demat form are requested to update their Bank Account details with their respective Depository Participant. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.

14. In compliance with the aforesaid MCA circulars and SEBI circulars, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website www.swarajenterprise.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The physical copy of the Annual Report and AGM Notice shall be sent to those shareholders who request for the same.
15. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialized form with effect from 1st April, 2019. Accordingly, Members are advised to dematerialize shares held by them in physical form.
16. Members holding shares in dematerialised mode who have not registered / updated their email addresses are requested to register / update their email addresses with the relevant Depository Participants.

17. Members holding shares in physical mode may please note that the Securities and Exchange Board of India (SEBI) has mandated furnishing of PAN, KYC details (i.e. Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by all the shareholders who are holding their shares in physical form. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://swarajenterprise.com/ImpNot>

Pursuant to SEBI Master Circular no. SEBI/HO/38/13/(4)2026-MIRSDPOD/II/4298/2026, dated February 6, 2026 read with SEBI Listing Regulations, the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from 1st April, 2024, only upon furnishing all the aforesaid details.

Further, SEBI has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website at <https://swarajenterprise.com/ImpNot>. It may be noted that any service request can be processed only after the folio is KYC Compliant.

Pursuant to the SEBI Circular dated January 30, 2026, the Company has enabled a special window to facilitate lodgement of transfer requests executed before April 1, 2019 but were either not lodged for transfer or were lodged and subsequently rejected, returned or not attended due to deficiency in the documents. Eligible Shareholders are encouraged to submit the requisite documents to the Company/RTA before February 4, 2027. Securities transferred through this mechanism shall be credited only in demat form and will remain under a one year lock in, during which they cannot be transferred, lien marked or pledged. A newspaper advertisement has been published in this regard and the same is also available at Company's website.

18. Members are requested to:
- Intimate, along with relevant documents, to the Company's Registrar and Share Transfer Agent, M/s MCS Share Transfer Agent Limited at their abovementioned address, about changes, if any, in their registered addresses at an early date, in case of shares held in physical form.
 - Intimate directly to the respective Depository Participant, about changes, if any, in their registered addresses, nomination, power of attorney etc. at an early date, in case of shares held in dematerialised form. The Company will not take cognizance of any such requests directly from Members.
 - Quote their folio numbers/Client ID/ DP ID in all correspondence.
 - Consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names.

19. Tax Deducted at Source ("TDS") on Dividend:

Pursuant to the Finance Bill, 2026, dividend income continues to be taxable in the hands of shareholders in accordance with Income-tax Act, 2025("the Act"), effective from April 1, 2026. The Company is required to deduct tax at source from dividends paid to shareholders at the prescribed rates. For the prescribed rates applicable to various categories, shareholders are requested to refer to the relevant provisions of the Act, and the applicable Finance Bill 2026. Shareholders

are requested to update their PAN with the Company/Registrar and Share Transfer Agent in case of shares held in physical mode, and with depositories in case of shares held in demat mode.

A resident individual shareholder with a PAN who is not liable to pay income tax can submit a yearly declaration in Form No. 121 to avail the benefit of non-deduction of tax at source by sending an email to selinvestor@swarajenterprise.com by 3rd July, 2026. Shareholders are requested to note that if their PAN is not correct/ invalid/ inoperative, or PAN not linked with Aadhaar, tax will be deducted at higher rates prescribed under Section 397(2) of the Act, 2025, as applicable. In case of an invalid PAN, they might not be able to get credit for TDS from the Income Tax Department. Non-resident shareholders can avail beneficial rates under the 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 41, and any other document that may be required to avail tax treaty benefits by sending an email to selinvestor@swarajenterprise.com. The aforementioned declarations and documents need to be submitted by shareholders by 3rd July, 2026.

Members are requested to submit the latest Forms to avail exemption of TDS. The erstwhile Forms shall not be accepted for this purpose.

Please note that the Company is not obligated to apply beneficial Double Tax Avoidance Agreement (DTAA) rates at the time of tax deduction/ withholding on dividend amounts. The application of beneficial DTAA rates shall depend upon the completeness and satisfactory review by the Company of the documents submitted by the Non-Resident shareholder.

In terms of Rule 203 of the Act, if dividend income on which tax will be deducted at source is assessable in the hands of a person other than the registered shareholder as of the book closure date, then the registered shareholder is required to submit a signed declaration (on letterhead) containing the name, address, PAN, residential status/category of the person to whom TDS credit is to be given, and the reasons for giving credit to such person, by 3rd July, 2026. Please note that no request in this regard would be accepted/considered by the Company/RTA after the said date.

20. Relevant documents referred to in the accompanying Notice shall be available for inspection by the Members through electronic mode, basis the request being sent on selinvestor@swarajenterprise.com.
21. Voting through electronic means
 - I. In compliance of provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL) on all resolutions set forth in this Notice, through remote e-voting.
 - II. Members are requested to note that the Company is providing a facility for remote e-voting and the business may be transacted through an electronic voting system. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility. A Member may avail of the facility at his/her/its discretion, as per the instructions provided herein.

The details of the process and manner for remote e-voting and voting during the AGM are explained here below:

Step 1 : Access to NSDL e-Voting system

Step 2 : Cast your vote electronically on NSDL e-Voting system

Details on Step 1 is mentioned below:

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id correctly in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	- For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. NSDL IDeAS facility If you are already registered for NSDL IDeAS facility Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or voting during the meeting. If the user is not registered for IDeAS e-Services If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp e-Voting website of NSDL Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit

	demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store  Google Play  
Individual Shareholders holding securities in demat mode with CDSL	- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. - After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
4. Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically on NSDL e-Voting system.
5. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 123456 then user ID is 123456001***

6. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii) If your email ID is not registered, please follow steps mentioned below in this Notice at Point No. 4 of General Guidelines for shareholders.
7. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on **www.evoting.nsdl.com**.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on **www.evoting.nsdl.com**.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.com** mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
8. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
9. Now, you will have to click on "Login" button.
10. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ajaykcs@gmail.com with a copy marked to evoting@nsdl.com. They can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Deputy Vice President, NSDL at evoting@nsdl.com.
4. Process for procuring user ID and password for e-voting for those shareholders whose email IDs are not registered with the depositories / Company:
 1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to selinvestor@swarajenterprise.com.
 2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to selinvestor@swarajenterprise.com.
 3. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
 4. Alternatively shareholder may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
- III. The remote e-voting period will commence at 9.00 a.m. (IST) on Thursday, 16th July, 2026 and will end at 5.00 p.m. (IST) on Sunday, 19th July, 2026. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, Monday, 13th July, 2026, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- IV. The instructions for Members for e-voting on the day of the AGM are as under:
 - a) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
 - b) Only those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
 - c) The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date, Monday, 13th July, 2026.
- VI. Any person, who acquires shares of the Company and become a Member of the Company after sending of the Notice and holding shares as on the cut-off date i.e. Monday, 13th July, 2026, may obtain the Login ID and password by sending an e-mail to NSDL at evoting@nsdl.com or to the Registrar and Share Transfer Agent of the Company at helpdeskdelhi@mcsregistrars.com or to the Company at selinvestor@swarajenterprise.com. However, if they are already registered with NSDL for remote e-voting, then they can use their existing User ID and password for casting the vote through remote e-voting. If they forget the password, they can reset the password by using "Forgot User Details/Password?" option available on www.evoting.nsdl.com.
- VII. Mr. Ajay K Arora, Practicing Company Secretary (Membership No. FCS-2191, C.P. No. 993) and failing him, Mr. Kanwaljit Singh, a Practicing Company Secretary (Membership No. FCS-5901, C.P. No. 5870), has been appointed as the Scrutinizer to scrutinize the entire e-voting process in a fair and transparent manner.
- VIII. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- IX. As per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results of e-voting are to be communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed, not later than 48 hours of the conclusion of the Annual General Meeting. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.swarajenterprise.com and on the website of NSDL.
- X. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 20th July, 2026.

22. Re-appointment of Directors

Mr. Puneet Renjhen and Mr. Devjit Sarkar shall retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. Additional information, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India, in respect of the Directors seeking re-appointment at this AGM, forms part of the Notice as Annexure I.

None of the Directors of the Company are interse related to each other.

- 23. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- 24. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:
 - 1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, the Members can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. The Members are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice.
 - 2. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

3. Members who need assistance before or during the AGM, can contact NSDL at 022 - 4886 7000 or contact Ms. Pallavi Mhatre, Deputy Vice President, NSDL at evoting@nsdl.com.

Registered Office :
Phase IV, Industrial Area
S.A.S. Nagar (Mohali)
Punjab - 160 055
Tel: 0172-2271620-21, Fax: 0172-2272731
Email: selinvestor@swarajenterprise.com
Website: www.swarajenterprise.com
CIN: L50210PB1985PLC006473

BY ORDER OF THE BOARD

(RAJESH KUMAR KAPILA)
Company Secretary
M.No. : ACS - 9936

13th April, 2026

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the items of the Special Business

Item No. 5

The Board of Directors, at its meeting held on 13th April, 2026, upon recommendation of the Audit Committee, approved the appointment of M/s SDM & Associates, Cost Accountants, having Firm Registration No. 000281, as Cost Auditors of the Company for conducting the audit of the cost records of the Company for the financial year ending 31st March, 2027, at a remuneration of Rs. 1,55,000/- (Rupees One Lakh Fifty-five thousand only) plus applicable taxes and reimbursement of such other out of pocket expenses as may be incurred by the said Cost Auditors during the course of the audit.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members of a Company are required to ratify the remuneration to be paid to the Cost Auditors of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the financial year ending 31st March, 2027.

None of the Directors, key managerial personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Basis the rationale provided above, the Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for the approval by the Members.

Registered Office :
Phase IV, Industrial Area
S.A.S. Nagar (Mohali)
Punjab - 160 055
Tel: 0172-2271620-21, Fax: 0172-2272731
Email: selinvestor@swarajenterprise.com
Website: www.swarajenterprise.com
CIN: L50210PB1985PLC006473

BY ORDER OF THE BOARD

(RAJESH KUMAR KAPILA)
Company Secretary
M.No. : ACS - 9936

13th April, 2026

Annexure I

Additional Information on Directors seeking Re-appointment at the 40th Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] and (SS - 2 Secretarial Standards on General Meetings)

Name of Director	Mr. Puneet Renjhen	Mr. Devjit Sarkar
Director Identification Number (DIN)	09498488	10745850
Date of appointment	03-10-2022	01-09-2024
Age	48 Years	60 Years
Brief resume, nature of expertise in specific functional areas	Mr. Puneet Renjhen is currently Executive Vice-President of Partnerships & Alliances and a member of Group Executive Board of Mahindra & Mahindra Ltd. He is responsible for leading Partnerships & Alliances for the Group and leveraging potential acquisitions, JVs and synergies to take the Group to the next leap of growth. Prior to joining Mahindra & Mahindra Ltd., he was working as Executive Director, Investment Banking at Avendus. Prior to this he worked with Standard Chartered Bank (SCB) in Capital markets, M&A advisory and leveraged Finance out of their Singapore and Mumbai offices. He also worked with Citigroup in London & Mumbai in their Industrial, Real Estate and Technology Investment Banking teams. He has also briefly worked in Kotak & Lazard. In his career, he led advisory and capital raising transactions of more than USD 25 billion for some of the largest global and Indian corporates. Some of the key transactions executed by him include BII Investment in Mahindra SUV Electric Business, Tata Motors acquisition of Jaguar Land Rover, Sale of Mphasis, sale of select Mahindra Susten assets to CLP India, fund raising by Mahindra group, Tata group, Infosys, Bharat Forge etc.	Mr. Devjit Sarkar has over 37 years of rich experience in Design, Operations, Projects and Sourcing functions. Prior to his current role, he has worked as COO & member of the board, Erkunt Traktor, Turkey (under International Operations, FES - Mahindra), and during his stint of five years with Erkunt Traktor, he has supported the emission upgradation of tractor platforms at Erkunt from 3A to Stage 5, upgraded the company's infrastructure, set up new Mahindra engine lines and developed new models. He has expertise in Sourcing and Supply Chain functions spanning over 20 years, with reputed multinational companies. In his 12 years stint with Mahindra, he has held various positions of increasing responsibilities within the Mahindra Group. Prior to joining Mahindra, he worked with globally reputed Automobile, Electric Motor and Bearing manufacturing companies in Design & Development & Project functions. He has extensively worked with diverse multinational teams on Global Product platforms.
Qualification	B.Com (Hons.), MBA, and management courses at the London Business School in Leadership, Strategy, and Mergers and Acquisitions.	BE (Mechanical Engineering)

SWARAJ ENGINES LIMITED

List of Directorship	Listed entities: Swaraj Engines Limited Tech Mahindra Limited Others: Mahindra Susten Private Limited Sustainable Energy Infra Investment Managers Private Limited Mahindra Holdings Limited Smartshift Logistics Solutions Private Limited	Listed entities: Swaraj Engines Limited
Listed entities from which Director has resigned in last 3 years	Brainbees Solutions Limited	Nil
Committee Membership	Swaraj Engines Ltd.: Audit Committee (Member) Tech Mahindra Limited: Audit Committee (Member) Stakeholders' Relationship Committee (Member) Risk Management Committee (Member) Corporate Social Responsibility Committee (Member) Investment Committee (Member) Group Governance Council (Member) Mahindra Susten Private Limited: Environment Social Governance & Health and Safety (Member) Project Investment Committee (Member) Nomination and Remuneration Committee (Member) Sustainable Energy Infra Investment Managers Private Limited: Risk Management Committee (Member) InvIT Committee (Member) Investment Committee (Member) Mahindra Holdings Ltd.: Finance and Accounts Audit Committee (Member) Corporate Social Responsibility Committee (Chairman) Smartshift Logistics Solutions Private Limited: Remuneration Committee (Member)	Swaraj Engines Ltd.: Stakeholders Relationship Committee (Member) Corporate Social Responsibility Committee (Member) Risk Management Committee (Member)

No. of Board Meetings of Swaraj Engines Limited attended during FY 2025-26	Board Meetings held - 5 Board Meetings attended - 5	Board Meetings held - 5 Board Meetings attended - 5
Relationship with other Directors, Manager and Key Managerial Personnel	Nil	Nil
Shareholding in Swaraj Engines Limited	Nil	361 equity shares

Note: No sitting fees and commission was paid to Mr. Puneet Renjhen and Mr. Devjit Sarkar during FY 2025-26. Details of remuneration paid to Mr. Devjit Sarkar during FY 2025-26 are provided in the Corporate Governance Report annexed to Directors Report.

REPORT OF THE DIRECTORS TO THE MEMBERS

Your Directors present their 40th Annual Report together with Audited Accounts for the financial year ended 31st March, 2026.

A. FINANCIAL RESULTS AND OPERATIONAL REVIEW :

	Year Ended 31 st March, 2026	(Rs. in Crores) Year Ended 31 st March, 2025
Net Operating Revenue	2007.13	1681.89
Profit before Other Income, Depreciation, Finance Charges, Exceptional items and Tax	272.12	227.31
Other Income	17.70	16.41
Profit before Depreciation, Finance Cost, Exceptional items and Tax	289.82	243.72
Finance Cost	0.39	0.33
Depreciation and Amortisation Expense	22.45	20.34
Profit before Exceptional Items & Tax	266.98	223.05
Exceptional Items	3.40	—
Profit Before Tax	263.58	223.05
Tax Provision		
— Current	68.96	57.56
— Deferred	(1.69)	(0.49)
Profit After Tax	196.31	165.98
Other Comprehensive Income (net of Tax)	0.09	(0.19)
Total Comprehensive Income	196.40	165.79

Performance Review

India's economy is expected to sustain its growth momentum in FY 2025-26, supported by resilient domestic consumption, steady investments, increased infrastructure spending, and continued technological advancement. Despite intermittent pressures arising from geopolitical uncertainties, the country has effectively balanced economic expansion with inclusive development, thereby ensuring stable and sustained progress.

The Indian tractor industry, which your Company serves, achieved unprecedented sales exceeding one million units during FY26, marking a historic milestone, driven by strong rural demand and supportive policy measures. The industry witnessed sustained momentum throughout the year, recording a significant increase in overall sales volumes, with growth of 23% over the previous year and closing at 11,60,300 units. Key growth drivers included the reduction in GST on tractors to 5%, favourable monsoon conditions, and the Government's continued thrust on the agriculture sector. These factors translated into a strong performance by the Company's key customer, Swaraj Division of M&M, resulting in robust demand for Swaraj engines. Consequently, your Company once again delivered an impressive all-round performance, marked by noteworthy improvements in sales and profit.

With continued strong demand from its key customer, the Company, yet again, recorded a significant surge in engine sales and posted its highest-ever annual sales volume of 2,02,771 engines as against 1,68,820 engines in the previous year, an increase of 20.1%. Net operating revenue, registering a growth of 19.3%, rose to Rs. 2007.13 crores as against Rs. 1681.89 crores for the previous year. Operating profit for the year stood at Rs.272.12 crores (previous year Rs. 227.31 crores), reflecting an increase of 19.7%. Profit Before Tax increased to Rs. 266.98 crores (previous year Rs. 223.05 crores) and Profit After Tax rose to Rs. 196.31 crores (previous year Rs. 165.98 crores), translating into a Basic Earnings Per Share of

Rs. 161.60 (previous year Rs. 136.64). Total comprehensive income (net of tax) stood at Rs. 196.40 crores (previous year Rs. 165.79 crores), marking a growth of 18.5%. Notably, FY26 marked the Company's sixth consecutive year of growth in both engine sales volumes and profit.

As reported in last year's Annual Report, to meet the expected increase in customer demand, the Company had announced plans to enhance its annual engines manufacturing capacity to 2,40,000 engines from the existing capacity of 1,95,000 engines. The augmentation work is progressing well.

No material changes and commitments which could affect your Company's financial position for FY 2025-26 have occurred between the end of the financial year of your Company and date of this report.

Finance

The fund position of the Company remained comfortable throughout the year under review. The Company, after meeting the capital expenditure & working capital requirements to support operations, has earned an income of Rs. 18.50 crores (previous year - Rs. 17.08 crores) on its surplus funds.

Dividend

Your Directors are pleased to recommend an equity dividend of Rs. 110.00 per share of the face value of Rs. 10.00 for the financial year ended 31st March, 2026 (previous year - Rs. 104.50 per share).

If approved by the Shareholders at the ensuing Annual General Meeting, the above equity dividend will be paid to those shareholders whose names shall appear in the Register of Members as on the Record Date. The total equity dividend outgo for the financial year 2025-26 will absorb a sum of Rs. 133.65 crores (previous year - Rs. 126.94 crores). Further, the Board of your Company has decided not to transfer any amount to the General Reserves for the year under review.

Dividend Distribution Policy

The Board approved Dividend Distribution Policy containing the parameters mentioned in Regulation 43A(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). The same is attached as "Annexure A" and forms part of this Annual Report.

The same has also been hosted on the website of the Company and can be assessed at the web-link <https://www.swarajenterprise.com/policies>

Current Year's Review

On the back of various favourable factors, the tractor industry witnessed healthy growth momentum during FY26. Looking ahead, continued monsoon normalcy, sustained government support towards agriculture and rural infrastructure, and periodic increases in Minimum Support Prices (MSPs) aimed at enhancing rural incomes are expected to augur well for maintaining stable demand for tractors going forward.

B. HOLDING COMPANY

Mahindra & Mahindra Limited (M&M) is the holding Company of Swaraj Engines Limited and holds 52.11% of the paid-up capital equity share capital of the Company as on 31st March, 2026.

C. INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has laid down adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations. Based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed. Nonetheless your Company recognizes that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

Your Company uses SAP ERP Systems as a business enabler and to maintain its Books of Accounts. The transactional controls built into the SAP ERP system also help to strengthen the processes related to segregation of duties, appropriate level of approval mechanisms and maintenance of supporting records. Further, as mandated in the recent amendment under

SWARAJ ENGINES LIMITED

Companies (Accounts) Rules, 2014, effective 1st April, 2023, the SAP ERP System also has feature of recording an Audit Trail of each and every transaction, creating an edit log of each change made in books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

D. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

E. RELATED PARTY TRANSACTIONS

All related party transactions that were entered during the financial year 2025-26 were in the ordinary course of the business and were on arm's length basis. All such related party transactions are placed before the Audit Committee for approval, wherever applicable. Prior omnibus approval for normal transactions is also obtained from the Audit Committee for the related party transactions which are of repetitive nature as well as for the transactions which cannot be foreseen and the same are subsequently shared with Audit Committee on quarterly basis. The policy on materiality of and dealing with related party transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company and the link for the same is <https://www.swarajenterprise.com/policies>. The disclosure of material related party transactions pursuant to Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is annexed as "Annexure B" to this report.

F. BOARD AND COMMITTEES

Directors

During the year under review, Mr. Rejesh Jejurikar, Chairman, consequent to his resignation due to his other professional commitments and responsibilities, ceased to be the Director and Chairman of the Company from the close of 16th October, 2025. Taking note of his resignation, the Board of Directors placed on record its sincere appreciation of the valuable contributions made by Mr. Jejurikar, firstly as Director and then as Chairman of the Company. The Board then in place of Mr. Jejurikar, appointed Mr. Rajya Vardhan Kanoria, Non-Executive Independent Director, as Chairman of the Company effective 17th October, 2025.

Further, the Board of Directors, upon the recommendation of the Nomination and Remuneration Committee, appointed Mr. Gaganjot Singh as additional Director of the Company w.e.f. 17th October, 2025 and subsequently the shareholders of the Company also approved his appointment as Director through the postal ballot.

In terms of Section 152 of the Companies Act, 2013, Mr. Puneet Renjhen and Mr. Devjit Sarkar shall retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfil their duties as Independent Directors.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ('IICA'). Further, the Independent Directors of the Company are exempt from the requirement to undertake online proficiency self-assessment test as per the provisions of Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a system has been put in place to carry out an annual performance evaluation of the Board, its Committees and individual Directors. Criteria for performance evaluation is covered in the Corporate Governance Report.

Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed policy on appointment of Directors and Senior Management and policy for remuneration of the Directors, KMP and other employees. These policies are available at <https://www.swarajenterprise.com/policies>. The Remuneration Policy is also covered in the Corporate Governance Report.

Board Meetings and Annual General Meeting

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, five meetings of Board and four meetings of the Audit Committee were convened and held. The details are covered in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The 39th Annual General Meeting of the Company was held on 15th July, 2025.

Meetings of Independent Directors

The Independent Directors of the Company meet at least twice in every financial year without the presence of Non-Independent Directors, Executive Director and any other management personnel. The meeting(s) is conducted in a manner to enable the Independent Directors to discuss matter pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole, assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties. During the year, two meetings of Independent Directors were held on 3rd December, 2025 and 10th March, 2026.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on representations received from the Operating Management, and after due enquiry, confirm that:

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

Audit Committee

The Audit Committee of the Company at the beginning of financial year 2025-26 was comprising of 5 Directors viz. Mr. Rajya Vardhan Kanoria (Chairman of the Committee), Mr. S. Nagarajan, Mr. Nikhilesh Panchal, Ms. Smita Mankad and Mr. Puneet Renjhen. Consequent to the appointment of Mr. Kanoria as Chairman of the Company with effect from 17th October, 2025, the Board decided to appoint Ms. Smita Mankad as Chairperson of the Audit Committee with effect from 17th October, 2025 in place of Mr. Kanoria, who continued to be the member of the Audit Committee. In the current composition of the Audit Committee, except Mr. Puneet Renjhen, all the Members of the Committee are Independent Directors. All the Members of the Committee possess strong accounting and financial management knowledge.

The Company Secretary of the Company is the Secretary of the Committee.

All the recommendations of the Audit Committee were accepted by the Board.

G. CORPORATE GOVERNANCE**Corporate Governance**

A Report on Corporate Governance along with a Certificate from the Auditors of the Company regarding the compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism through Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has put in place anti sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy is gender neutral. Internal Complaints Committee (ICC) has been set up to redress the complaints received, if any, regarding sexual harassment.

During the year, no complaint was received.

Maternity Benefits Act, 1961

The Company is in compliance with the provisions relating to the Maternity Benefits Act, 1961.

Risk Management

The Risk Management Committee of the Company during the financial year 2025-26 was comprising of 3 Directors viz. Mr. Nikhilesh Panchal, Non-Executive Independent Director (Chairman of the Committee), Mr. Harish Chavan, Non-Executive Non-Independent Director and Mr. Devjit Sarkar, Whole Time Director & CEO. The other details and terms of reference of the Committee are covered under the Corporate Governance Report which forms part of the Annual Report. In accordance with the requirement of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is having Risk Management framework covering identification, evaluation and control measures to mitigate the identified business risks.

H. EMPLOYEES**Key Managerial Personnel (KMP)**

During the financial year under review, there is no change in the KMPs of the Company and following were remained the KMPs throughout the year:

Mr. Devjit Sarkar, Whole Time Director & Chief Executive Officer

Mr. Mahesh Gupta, Chief Financial Officer

Mr. Rajesh K. Kapila, Company Secretary

Ms. Geeta Kharat, Compliance Officer

Employees' Stock Option Scheme

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Scheme-2015 ("the Scheme") of the Company which gets covered under the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB Regulations 2021"). Pursuant to the said Scheme, the Nomination and Remuneration Committee during FY 2025-26 have granted 652 options to eligible employee and allotted 2399 equity shares against the vesting. No employee has been issued stock options during the year, equal to or exceeding 1% of the issued capital of the Company at the time of grant. Information as required under the SBEB Regulations is provided in the Annual Accounts which has been uploaded on the Company's website and can be accessed at the web-link <https://www.swarajenterprise.com/annualreports>

Industrial Relations

Industrial relations remained cordial throughout the year under review.

Particulars of Employees

The statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as "Annexure C". Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report and in terms of the provisions of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Shareholders excluding the aforesaid statement. Any Shareholder interested in obtaining such details may write to the Company Secretary of the Company and the same will be made available during 21 days before the Annual General Meeting.

Safety, Health and Environmental Performance

Your Company's commitment towards Safety, Occupational Health and Environment is being continuously enhanced. The Company encourages involvement of all its employees in activities related to safety, including promotion of safety standards. This is also to ensure sustainable business growth. The Company has a well-established Safety, Occupational Health and Environmental Policy which inter alia ensures safety of public, employees, plant and equipment by ensuring compliance with all statutory rules and regulations on regular basis. During the year, no major accident has occurred. Your Company also imparts training to its employees as per the predefined training calendar, carries out statutory safety audits of its facilities as per legal requirement and promotes eco-friendly activities.

The Company's plant is certified under OHSAS 45001:2018 and EMS ISO 14001:2015.

I. AUDITORS

Statutory Auditors and Auditors' Report

M/s. B.K. Khare & Co., Chartered Accountants (ICAI Firm Registration Number 105102W), were reappointed as the Statutory Auditors of the Company for the second term to hold office for another term of 5 years from the conclusion of the 36th Annual General Meeting ("AGM") held on 25th July, 2022 until the conclusion of the 41st AGM of the Company to be held in the year 2027.

The Report given by the Auditors on the financial statements of the Company for the financial year 2025-26 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer given by the Auditors in their Report.

Secretarial Auditors

Pursuant to Regulation 24A and other applicable provisions of the Listing Regulations and applicable provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder, the Board, on the recommendation of its Audit Committee, approved and recommended to the Members the appointment of M/s A. Arora & Co., a proprietorship Company Secretaries firm (Certificate of Practice No. 993), having a Peer Review Certificate (2120/2022 valid up to 31.05.2027) as Secretarial Auditors of the Company for a term of 5 (Five) consecutive years to hold office from the conclusion of 39th Annual General Meeting ("AGM") held on 15th July, 2025 till the conclusion of 44th AGM of the Company to be held in the Year 2030. Subsequently, the Members of the Company at the Annual General Meeting held on 15th July, 2025 also approved the said appointment.

The Report of the Secretarial Audit for the financial year 2025-26 is annexed herewith as "Annexure D" and it does not contain any qualification, reservation, adverse remark or disclaimer.

Further, pursuant to SEBI Circular dated 8th February, 2019, as amended, read with Regulation 24A of the Listing Regulations and Circulars issued by Stock Exchanges in this regard, M/s A. Arora & Co., Company Secretaries in practice (CP No. 993) has issued Annual Secretarial Compliance Report for FY 2025-26 and the same is available on the Company's website on <https://www.swarajenterprise.com/DisclosureunderReg30andOthers>.

Cost Records and Cost Audit

The Company is maintaining cost records as prescribed under the provisions of Section 148(1) of the Companies Act, 2013. The Board, on the recommendation of Audit Committee, had appointed M/s SDM & Associates, Cost Accountants (Firm Registration Number 000281), as Cost Auditor for conducting the audit of cost records of the Company for the Financial Year 2025-26 under Section 148 of the Companies Act, 2013. M/s SDM & Associates have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013.

The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arms length relationship with the Company.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to M/s SDM & Associates, Cost Auditors is included in the Notice convening the Annual General Meeting.

J. CORPORATE SOCIAL RESPONSIBILITY AND RELATED MATTERS**Corporate Social Responsibility (CSR)**

Keeping with Company's core value of Good Corporate Citizenship, your Company is committed to its social responsibility by taking various initiatives that would benefit our society. In line with the Company's CSR Policy and CSR thrust areas, your Company's CSR efforts continue to be directed towards five key areas viz. skill learning, education, public health, environment and women empowerment. Most of the activities, particularly relating to education, skill learning and health, being planned by giving due attention to women as key beneficiaries.

Under education and vocational training initiative, to support the youth to get suitable earning opportunities, your Company imparted training through various short-term courses to about 450 students at Company's Skill Development Centre and Govt. ITI in association with State Govt. Further, the Company also supported improving the infrastructure at three Govt. ITIs benefiting 1000+ students.

On the public health front, the Company, with the support of Homi Bhabha Cancer Hospital and Research Centre, facilitated mammography tests for around 1,200 females. Additionally, the Company coordinated various medical camps with other medical institutions, benefiting around 3,000 people. Medical equipment and supplies were also provided to leading government institutions to support community welfare.

Women empowerment is one of the core focus areas for the Company. Under this initiative called "Prerna", various trainings were organized to empower woman farmers through integrated rural development program. With a view to provide and promote innovative farm practices, knowledge & technology, the Company extended necessary support to 800+ women farmers through 41 Self Help Groups (SHGs). Under Project Nanhi Kali (a M&M group initiative), the Company has contributed to empower underprivileged girls by supporting their education. The Project provides educational support to girls studying in Government schools from Class 1 to 10, enabling them to successfully complete their schooling.

To contribute to a cleaner environment, the Company continued its Swachh Bharat initiatives in nearby adopted villages, focusing on door-to-door garbage collection and helping in cleanliness drive there. As part of the tree plantation drive, 5,500 saplings were planted and distributed across various locations.

Other activities included the distribution of sanitary napkins through already installed vending machines, maintenance of the sensory garden at the Government Rehabilitation Institute for Intellectual Disabilities, organizing blood donation camps, celebrating festivals with the underprivileged, and conducting public awareness drives focused on health and environmental issues.

Further, in compliance with Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company's Corporate Social Responsibility (CSR) Committee during the year was comprised of Mr. S. Nagarajan (Chairman), Ms. Smita Mankad, Mr. Harish Chavan and Mr. Devjit Sarkar. The Annual Report on CSR activities is annexed as "Annexure E" to this report.

Sustainability Initiative

Your Company is conscious of its responsibility towards preservation of natural resources and continuously taking various initiatives to reduce the consumption of electricity and water. As required under Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report of your Company in the prescribed format is available as a separate section as "Annexure F" and forms part of this Annual Report.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars in respect of the above activities stipulated under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure G".

K. SECRETARIAL

Share Capital

Consequent to allotment of 2399 equity shares of Rs. 10/- each to eligible employees during the year against the exercise of the options vested to them under the Company's Employees' Stock Option Scheme-2015, the Paid-up Equity Share Capital of the Company as on 31st March, 2026 stood at 1,21,49,865 equity shares of Rs. 10/- each fully paid up (previous year - 1,21,47,466).

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on 31st March, 2026 is available on the Company's website on <https://www.swarajenterprise.com/annualreports>

Particulars of Loans, Guarantees and Investments

During the year under review, the Company has not extended any loans, given guarantees or provided securities or made investments which would be covered by Section 186 of the Companies Act, 2013.

Deposits

The Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

The Company has not made any loans / advances and investment in its own shares, associates, etc. during the year.

Compliance with Secretarial Standards on Board and General Meetings

During the Financial Year, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Change in the Nature of Business

There has been no change in the nature of business of the Company during the year.

General

The Company is not paying any commission to the Whole Time Director(s). However, Whole Time Director(s) is eligible for grant of Stock Options of the Company, subject to approval of the Nomination and Remuneration Committee. Further, the Whole Time Director of the Company does not draw any commission or remuneration from its Holding Company.

The Company does not have any subsidiary or joint venture company.

There was no revision of financial statements and Board's Report of the Company during the year under review.

During the year, the Company has not made any application and there are no proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

The Company has no borrowings, and hence the requirement of providing details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

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Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions / events happened on these items during the year under review:

1. issue of equity shares with differential voting rights or sweat equity.
2. raising of funds through public issue, rights issue, preferential issue and qualified institutional placement.
3. significant or material orders passed by the Regulators / Courts / Tribunal which impact the going concern status of the Company and its future operations.
4. voting rights which are not directly exercised by the employees in respect of shares for the subscription / purchase for which loan was given by the Company (as there is no scheme pursuant to which such person can beneficially hold shares as envisaged under Section 67(3)(c) of the Companies Act, 2013).
5. fraud reporting by the auditors.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to acknowledge the contributions of all the stakeholders and are grateful for the co-operation of various Government Authorities, excellent support received from the Shareholders, Banks and other Business Associates. The Directors also recognise and appreciate the hard work and efforts put in by all the employees and their continued contribution to the Company.

FOR AND ON BEHALF OF THE BOARD

Place : S.A.S. Nagar (Mohali)
Date : 13th April, 2026

(RAJYA VARDHAN KANORIA)
Chairman
DIN: 00003792

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY PROFILE

Swaraj Engines Ltd. ("SEL") is primarily manufacturing diesel engines for fitment into "Swaraj" tractors being manufactured by Mahindra & Mahindra Ltd. ("M&M"). SEL is supplying diesel Engines in the range of 20 HP to 65 HP. Since the start of commercial operations in 1989-90, your Company has supplied 1.96 million engines for fitment into "Swaraj" tractors.

FINANCIAL ANALYSIS (2025-26)

The Company's operations have been characterised by a lean organisation structure, continuous improvement in process efficiencies and optimised resource utilisation.

The financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act. While details of financial position and performance are available in the Balance Sheet, Statement of Profit & Loss, alongwith related notes, key aspects are highlighted in the following paragraphs:

(A) Statement of Profit & Loss

Income:

Total revenue for the year was Rs. 2024.83 crores (previous year - Rs. 1698.30 crores) with the following breakdown:

	(Rs. in Crores)	
	2025-26	2024-25
Engines	1963.46	1640.81
Engine Spares/Parts	35.01	33.10
Scrap etc.	8.66	7.98
Net Revenue from Operations	2007.13	1681.89
Other Income	17.70	16.41
Net Total Revenue	2024.83	1698.30

The Company's engines supply during fiscal 2026 stood at 2,02,771 units against 1,68,820 units sold in previous year.

Other income primarily includes interest and return on mutual funds etc. on the surplus funds. The fund position also remained comfortable during the year.

Expenditure:

- Material Cost**

Material cost as a percentage of net revenue from operations was 78.3% against previous year's 78.9%.

- Personnel Cost**

Personnel cost for the year was Rs. 52.79 crores against Rs. 48.17 crores of previous year.

- Other Expenses**

Reflecting the normal inflation, higher CSR expense, hire & service charges, warranty, repair & maintenance and R&D expense, the other expenses as percentage of net operating revenue stood at 5.6% against previous year's level of 4.7%.

- Depreciation and Amortisation**

Depreciation and amortisation for the year was Rs. 22.45 crores against previous year's Rs. 20.34 crores.

Reflecting the above, Profit before tax for the year stood at Rs. 266.98 crores (previous year - Rs. 223.05 crores) - up 19.7%. While profit after tax (excluding other comprehensive income) was Rs. 196.31 crores (previous year - Rs. 165.98 crores), the total comprehensive income (net of tax) stood at Rs. 196.40 crores against previous year's Rs. 165.79 crores - up 18.5%.

(B) Balance Sheet
Equity

The Company's net worth on 31st March, 2026 stood at Rs. 488.92 crores (previous year - Rs. 419.20 crores) comprising of an Equity Share Capital component of Rs. 12.15 crores and Other Equity of Rs. 476.77 crores - a book value of Rs. 402 per share. The total equity is inclusive of two Bonus Issues made in 1997 (1:1) and 2005 (2:1) and net of buy-back of 2,94,746 equity shares during FY 2017-18. With increase in net worth by 16.6% and in net profit by 18.3%, the Return on Net Worth as on 31st March, 2026 stood at 40.2% against 39.6% of previous year. The Promoter holding as on 31st March, 2026 was 52.11%.

Non-Current Assets

Out of the total non-current assets of Rs. 204.62 crores (previous year - Rs.193.76 crores), 79% is represented by property, plant and equipment (including capital work-in-progress) and 13% is represented by Fixed Deposits having maturity period more than 12 months.

Inventories

Total inventory including work-in-progress and finished stock at the end of the financial year stood at Rs. 74.81 crores (previous year - Rs. 78.35 crores) and in terms of number of days, it remained at 14 days against last year's level of 17 days.

Trade Receivables

The year-end trade receivables were Rs.206.18 crores (previous year - Rs. 177.22 crores) and in terms of number of days, it stood at 37 days against previous year's 38 days.

Trade Payables

The year-end total trade payables stood at Rs. 248.26 crores (previous year - Rs. 220.88 crores). In terms of number of days, it stood at 58 days against last year's level of 61 days of purchases.

(C) Key Ratios

The key financial ratios are given below:

	Unit	2025-26	2024-25	Change over previous year
Debtors Turnover	Times	10.47	11.31	-7.43%
Inventory Turnover	Times	26.21	22.55	16.23%
Current Ratio	Times	2.06	1.96	5.10%
Debt Equity Ratio	Times	—	—	—
Interest Coverage Ratio	Times	—	—	—
Operating Profit (EBIDTA) Margin	%	13.56	13.52	0.26%
Net Profit Margin	%	9.78	9.87	-0.09%

Notes:

1. Debtors Turnover Ratio - This ratio is used to quantify a Company's effectiveness in collecting its receivables. It is calculated by dividing turnover by average trade receivables.
2. Inventory Turnover Ratio - Inventory Turnover is the number of times a Company sells and replaces its inventory during a period. It is calculated by dividing turnover by average inventory.
3. Current Ratio - Current Ratio is a liquidity ratio that measures a Company's ability to pay short-term obligations, due within one year. It is calculated by dividing the current assets by current liabilities.

4. Debt Equity Ratio & Interest Coverage Ratio - Not applicable in view of NIL borrowings.
5. Operating Profit (EBIDTA) Margin - Operating Profit Margin is a profitability or performance ratio used to calculate the percentage of profit a Company produces from its operations. It is calculated by dividing the EBIDTA by operating revenue.
6. Net Profit Margin - Net Profit margin is equal to how much net income or profit is generated as a percentage of revenue. It is calculated by dividing the profit for the year by operating revenue.
7. There is no significant change (> 25%) in the above ratios over previous year.

INTERNAL CONTROL SYSTEM AND ADEQUACY

There are established procedures for internal control on a Company-wide basis. Policies and procedures have been laid down to provide reasonable assurances that assets are safeguarded from risks of unauthorised use / disposition and transactions are recorded and reported with propriety, accuracy and speed. These aspects are regularly reviewed during internal audit and statutory audits. The Company has also laid down adequate internal controls for financial reporting. During the year, such controls were tested and no material weakness in their operating effectiveness was observed. Finance and Accounts function is well-staffed with experienced and qualified personnel. This team participates in the preparation & monitoring of budgets. Internal Audit Reports are reviewed by the Audit Committee of the Board from time to time. The use of SAP ERP system also helps to strengthen the controls. Further, as mandated under the amendment of Companies (Accounts) Rules, 2014, effective 1st April, 2023, the SAP ERP System also has feature of recording an Audit Trail of each and every transaction, creating an edit log of each change made in books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

HUMAN RESOURCES

The Company continued with its practice of a lean organisation manned by involved and motivated employees with team orientation. The atmosphere encourages learning and informal communication.

The Company is having Performance Management System (PMS) to objectively measure the performance of the individual and the organization. The overall remuneration structure is linked with PMS.

To further increase the competency level of the employees, systematic and structured training is provided at different levels. Such trainings cover aspects related to leadership development, communication effectiveness and team building etc. This has made a significant contribution to the Company's business.

Industrial relations remained cordial throughout the year under review.

Permanent employee strength (excluding apprentice) as on 31st March, 2026 stood at 294 (31st March, 2025 - 289).

INDUSTRY STRUCTURE AND DEVELOPMENTS

Since Company's principal business is selling Diesel Engines for tractors manufactured by M&M- Swaraj division, it would be appropriate to take note of developments in Tractor industry.

The Indian tractor industry, the largest globally by volume, continues to play a pivotal role in supporting agricultural productivity and rural livelihoods, with demand closely influenced by monsoon conditions, crop realizations, government interventions, and the pace of farm mechanization. The industry is structurally characterized by high volumes, strong domestic manufacturing capabilities, and a concentrated competitive landscape dominated by a few large players, alongside several regional and multinational participants. The market is largely segmented by horsepower, with the 31-50 HP category accounting for the majority of demand due to its versatility across agricultural and non-agricultural applications, while compact tractors below 30 HP are gaining importance in horticulture, orchard farming, and fragmented landholding regions. Manufacturing facilities are predominantly located in northern and western India, benefiting from proximity to key agricultural belts and supplier ecosystems. In recent years, the industry has witnessed significant developments driven by favourable monsoons, improved rural cash flows, heightened mechanization to address acute labour shortages, and sustained government support through subsidy schemes, low GST rate, and easy credit availability. The emergence of custom hiring centres, rental platforms, and Tractor as

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a Service models has broadened access and utilization, particularly among small and marginal farmers. Additionally, the sector is undergoing gradual technological and regulatory transitions with increased focus on higher horsepower tractors, four wheel drive variants, precision farming solutions, and preparedness for evolving emission norms, while initial investments in alternative fuel and electric tractor platforms signal a long term shift towards sustainable mechanization.

Crossing the one-million-unit milestone the first time, the domestic tractor industry for F26 at 11,60,300 units registered a growth of 23% over last year's 9,39,700 units.

OUTLOOK AND OPPORTUNITIES

The medium-term outlook for the Indian tractor industry remains positive, supported by structural drivers such as increasing farm mechanization, rising rural wages, continued labour shortages, and growing use of tractors in non agricultural applications. While domestic volumes are expected to normalize following a record FY26, medium term growth prospects are underpinned by a gradual shift towards higher horsepower tractors (40-60HP), greater adoption of four wheel drive variants, and increasing penetration of precision farming technologies. Government initiatives promoting mechanization, including subsidy support, affordable credit availability, and expansion of custom hiring centres and rental models, are expected to enhance accessibility for small and marginal farmers. Additionally, focus on higher farm productivity, diversification into horticulture and allied activities, and rising demand from eastern and central regions are likely to support sustained demand. The industry is also progressing towards technological upgradation and cleaner solutions, with preparedness for evolving emission norms and early investments in alternative fuel and electric tractor platforms, positioning it for balanced and sustainable growth over the medium to long-term. Nevertheless, the industry continues to face structural challenges including fragmented landholdings, rising input costs, and climatic variability, which will require sustained innovation and policy support to ensure balanced and sustainable growth.

As the tractor Industry expected to grow in medium and long term, the engine business of the Company is also likely to move in tandem with the industry.

THREATS, RISKS & CONCERNS

As a supplier to M&M, your Company would be directly affected by factors impacting tractor industry. These would include issues like the rain-dependent nature of our agriculture, Government policy on procurement, credit availability, commodity price trends, new regulations for tractors etc.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis Report describing company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

CORPORATE GOVERNANCE REPORT

I Company's philosophy on Code of Governance

Swaraj Engines Ltd. (SEL) has been practicing the principles of good corporate governance, disclosure and transparency right from its incorporation. It has been a core belief and practice with the Company to consider itself as the custodian and trustee of all the constituencies of its businesses - customers, business associates, shareholders and society. SEL has sought and will continue to seek corporate excellence and profits through ethics, passion and perseverance.

A report on compliance with the Code of Corporate Governance as prescribed in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") is given below:

II Board of Directors

The composition of the Board of your Company is in conformity with the Listing Regulations. The Board of the Company consists of a well-balanced composition of highly experienced, distinguished, professional individuals who bring a diverse range of backgrounds and expertise.

During the year ended 31st March, 2026, the Board of your Company comprised of eight Directors with half of the Board of Directors are Independent Directors including a Woman Director. While three members are Non-Executive Non-Independent Directors, the Whole Time Director and Chief Executive Officer is the Executive Director.

Mr. Rajesh Jejurikar, Non-Executive Non-Independent Director was Chairman of the Company and consequent to his resignation due to his other professional commitments and responsibilities, he ceased to be the Director and Chairman of the Company from the close of 16th October, 2025. The Board then in place of Mr. Jejurikar, appointed Mr. Rajya Vardhan Kanoria, Non-Executive Independent Director, as Chairman of the Company effective 17th October, 2025. Further, Mr. Gaganjot Singh was appointed as Non-Executive Non-Independent Director of the Company w.e.f. 17th October, 2025.

Mr. Harish Chavan, Mr. Puneet Renjhen and Mr. Gaganjot Singh, Non-Executive Directors, are in the whole-time employment of Mahindra & Mahindra Ltd. (M&M) during the year and these Non-Executive Directors draw remuneration from M&M, the promoter and holding Company of SEL.

Apart from the above and the reimbursement of expenses incurred in discharge of their duties and the remuneration that some of the Non-Executive Directors would be entitled to under the Companies Act, 2013 ("the Act"), none of the Directors has any other material pecuniary relationship or transactions with the Company, its Promoters, its Directors, its Senior Management and associates which in their judgement would affect their independence.

The Directors of the Company are not inter-se related to each other and do not hold any equity shares of the Company except Mr. Devjit Sarkar, Whole Time Director and Chief Executive Officer, who is holding 361 equity shares of the Company. The Company has not issued any convertible instruments.

The primary role of the Board is that of trusteeship, to protect and enhance shareholders' value through strategic supervision of Company's operations. The Board also provides direction and exercises appropriate control to ensure that the Company fulfils the stakeholders' aspirations and societal expectations.

A. Composition of the Board

The Company's Board of Directors as on 31st March, 2026 comprised of 8 members. The names and categories of the Directors on the Board, names of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31st March, 2026 are given herein below:

SWARAJ ENGINES LIMITED

Name of Director	Category	Total No. of Directorships^ in public companies#	Committee+ Position held in Public Companies#		Directorship in other listed entity (Category of Directorship)
			Chairman	Member*	
Non-Executive					
Mr. Rajya Vardhan Kanoria DIN: 00003792	Independent	7	1	3	1. Kanoria Chemicals & Industries Ltd. (Chairman & Managing Director) 2. J K Paper Ltd. (Non-Executive Non-Independent Director)
Mr. S. Nagarajan DIN: 03060429	Independent	5	1	3	1. Maha Rashtra Apex Corporation Limited (Non-Executive Non-Independent Director) 2. Vadilal Industries Limited (Independent Director)
Mr. Nikhilesh Panchal DIN: 00041080	Independent	5	1	5	1. Ashoka Buildcon Limited (Independent Director)
Ms. Smita Mankad DIN: 02009838	Independent	8	3	10	1. Subros Limited (Independent Director) 2. Bajaj Holdings & Investment Ltd. (Independent Director) 3. SML Mahindra Limited (Independent Director)
Mr. Harish Chavan DIN: 06890989	Non- Independent	3	1	1	–
Mr. Puneet Renjhen DIN: 09498488	Non- Independent	3	–	4	1. Tech Mahindra Ltd. (Non-Executive Director)
Mr. Gaganjot Singh DIN: 09301803 (appointed w.e.f. 17.10.2025)	Non- Independent	1	–	–	–
Executive					
Mr. Devjit Sarkar Whole Time Director & Chief Executive Officer DIN: 10745850	Non- Independent	1	–	1	–

Excluding private, foreign and companies registered under Section 25 of the Companies Act, 1956 or Section 8 of the Companies Act, 2013.

[^] Excludes Alternate Directorships but includes Additional Directorships and Directorship in Swaraj Engines Ltd.

+ Committees considered are Audit Committee and Stakeholders Relationship Committee, including that of Swaraj Engines Ltd.

* Committee membership(s) include chairmanship(s).

- a) None of the Director is a Directors in more than 10 public limited companies (as specified in section 165 of the Act) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she serves as a Wholetime Director in any listed company (as specified in Regulation 25 of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the public companies in which he is a Director.

- b) The Senior Management has made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

Based on the disclosures received from all the independent directors and also in the opinion of the Board, the independent directors fulfil the conditions specified in the Companies Act, 2013 and the Listing Regulations and are independent of the management.

B. Board Procedure

The Board meets at regular intervals and a detailed Agenda is sent to each Director prior to Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Board is apprised at every Meeting regarding the overall performance of the Company. The Board also inter alia reviews strategy and business plans, annual operating and capital expenditure budgets, investment and exposure limits, compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any, adoption of quarterly/half-yearly/annual results, significant labour issues, and Minutes of Meetings of the Audit and other Committees of the Board. Details of the familiarization programme of the independent directors are available on the website of the Company (<https://www.swarajenterprise.com/listdirectors>).

The Board has identified strategy and planning, understanding of industry and global trends, knowledge with regard to the company's business/activities, driving corporate ethics and values as the key skills/expertise/competencies fundamental for the effective functioning of the Company and the same are currently available with all the Board Members.

During the financial year 2025-26, 5 Board Meetings were held on 16th April, 2025, 15th July, 2025, 16th October, 2025, 15th January, 2026 and 30th March, 2026. The gap between two Meetings did not exceed one hundred and twenty days.

The 39th Annual General Meeting (AGM) was held on 15th July, 2025.

The attendance of the Directors at these Board Meetings and Annual General Meeting is given below:

Name of Director	Number of Meetings held during the Tenure of the Director	Number of Board Meetings attended	Attendance at the AGM
Mr. Rajya Vardhan Kanoria, Chairman	5	5	Yes
Mr. S. Nagarajan	5	5	Yes
Mr. Nikhilesh Panchal	5	4	No
Ms. Smita Mankad	5	5	Yes
Mr. Harish Chavan	5	3	Yes
Mr. Puneet Renjhen	5	5	No
Mr. Gaganjot Singh (appointed w.e.f. 17.10.2025)	2	2	Not Applicable
Mr. Devjit Sarkar	5	5	Yes
Mr. Rajesh Jejurikar (ceased w.e.f. 17.10.2025)	3	3	Yes

C. Meeting(s) of Independent Directors

The Independent Directors of the Company meet at least twice in every financial year without the presence of Non-Independent Directors and any other management personnel. The meeting(s) is conducted in a manner to enable the Independent Directors to discuss matter pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole, assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year, two meetings of Independent Directors were held on 3rd December, 2025 and 10th March, 2026.

D. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, a system has been put in place to carry out performance evaluation of the Board, its committees and individual directors. An appraisal format has been devised covering various aspects of the Board's functioning such as adequacy of composition of the Board and its Committees, Board process, culture and accountability etc. Similarly, a separate format is also formulated for carrying out evaluation of the performance of individual Directors including the Chairman of the Board, which inter alia include parameters such as level of engagement and contribution, understanding of industry and global trends, and independence of judgement etc.

E. Directors seeking re-appointment

The brief profiles of the Directors being re-appointed in the forthcoming Annual General Meeting of the Company are given below:

Mr. Puneet Renjhen

Mr. Puneet Renjhen(DIN: 09498488) is on the Board of the Company since October, 2022.

Mr. Puneet Renjhen (aged 48 years) holds an MBA from the Indian School of Business in Hyderabad and has completed management courses at the London Business School in Leadership, Strategy, and Mergers and Acquisitions. He has completed his Bachelor's Degree in Commerce with Honours from Delhi University.

Mr. Renjhen is currently Executive Vice-President of Partnerships & Alliances and a member of Group Executive Board of Mahindra & Mahindra Ltd. He is responsible for leading Partnerships & Alliances for the Group and leveraging potential acquisitions, JVs and synergies to take the Group to the next leap of growth.

Prior to joining Mahindra & Mahindra Ltd., he was working as Executive Director, Investment Banking at Avendus. Prior to this he worked with Standard Chartered Bank (SCB) in Capital markets, M&A advisory and leveraged Finance out of their Singapore and Mumbai offices. He also worked with Citigroup in London & Mumbai in their Industrial, Real Estate and Technology Investment Banking teams. He has also briefly worked in Kotak & Lazard. In his career, he led advisory and capital raising transactions of more than USD 25 billion for some of the largest global and Indian corporates. Some of the key transactions executed by him include BII Investment in Mahindra SUV Electric Business, Tata Motors acquisition of Jaguar Land Rover, Sale of Mphasis, sale of select Mahindra Susten assets to CLP India, fund raising by Mahindra group, Tata group, Infosys, Bharat Forge etc.

Mr. Puneet Renjhen is also Director in Mahindra Holdings Ltd., Tech Mahindra Ltd., Mahindra Susten Pvt. Ltd., Sustainable Energy Infra Investment Managers Pvt. Ltd., and Chairman in Smartshift Logistics Solution Pvt. Limited. Further, during the past three years, he had resigned from the Directorship of Brainbees Solutions Ltd., a listed entity.

The details of Mr. Renjhen's current Membership in Committees are given below:

S.No.	Name of the Company	Name of Committee	Position Held
1.	Mahindra Susten Pvt. Ltd.	- Environment Social Governance & Health and Safety - Project Investment Committee - Nomination & Remuneration Committee	Member Member Member
2.	Swaraj Engines Ltd.	Audit Committee	Member
3.	Sustainable Energy Infra Investment Managers Pvt. Ltd.	- Risk Management Committee - InvIT Committee - Investment Committee	Member Member Member
4.	Mahindra Holdings Ltd.	- Finance and Accounts Audit Committee - Corporate Social Responsibility Committee	Member Chairman
5.	Smartshift Logistics Solutions Pvt. Ltd.	Remuneration Committee	Member
6.	Tech Mahindra Ltd.	- Audit Committee - Stakeholders' Relationship Committee - Risk Management Committee - Corporate Social Responsibility Committee - Investment Committee - Group Governance Council	Member Member Member Member Member Member

Mr. Puneet Renjhen does not hold any shares in the Company.

Mr. Puneet Renjhen does not have any interse relationship with other Directors of the Company.

Mr. Devjit Sarkar

Mr. Devjit Sarkar (DIN: 10745850) is on the Board of the Company since September, 2024.

Mr. Devjit Sarkar (aged 60 years) is Mechanical Engineer by profession with over 37 years of rich experience in Design, Operations, Projects and Sourcing functions. Prior to his current role, he has worked as COO & member of the board, Erkunt Traktor, Turkey (under International Operations, FES - Mahindra), and during his stint of five years with Erkunt Traktor, he has supported the emission upgradation of tractor platforms at Erkunt from 3A to Stage 5, upgraded the company's infrastructure, set up new Mahindra engine lines and developed new models.

He has expertise in Sourcing and Supply Chain functions spanning over 20 years, with reputed multinational companies. In his 12 years stint with Mahindra, he has held various positions of increasing responsibilities within the Mahindra Group. Prior to joining Mahindra, he worked with globally reputed Automobile, Electric Motor and Bearing manufacturing companies in Design & Development & Project functions. He has extensively worked with diverse multinational teams on Global Product platforms.

Except in Swaraj Engines Limited, Mr. Sarkar does not hold directorship in any other Company and has not resigned from any listed entity in past three years.

The details of Mr. Sarkar's current Membership in Committees are given below:

S.No.	Name of the Company	Name of Committee	Position Held
1.	Swaraj Engines Ltd.	- Stakeholders Relationship Committee - Corporate Social Responsibility Committee - Risk Management Committee	Member Member Member

Mr. Sarkar holds 361 shares in the Company.

Mr. Sarkar does not have any interse relationship with other Directors of the Company.

F. Certificate from a Company Secretary in Practice

Pursuant to the Listing Regulations, a certificate has been received from M/s A. Arora & Co., Practicing Company Secretaries, that none of the Directors on the Board of the Company has 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 statutory authority.

III Committees of the Board**A. Audit Committee**

The Audit Committee of the Company at the beginning of financial year 2025-26 was comprising of 5 Directors viz. Mr. Rajya Vardhan Kanoria (Chairman of the Committee), Mr. S.Nagarajan, Mr. Nikhilesh Panchal, Ms. Smita Mankad, and Mr. Puneet Renjhen. Consequent to the appointment of Mr. Kanoria as Chairman of the Company with effect from 17th October, 2025, the Board decided to appoint Ms. Smita Mankad as Chairperson of the Committee with effect from 17th October, 2025, in place of Mr. Kanoria, who continued to be the member of the Audit Committee. Accordingly, the Audit Committee currently comprises of following Non-Executive Directors of which four are Independent, including the Chairperson of the Committee:

- Ms. Smita Mankad, Chairperson
- Mr. Rajya Vardhan Kanoria
- Mr. S. Nagarajan
- Mr. Nikhilesh Panchal
- Mr. Puneet Renjhen

All the Members of the Committee have vast experience and knowledge of corporate affairs & financial management and possess accounting and financial management expertise.

The role, terms of reference and the authority and powers of this Committee are in conformity with the requirements of the Companies Act, 2013 and the Listing Regulations. The functions of the Audit Committee inter alia include review of systems and procedures, overseeing the functioning of internal audit, the effectiveness of internal controls and regulatory compliances. It also reviews Company's financial reporting process, disclosure of financial information, observations of auditors and recommends the appointment of statutory auditors, their fees and reviews quarterly / annual financial statements before submission to the Board. It is also empowered to inter alia review Management Discussion and Analysis of financial condition, results of operations and related party transactions. Generally, all items listed in Regulation 18(3) of the Listing Regulations are covered in the terms of reference. The Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) of the Listing Regulations. The meetings of the Audit Committee are also attended by the Chief Executive Officer, Chief Financial Officer, the Statutory Auditors and the Internal Auditor besides some other Non-Executive Directors as permanent invitees. The Cost Auditors attend the Audit Committee Meeting where cost audit report is discussed.

The Company Secretary acts as the Secretary to the Committee.

Mr. Rajya Vardhan Kanoria, the earlier Chairman of the Audit Committee attended the last Annual General Meeting held on 15th July, 2025.

During the financial year under review, 4 meetings of Audit Committee of the Board were held on 16th April, 2025, 15th July, 2025, 16th October, 2025 and 15th January, 2026. The gap between the two meetings did not exceed one hundred and twenty days.

Attendance record of the Members of the Audit Committee for FY 2025-26 is as under:

Name of the Member Director	No. of Meetings held during the tenure of the Director	No. of Meetings Attended
Ms. Smita Mankad	4	4
Mr. Rajya Vardhan Kanoria	4	4
Mr. S. Nagarajan	4	4
Mr. Nikhilesh Panchal	4	3
Mr. Puneet Renjhen	4	4

B. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company presently comprises of following three Directors of which one is Independent Director. The Chairman of the Committee is Non-Executive Director:

- Mr. Harish Chavan, Chairman
- Mr. Nikhilesh Panchal
- Mr. Devjit Sarkar

The Committee meets at periodic intervals, to approve inter alia, transfer / transmission of shares, issue of duplicate share certificates and review status of investors' grievances and the functioning of the Share Department / Registrar & Share Transfer Agents in order to render effective and quality services to investors. The charter of the Stakeholders Relationship Committee is aligned with the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1st April, 2019.

During the financial year under review, 3 meetings of Stakeholders Relationship Committee of the Board were held on 16th April, 2025, 15th October, 2025 and 15th January, 2026.

Attendance record of the Members of the Stakeholders Relationship Committee for FY 2025-26 is as under:

Name of the Member Director	No. of Meetings held during the tenure of the Director	No. of Meetings Attended
Mr. Harish Chavan	3	2
Mr. Nikhilesh Panchal	3	3
Mr. Devjit Sarkar	3	3

The Company had received 195 enquiries/complaints from the shareholders and all of them have been attended / resolved.

Ms. Geeta Kharat is the Compliance Officer of the Company.

C. Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company at the beginning of financial year 2025-26 was comprising of 3 Directors viz. Mr. Rajya Vardhan Kanoria (Chairman of the Committee), Mr. Rajesh Jejuriakar and Mr. S. Nagarajan. As Mr. Rajesh Jejuriakar, ceased to be Director of the Company and Member of the Nomination and Remuneration Committee with effect from 17th October, 2025, Mr. Harish Chavan was inducted as Member of the Nomination and Remuneration Committee in his place with effect from 17th October, 2025. Consequent to the appointment of

SWARAJ ENGINES LIMITED

Mr. Kanoria as Chairman of the Company with effect from 17th October, 2025, the Board decided to appoint Mr. S. Nagarajan as Chairman of the Committee with effect from 17th October, 2025, in place of Mr. Kanoria, who continued to be the member of the Nomination and Remuneration Committee. Accordingly, the Nomination and Remuneration Committee presently comprises following three Non-Executive Directors of which two are Independent, including the Chairman of the Committee:

- Mr. S. Nagarajan, Chairman
- Mr. Rajya Vardhan Kanoria
- Mr. Harish Chavan

The purpose of the Committee inter alia includes identification and selection of persons who may be appointed as directors / independent director(s) or as key managerial personnel or in senior management based on certain laid down criteria, formulate policy relating to the remuneration for the directors, key managerial personnel and other employees, to decide on the stock options to be granted, if any, to the eligible employees, directors including non-executive directors; formulation of process for evaluation of directors performance; and to deal with such other matters and functions as may be prescribed from time to time. The charter of the Nomination and Remuneration Committee is aligned with the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1st April, 2019.

The Nomination and Remuneration Committee has laid down the evaluation criteria for Directors including Independent Directors and the same has been done by the entire Board of Directors. The performance criteria includes whether a Director possesses sufficient skills, experience and level of preparedness to add value to discussions and decisions, challenge views constructively, knowledge about Company's business, the industry in which company operates and global trends etc.

During the financial year, 4 meetings of Nomination and Remuneration Committee of the Board were held on 16th April, 2025, 15th July, 2025, 16th October, 2025 and 30th March, 2026.

Attendance record of the Members of the Nomination and Remuneration Committee for FY 2025-26 is as under :

Name of the Member Director	No. of Meetings held during the tenure of the Director	No. of Meetings Attended
Mr. S.Nagarajan	4	4
Mr. Rajya Vardhan Kanoria	4	4
Mr. Harish Chavan (co-opted w.e.f. 17.10.2025)	1	-
Mr. Rajesh Jejurikar (ceased w.e.f. 17.10.2025)	3	3

D. Corporate Social Responsibility Committee

The Corporate Social Responsibility (CSR) Committee of the Company presently comprises of following four Directors with Non-Executive Independent Director as its Chairman:

- Mr. S. Nagarajan, Chairman
- Mr. Harish Chavan
- Ms. Smita Mankad
- Mr. Devjit Sarkar

The role of the CSR Committee, inter alia, is to:

- formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- recommend the amount of expenditure to be incurred on the CSR activities;
- monitor the CSR Policy of the Company from time to time.

During the financial year, 2 meetings of Corporate Social Responsibility Committee of the Board were held on 11th April, 2025 and 4th February, 2026.

Attendance record of the Members of the Corporate Social Responsibility Committee for FY 2025-26 is as under:

Name of the Member Director	No. of Meetings held during the tenure of the Director	No. of Meetings Attended
Mr. S. Nagarajan	2	2
Mr. Harish Chavan	2	2
Ms. Smita Mankad	2	2
Mr. Devjit Sarkar	2	2

E. Risk Management Committee

The Risk Management Committee of the Company presently comprises of following three Directors with Non-Executive Independent Director as its Chairman:

- Mr. Nikhilesh Panchal, Chairman
- Mr. Harish Chavan
- Mr. Devjit Sarkar

The role of the Risk Management Committee, inter alia, is to formulate a risk management policy, its implementation & monitoring and review the appointment of Chief Risk Officer.

During the financial year, 2 meetings of Risk Management Committee of the Board were held on 9th April, 2025 and 15th October, 2025.

Attendance record of the Members of the Risk Management Committee for FY 2025-26 is as under:

Name of the Member Director	No. of Meetings held during the tenure of the Director	No. of Meetings Attended
Mr. Nikhilesh Panchal	2	2
Mr. Harish Chavan	2	2
Mr. Devjit Sarkar	2	2

F. Senior Management

The following personnel are the senior management of the Company. There was no change in the senior management since the closure of the previous financial year.

Mr. Devjit Sarkar, Whole Time Director & Chief Executive Officer

Mr. Mahesh Gupta, Chief Financial Officer

Mr. Rajesh K. Kapila, Company Secretary

Ms. Geeta Kharat, Compliance Officer

Mr. Mukesh Bansal, GM - Manufacturing & Plant Head

Mr. Dilip Borole, DGM - Quality Assurance

IV Remuneration to Directors**Remuneration Policy**

The key provisions of the policies related to selection and appointment of Directors and their remuneration are given below:

a) Policy for Selection and appointment of Directors**i) Appointment of Directors**

- The Nomination and Remuneration Committee (NRC) reviews and assesses Board composition and recommends the appointment of new Directors as and when required. In evaluating the suitability of individual Board member with regard to qualifications, positive attributes and independence of director, the NRC takes into account the following criteria that:
 1. All Board appointments are based on merit, in the context of the skills, experience, independence and knowledge, for the Board as a whole to be effective.
 2. Ability of the candidates to devote sufficient time and attention to his professional obligations as Independent Director for informed and balanced decision-making.
 3. Adherence to the Code of Conduct and highest level of Corporate Governance in letter and in spirit by the Independent Directors.
- Based on recommendation of the NRC, the Board evaluates the candidature and decides on the selection of the appropriate member. Upon receipt of the consent, the new Director is co-opted by the Board in accordance with the applicable provisions of the Act and Rules made thereunder.

ii) Removal of Directors

If a Director is attracted with any disqualification as mentioned in any of the applicable Act, rules and regulations or due to non-adherence to the applicable policies of the Company, the NRC may recommend to the Board with reasons recorded in writing, removal of a Director subject to the compliance of the applicable statutory provisions.

iii) Succession Planning

The successors for the Independent Directors shall be identified by the NRC at least one quarter before expiry of scheduled term. In case of separation of Independent Directors due to resignation or otherwise, successor will be appointed at the earliest but not later than the immediate next Board meeting or three months from the date of such vacancy, whichever is later.

The successor(s) for the Executive Director(s) shall be identified by the NRC from among the Senior Management or through external source as the Board may deem fit. The NRC will accord due consideration for the expertise and other criteria required for the successor.

The Board may also decide not to fill the vacancy caused at its discretion.

b) Policy for Remuneration to Directors
i) Non-Executive Directors including Independent Directors:

The Nomination and Remuneration Committee (NRC) shall decide the basis for determining the compensation, both Fixed and Variable, payable to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise. The NRC shall take into consideration various factors such as Director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as membership or chairmanship of committees, time spent in carrying out their duties, role and functions as envisaged in Schedule IV of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and such other factors as the NRC may deem fit for determining the compensation. The Board shall determine the compensation to Non-Executive Directors within the overall limits specified in the Shareholders resolution.

ii) Whole Time Director(s) / Executive Director(s):

The remuneration to Whole Time Director(s) / Executive Director(s) shall be recommended by NRC to the Board. The remuneration consists of both fixed compensation and variable compensation and shall be paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as approved by the Board and within the overall limits specified in the Shareholders resolution. The revision in compensation, if any, will be determined annually by the NRC based on their performance.

The policies for appointment and remuneration of Directors are available at <https://www.swarajenterprise.com/policies>.

Remuneration Details

Non-Executive Directors, other than representative directors of M&M, are paid sitting fees for attending the meetings of the Board of Directors and Committees thereof within the prescribed limits as decided by the Board and reimbursement of expenses incurred for attending the Board and Committee Meetings. The existing sitting fees paid to Non-Executive Directors is as under:

- Rs. 50,000 for every Board Meeting
- Rs. 30,000 for every Committee(s) Meeting (other than Stakeholders Relationship Committee)
- Rs. 10,000 for every Stakeholders Relationship Committee Meeting

In addition to the aforesaid sitting fees for attending the Meetings of the Board of Directors or Committee(s), the Non-Executive Independent Directors of the Company are also eligible for the payment of such remuneration by way of commission, as the Board of Directors may from time to time determine, not exceeding in aggregate one per cent of the net profits of the Company for each Financial Year as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment(s) thereof.

The details of Directors' remuneration for FY 2025-26 is as follows:

Non-Executive Independent Directors

(Rs. in Lakhs)

Names of the Directors who were in receipt of sitting fees / commission during FY 2025-26	Sitting Fees for Board and Committee Meetings paid during FY 2025-26	Commission payable for FY 2025-26	Total
Mr. Rajya Vardhan Kanoria	4.90	11.45	16.35
Mr. S. Nagarajan	5.50	7.91	13.41
Mr. Nikhilesh Panchal	3.80	6.00	9.80
Ms. Smita Mankad	4.30	6.91	11.21

Note: The Non-Executive Non-Independent Directors namely Mr. Harish Chavan, Mr. Puneet Renjhen and Mr. Gaganjot Singh are in the whole time employment with Mahindra & Mahindra Ltd. and are not drawing any remuneration from the Company.

Executive – Wholetime Director

(Rs. in Lakhs)

Name of Director	Salary (Basic and Allowances)	Commission	Contribution to Provident Fund	Value of Perquisites	Stock Option	Total	Service Contract (Tenure)
Mr. Devjit Sarkar (Whole Time Director & Chief Executive Officer)	151.44*	—	4.02	0.40	13.19	169.05	From 01.09.2024 to 31.08.2026

*includes performance pay of Rs. 28.51 lakhs

Note:

- Above excludes:
 - 1374 stock options granted by the Company which will be vested to Mr. Devjit Sarkar and become due for exercise in the subsequent period.
 - stock options from Holding Company - Mahindra & Mahindra Limited.
- As per the Company's current rules/policies, notice period applicable to senior management including Whole Time Director is three months.

V General Body Meetings

Details of last three Annual General Meetings (AGMs) of the Company are given below:

Year	Date	Time	Special Resolutions passed
2023	28th July, 2023 [^]	2:00 P.M.	—
2024	18th July, 2024 [^]	2:00 P.M.	—
2025	15th July, 2025 [^]	12:00 Noon	1. Payment of commission to the Non-Executive Independent Directors of the Company.

[^]The annual general meeting was held through Video Conferencing / Other Audio Visual Means (Deemed venue for the meeting : Works of the Company i.e. Swaraj Engines Ltd., Plot No. 2, Industrial Phase IX, S.A.S.Nagar (Mohali), Punjab 160062).

No Extra ordinary General Meeting was held during the past three years.

Postal Ballot

During the financial year 2025-26, the following resolution was passed by the Company through postal ballot:

Sr. No.	Particulars of Resolution	Type of Resolution
1	Appointment of Mr. Gaganjot Singh (DIN: 09301803) as a Non-Executive Non-Independent Director of the Company	Ordinary Resolution

Voting Pattern:

Resolution No.	Particulars of Resolution	% of votes in favour on votes polled	% of votes against on votes polled	Status of Resolution
1	Appointment of Mr. Gagandeep Singh (DIN: 09301803) as a Non-Executive Non-Independent Director of the Company.	99.53%	0.47%	Passed with requisite majority

Procedure for Postal Ballot:

Pursuant to the provisions of Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (Management Rules), as amended, the Company had issued Postal Ballot Notice dated 16th October, 2025 to the shareholders, seeking their consent with respect to Appointment of Mr. Gaganjot Singh (DIN: 09301803) as a Non-Executive Non-Independent Director of the Company. In compliance with provisions of Section 108 and Section 110 and other applicable provisions, of the Act read with the Management Rules and general circulars issued in this regard by the Ministry of Corporate Affairs ("MCA"), the Company had provided remote e-voting facility to all the shareholders of the Company. The Company engaged the services of National Securities Depository Limited ("NSDL") for facilitating e-voting to enable the shareholders to cast their votes electronically. The Board of Directors had appointed Mr. Ajay K. Arora, Practicing Company Secretary (Membership No. FCS-2191), Proprietor of M/s. A. Arora & Co., Company Secretaries, Chandigarh, as the Scrutinizer for Postal Ballot process. The remote e-voting period commenced on Wednesday, 12th November, 2025 (9:00 A.M. IST) and ends on Thursday, 11th December, 2025 (5:00 P.M. IST). The cut-off date, for the purpose of determining the number of shareholders was Friday, 7th November, 2025. The Scrutinizer, after the completion of scrutiny, submitted his report to Mr. Rajesh K. Kapila, Company Secretary, who was duly authorised to accept, acknowledge and countersign the Scrutinizer's Report as well as declare the voting results in accordance with the provisions of the Act, the Rules framed thereunder and the Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

No Special Resolution(s) requiring a Postal Ballot is being proposed at the ensuing AGM of the Company.

VI Means of Communication

- In compliance with the requirements of the Listing Regulations, the Company regularly intimates quarterly unaudited as well as audited financial results to the Stock Exchanges within the statutory time-period from the conclusion of the Board Meeting(s) at which these were considered and approved. These financial results are normally published in the leading financial / national / regional newspapers (Financial Express and Aijit) and are also displayed on the website of the Company www.swarajenterprise.com;
- The official news releases are displayed on the Company's website www.swarajenterprise.com;
- During the year ended 31st March, 2026, no presentations were made to institutional investors or analysts.

VII Shareholder Information

1. 40th Annual General Meeting

Date	:	20th July, 2026
Time	:	12:30 P.M.
Venue	:	Annual General Meeting through Video Conferencing / Other Audio Visual Means facility (Deemed venue for the Meeting: Works of the Company i.e. Swaraj Engines Ltd., Plot No. 2, Industrial Phase IX, S.A.S. Nagar (Mohali), Punjab - 160 062)

2. Financial Calendar (tentative)

Financial year covers the period from 1st April to 31st March.

Calendar for the Board Meetings to be held to review / approve the financial results of the Company for FY 2026-27 is given below:

• Quarter ending 30th June, 2026	Last week of July, 2026
• Half year ending 30th September, 2026	Last week of October, 2026
• Quarter ending 31st December, 2026	Last week of January, 2027
• Year ending 31st March, 2027	Last week of April, 2027

Note: The above schedules are indicative.

3. Dividend Payment

The dividend, if declared, shall be paid on or after 21st July, 2026.

4. Record Date : 3rd July, 2026**5. Listing on Stock Exchanges**

- (i) BSE Ltd. (BSE)
25th Floor, P.J. Towers, Dalal Street, Mumbai - 400001
- (ii) National Stock Exchange of India Ltd. (NSE)
Exchange Plaza, C-1, Block G, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

Listing Fee for FY 2026-27 for both these stock exchanges has been paid.

6. Stock Code

- (i) BSE Ltd. (BSE) : 500407
- (ii) National Stock Exchange of India Ltd. (NSE) : SWARAJENG

7. CIN : L50210PB1985PLC006473**8. Registrar and Transfer Agents**

M/s MCS Share Transfer Agent Limited (MCS), 179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area, Phase - I, New Delhi - 110020 are the Registrar and Share Transfer Agent for physical shares of the Company. MCS is also the depository interface of the Company with both NSDL and CDSL.

Tel No. : 011 - 41406149

Fax No. : 011 - 41709881

Email address : helpdeskdelhi@mcsregistrars.com

Contact Person: Mr. Amar Jit

Share Transfer & other Communication regarding Share Certificates, Dividends and Change of Address etc. may be addressed to Registrar, M/s MCS Share Transfer Agent Limited or to the Share Department of the Company at its Registered Office at Phase IV, Industrial Area, S.A.S. Nagar (Mohali), Punjab - 160 055.

9. Transfer/Transmission System for physical shares

Trading in Equity Shares of the Company through recognized Stock Exchanges is permitted only in dematerialized form.

SEBI effective from 1st April, 2019, has barred physical transfer of shares of listed companies and mandated transfer only through demat. However, this restriction shall not be applicable to the request received for effecting transmission or transposition of physical shares. The Shareholders holding shares in physical form are requested to get their shares dematerialised at the earliest to avoid any inconvenience in future while transferring the shares. The Shareholders are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account to seek guidance in the demat procedure. The Shareholders may also visit web site of depositories viz. National Securities Depository Limited viz. <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited viz. <https://www.cdslindia.com/Investors/open-demat.html> for further understanding of the demat procedure. Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/splitting/ consolidation of securities, transmission/ transposition of securities. Vide its Circular dated 25th January 2022, SEBI has clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

There are no shares in the unclaimed suspense account at the beginning and at the end of the financial year 2025-26.

10. Shareholding Pattern as on 31st March, 2026

Category of Shareholders	No. of Shares Held	% of Holding
1 Promoters	6331141	52.11
2 Mutual Funds	980475	8.07
3 Insurance Companies	9290	0.08
4 Govt. (IEPF)	62119	0.51
5 Foreign Portfolio Investors	343010	2.82
6 Bodies Corporate - Indian	354110	2.91
7 NRIs	264004	2.17
8 OCB	600	0.01
9 Alternate Investment Funds	14877	0.12
10 Indian Public	3790239	31.20
Total	1,21,49,865	100.00

11. Distribution Pattern of Shareholding as on 31st March, 2026

No. of Equity Shares Held	No. of Shareholders*		No. of Shares Held	
	Numbers	% Total	Numbers	% Total
1 - 500	38143	96.61	1516045	12.48
501 - 1000	829	2.10	579214	4.77
1001 - 5000	416	1.05	853059	7.02
5001 - 10000	47	0.12	338973	2.79
10001 - 50000	31	0.08	685049	5.64
50001 & above	14	0.04	8177525	67.30
Total	39480	100	12149865	100

*Without consolidating the folios on the basis of Permanent Account Number (PAN)

12. Dematerialisation of Shares and Liquidity

The Company has joined National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate the trading. As on 31st March, 2026, 99.80% of the equity capital is held in electronic form. The market lot of the Share of your Company is one Share, as the trading in the Equity Share of your Company is permitted only in dematerialised form. The Non-Promoters' holding as on 31st March, 2026 is around 47.89% and the stock is highly liquid.

International Securities Identification Number (ISIN): INE277A01016

(with NSDL and CDSL)

13. Unclaimed Dividend and shares transferred to Investor Education and Protection Fund ("IEPF")

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the company to the Investor Education and Protection Fund ("IEPF").

SWARAJ ENGINES LIMITED

The IEPF Rules mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of IEPF. The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority following the procedure prescribed in the Rules.

In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due for transfer to the IEPF Authority and simultaneously published newspaper advertisement.

Dividend remitted to IEPF during the year:

Financial year ended	Date of Declaration of Dividend	Amount transferred to IEPF (in Rs.)	Date of transfer to IEPF
31st March, 2018	30th July, 2018	35,80,200	16th September, 2025

Shares transferred/credited to IEPF:

Pursuant to IEPF Rules, during the year, the Company has transferred 1274 Equity Shares to IEPF Authority.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2025 on the Company's website <https://www.swarajenterprise.com/unclaimed>.

The following table provides dates on which unclaimed dividend and their corresponding shares would become liable to be transferred to the IEPF:

Financial year ended	Date of Declaration of Dividend	Due for Transfer to IEPF	Amount (Rs.) (As on 31st March, 2026)
31st March, 2019	30th July, 2019	4th September, 2026	12,14,250.00
31st March, 2020	20th July, 2020	25th August, 2027	6,96,289.00
31st March, 2021	19th July, 2021	24th August, 2028	14,71,682.00
31st March, 2022	25th July, 2022	30th August, 2029	15,13,783.00
31st March, 2023	28th July, 2023	2nd September, 2030	19,12,669.00
31st March, 2024	18th July, 2024	23rd August, 2031	32,30,430.00
31st March, 2025	15th July, 2025	20th August, 2032	26,99,344.50

14. Outstanding GDR's / ADR's / Warrants / Convertible Instruments

The Company has not issued any GDRs/ADRs/Warrants/convertible instruments during the financial year under review. There are no convertible instruments outstanding as on 31st March, 2026.

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

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations during the financial year under review.

16. Credit Ratings

The Company has not obtained credit rating from any of the credit rating agencies.

17. Commodity price risk or Foreign Exchange Risk & hedging activities

The Company continues to focus on mitigating the inflationary impact of commodity prices, if any, and take various cost reduction measures like VA/VE, negotiation with suppliers etc. As the nature of business of the Company does not involve any significant foreign exchange exposure, no hedging activity was done during the year. The details of foreign currency exposure are disclosed in "Annexure G" of the Directors Report.

18. Registered Office

Swaraj Engines Limited
Phase-IV, Industrial Area,
S.A.S. Nagar (Mohali), Punjab - 160 055

19. Plant Location

Swaraj Engines Limited
Plot No. 2, Industrial Phase IX,
S.A.S. Nagar (Mohali), Punjab - 160 062

20. Address for correspondence

Registrar and Share Transfer Agent

M/s MCS Share Transfer Agent Limited
Unit: Swaraj Engines Limited
179-180, DSIDC Shed, 3rd Floor,
Okhla Industrial Area, Phase - I,
New Delhi - 110 020
Email: helpdeskdelhi@mcsregistrars.com

Phone : 011 - 41406149

Fax : 011 - 41709881

Compliance Officer & Company Secretary

Ms. Geeta Kharat, Compliance Officer

Mr. Rajesh Kumar Kapila, Company Secretary

Registered Office:

Swaraj Engines Limited
Phase-IV, Industrial Area,
S.A.S. Nagar (Mohali), Punjab - 160 055
Email: selinvestor@swarajenterprise.com

Phone : 0172- 2271620-21

Fax : 0172- 2272731

The Company has not issued any Debentures and hence disclosure regarding debenture trustees is not applicable.

21. Website Address : www.swarajenterprise.com

VIII. Other Disclosures

A. Disclosure of transactions with Related Parties

During FY 2025-26, all transactions entered into with related parties were in the ordinary course of business and on arms length basis. The Company has not entered into any transaction of material nature with the promoters, the directors or the management or their relatives etc. that may have potential conflict with the interests of the Company. Mahindra & Mahindra Limited is the promoter and Holding Company of SEL. The Company has no subsidiary. Details of related parties and transactions with them are covered at Note 2.30 of the Annual Accounts. The Policy on Materiality of and Dealing with Related Party Transactions approved by the Board of Directors of the Company is available at Company's website <https://www.swarajenterprise.com/policies>

B. Details of non-compliance etc.

There has neither been any non-compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchanges or SEBI or any other statutory authorities, on any matters related to capital market during the last three years.

C. Whistle Blower Policy

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics, honesty, integrity and ethical conduct. Towards this end, the Company has adopted a Code of Ethics & Conduct for its employees including Members of the Board of Directors referred to as "the Code" and other Policies as may be applicable from time to time which lays down the principles and standards that should govern the actions of the Company and its Employees. Any actual or potential violation of the Code/Policies, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the Employees in pointing out such violations of the Code/Policies cannot be undermined. Accordingly, the Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company or Chairman of the Company.

All Employees of the Company are eligible to make Protected Disclosures under the Policy. Protected Disclosures may be in relation to matters concerning the Company. Protected Disclosures should be reported in writing and addressed to the Chairman of the Audit Committee of the Company or Chairman of the Company for investigation. During the year under review, no personnel was denied access to the Chairman of the Audit Committee of the Board. The details of Whistle Blower Policy are available at the Company's website <https://www.swarajenterprise.com/policies>

D. Disclosure of Accounting Treatment in preparation of Financial Statements

The Company adopted Indian Accounting Standards (Ind AS) from 1st April, 2016. Accordingly, the financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Act and other relevant provisions of the Act. The material accounting policies which are consistently applied are set out under Note 1 of the Annual Accounts.

E. CEO / CFO Certification

The Whole Time Director & Chief Executive Officer and Chief Financial Officer of the Company have jointly provided an annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations and quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

F. Management Discussion and Analysis Report

Management Discussion and Analysis Report has been attached to the Directors' Report and forms part of this Annual Report.

G. Risk Management

Business risk evaluation and management is an ongoing process within the Company. For each function, impact and probability of various risks are made and necessary control measures are identified to mitigate these risks, thereby reducing the impact and probability of the risk. During the year, a detailed exercise on "Risk Assessment" related to Company's main functional areas was carried out.

The Board is apprised on the risk assessment and mitigation process followed by the Company.

H. Code for prevention of Insider Trading Practices

The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Prevention of Insider Trading in Securities of Swaraj Engines Limited' ("SEL Code of Conduct") in compliance with the Listing Regulations.

SEL Code of Conduct has been formulated to regulate, monitor and ensure reporting of trading by the Employees and Connected Persons designated on the basis of their functional role in the Company towards achieving compliance with the Listing Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. SEL Code of Conduct lays down Guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

I. Recommendation of Committees

All the recommendations/submissions made by the Committees of the Board during FY 2025-26 were accepted by the Board of the Company.

J. Fees to statutory auditors

B.K. Khare & Co., Chartered Accountants (Firm Registration No. 105102W) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees during FY 2025-26 is given below:

(Rs. in Lakhs)

Particulars	Amount
Services as Statutory Auditors (including quarterly limited reviews & certificate on corporate governance)	19.75
Tax Audit	2.50
Reimbursement of expenses	Nil

K. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Pursuant to the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has set up Internal Complaints Committee (ICC) to redress the complaints received, if any, regarding sexual harassment.

During the year, no complaint was received.

L. Loans and advances in the nature of loans to firms/companies in which directors are interested

Nil

M. The Company has no subsidiary and hence there is no need to frame any policy for determining "material" subsidiary.
N. Disclosure of certain types of agreements binding listed entities

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

IX Compliance with Mandatory requirements

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance including requirements specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) of the Listing Regulations and Paragraphs C, D and E of Schedule V of the Listing Regulations.

X Adoption of the non-mandatory requirements
a) Audit Qualifications

During the financial year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of financial statements with unmodified audit opinion.

b) Separate Posts of Chairman and CEO

The Company has separate persons to the posts of Chairman and Chief Executive Officer.

c) Internal Auditor

The internal auditor reports directly to the Audit Committee.

The Company has not adopted the other non-mandatory requirements as specified in Part E of Schedule II of the Listing Regulations during the year.

XI Code of Conduct

The Company's Board has laid down a well-defined Code of Ethics & Conduct ("the Code") to be followed by Board Members and employees of the Company for ethical professional conduct. The Code is available on the website of the Company (www.swarajenterprise.com). All Board Members and Senior Management Personnel have affirmed compliance with this Code. A declaration signed by the Whole Time Director & Chief Executive Officer to this effect is enclosed at the end of this Report.

S.A.S. Nagar (Mohali), 13th April, 2026

DECLARATION BY THE WHOLE TIME DIRECTOR & CHIEF EXECUTIVE OFFICER UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members of Swaraj Engines Limited

I, Devjit Sarkar, Whole Time Director & Chief Executive Officer of Swaraj Engines Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2026.

S.A.S. Nagar (Mohali), 13th April, 2026

Devjit Sarkar
Whole Time Director &
Chief Executive Officer
DIN: 10745850

Independent Auditors' Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Members of
Swaraj Engines Limited**

1. This certificate is issued in accordance with the terms of our engagement with Swaraj Engines Limited ("the Company").
2. We have examined the compliance with the 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) and (t) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2026 and for this purpose, we have examined the books of account and other relevant records and documents maintained by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

SWARAJ ENGINES LIMITED

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations for the year ended March 31, 2026.
9. We 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.

Restriction on Use

10. This certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirements of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B.K. KHARE & CO.

Chartered Accountants
(Firm Registration No. 105102W)

Karthik Srinivasan

Partner
Membership No. 215782
UDIN: 26215782LUBTWP1315
Place: Jaipur
Date: April 13, 2026

ANNEXURE – A TO DIRECTORS' REPORT

Dividend Distribution Policy

The Dividend Distribution Policy ("the policy") establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company. The policy shall come into force for accounting periods beginning from 1st April, 2021.

Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value Rs.10 each. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act. The Board may also declare interim dividends as may be permitted by the Companies Act.

The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth.

As in the past, subject to the provisions of the applicable law, the Company's dividend payout will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return. Within these parameters, the Company would endeavour to maintain a total dividend pay-out ratio in the range of 65% to 90% of the annual Profit after Tax (PAT) of the Company.

While determining the nature and quantum of the dividend pay-out, including amending the suggested pay-out range as above, the Board would take into account the following factors:

- **Internal Factors:**

- i. Profitable growth of the Company and specifically, profits earned during the financial year as compared with:
 - a. Previous years and
 - b. Internal budgets,
- ii. Cash flow position of the Company,
- iii. Accumulated reserves,
- iv. Earnings stability,
- v. Future cash requirements for organic growth/expansion and/or for inorganic growth,
- vi. Current and future leverage and, under exceptional circumstances, the amount of contingent liabilities,
- vii. Deployment of funds in short-term marketable investments,
- viii. Long-term investments,
- ix. Capital expenditure(s), and
- x. The ratio of debt to equity (at net debt and gross debt level).

- **External Factors:**

- i. Business cycles,
- ii. Economic environment,
- iii. Cost of external financing,
- iv. Applicable taxes including tax on dividend,
- v. Related Industry outlook for the future years,
- vi. Inflation rate, and
- vii. Changes in the Government policies, industry specific rulings & regulatory provisions.

Apart from the above, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

The Board may consider not declaring dividend or may recommend a lower pay-out for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment. In such event, the Board will provide rationale in the Annual Report.

The retained earnings of the Company may be used in any of the following ways:

- i. Capital expenditure for working capital,
- ii. Organic and/ or inorganic growth,
- iii. Investment in new business(es) and/or additional investment in existing business(es),
- iv. Declaration of dividend,
- v. Capitalisation of shares,
- vi. Buy-back of shares,
- vii. General corporate purposes, including contingencies,
- viii. Correcting the capital structure,
- ix. Any other permitted usage as per the Companies Act, 2013.

Information on dividends paid in the last 10 years is provided in the Annual Report.

This policy may be reviewed periodically by the Board. Any changes or revisions to the policy will be communicated to shareholders in a timely manner.

The policy will be available on the Company's website.

The policy will also be disclosed in the Company's annual report.

ANNEXURE – B TO DIRECTORS' REPORT
FORM NO. AOC-2

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013
and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

a)	CIN / FCRN / LLPIN / PAN / Other ID	Not Applicable
b)	Name(s) of the related party and nature of relationship	
c)	Nature of contracts/arrangements/transactions	
d)	Duration of the contracts/ arrangements/transactions	
e)	Salient terms of the contracts or arrangements or transactions including the value, if any	
f)	Justification for entering into such contracts or arrangements or transactions	
g)	Date(s) of approval by the Board	
h)	Amount paid as advances, if any	
i)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	
j)	SRN of MGT-14	

2. Details of material contracts or arrangements or transactions at arm's length basis:

a)	CIN / FCRN / LLPIN / PAN / Other ID	L65990MH1945PLC004558
b)	Name(s) of the related party and nature of relationship	Mahindra & Mahindra Limited, Holding Company
c)	Nature of contracts/arrangements/transactions	Sale, purchase, service or supply of goods or materials; availing or rendering of services; leasing of property of any kind, selling or otherwise disposing of or buying property of any kind; or any other transaction in the ordinary course of business and at arm's length
d)	Duration of contracts/arrangements/transactions	FY 2025-26
e)	Salient terms of the contracts or arrangements or transactions including the value, if any	Total value of transactions during FY 2025-26 was Rs.2026.67 crores (excluding dividend paid Rs.66.16 crores).
f)	Date(s) of approval by the Board, if any	Not applicable
g)	Amount paid as advances, if any	NIL

Place : S.A.S. Nagar, (Mohali)
Date : 13th April, 2026

FOR AND ON BEHALF OF THE BOARD
(RAJYA VARDHAN KANORIA)
Chairman
DIN: 00003792

ANNEXURE – C TO DIRECTORS' REPORT
DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Requirements	Disclosure
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year.	WTD & CEO – 13.9 Times
2	The percentage increase in remuneration of each Director, CEO, CFO & CS.	WTD & CEO - 7.0% CFO - 9.0% CS - 7.0%
3	The percentage increase in the median remuneration of employees in the financial year.	9.6%
4	The number of permanent employees on the rolls of the company.	There were 294 permanent employees as on 31st March, 2026.
5	Average percentage 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.	Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2025-26 was 9.8% whereas the increase in the managerial remuneration for the financial year 2025-26 was 7.7%.
6	Affirmation that the remuneration is as per the remuneration policy of the company	Yes, it is affirmed.

Notes:

- The Company has only one Executive Director designated as Whole Time Director & Chief Executive Officer who draws remuneration from the Company. The Non-Executive Independent Directors are entitled to sitting fees and commission as per the statutory provisions and within the limits approved by the Board of Directors and Members. The details of their remuneration (sitting fees & commission) are provided in the Corporate Governance Report.

The other Non-Executive Directors are in the whole time employment with Mahindra & Mahindra Ltd. and are not drawing any remuneration from the Company.
- Percentage increase in remuneration excludes the perquisite value of ESOP granted / exercised, if any.

ANNEXURE – D TO DIRECTORS' 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 No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To
The Members,
Swaraj Engines Limited,
Phase IV, SAS Nagar,
Punjab

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SWARAJ ENGINES LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by SWARAJ ENGINES LIMITED ("the Company") for 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 thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021 to the extent applicable to Employee Stock Option Scheme of the company.
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not Applicable to the company during the financial year under review.
 - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no instance of Buy-Back during the financial year.

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- f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review.
- (vi) The major provisions and requirements have also been complied with as prescribed under The Factories Act, 1948 and all applicable Labour laws/ Codes and rules framed thereunder.
- (vii) Environment Protection Act, 1986 and other environmental laws.
- (viii) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.
- (ix) The Air (Prevention and Control of Pollution) Act, 1981
- (x) The Water (Prevention and Control of Pollution) Act, 1974

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the National Stock Exchange of India Limited and BSE Limited;

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

Based on our examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year, were carried out in compliance with the applicable Act and Regulations.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All decisions are carried through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion that:

1. 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.
2. Based on the examination of the relevant documents and records on test check basis the company has complied with the following laws specifically applicable to the company:
 - a) The Gas Cylinder Rules, 1981, Amended 2004
 - b) The Petroleum Act, 1934 and Petroleum Rules, 1976

I further report that during the audit period:

1. The company has allotted 2,399 equity shares of face value of Rs. 10 each pursuant to exercise of stock options by employees under the company's Employee Stock Option Scheme- 2015.
2. Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the company has transferred 1,274 equity shares to the Investor Education and Protection Fund.

I further report that, there were no instances of

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity
- (ii) Redemption/ buy-back of securities
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

For **A. Arora & Co.**
Company Secretaries

AJAY K. ARORA
(Proprietor)

FCS No. 2191

C P No.: 993

Peer review Cert No. 2120/2022

Place: Chandigarh

Date : 11.04.2026

UDIN: F002191H000061954

ANNEXURE – E TO DIRECTORS' REPORT
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES
1. Company's CSR initiatives are primarily designed around education, health and environment etc.

A brief outline on CSR Policy of the Company is given below:

Objective:

To promote a unified approach to CSR in Swaraj Engines Limited ('the Company') by identifying select causes to work with, thereby ensuring a high social impact.

CSR Approach & Guiding Principles:

Driven by our Core purpose, our CSR vision is to focus our efforts within the constituencies of girls, youth & farmers by innovatively supporting them through programmes designed in the domains of education, health and environment while harnessing the power of technology. By investing our CSR efforts in these critical constituencies who contribute to nation building and the economy, we will enable our stakeholders and communities to RISE.

All CSR projects will be in line with the CSR vision, as well as areas listed in Schedule VII of the Companies Act, 2013. CSR projects will be undertaken in India. It will not include the activities undertaken in pursuance of normal course of business of the Company, projects benefiting the employees of the Company (as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019) as amended from time to time), or contributions of any amount directly or indirectly to any political party.

All CSR activities will be in project mode and will not include activities supported on sponsorship basis for deriving marketing benefits for its products or services or activities carried out for fulfilment of any other statutory obligations under any law in force in India.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the tenure of the Director	Number of meetings of CSR Committee attended during the year
1	Mr. S. Nagarajan	Chairman (Independent Director)	2	2
2	Mr. Harish Chavan	Non-Independent Director	2	2
3	Ms. Smita Mankad	Independent Director	2	2
4.	Mr. Devjit Sarkar	Whole Time Director & Chief Executive Officer	2	2

3. The web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. : <https://swarajenterprise.com/csr>

4. The executive summary alongwith the weblink(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable. : Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135 : Rs. 19591.90 Lakhs
- (b) Two per cent of average net profit of the company as per sub-section (5) of section 135 : Rs. 391.84 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 : Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)] : Rs. 391.84 Lakhs
6. (a) Amount spent on CSR project (both ongoing project and other than ongoing project) : Rs. 396.29 Lakhs
- (b) Amount spent in administrative overheads : Nil
- (c) Amount spent on impact assessment, if applicable : Not Applicable
- (d) Total amount spent for the financial year [(a)+(b)+(c)] : Rs. 396.29 Lakhs
- (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs. Lakhs)	Amount Unspent (in Rs. Lakhs)				
	Total Amount transferred to Upsent CSR Account as per Sub-Section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
396.29	Nil		Nil		

- (f) Excess amount for set off, if any :

Sl. No.	Particulars	Amount (in Rs. Lakhs)
(i)	Two per cent of average net profit of the company as per sub-section (5) of section 135	391.84
(ii)	Total amount spent for the Financial Year	396.29
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4.45
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	4.45

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7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Sub-Section (6) of Section 135 (in Rs. Lakhs)	Balance amount in Unspent CSR Account under sub-section(6) of section 135 (in Rs. Lakhs)	Amount spent in the Financial Year (in Rs. Lakhs)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding financial years (in Rs. Lakhs)	Deficiency, if any
					Amount (in Rs. Lakhs)	Date of transfer		
1.	2022-23				Nil			
2.	2023-24				Nil			
3.	2024-25				Nil			
	Total				Nil			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year : No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135 : Not applicable

Devjit Sarkar
Whole Time Director &
Chief Executive Officer
DIN: 10745850

S. Nagarajan
Chairman – CSR Committee
DIN: 03060429

Date : 13th April, 2026
Place : S.A.S. Nagar (Mohali)

ANNEXURE – F TO DIRECTORS' 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 : L50210PB1985PLC006473
2. Name of the Listed Entity : Swaraj Engines Limited
3. Year of incorporation : 24th September, 1985
4. Registered office address : Phase IV, Industrial Area, S.A.S. Nagar (Mohali), Punjab 160055
5. Corporate address : Phase IV, Industrial Area, S.A.S. Nagar (Mohali), Punjab 160055
6. E-mail : selinvestor@swarajenterprise.com
7. Telephone : 0172-2271620-22 (Registered Office), 0172-2234941-47 (Works)
8. Website : www.swarajenterprise.com
9. Financial year for which reporting is being done : 1st April, 2025 to 31st March, 2026
10. Name of the Stock Exchange(s) where shares are listed: BSE Limited (BSE), National Stock Exchange of India Limited (NSE)
11. Paid-up Capital : Rs. 1214.99 lakhs
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. Mukesh Bansal, General Manager, Tel. No. 0172-2234941-47, email ID-bansal.mukesh@mahindrasel.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
15. Type of assurance obtained: Not Applicable

II. Products/services

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

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Manufacturing of diesel engines and its components	100%

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

S.No.	Product/Service	NIC Code	% of total Turnover contributed
1	Diesel engines and its components	29104	100%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	1	1	2
International	-	-	-

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19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	2
International (No. of Countries)	–

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

c. A brief on types of customers : The Company is in the business of manufacturing diesel engines and its entire sale to Mahindra & Mahindra Ltd. ("M&M") for fitment into "Swaraj" tractors being manufactured by M&M.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently-abled) :

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	123	106	86.2%	17	13.8%
2.	Other than Permanent (E)	6	–	–	6	100.0%
3.	Total employees (D + E)	129	106	82.2%	23	17.8%
WORKERS						
4.	Permanent (F)	171	169	98.8%	2	1.2%
5.	Other than Permanent (G)	2285	2032	88.9%	253	11.1%
6.	Total workers (F + G)	2456	2201	89.6%	255	10.4%

b. Differently-abled Employees and workers:

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1	1	100%	–	–
2.	Other than Permanent (E)	–	–	–	–	–
3.	Total differently-abled employees (D + E)	1	1	100%	–	–
WORKERS						
4.	Permanent (F)	–	–	–	–	–
5.	Other than Permanent (G)	21	18	85.7%	3	14.3%
6.	Total differently-abled workers (F+ G)	21	18	85.7%	3	14.3%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.50%
Key Management Personnel	4*	1	25%

*including Whole Time Director & CEO who is also covered in the Board of Directors.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	4.83%	6.06%	4.89%	2.15%	21.43%	4.67%	5.32%	18.18%	6.67%
Permanent Workers	7.78%	–	7.69%	3.87%	–	3.87%	8.33%	–	8.33%

V. Holding, Subsidiary and Associate Companies (including joint ventures)
23. (a) Names of holding / subsidiary / associate companies / joint ventures

S.No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity ? (Yes/No)
1	Mahindra & Mahindra Limited	Holding Company	52.11%	No

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

(ii) Turnover (in Rs. Crores) : 2007.13

(iii) Net worth (in Rs. Crores) : 488.92

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

The Company is committed to conduct its business in accordance with applicable laws, rules, regulations, highest standards of business ethics, honesty, integrity and ethical conduct. Towards this, the Company has formulated various policies which are also displayed at its website. For the redressal of any complaint, the Company has adopted vigil mechanism by implementing the Whistle-blower Policy covering all directors, employees, vendors, suppliers or any other stakeholders of the Company.

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Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (if Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		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* https://swarajenterprise.com/policies	—	—	—	—	—	—
Investors (other than shareholder)	Yes https://swarajenterprise.com/contact	—	—	—	—	—	—
Shareholders	Yes https://swarajenterprise.com/contact	37	—	Primarily related to non-receipt of annual report, share certificate, dividend etc.	38	—	Primary related to non-receipt of annual report, share certificate, dividend etc.
Employees and workers	Yes https://swarajenterprise.com/policies	—	—	—	1	—	Complaint was received under POSH and duly resolved
Customers	Yes https://swarajenterprise.com/policies	982	—	These complaints were received by M&M relating to engines fitted into various Swaraj brands of tractor models manufactured by M&M and the same were suitably resolved by the Company	553	—	These complaints were received by M&M relating to engines fitted into various Swaraj brands of tractor models manufactured by M&M and the same were suitably resolved by the Company
Value Chain Partners	Yes https://swarajenterprise.com/policies	—	—	—	—	—	—
Other (please specify)	—	—	—	—	—	—	—

*The Company is having well defined whistle blower policy available at its website which offers a mechanism to raise any concern.

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format :

S.No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1	Environmental well-being	Opportunity	The Company gives high focus on all environment related aspects and targeting to reduce carbon footprint. The Company is working on alternate source of energy, water recycling and enhanced use of returnable packaging to minimize waste and maximise reuse.	–	Positive implications
2	Community well-being	Opportunity	The Company is committed to its social responsibility by taking various initiatives which would benefit the society at large. Efforts are directed towards education including vocational skills training, public health, environment and community welfare.	–	Positive implications

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S.No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
3	Ethical behaviour, Governance and Compliance	Risk	The Company believes in doing business by following ethical behaviour and practicing the principles of good corporate governance disclosure and transparency. Any non-compliance could lead to litigation and may also impact the brand reputation.	The Company adheres to strong ethical standard of integrity. Besides a well-defined code of conduct for its directors and employees, the Company is having whistle-blower policy to ensure all the stakeholders are practicing the defined ethical standards. In addition, various measures are in place to meet all related compliances.	Positive implications
4	Diversity and equal opportunities	Opportunity	The Company's thrust is to promote diversity and offer equal opportunities at its workplace to all irrespective of their race, gender, colour, religion etc. Focused efforts are being made to increase the gender diversity in the organization.	–	Positive implications

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.

- P1 Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable
- P2 Businesses should provide goods and services in a manner that is sustainable and safe
- P3 Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4 Businesses should respect the interests of and be responsive to all its stakeholders
- P5 Businesses should respect and promote human rights
- P6 Businesses should respect and make efforts to protect and restore the environment
- P7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8 Businesses should promote inclusive growth and equitable development
- P9 Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes (Note 1)	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes (Note 2)	Yes (Note 2)	Yes (Note 2)	Yes (Note 2)	Yes (Note 2)	Yes (Note 2)	Yes (Note 2)	Yes (Note 2)
c. Web Link of the Policies, if available	https://swarajenterprise.com/policies (Note 3)								
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? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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.	ISO 9001 : 2015 (Quality Management System) ISO 14001 : 2015 (Environmental Management System) ISO 50001 : 2018 (Energy Management System) ISO 45001 : 2018 (Occupational Health and Safety Management System)								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	- Tree plantation FY26 - 5200 Nos. - Energy productivity to be improved in FY26 by 2% over FY25. - Water usage FY26 - 0.278 KL/Engine								
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	- Tree plantation FY26 - 5500 Nos. - Energy productivity improved in FY26 by 3% over FY25. - Water usage FY26 - 0.210 KL/Engine								
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)									

SWARAJ ENGINES LIMITED

Swaraj Engines Limited is continuously focusing on Environmental, Social & Governance (ESG) factors through sustained & focused programmes.

Environment

The Company is putting its efforts towards conserving natural resources, reducing pollution and sustaining the environment. The Company is taking various initiatives for meeting emission norms requirements for diesel engines, reducing the carbon footprints, water conservation, usage of alternate source of energy etc. The Company continues to promote sustainable development through its business decisions and actions.

Social

The Company is socially responsible towards its employees and the community at large. The Company encourages to create and maintain a diverse, inclusive and vibrant work environment that nurtures and motivates its employees. For the community, the Company's CSR policy intends to focus its efforts within the constituencies of girls, youth & farmers by innovatively supporting them through programmes designed in the domains of education, health and environment.

Governance

The Company has been practicing the principles of good corporate governance, disclosure and transparency right from its incorporation. It has been a core belief and practice with the Company to consider itself as the custodian and trustee of all the constituencies of its businesses - customers, business associates, shareholders and society. The Company has sought and will continue to seek corporate excellence and profits through ethics, passion and perseverance.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Devjit Sarkar, Whole Time Director & Chief Executive Officer.
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.	While Mr. Devjit Sarkar, Whole Time Director & Chief Executive Officer is responsible for implementation and oversight of Business Responsibility initiatives, the CSR Committee of the Company also gives due focus on sustainability while finalizing annual CSR activities.

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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	On-going	Q	Q	Q	On-going	Q	On-going	Q	Q
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	On-going	Q	Q	Q	On-going	Q	On-going	Q	Q

* A – Annually, H – Half Yearly, Q – Quarterly

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

The Company on periodic basis internally reviews the policies.

Note 1: The Company complies with consumers' awareness through its customer by appropriate product labelling and operator manual & instructions supplied along with the final product (tractor) which ensure safe usage by the end consumer. However, Company's current control is limited till warranty period.

Note 2: While the Code of Conduct for Directors & Employees of the Company, Whistle Blower Policy, CSR Policy, Prevention of Sexual Harassment Policy, Business Responsibility Policy are approved by the Board, the other relevant policies are issued by Director/CEO or being the group company of Mahindra & Mahindra Ltd., related policies for the group are referred.

Note 3: While the Code of Conduct for Directors & Employees of the Company, the Whistle Blower Policy and the Corporate Social Responsibility ("CSR") Policy are uploaded on the Company's website at <https://swarajenterprise.com/policies>, being a group company of Mahindra & Mahindra Ltd., other related policies for the group are available through its intranet site for information and implementation by respective internal stakeholders.

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

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

Essential Indicators

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

The Company is guided by its principles of Code of Conduct ("CoC") which require its employees to be aware of the CoC and ensure to conduct themselves with the principles stated therein. Training sessions for new joiners are conducted as part of their induction program and annual certification through online learning platform is also required to be completed by the employees to confirm adherence to the CoC.

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Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	3	Adherence to the : • Code of Conduct • Anti-Bribery and Anti-Corruption Policy • Prevention of Sexual Harassment Policy	50%
Key Managerial Personnel	3		100%
Employees other than BoD and KMPs	3		100%
Workers	3		100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (**Note:** the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) 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	—	—	—	—	—
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	—	—	—	—	—
Punishment	—	—	—	—	—

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

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 has zero-tolerance policy for bribery and corruption or facilitation payment in any form and encourages anti-bribery and anti-corruption practices amongst everyone working on behalf of the Company. Guidelines on anti-bribery and anti-corruption forms part of the Code of Conduct for every stakeholder. Further, being a part of Mahindra Group, the Company also follows its policy on Anti-Bribery and Anti-Corruption. Weblink for the Code of Conduct is <https://www.swarajenterprise.com/policies>.

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

There were no instances reported during FY 2025-26 and FY 2024-25 of any disciplinary action taken by any law enforcement agency for charges of bribery or corruption against any Directors, KMPs, employees or workers of the Company.

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

	FY 2025-26		FY 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	—	—	—	—
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	—	—	—	—

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 as there was no fine, penalty or action taken by regulators, law enforcement agencies or judicial institutions on cases of corruption and conflict of interest.

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

	FY 2025-26	FY 2024-25
Number of days of accounts payables	58	61

9. Openness of business:

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases.	—	—
	b. Number of trading houses where purchases are made from	—	—
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	—	—

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Concentration of sales	a. Sales to dealers / distributors as % of total sales b. Number of dealers / distributors to whom sales are made c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	— — —	— — —
Shares of RPTs in	a. Purchases (Purchases with related parties / Total Purchases) b. Sales (Sales to related parties / Total Sales) c. Loans & advances (Loans & advances given to related parties / total loan & advances) d. Investments (Investments in related parties / Total Investment made)	1.50% 99.29% — —	3.02% 99.65% — —

Leadership Indicators

- 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
1	Continuous improvement, 7QC tools & quality improvement	15%

- 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 Code of Conduct for Directors and employees is in place.

PRINCIPLE 2 : Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- 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 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	100% Rs. 1.76 Crores	100% Rs. 3.76 Crores	This represents the total expenditure incurred by the Company including spent towards development of Engines for TREM V emission compliance.
Capex	—	0.28%	Towards energy conservation

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)
Yes, the Company's sourcing practices are focussed towards optimizing logistics, returnable packaging to minimize waste and maximize re-use. The Company takes steps to ensure that its sourcing methods are sustainable. The Company's material procurement, majority of parts, is done within the country itself and majority of suppliers are located near the Company's manufacturing location (within a radius of around 250 KMs) apart from Proprietary Part

Suppliers which are common across industry. Besides this, the Company ensures that its suppliers adhere to the environment, social and human rights regulations.

- b. If yes, what percentage of inputs were sourced sustainably?
Around 80%

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

It is the Company's ongoing endeavour to have a mechanism to recycle products and limit the waste arising out of production of engines. To reduce usage of plastics (including packaging), majority of the Company's suppliers are supplying material in returnable packaging. Similarly, the waste generated during machining of components is being supplied to the Foundry of Mahindra & Mahindra Ltd.-Swaraj Division. Other scrap generated including e-waste and hazardous waste, is disposed-of through authorised scrap dealers.

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.

Not applicable

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No) if yes, provide the web-link
—	—	—	—	—	—

The Company is engaged in the manufacturing of diesel engines for fitment in the tractors as one of its components. While no LCA has been conducted for engines, the necessary details about the related engine form part of the tractor catalogue shared by the tractor manufacturer.

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 alongwith 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).

Due to specific product requirements, currently there is no use of any recycled or reused material in the Company's engine manufacturing process.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:

The engines manufactured by the Company are used as one of the components of the tractor by the tractor manufacturer. Therefore, details of end of life treatment of the product are not readily available.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not applicable

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

Essential Indicators

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	106	106	100%	106	100%	—	—	106	100%	—	—
Female	17	17	100%	17	100%	17	100%	—	—	17	100%
Total	123	123	100%	123	100%	17	13.8%	106	86.2%	17	13.8%
Other than Permanent employees											
Male	—	—	—	—	—	—	—	—	—	—	—
Female	6	6	100%	6	100%	6	100%	—	—	6	100%
Total	6	6	100%	6	100%	6	100%	—	—	6	100%

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	169	169	100%	169	100%	—	—	—	—	—	—
Female	2	2	100%	2	100%	2	100%	—	—	2	100%
Total	171	171	100%	171	100%	2	1.2%	—	—	2	1.2%
Other than Permanent workers											
Male	2032	2032	100%	2032	100%	—	—	—	—	—	—
Female	253	253	100%	253	100%	253	100%	—	—	253	100%
Total	2285	2285	100%	2285	100%	253	11.1%	—	—	253	11.1%

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

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.43%	0.42%

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

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total 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%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	-	-	-	-	-	-
Others -Leave Encashment	100%	100%	N.A.	100%	100%	N.A.

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 has provided necessary assistance as per 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 provides equal opportunity and inclusion for all employees through its employment policies and practices by ensuring the provision of equal remuneration and offer equal opportunities to its employees to grow in the organisation irrespective of gender, caste and religion. Being part of Mahindra Group, the Company follows Equal Opportunity Policy of M&M, which is available on the intranet for the information and implementation by the internal stakeholders.

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%	N.A.	N.A.
Female	100%	100%	-	-
Total	100%	100%	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Company has a grievance redressal mechanism for permanent and non-permanent employees & workers. The employees/workers can directly reach out to the Chief Executive Officer of the Company with their grievances at his official email id for this purpose. Also, the employees/workers can use the third party platform to register their grievance through designated toll free number or web portal.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY 2025-26			FY 2024-25		
	Total employ- ees/workers in respective category (A)	No. of employ- ees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employ- ees/workers in respective category (C)	No. of employ- ees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	123	–	–	107	–	–
- Male	106	–	–	93	–	–
- Female	17	–	–	14	–	–
Total Permanent Workers	171	72	42.1%	182	82	45.1%
- Male	169	72	42.6%	181	82	45.3%
- Female	2	–	–	1	–	–

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	%(B/A)	No. (C)	%(C/A)		No.(E)	%(E/D)	No.(F)	%(F/D)
Employees										
Male	106	106	100%	106	100%	93	93	100%	93	100%
Female	17	17	100%	17	100%	14	14	100%	14	100%
Total	123	123	100%	123	100%	107	107	100%	107	100%
Workers										
Male	169	169	100%	169	100%	181	181	100%	181	100%
Female	2	2	100%	2	100%	1	1	100%	1	100%
Total	171	171	100%	171	100%	182	182	100%	182	100%

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	106	106	100%	93	93	100%
Female	17	17	100%	14	14	100%
Total	123	123	100%	107	107	100%
Workers						
Male	169	169	100%	181	181	100%
Female	2	2	100%	1	1	100%
Total	171	171	100%	182	182	100%

The Company has well-defined Performance Management System (PMS) for its employees. The performance appraisals alongwith the career development discussion for all the employees are done annually. Besides this, progress review with respect to the set goals and Key Result Areas (KRAs) is also done on half yearly basis.

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 has an Occupational Health and Safety Management System, and driven through the Environment, Occupational Health & Safety (EOHS) Policy. Further the Company is also having ISO: 45001: 2018 certification and Central Safety Council (CSC) Standards. 100% of employees and workers are covered.

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

The Company has structured OHS management system which enables to identify and mitigate risk at a preliminary stage to ensure a safe workplace. A well-defined Hazard Identification Risk Assessment (HIRA), Job Safety Analysis (JSA) and control standard operating procedure (SOP) for risk identification and mitigation are in place.

- 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 standard operating procedure (SOP) to report work-related hazards and remove themselves from these risks. The process of reporting work related hazards is digitised through "Swaraj Safety Management Portal" & Safety Committee meeting conducted on quarterly basis for discussing on work related hazards.

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

Yes, all the employees/workers have access to non-occupational medical and healthcare services through tie-ups with reputed medical entities in proximity. In addition, the Company facilitates the accessibility of non-occupational health services through medical camps, vaccination drives and medical health check-ups.

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

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	–	–
	Workers	0.32	1.07
Total recordable work-related injuries	Employees	–	–
	Workers	2	4
No. of fatalities	Employees	–	–
	Workers	–	–
High consequence work-related injury or ill-health (excluding fatalities)	Employees	–	–
	Workers	–	–

*Including the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company is committed towards providing a safe workplace environment and encourages involvement of all its employees in activities related to safety, including promotion of safety standards. The Company has a well-established Safety, Occupational Health and Environmental Policy which inter alia ensures safety of public, employees, plant and equipment by ensuring compliance with all statutory rules and regulations on regular basis. The Company also imparts training to its employees as per the predefined training calendar, carries out statutory safety audits of its facilities as per legal requirement and promotes eco-friendly activities. Besides this, the Company also has safety committees in place to review the adequacy of resources for safety and to provide support for safety management system.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	–	–		–	–	
Health & Safety	–	–		–	–	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Safety related incidents, if any, are being investigated and any learnings from the investigation reports are shared with all concerned for deployment of corrective action to avoid recurrence of such incidents. In addition, safety councils meet at regular intervals to discuss safety related aspects and initiate action, if any, required to further strengthen the safety practices at workplace.

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 has taken life insurance policy for its employees & workers.

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

Supplier Code of Conduct for the Group mandated the suppliers to comply with all applicable regulatory compliances. Further, while processing the invoices of contractors providing manpower, the Company also verifies statutory dues like PF and ESI deposited by them.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total No. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	–	–	–	–
Workers	–	–	–	–

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)**

The Company does not have policy on transition assistance. However, the Company provides various skill upgradation trainings on regular basis on diverse areas for the employees/workers which facilitate them in smooth transition to the new roles/organisations.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%*
Working Conditions	100%*

*All suppliers have signed common Mahindra Supplier Code of Conduct

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.

There were no adverse observations from the suppliers reviewed during the reporting period.

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

Essential Indicators

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

The Company embraces a people-centric and stakeholder inclusive approach. For identification of the stakeholders, the Company follows the philosophy of role being played in the business value chain by individuals or groups of individuals or institutions. Accordingly, the Company identifies employees/workers, suppliers, customers, shareholders, society and local communities around the Company's manufacturing site as the key stakeholders.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others-please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees/ workers	No	Townhall meetings, coffee with CEO, performance review, employee engagement survey, periodic interaction with workers union	Ongoing	Employee engagement including sharing of the Company's performance, feedback to/from employees, training & development, career growth, rewards & recognition
Suppliers	No	Need-based one-to-one interactions, Suppliers meet for selective vendors, Schedule Adherence Report, Process enhancement Report, IVR Report	On going / Annually/ Monthly/ Monthly Quarterly	To share and understand mutual needs and expectations including for quality, cost & delivery, growth in business avenues
Customers	No	One-to-one interactions and emails	Ongoing	To share and understand mutual needs and expectations including for quality, cost & delivery, growth in business avenues
Shareholders	No	Annual General Meeting, email, newspaper publication	Annually / quarterly	To share the quarterly & annual financial results and to update on the Company's performance
Society / local communities	Yes	CSR activities/ initiatives at various locations nearby to the Company's Plant	Ongoing	To assess local community needs, strengthening livelihood opportunity, offering healthcare services and promoting clean environment

Leadership Indicators

- 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 broad process of engagement with the stakeholders is indicated above. The regular and proactive consultations/ feedback helps the Company to align the expectations, trust and confidence of the stakeholders. As a part of Risk Management being presented to the Risk Management Committee and the Board, due coverage is given to governance and employees' health & safety. Besides this, the Corporate Social Responsibility ("CSR") initiatives of the Company for the community at large towards health, education and environment are also discussed by the Corporate Social Responsibility Committee.
- Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.
Yes, consultation / feedback with stakeholders is being used to identify areas related to environment and social aspects. These feedbacks are used as reference while formulating the Company's annual CSR activity plan. Besides regular CSR activities, based on inputs received, the Company continued to support courses in Diesel Engines, child caretaker, elderly caretaker, sewing/stitching & embroidery courses for women, mobile & personal devices repair. The Company also assesses the impact of its major CSR projects, if any.
- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.
The Company has identified avenues to be meaningfully engaged with the communities through structured projects for improving their livelihood through education, skill based trainings as well as health awareness programs. Under its CSR, the Company has been driving various projects to uplift the marginalized and vulnerable community. Details of CSR initiatives are available at the Company's website www.swarajenterprise.com.

PRINCIPLE 5 : Businesses should respect and promote human rights
Essential Indicators

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	123	123	100%	107	107	100%
Other than permanent	6	6	100%	2	2	100%
Total Employees	129	129	100%	109	109	100%
Workers						
Permanent	171	171	100%	182	182	100%
Other than permanent	2285	2285	100%	1374	1374	100%
Total Workers	2456	2456	100%	1556	1556	100%

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

Category	FY 2025-26					FY 2024-25				
	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	123	–	–	123	100%	107	–	–	107	100%
Male	106	–	–	106	100%	93	–	–	93	100%
Female	17	–	–	17	100%	14	–	–	14	100%
Other than Permanent	6	–	–	6	100%	2	–	–	2	100%
Male	–	–	–	–	–	1	–	–	1	100%
Female	6	–	–	6	100%	1	–	–	1	100%
Workers										
Permanent	171	–	–	171	100%	182	–	–	182	100%
Male	169	–	–	169	100%	181	–	–	181	100%
Female	2	-	-	2	100%	1	–	–	1	100%
Other than Permanent	2285	–	–	2285	100%	1374	–	–	1374	100%
Male	2032	–	–	2032	100%	1138	–	–	1138	100%
Female	253	–	–	253	100%	236	–	–	236	100%

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

- a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (Rs. in lakhs)	Number	Median remuneration/ salary/wages of respective category (Rs. in lakhs)
Board of Directors (BoD)*	1	181.79	–	–
Key Managerial Personnel	2	44.77	1	11.98
Employees other than BoD and KMP	103	18.74	22	9.77
Workers	169	8.73	2	3.82

*BoD represents data for Whole Time Director & Chief Executive Officer only, since rest of the BoD consists of Non-Executive Directors.

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	6.00%	5.64%

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 an Internal Complaints Committee ("ICC") to address human rights related issues such as prevention of sexual harassment (POSH). The Board of Directors are responsible for the formation of the ICC. The Committee ensures that complaints, if any, are addressed and recommends the disciplinary action against any employee found guilty of any kind of harassment. For any other incidents of human right violations, one can inform to the Chief Ethics Officer.

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

Apart from the Internal Complaints Committee to address sexual harassment cases and the Chief Ethics Officer to resolve Code of Conduct violations, the Company has introduced a third-party Ethics Helpline to register grievances, if any, related to all types of issues or violations.

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

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	–	–		1	–	N.A.
Discrimination at workplace	–	–		–	–	
Child Labour	–	–		–	–	
Forced Labour/ Involuntary Labour	–	–		–	–	
Wages	–	–		–	–	
Other human rights related issues	–	–		–	–	

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

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on/of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	–	1
Complaints on POSH as a % of female employees / workers	–	0.43%
Complaints on POSH upheld	–	1

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
- The Company believes in providing a safe, non-hostile and harassment free work environment at its workplaces. Incidents of discrimination and harassment are handled by an Internal Complaints Committee ("ICC"). Any complaints or incidents reported under the POSH policy is treated with all possible care, sensitivity and discretion in protecting the sensibilities of the affected person and no information is divulged publicly or to any third party which can enable identification of the identity of the affected person. The Company provides protection to the complainant, if the situation requires and if the victim/complainant feels threatened in any manner. Further, the Company is also having a Corporate Governance Council to deal with other matters related to Code of Conduct.
9. Do human rights requirements form part of your business agreements and contracts? **(Yes/No)**
- Yes, the Code of Conduct for Suppliers specifically contain clauses to adhere to human rights requirements such as no use of child labour, provide safe & healthy environment etc.

10. Assessments for the year:

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

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.
- Not applicable as there were no significant concerns that were observed.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.
- Apart from the Internal Complaints Committee to address sexual harassment cases and the Chief Ethics Officer to resolve Code of Conduct violations, the Company has introduced a third-party Ethics Helpline to register grievances, if any, related to all types of issues or violations.
2. Details of the scope and coverage of any Human Rights due-diligence conducted.
- As a part of its Code of Conduct, the Company recognises the importance of maintaining and promoting fundamental human rights in all its operations. It provides fair and equitable wages, benefits, and other conditions of employment. The Company also respects the employees' right to freedom of speech and provide safe and humane working conditions. The Company evaluates the adherence to the Code of Conduct annually to ensure its strict compliance.

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?

Currently, the visitor area is situated at the ground floor of the Company's premises and further steps will be taken as and when needed to meet the requirements.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Code of Conduct for Suppliers provides an opportunity to suppliers to improve on the areas on environment, labour and business ethics with support and assistance from the Company through training sessions. The Company takes declaration on the above aspects from its suppliers before partnering with them.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others - please specify	

All suppliers have signed common Mahindra Supplier Code of Conduct including signing by new suppliers at the time of their induction.

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

No significant concerns were observed.

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

Essential Indicators

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

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A)	–	–
Total fuel consumption (B)	–	–
Energy consumption through other sources (C)	–	–
Total energy consumption from renewable sources (A+B+C)	–	–
From non-renewable sources		
Total electricity consumption (D)	42991	37878
Total fuel consumption (E)	16044	12401
Energy consumption through other sources (F)	2524	1637
Total energy consumption from non-renewable sources (D+E+F)	61559	51916
Total energy consumed (A+B+C+D+E+F)	61559	51916
Energy intensity per rupee of turnover (Total energy consumption/ revenue from operations)	0.00000307	0.00000309
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	–	–
Energy intensity in terms of physical output (GJ/Engine)	0.304	0.309
Energy intensity (optional) - the relevant metric may be selected by the entity	–	–

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

Yes- ISO 50001 Energy Management System (EMS) audit conducted by external agency (BSI)

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 as the Company is not covered under the category of Designated Consumers

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	—	—
(ii) Groundwater	28368	—
(iii) Third party water	—	—
(iv) Seawater / desalinated water	—	—
(v) Others - Supply from MC	14156	47787
Total volume of water withdrawal (in kilolitres)(i+ii+iii+iv+v)	42524	47787
Total volume of water consumption (in kilolitres)	42524	47787
Water intensity per rupee of turnover (Total Water consumption / revenue from operations)	0.00000212	0.00000284
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / revenue from operations adjusted for PPP)	—	—
Water intensity in terms of physical output (KL/Engine)	0.210	0.284
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.

Yes- Environment Management System audit for ISO 14001 conducted by external agency (BSI)

4. Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
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 - Supply from MC		
- No treatment	-	-
- With treatment - please specify level of treatment	6770	7013
Total water discharged (in kilolitres)	6770	7013

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 assessment done by external agency.

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

Yes, the Company's Plant is Zero Liquid Discharge compliant, and the water treated in STP / ETP is used for gardening and flushing toilets etc.

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

Parameter	Please specify Unit	FY 2025-26	FY 2024-25
NOx	µg/m3	26	22
SOx	µg/m3	13	12
Particulate matter (PM)	µg/m3	49	46
Persistent organic pollutants (POP)	ppm	—	—
Volatile organic compounds (VOC)	ppm	—	—
Hazardous air pollutants (HAP)	µg/m3	—	—
Others-please specify		—	—

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

Yes- Ambient air audit was carried out by external agency (Eco Paryavaran).

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	1370	1039
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	8682	7649
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO ₂ equivalent per rupee of revenue from operations	0.00000050	0.00000052
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		–	–
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Metric tonnes of CO ₂ equivalent/Engine)		0.050	0.052
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity		–	–

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

No assessment from external agency

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

Although the Company's operations are not energy intensive, continuous efforts are undertaken to improve energy efficiency and achieve savings through enhanced operational practices. In line with this approach, the Company is in the process of introducing solar energy-based power generation to reduce dependence on conventional energy sources. During the year, the following energy conservation initiatives were implemented:

- Deployment of Variable Frequency Drives (VFDs) in assembly Air Handling Units (AHU) blowers to reduce the power consumption.
- Installation and regular tuning of Automatic Power Factor Correction (APFC) panels to reduce reactive power losses and to improve Power Factor.
- Implementation of a cold washing process for inhouse machining components to reduce power consumption.
- Adoption of daylight harvesting techniques to maximise the use of natural lighting and hence reducing Power consumption.
- Installation of energy-efficient air conditioners.

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

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	60.59	56.77
E-waste (B)	0.33	1.16
Bio-medical waste (C)	0.0045	0.00620
Construction and demolition waste (D)	1.81	–
Battery waste (E)	–	–
Radioactive waste (F)	–	–
Other Hazardous waste – excluding e-waste, bio-medical waste (G)	33.33	37.75
Other Non-hazardous waste generated (H) – excluding plastic waste	2844.18	2172.87
Total (A+B+C+D+E+F+G +H)	2940.25	2268.56
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000015	0.00000013
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	–	–
Waste intensity in terms of physical output (MT/Engine)	0.014	0.013
Waste intensity (optional) - the relevant metric may be selected by the entity	–	–
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	2802.77	2162.16
(ii) Re-used	–	–
(iii) Other recovery operations	–	–
Total	2802.77	2162.16
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	–	–
(ii) Landfilling	–	–
(iii) Other disposal operations	–	–
Total	–	–

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

Yes- Assessment for zero waste to landfill (ZWL) was done by external agency (M/s Euro Fins)

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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.

The Company's Plant is certified under ISO 14001 : 2015 (Environmental Management System). The Company follows efficient waste management mechanism to monitor hazardous and non-hazardous waste generation. The waste generated in operations is duly segregated and stored separately at the designated sites in the Plant. The waste generated during machining of components is being supplied to the Foundry of Mahindra & Mahindra Ltd.-Swaraj Division. Other scrap generated is disposed-of through authorised scrap dealers as per the respective Government norms.

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:

Not applicable, as the Company does not have operations in any ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable, as the Company has not undertaken any new project.

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:

S.No.	Specify the law / regulation/guidelines which was not complied with	Provide details of the non-compliance	Any fines/penalties/ action taken by regulatory agencies such as pollution control board or by courts	Corrective action taken, if any
–	–	–	–	–

Yes, the Company is compliant with applicable environment regulations / guidelines.

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 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	N.A.	N.A.
(ii) Groundwater	N.A.	N.A.
(iii) Third party water	N.A.	N.A.
(iv) Seawater / desalinated water	N.A.	N.A.
(v) Others	N.A.	N.A.

Total volume of water withdrawal (in kilolitres)	N.A.	N.A.
Total volume of water consumption (in kilolitres)	N.A.	N.A.
Water intensity per rupee of turnover (Water consumed/turnover)	N.A.	N.A.
Water intensity (optional) - the relevant metric may be selected by the entity	N.A.	N.A.
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	N.A.	N.A.
- With treatment - please specify level of treatment	N.A.	N.A.
(ii) Into Groundwater		
- No treatment	N.A.	N.A.
- With treatment - please specify level of treatment	N.A.	N.A.
(iii) Into Seawater		
- No treatment	N.A.	N.A.
- With treatment - please specify level of treatment	N.A.	N.A.
(iv) Sent to third-parties		
- No treatment	N.A.	N.A.
- With treatment - please specify level of treatment	N.A.	N.A.
(v) Others		
- No treatment	N.A.	N.A.
- With treatment - please specify level of treatment	N.A.	N.A.
Total water discharged (in kilolitres)	N.A.	N.A.

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

Not applicable as the Company's operational boundaries do not fall under water-stress zone

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	29195698	24310479
Total Scope 3 emissions per rupee of the turnover	Metric tonnes of CO ₂ equivalent per rupee of turnover	0.001455	0.001445
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	–	–	–

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

No assessment done by external agency

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 alongwith prevention and remediation activities.

Not applicable as the Company is not operating in ecologically sensitive area.

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 alongwith summary)	Outcome of the initiative
1	Energy saving projects in Machine Shop & Utility	Details as given in Point No. 8 of Essential Indicators resulted into optimization of energy consumption.	428K unit saving annually

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
The Company is focussed to run its operations in efficient way and to support the same, the Company is having ISO 9001 : 2015 (Quality Management System), ISO 14001 : 2015 (Environmental Management System), ISO 50001 : 2018 (Energy Management System) and ISO 45001 : 2018 (Occupational Health and Safety Management System) certifications. To meet any operational exigencies and ensuring business continuity, the Company has taken various initiatives such as installation of in-house 66 KV power sub-station with direct feeder line from the Government power distribution source backed up by gensets for uninterrupted power supply, data back up at remote server for data retrieval/recovery, storing e-mail data backup on Microsoft cloud, training to employees to handle potential emergency situations like fire, first-aid & medical support etc. in a prompt manner.
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.
The Code of Conduct for Suppliers mandates them to comply with environmental / pollution control laws and regulations wherever they are based or operate.
7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
The Company before partnering with any new suppliers, as a part of Code of Conduct for Suppliers, takes declaration from them to meet all regulatory compliances.

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.
Four (4). While the Company is not having any direct membership of any trade/chamber/ association, as a group company of Mahindra & Mahindra Limited (M&M), its interests are represented through M&M who is holding membership in various trade associations.
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
2	Confederation of Indian Industry (CII)	National
3	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
4	Tractor Manufacturer's Association (TMA)	National

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

There were zero incidents of anti-competitive conduct during the year.

Leadership Indicators

1. Details of public policy positions advocated by the entity:
The Company contributes through M&M when views are solicited on related matters.

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.
Not applicable. Social impact assessment was not required as per law(s) for the CSR projects undertaken by the Company during the reporting period.
2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:
Not applicable
3. Describe the mechanisms to receive and redress grievances of the community.
The CSR projects of the Company are primarily to serve the needs of surrounding communities. CSR team directly interact with the community members to understand their needs and to address their grievances, if any.
4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/small producers	58%	57%
Sourced directly from within the district and neighbouring districts.	59%	60%

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5. Job creations 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:

Locations	FY 2025-26	FY 2024-25
Rural	–	–
Semi-urban	–	–
Urban	100%	100%
Metropolitan	–	–

(Place to be categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
N.A.	N.A.

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

S.No.	State	Aspirational District	Amount spent (In INR)
N.A.	N.A.	N.A.	N.A.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) - No
 (b) From which marginalized/vulnerable groups do you procure ? - No
 (c) What percentage of total procurement (by value) does it constitute?- No

The Company gives preference to the procurement of material based on price, quality and compliance competitiveness.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S.No.	Intellectual Property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit shared (Yes/No)	Basis of calculating benefit share
–	–	–	–	–

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
N.A.	N.A.	N.A.

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Skill Centre & Learning	2074	100%
2	Mammography & HB Improvement /Health	7756	100%
3	Swachh Bharat/Environment	30000	100%
4	Prerna (women farmers)	762	100%
5	Nanhi Kali	2125	100%
6	Naandi Foundation	2443	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner
Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company manufactures engines with highest standards of in-built quality for fitment into various Swaraj brand of tractor models manufactured by Mahindra & Mahindra Ltd. (M&M). In case any customer complaint related to engines fitted in these tractors is received by M&M, details of the same are shared with the Company for its suitable redressal.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	No specific level provided
Safe and responsible usage	100%
Recycling and/or safe disposal	No specific level provided

- Number of consumer complaints in respect of the following:

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	—	—		—	—	
Advertising	—	—		—	—	
Cyber-security	—	—		—	—	
Delivery of essential services	—	—		—	—	
Restrictive Trade Practices	—	—		—	—	
Unfair Trade Practices	—	—		—	—	
Other	982	—	Product related complaints during warranty period	553	—	Product related complaints during warranty period

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	–	–
Forced recalls	–	–

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? **(Yes/No)** If available, provide a web-link of the policy.

Yes, the Company follows the Mahindra Group cyber security policy.

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 as no issues were received during the reporting period.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches alongwith impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

c. Impact, if any, of the data breaches

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide – weblink, if available).

The Company manufactures engines for fitment into various Swaraj brand tractor models manufactured by Mahindra & Mahindra Ltd. (M&M) and the product related information is publicly available at the website <https://www.swarajtractors.com/hi>

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

As the engines manufactured by the Company form part of the Swaraj brand of tractors manufactured by M&M, the necessary education for the safe usage of product is being provided by the tractor dealers servicing teams.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not applicable as the Company does not provide essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Appropriate product labelling and operator manual & instructions supplied along with the final product (tractor) contains the requisite information of the product.

ANNEXURE – G TO DIRECTORS' REPORT

Particulars as per the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2026

A. CONSERVATION OF ENERGY:

(a) Steps taken for conservation of energy:

Although the activities of the Company are not energy-intensive, necessary measures are taken to contain and bring about savings in energy consumption through improved operational methods.

The following projects towards energy conservation were taken during the year:

- Deployment of Variable Frequency Drives (VFDs) in assembly Air Handling Units (AHU) blowers to reduce the power consumption.
- Installation and regular tuning of Automatic Power Factor Correction (APFC) panels to reduce reactive power losses and to improve Power Factor.
- Implementation of a cold washing process for inhouse machining components to reduce power consumption.
- Adoption of daylight harvesting techniques to maximise the use of natural lighting and hence reducing power consumption.
- Installation of energy-efficient air-conditioners.

(b) Steps taken by the company for utilising alternate sources of energy: The Company is exploring potential of using alternate source of energy which may be considered for implementation in future.

(c) Capital investment on energy conservation equipments: Nil

Above initiatives besides being energy efficient are also environment friendly.

Overall annualized savings for the year - Rs. 31 lakhs.

B. TECHNOLOGY ABSORPTION:

(a) The efforts made towards technology absorption:

- Successful development and initiation of commercial production of 44HP engine model.
- Successful upgradation & commercial production initiation for new variant of 60 & 66HP engines.
- Development of engines for regulatory exhaust emission compliance is in progress as per plan.
- Engine upgradation & variant developments for various emerging applications are progressing as per plan.
- Development of new engine to fulfil requirement of >65HP segment.

During the year under review, the Company has consistently prioritized value engineering with a focused effort on reducing the material cost.

(b) Benefits derived as a result of the above efforts: Expansion of product range and getting ready for upcoming regulatory & application requirements.

(c) While no technology has been imported in the recent past, the Company has gone for high technology imported machines which helped to enhance the overall productivity and reduction in rework / rejection.

(d) Expenditure on R&D: The Company spent revenue expenditure of Rs. 1.76 crores on Research & Development work during the year, which was 0.1% of the total turnover.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, while there were no exports/foreign exchange earnings, foreign exchange outgo during the year stands at Rs. 26.44 crores (previous year - Rs.4.75 crores).

FOR AND ON BEHALF OF THE BOARD

Place : S.A.S. Nagar (Mohali)

Date : 13th April, 2026

(RAJYA VARDHAN KANORIA)

Chairman

DIN: 00003792

SWARAJ ENGINES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2026

(Rs. in Lakhs)

Particulars	Note	2026	2025
I ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	2.1	10668.39	11015.45
(b) Capital work-in-progress	2.2	5481.34	476.57
(c) Investment property	2.3	19.95	20.48
(d) Intangible assets	2.4	0.54	4.08
(e) Financial assets	2.5	2671.98	6651.98
(f) Income tax assets (net)		290.57	247.78
(g) Deferred tax assets (net)	2.13	488.15	317.71
(h) Other non-current assets	2.6	841.13	641.73
Total Non-Current Assets		20462.05	19375.78
Current Assets			
(a) Inventories	2.7	7480.82	7835.12
(b) Financial assets			
(i) Investments	2.8	1926.00	1919.40
(ii) Trade receivables	2.9	20617.99	17722.42
(iii) Cash and cash equivalents	2.10	1725.82	655.59
(iv) Bank balances other than (iii) above	2.10	10457.38	16774.16
(v) Other financial assets	2.5	3971.49	726.14
(c) Other current assets	2.6	11241.25	2206.59
Total Current Assets		57420.75	47839.42
TOTAL ASSETS		77882.80	67215.20
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	2.11	1214.99	1214.75
(b) Other equity (refer SOCE)		47677.42	40705.33
Total Equity		48892.41	41920.08
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
– Lease liabilities		144.88	139.99
(b) Provisions	2.12	933.80	731.79
Total Non-Current Liabilities		1078.68	871.78
Current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities		59.98	58.53
(ii) Trade payables			
– Total outstanding dues of Micro and Small Enterprises	2.14	9500.13	8614.27
– Total outstanding dues of creditors other than Micro and Small Enterprises	2.14	15326.03	13500.89
(iii) Other financial liabilities	2.15	2136.54	1600.18
(b) Provisions	2.12	751.50	472.14
(c) Other current liabilities	2.16	137.53	177.33
Total Current Liabilities		27911.71	24423.34
TOTAL EQUITY AND LIABILITIES		77882.80	67215.20
Significant Accounting Policies	1		
Notes on Accounts	2		

As per our report of even date attached

For B.K. KHARE & CO.
Chartered Accountants
Firm Registration No.105102W

KARTHIK SRINIVASAN
Partner
Membership No. 215782

MAHESH GUPTA
Chief Financial Officer

RAJESH K. KAPILA
Company Secretary
M.No. : ACS – 9936

The Notes referred to above form an integral part of these financial statements

FOR AND ON BEHALF OF THE BOARD

RAJYA VARDHAN KANORIA
Chairman
DIN : 00003792

DEVJIT SARKAR
Whole Time Director &
Chief Executive Officer
DIN : 10745850

Jaipur, 13th April, 2026

S.A.S. Nagar (Mohali), 13th April, 2026

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. in Lakhs)

Particulars	Note	2026	2025
INCOME			
Revenue from operations	2.17	200713.43	168189.23
Other income	2.18	1770.21	1640.67
Total Income		202483.64	169829.90
EXPENSES			
Cost of materials consumed	2.19	157181.10	131874.38
Changes in inventories of finished goods and work-in-progress	2.20	(103.79)	797.19
Employee benefits expense	2.21	5278.64	4816.97
Finance costs	2.22	39.37	33.01
Depreciation and amortisation expense	2.23	2245.40	2034.33
Other expenses	2.24	11145.20	7969.42
Total expenses		175785.92	147525.30
Profit before exceptional items and tax		26697.72	22304.60
Exceptional items		340.51	—
Profit before tax		26357.21	22304.60
Tax expense			
(1) Current tax	2.13	6895.63	5756.10
(2) Deferred tax	2.13	(169.16)	(49.87)
Total tax expense		6726.47	5706.23
Profit for the year		19630.74	16598.37
Other comprehensive income			
		9.03	(19.18)
A (i) Items that will not be reclassified to profit or loss		12.07	(25.63)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3.04)	6.45
B (i) Items that may be reclassified to profit or loss		—	—
(ii) Income tax relating to items that will be reclassified to profit or loss		—	—
Total comprehensive income for the period		19639.77	16579.19
Earning per Equity Share (face value Rs. 10 per share) :			
(1) Basic	2.26	161.60	136.64
(2) Diluted	2.26	161.56	136.61
Significant Accounting Policies	1		
Notes on Accounts	2		

As per our report of even date attached

For B. K. KHARE & CO.
Chartered Accountants
Firm Registration No.105102W

KARTHIK SRINIVASAN
Partner
Membership No. 215782

MAHESH GUPTA
Chief Financial Officer

RAJESH K. KAPILA
Company Secretary
M.No. : ACS – 9936

Jaipur, 13th April, 2026

The Notes referred to above form an integral part of these financial statements

FOR AND ON BEHALF OF THE BOARD

RAJYA VARDHAN KANORIA
Chairman
DIN : 00003792

DEVJIT SARKAR
Whole Time Director &
Chief Executive Officer
DIN : 10745850

S.A.S. Nagar (Mohali), 13th April, 2026

SWARAJ ENGINES LIMITED

STATEMENT OF CHANGES IN EQUITY (SOCE) FOR THE YEAR ENDED 31ST MARCH, 2026

A. Changes in Equity Share Capital

(Rs. in Lakhs)

Financial Year	Balance as at 1st April, 2025	Changes in equity share capital due to prior period errors	Restated balance as at 1st April, 2025	Changes in Equity share capital during the year	Balance as at 31st March 2026
FY 2025-26	1214.75	-	1214.75	0.24	1214.99
	Balance as at 1st April, 2024	Changes in equity share capital due to prior period errors	Restated balance as at 1st April, 2024	Changes in Equity share capital during the year	Balance as at 31st March 2025
FY 2024-25	1214.73	-	1214.73	0.02	1214.75

B. Changes in Other Equity

For the year ended 31st March, 2026

(Rs. in Lakhs)

Particulars	Reserves and Surplus							Total
	Retained Earnings	General Reserve	Securities Premium	Capital Reserve	Capital Redemption Reserve	Other Reserve- Employee Stock Option Outstanding Reserve	Other Comprehensive Income- Actuarial Gain/(Loss)	
As at 1st April, 2025	31653.08	8922.86	243.53	0.05	29.47	36.70	(180.36)	40705.33
Profit for the Year	19630.74	-	-	-	-	-	9.03	19639.77
Dividend paid on equity shares	(12694.10)	-	-	-	-	-	-	(12694.10)
Options exercised during the period	-	-	41.07	-	-	(41.07)	-	-
Options expensed during the period	-	-	-	-	-	26.42	-	26.42
As at 31st March, 2026	38589.72	8922.86	284.60	0.05	29.47	22.05	(171.33)	47677.42

SWARAJ ENGINES LIMITED

For the year ended 31st March, 2025

(Rs. in Lakhs)

Particulars	Reserves and Surplus							Total
	Retained Earnings	General Reserve	Securities Premium	Capital Reserve	Capital Redemption Reserve	Other Reserve- Employee Stock Option Outstanding Reserve	Other Comprehensive Income- Actuarial Gain/(Loss)	
As at 1st April 2024	26594.60	8922.86	240.63	0.05	29.47	15.41	(161.18)	35641.84
Profit for the Year	16598.37	—	—	—	—	—	(19.18)	16579.19
Dividend paid on equity shares	(11539.89)	—	—	—	—	—	—	(11539.89)
Options exercised during the period	—	—	2.90	—	—	(2.90)	—	—
Options expensed during the period	—	—	—	—	—	24.19	—	24.19
As at 31st March, 2025	31653.08	8922.86	243.53	0.05	29.47	36.70	(180.36)	40705.33

Significant Accounting Policies - Note 1

Notes on Accounts - Note 2

As per our report of even date attached

For B. K. KHARE & CO.
Chartered Accountants
Firm Registration No.105102W

KARTHIK SRINIVASAN
Partner
Membership No. 215782

MAHESH GUPTA
Chief Financial Officer

RAJESH K. KAPILA
Company Secretary
M.No. : ACS – 9936

FOR AND ON BEHALF OF THE BOARD

RAJYA VARDHAN KANORIA
Chairman
DIN : 00003792

DEVJIT SARKAR
Whole Time Director &
Chief Executive Officer
DIN : 10745850

Jaipur, 13th April, 2026

S.A.S. Nagar (Mohali), 13th April, 2026

1. COMPANY'S OVERVIEW AND MATERIAL ACCOUNTING POLICIES

1.1 Company's Overview

Swaraj Engines Limited (SEL) is a public limited company incorporated and domiciled in India. SEL has its works / principal place of business at Plot No. 2, Phase-IX, Industrial Area, S.A.S. Nagar (Mohali), Punjab, India and registered office at Phase-IV, Industrial Area, S.A.S. Nagar (Mohali), Punjab, India.

SEL is in the business of manufacturing diesel engines and hi-tech engine components. Diesel Engines are specifically designed for tractor application.

The Shares of the Company are listed on both BSE Limited and National Stock Exchange of India Limited.

1.2 Basis of Preparation and Presentation

These financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS') under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair values. The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013 as amended.

The financial statements are approved by the Company's Board of Directors and authorised for issue on 13th April, 2026.

1.3 Current and Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- i) expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period,
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- v) carrying current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

- i) it is expected to be settled in normal operating cycle,
- ii) it is held primarily for the purpose of trading,
- iii) it is due to be settled within twelve months after the reporting period,
- iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or
- v) it includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

1.4 Property, Plant and Equipment

- i) Property, plant and equipment are stated at cost of construction or acquisition, less accumulated depreciation and impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- ii) When an asset is scrapped, or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in Profit and Loss Account.
- iii) Depreciation on Tangible Assets (except Land) is provided on Straight Line Method, pro-rata monthly rests, as per the life prescribed in Schedule II of the Companies Act, 2013 except for fixed assets mentioned in para (iv) below, based on the Company's expected usage Pattern supported by technical assessment

Nature of Assets

Life adopted in Accounts

a. Patterns, Blocks and Dies

8 Years

b. Vehicles

4 Years

- iv) The assets' residual value, useful lives and methods of depreciation are reviewed at each financial year end, and adjustment if any, is made prospectively.

1.5 Investment Properties

Investment Properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured at cost and the same is derecognized upon disposal or when it is permanently withdrawn from use with no future economic benefits are expected from the disposal.

Depreciation is provided on Straight Line Method, pro-rata monthly rests, as per the life prescribed for Building in Schedule II of the Companies Act, 2013.

1.6 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads and is ascertained on weighted average basis, net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost of raw materials and stores and spares are determined on weighted average basis.

1.7 Foreign Currency Transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.8 Employee Benefit

Company's contributions paid/payable during the year to Employees State Insurance Corporation and Labour Welfare Fund are recognized in the Statement of Profit and Loss.

Company contributes to the appropriate authorities its share of the Members Provident Fund Account as per the Employees' Provident Fund Act, 1952.

Company contributes to a trust, which has taken Master Policy with the Life Insurance Corporation of India to cover its liability towards employees' gratuity. Provisions in respect of liabilities of gratuity and leave encashment are made based on actuarial valuation made by an independent actuary as at the balance sheet date. Gains and Losses through re-measurements of the net defined benefit liability are recognized in other comprehensive income. The actual return of the plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income.

In respect of Employee Stock Option Scheme:

The compensation cost of stock options granted to employees is measured by the Fair Value Method. The fair value, determined at the grant date of the underlying equity shares, is recognized and amortised on straight line basis over the vesting period.

1.9 Revenue Recognition

The Company's revenue recognition policy is aligned to the principles enunciated in Ind AS 115. The company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring a promised good or service to a customer. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to the performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract, if any.

Transaction price is the amount of a consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Sale of goods

Revenue from sale of goods is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled in exchange of goods.

Rendering of services

Revenue from rendering services is recognised when performance obligation is satisfied and customer obtains the control of the transferred services. Following criteria is required to be met for transfer of control of services:

- i) the customer simultaneously receives and consumes the benefits from the services transferred.
- ii) the Company has an enforceable right to payment for services transferred.

Other Operational Revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

Other Income

Dividend income from investments is recognised when the right to receive payment has been established.

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the deposits and at the interest rate settled with the Banks/Financial Institutions.

1.10 Intangible Assets

Intangible assets are carried at cost and amortized on Straight line method, so as to reflect the pattern in which the assets economic benefits are consumed.

Intangible Asset under Development

The expenses incurred on development phase are initially recognized as Intangible assets under development until the development phase is complete, upon which the amount is capitalized as intangible asset.

Other Intangible Assets

i) Development expenditure:

Development expenditure incurred on technical services and other project/product related expenses are amortized over the estimated period of benefit, not exceeding five years. Amortization commences as and when the asset is available for use.

ii) Software Expenditure:

The expenditure incurred is amortised over three financial years equally commencing from the year in which the expenditure is incurred.

1.11 Taxes on Income

Current tax is determined as the amount of tax payable in respect of the taxable income for the year.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

1.12 Financial Instruments

Financial Assets

Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent measurement

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset 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. For financial assets maturing within one year from the balance sheet date, the carrying amounts are approximate to fair value due to the short maturity of these instruments. Trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it 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.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial liabilities**Initial recognition and measurement**

All financial liabilities are recognized at fair value.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.13 Impairment of Assets

The carrying value of assets at each balance sheet date are reviewed for Impairment. If any indication exists, the recoverable amount of such assets is estimated and impairment is recognized if the carrying amount of these assets exceeds their recoverable amount.

1.14 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

In respect of warranty on sale of engines, the estimated cost of warranty is accrued at the time of sale. The estimate for accounting of warranty is periodically reviewed and revisions are made as and when required.

1.15 Use of estimates and judgments

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Depreciation / amortisation and useful lives of property plant and equipment/ intangible assets:

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the

assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

Fair value measurement of financial instruments

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provision for product warranty

The Company recognizes provision for product warranties in respect of its products that it sells. Provisions are discounted, where necessary to its present value based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjust to reflect the current best estimates.

1.16 Earnings per share

Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

1.17 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months from the date of acquisition and which are subject to an insignificant risk of change in value.

1.18 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS116. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate which is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

The Company recognises the lease payments associated with these leases as per expense on a straight-line basis over the lease term.

The Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments.

1.19 Accounting Policies not specifically referred above are consistent with generally accepted Accounting practices.

SWARAJ ENGINES LIMITED

2.1 PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakhs)

Particulars	2026	2025
(a) Property, Plant and Equipment	10472.81	10826.69
(b) Right of use assets	195.58	188.76
Total	10668.39	11015.45

(a) Property, Plant and Equipment

(Refer Note 1.4)

(i) Following are the changes in the carrying value of Property, Plant and Equipment for the year ended 31st March, 2026:

(Rs. in Lakhs)

Description of Assets	Land	Buildings	Plant and Equipment	Office Equipments	Furniture and Fixtures	Electrical Installations	Vehicles	Total
Gross Carrying Value as at 1st April, 2025	124.80	1677.62	24610.97	303.00	160.08	486.16	56.68	27419.31
Additions during the year	—	91.59	1836.90	30.77	16.88	—	—	1976.14
Disposals/Adjustments during the year	—	130.18	866.59	25.40	8.19	10.51	11.79	1052.66
Gross Carrying Value as at 31st March, 2026 (A)	124.80	1639.03	25581.28	308.37	168.77	475.65	44.89	28342.79
Accumulated depreciation as at 1st April, 2025	—	887.06	15016.95	199.14	72.36	365.83	51.28	16592.62
Depreciation expense for the year	—	81.33	2036.78	27.25	15.68	20.60	2.56	2184.20
Accumulated depreciation on disposals/adjustments during the year	—	48.15	808.81	23.77	6.42	8.49	11.20	906.84
Accumulated depreciation as at 31st March, 2026 (B)	—	920.24	16244.92	202.62	81.62	377.94	42.64	17869.98
Carrying Value as at 31st March, 2026 (A - B)	124.80	718.79	9336.36	105.75	87.15	97.71	2.25	10472.81

Following are the changes in the carrying value of Property, Plant and Equipment for the year ended 31st March, 2025:

(Rs. in Lakhs)

Description of Assets	Land	Buildings	Plant and Equipment	Office Equipments	Furniture and Fixtures	Electrical Installations	Vehicles	Total
Gross Carrying Value as at 1st April, 2024	124.80	1623.84	19781.81	244.39	144.66	486.16	101.59	22507.25
Additions during the year	—	74.77	5326.37	70.74	23.55	—	—	5495.43
Disposals/Adjustments during the year	—	20.99	497.21	12.13	8.13	—	44.91	583.37
Gross Carrying Value as at 31st March, 2025 (A)	124.80	1677.62	24610.97	303	160.08	486.16	56.68	27419.31
Accumulated depreciation as at 1st April, 2024	—	851.09	13552.57	190.06	67.42	344.48	85.77	15091.39
Depreciation expense for the year	—	55.91	1866.12	20.60	12.42	21.35	8.17	1984.57
Accumulated depreciation on disposals/adjustments during the year	—	19.94	401.74	11.52	7.48	—	42.66	483.34
Accumulated depreciation as at 31st March, 2025 (B)	—	887.06	15016.95	199.14	72.36	365.83	51.28	16592.62
Carrying Value as at 31st March, 2025 (A-B)	124.80	790.56	9594.02	103.86	87.72	120.33	5.40	10826.69

(b) Right of use assets – Vehicles

(Refer Note 1.18)

Rs. in Lakhs

Description of Assets	2026	2025
Gross Carrying Value as at 1st April	267.30	160.74
Additions during the year	78.86	129.85
Disposals/Adjustments during the year	18.44	23.29
Gross Carrying Value as at 31st March (A)	327.72	267.30
Accumulated depreciation as at 1st April	78.54	45.96
Depreciation expense for the year	57.13	43.83
Disposals/adjustments during the year	3.53	11.25
Accumulated depreciation as at 31st March (B)	132.14	78.54
Carrying Value as at 31st March (A - B)	195.58	188.76

(i) The following is the break-up of Current and Non-Current Lease Liabilities :

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
Lease Liabilities	59.98	144.88	58.53	139.99

(ii) The following is the movement in the lease liabilities :

Particulars	2026	2025
As at 1st April	198.52	121.93
Additions/modifications	65.68	116.67
Finance Cost	15.37	12.28
Lease rentals paid	(74.71)	(52.36)
As at 31st March	204.86	198.52

(iii) The table provides details regarding Contractual Liabilities of Lease Liabilities on an undiscounted basis:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Undiscounted future cash flows		
- Not later than 1 year	66.27	66.86
- Later than 1 year and not later than 5 years	159.05	159.05
- Later than 5 years	—	—

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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2.2 CAPITAL WORK-IN-PROGRESS

Ageing for capital work-in-progress as at 31st March, 2026 is as follows :

(Rs. in Lakhs)

Particulars	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	
Project-in-Progress	5480.61	0.73	–	–	5481.34
Total	5480.61	0.73	–	–	5481.34

Ageing for capital work-in-progress as at 31st March 2025 is as follows :

Rs. in Lakhs

Particulars	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	
Project-in-Progress	430.65	45.92	–	–	476.57
Total	430.65	45.92	–	–	476.57

2.3 INVESTMENT PROPERTY

(Refer Note 1.5)

Following are the changes in the carrying value of Investment Property for the year ended 31st March, 2026: (Rs. in Lakhs)

Description of Assets	Investment Property	
Gross Carrying Value as at 1st April, 2026		33.35
Additions during the year		–
Disposals/Adjustments during the year		–
Gross Carrying Value as at 31st March, 2026	(A)	33.35
Accumulated depreciation as at 1st April, 2025		12.87
Depreciation expense for the year		0.53
Accumulated depreciation on disposals/adjustments during the year		–
Accumulated depreciation as at 31st March, 2026	(B)	13.40
Carrying Value as at 31st March, 2026	(A-B)	19.95

Following are the changes in the carrying value of Investment Property for the year ended 31st March, 2025: (Rs. in Lakhs)

Description of Assets	Investment Property	
Gross Carrying Value as at 1st April, 2024		33.35
Additions during the year		–
Disposals/Adjustments during the year		–
Gross Carrying Value as at 31st March, 2025	(A)	33.35
Accumulated depreciation as at 1st April, 2024		12.34
Depreciation expense for the year		0.53
Accumulated depreciation on disposals/adjustments during the year		–
Accumulated depreciation as at 31st March, 2025	(B)	12.87
Carrying Value as at 31st March, 2025	(A-B)	20.48

Fair value disclosure on Company's Investment Properties

Part of Company's administrative building/block is letted out and the same is classified as Investment Property based on the nature, characteristics and risks.

As at 31st March, 2026, the Fair Value of the property is Rs. 101.20 Lakhs. This valuation is performed by accredited independent valuer and same is categorised at Level 2.

2.4 INTANGIBLE ASSETS

(Refer Note 1.10)

Following are the changes in the carrying value of Intangible Assets for the year ended 31st March, 2026:

(Rs. in Lakhs)

Description of Assets	Computer Software	Development Expenditure	Total
Gross Carrying Value as at 1st April, 2025	25.70	—	25.70
Additions during the year	—	—	—
Disposals/Adjustments during the year	4.80	—	4.80
Gross Carrying Value as at 31st March, 2026 (A)	20.90	—	20.90
Accumulated Amortisation as at 1st April, 2025	21.62	—	21.62
Amortisation expense for the year	3.54	—	3.54
Accumulated Amortisation on disposals/adjustments during the year	4.80	—	4.80
Accumulated Amortisation as at 31st March, 2026 (B)	20.36	—	20.36
Carrying Value as at 31st March, 2026 (A - B)	0.54	—	0.54

Following are the changes in the carrying value of Intangible Assets for the year ended 31st March, 2025:

(Rs. in Lakhs)

Description of Assets	Computer Software	Development Expenditure	Total
Gross Carrying Value as at 1st April, 2024	25.45	178.42	203.87
Additions during the year	0.25	—	0.25
Disposals/Adjustments during the year	—	178.42	178.42
Gross Carrying Value as at 31st March, 2025 (A)	25.70	—	25.70
Accumulated Amortisation as at 1st April, 2024	16.22	178.42	194.64
Amortisation expense for the year	5.40	—	5.40
Accumulated Amortisation on disposals/adjustments during the year	—	178.42	178.42
Accumulated Amortisation as at 31st March, 2025 (B)	21.62	—	21.62
Carrying Value as at 31st March, 2025 (A-B)	4.08	—	4.08

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2.5 OTHER FINANCIAL ASSETS

(Rs. in Lakhs)

Particulars	Non-Current		Current	
	2026	2025	2026	2025
Carried at Amortised Cost :				
Security Deposits-Considered Good				
Unsecured	81.98	81.98	—	—
Others				
Fixed Deposits more than 12 months	2590.00	4570.00	—	—
Interest Accrued on Deposits	—	—	971.38	724.66
Other Corporate Deposits	—	2000.00	3000.00	—
Others (including Advances to Employees)	—	—	0.11	1.48
Total	2671.98	6651.98	3971.49	726.14

2.6 OTHER CURRENT ASSETS

(Rs. in Lakhs)

Particulars	Non-Current		Current	
	2026	2025	2026	2025
Capital advances	801.02	595.25	—	—
Balance with Government Authorities	—	—	11087.68	2060.69
Prepaid Expenses	5.50	11.87	38.73	34.92
Income Tax (Net of Provisions)	—	—	—	—
Others (including advances to suppliers)	34.61	34.61	114.84	110.98
Total	841.13	641.73	11241.25	2206.59

2.7 INVENTORIES

(Refer Note 1.6)

(Rs. in Lakhs)

Particulars	2026	2025
Raw Materials & Components*	5157.06	5911.09
Work-in-Progress	159.68	67.94
Finished Goods	1117.22	1105.17
Stores and Spares	659.71	473.28
Loose Tools	387.15	277.64
Total	7480.82	7835.12

* including Goods-in-transit Rs. 537.39 Lakhs (2025 - Rs. 784.00 Lakhs)

2.8 INVESTMENTS - CURRENT

(Rs. in Lakhs)

Particulars	Face Value	2026		2025	
	Per Unit (in Rs.)	Number	Amount	Number	Amount
Quoted Investments					
Carried at Fair Value through Profit and Loss					
Investments in Mutual Funds					
Axis Liquid Fund – Regular Plan – Growth	1000	–	–	41953	1199.82
Aditya Birla Sunlife Liquid Fund – Regular Plan – Growth	100	119107	523.25	173862	719.58
Nippon India Liquid Fund – Growth	1000	21087	1402.75	–	–
Total			1926.00		1919.40

2.9 TRADE RECEIVABLES

(Refer Note 2.30)

(Rs. in Lakhs)

Particulars	2026	2025
Billed - Unsecured, considered good	20617.99	17722.42
Of the above, Trade Receivables from:		
– Related Parties	20617.99	17722.42
– Others	–	–

Ageing of Trade Receivables is as follows :-

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
As at 31st March, 2026							
Undisputed Trade Receivables - considered good	19035.18	1576.17	6.64	–	–	–	20617.99
Total	19035.18	1576.17	6.64	–	–	–	20617.99
As at 31st March, 2025							
Undisputed Trade Receivables - considered good	15924.46	1797.96	–	–	–	–	17722.42
Total	15924.46	1797.96	–	–	–	–	17722.42

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2.10 CASH & CASH EQUIVALENTS AND OTHER BANK BALANCES

(Rs. in Lakhs)

Particulars	2026	2025
(a) Cash and Cash Equivalents		
Balances with Banks	225.82	655.59
Fixed deposits with original maturity less than 3 months	1500.00	—
Total	1725.82	655.59
(b) Other Bank Balances		
Earmarked balances with Banks - Unpaid/Unclaimed Dividend	127.38	139.16
Balances with Bank on Margin Account	2600.00	500.00
Fixed Deposits with Banks	7730.00	16135.00
Total	10457.38	16774.16

2.11 EQUITY SHARE CAPITAL

(Rs. in Lakhs)

Particulars	2026	2025
Authorised:		
Equity Shares, Rs. 10/- par value 2,50,00,000 (2025 : 2,50,00,000) Equity Shares	2500.00	2500.00
Issued, Subscribed and Paid-Up:		
Equity Shares, Rs. 10/- par value 1,21,49,865 (2025 : 1,21,47,466) Equity Shares fully paid-up	1214.99	1214.75
	1214.99	1214.75

The Company has issued only one class of shares referred to as Equity Shares having a par value of Rs. 10/-. Each Equity Shareholder is entitled to one vote per share.

(i) Equity Shareholders holding more than 5% shares:

Name	As at 31st March, 2026		As at 31st March, 2025	
	Number of Shares held	% of Shareholding	Number of Shares held	% of Shareholding
Mahindra & Mahindra Limited (M&M)	6331141	52.11%	6331141	52.12%
DSP Small Cap Fund	731746	6.02%	780000	6.42%

(ii) Reconciliation of the number of shares outstanding and the amount of share capital :

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of Shares held	Share Capital (Rs. in Lakhs)	Number of Shares held	Share Capital (Rs. in Lakhs)
Issued, Subscribed and Paid-up :				
At the beginning of the year	12147466	1214.75	12147255	1214.73
Movement in equity during the year				
Add : Equity shares issued in pursuance to Employee Stock Option Plan	2399	0.24	211	0.02
Number of equity shares at the closing	12149865	1214.99	12147466	1214.75

In the last 5 years, the Company has not :

- allotted any shares as fully paid-up pursuant to contract(s) without payment being received in cash;
- allotted any bonus shares.

(iii) Disclosure of Shareholding of Promoters :

Promoter Name	As at 31st March, 2026		As at 31st March, 2025		
	Number of Shares held	% of Shareholding	Number of Shares held	% of Shareholding	% Change during the year
Mahindra & Mahindra Limited (M&M)	6331141	52.11%	6331141	52.12%	(0.01%)

(iv) Employee Stock Option

Under the Employee Stock Option Scheme - 2015 (ESOS-2015), 31,000 Equity Shares of the face value of Rs. 10/- are available for being granted to eligible employees on the recommendation of the Nomination and Remuneration Committee. Under the first cycle (Dec. 2015 - Dec. 2019), options granted were vested in four instalments on the expiry of 18 months, 30 months, 42 months and 54 months respectively. Options granted effective January 2020 & onwards are vested in 3 instalments on the expiry of 12 months, 24 months and 36 months. These options may be exercised on any day over a period of 5 years from the date of vesting. Numbers of vested options are exercisable subject to minimum of 50 or number of options vested whichever is lower.

Further to grant given till previous financial years, the Company during the current financial year has given grant of 652 Equity Shares at face value to the eligible employees.

Activity in ESOS-2015 is as follows :

Particulars	No. of shares	
	2026	2025
Options Outstanding at the beginning	3590	2718
Options Granted during the year	652	1083
Options Forfeited/Lapsed during the year	—	—
Options Exercised during the year	(2399)	(211)
Options Outstanding at the end	1843	3590

Information in respect of options outstanding as at 31st March, 2026

Exercise Price	No. of Options	Weighted Average Remaining Life for vesting
Rs. 10	1843	18 Months

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The fair value of Options granted during the year, calculated using the Black-Scholes Option Pricing model with the following assumptions :

Grant date	1st Dec. 2025
Vesting Period	12 – 36 Months
Share price in market at the time of option grant (Rs.)	3730.10
Exercise price (Rs.)	10.00
Expected volatility (%)	31.20
Expected life of the option (years)	4.50
Expected dividends (%)	2.80
Risk-free interest rate (%)	6.15
Weighted average fair value as on grant date (Rs.)	3281.45

2.12 PROVISIONS

(Rs. in Lakhs)

Particulars	Non-Current		Current	
	2026	2025	2026	2025
Provision for Employee Benefits (Refer Note 1.8)				
– Provision for Leave Encashment	678.63	538.25	59.63	127.08
– Provision for Gratuity (Refer Note 2.29)	–	–	236.21	55.95
– Provision for Post Retirement Medical Benefits	107.23	113.04	0.42	0.35
Others				
– Provision for Warranty	147.94	80.50	455.24	288.76
Total	933.80	731.79	751.50	472.14

Provision for warranty relates to sale of engine, the estimated cost of which is accrued at the time of sale.

(Rs. in Lakhs)

Particulars	2026	2025
Balance as at 1st April	369.26	283.43
Add : Provision made during the year	1198.04	253.23
Less : Utilisation during the year	987.89	187.24
Less : Unwinding of discount and effect of changes in the discount rate	(23.77)	(19.84)
Balance as at 31st March	603.18	369.26
Out of the above :-		
Classified as Non-Current	147.94	80.50
Classified as Current	455.24	288.76
	603.18	369.26

2.13 INCOME TAXES

(Refer Note 1.11)

(a) Deferred Tax		(Rs. in Lakhs)
Particulars	2026	2025
Deferred Tax Liabilities		
– On Property, Plant & Equipment (incl. Right of use assets)	(168.22)	(77.04)
– On Financial Assets carried at Fair Value through Profit and Loss	0.84	1.01
Deferred Tax Assets		
– On Employee benefits	269.21	191.71
– On Lease Liabilities	51.56	49.97
Deferred Tax Liabilities / (Assets) - Net	(488.15)	(317.71)

(b) Income Tax recognised in Profit and Loss		(Rs. in Lakhs)
Particulars	2026	2025
Current Tax	6895.63	5756.10
Deferred Tax	(169.16)	(49.87)
Total Income Tax expense	6726.47	5706.23

(c) Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before income tax is summarised below :

		(Rs. in Lakhs)
Particulars	2026	2025
Profit before tax	26357.21	22304.60
Income tax expense calculated at 25.17 % (2025: 25.17 % incl. Sur & Cess)	6633.58	5613.62
Income not considered for tax purposes	(0.84)	(1.01)
Effect of estimated non-deductible expenses	99.74	87.13
Others (including permanent differences & reversals)	(6.01)	6.49
Income Tax expense recognised in profit and loss	6726.47	5706.23

2.14 TRADE PAYABLES

		(Rs. in Lakhs)
Particulars	2026	2025
Trade payable - Micro, Small and Medium enterprises	9500.13	8614.27
Trade payable - Other than Micro, Small and Medium enterprises	14660.39	13014.37
Accruals	665.64	486.52
Total	24826.16	22115.16

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Micro, Small and Medium Enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and small enterprises, which are outstanding for more than the stipulated period and other disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below :-

(Rs. in Lakhs)

Particulars	2026	2025
(a) Dues remaining unpaid as at 31st March		
– Principal	–	0.71
– Interest on the above	–	–
(b) Interest paid in terms of Section 16 of the Act along with the amount of payment made to the supplier beyond the appointed date during the year		
– Principal paid beyond the appointed date	104.46	106.42
– Interest paid in terms of Section 16 of the Act	0.22	0.08
(c) Amount of interest due and payable for the period of delay in payments made beyond the appointed date during the year	–	–
(d) Further interest due and payable even in succeeding year, until such date when the interest due as above are actually paid to the small enterprises	–	–
(e) Amount of interest accrued and remaining unpaid as at 31st March	–	–

Ageing for Trade Payables

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
As at 31st March, 2026						
Micro, Small and Medium enterprises	9500.13	–	–	–	–	9500.13
Others	10970.47	3686.73	2.33	0.56	0.30	14660.39
Disputed dues - MSME	–	–	–	–	–	–
Disputed dues - Others	–	–	–	–	–	–
Total	20470.60	3686.73	2.33	0.56	0.30	24160.52
Accruals						665.64
Total						24826.16
As at 31st March, 2025						
Micro, Small and Medium enterprises	8613.56	0.71	–	–	–	8614.27
Others	9890.54	3122.45	0.73	0.56	0.09	13014.37
Disputed dues - MSME	–	–	–	–	–	–
Disputed dues - Others	–	–	–	–	–	–
Total	18504.10	3123.16	0.73	0.56	0.09	21628.64
Accruals						486.52
Total						22115.16

Supplier Finance Arrangement

Some of our suppliers elect to factor some of their receivables from the company with financial institutions. In such cases, we provide suppliers and/or banks with visibility of invoices approved for payment, which helps them receive cash from the bank/ financial institutions before the invoice due date, if they choose to do so. Payment dates and terms for the company do not vary based on whether the supplier chooses to factor their receivable.

(Rs. in Lakhs)

Particulars	As at 31st March, 2026	As at 31st March, 2025
the carrying amounts of the financial liabilities that are part of a supplier finance arrangement Presented within trade payable as "Acceptances"	2249.20	
for which suppliers have already received payment from finance providers	2217.59	Transition exemption
Range of payment due dates		
Trade payables that are part of a supplier finance arrangement	30 - 45 days	
Trade payables that are not part of a supplier finance arrangement	30 - 90 days	Transition exemption

2.15 OTHER FINANCIAL LIABILITIES

(Rs. in Lakhs)

Particulars	2026	2025
Capital Creditors	487.50	279.86
Deposits & Retention Money	48.87	30.99
Unpaid / Unclaimed Dividend*	127.38	139.16
Salary/Wages Payables	1472.79	1150.17
Total	2136.54	1600.18

* There is no amount due for payment to Investor Education and Protection Fund u/s 125 of Companies Act, 2013 as on 31st March, 2026.

2.16 OTHER CURRENT LIABILITIES

(Rs. in Lakhs)

Particulars	2026	2025
Advances Received from Customers	22.50	7.21
Statutory Dues	115.03	170.12
Total	137.53	177.33

2.17 REVENUE FROM OPERATIONS

(Refer Note 2.34)

(Rs. in Lakhs)

Particulars	2026	2025
Revenue from Sale of Products	199847.69	167391.59
Revenue from Rendering of Services	—	4.77
Other Operating Revenue	865.74	792.87
Total	200713.43	168189.23

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2.18 OTHER INCOME

(Rs. in Lakhs)

Particulars	2026	2025
Interest Income	1636.51	1512.87
Rental Income from Investment Property	18.21	17.34
Profit on Sale of Financial Instruments	210.05	191.50
Net Gain on Financial Assets measured at FVTPL	3.31	4.03
Profit / (Loss) on disposal of Property, Plant and Equipment	(97.87)	(85.07)
Total	1770.21	1640.67

2.19 COST OF MATERIALS CONSUMED

(Rs. in Lakhs)

Particulars	2026	2025
Opening Stock	5127.09	3926.82
Add: Purchases	156673.68	133074.65
	161800.77	137001.47
Less:		
Closing Stock	4619.67	5127.09
Total	157181.10	131874.38

2.20 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(Rs. in Lakhs)

Particulars	2026	2025
Inventories at the end of the year:		
Finished Goods	1117.22	1105.17
Work-in-Progress	159.68	67.94
	1276.90	1173.11
Inventories at the beginning of the year:		
Finished Goods	1105.17	1970.30
Work-in-Progress	67.94	—
	1173.11	1970.30
Net (Increase) / Decrease	(103.79)	797.19

2.21 EMPLOYEE BENEFITS EXPENSE (Refer Note 1.8)

(Rs. in Lakhs)

Particulars	2026	2025
Salaries and Wages	4157.17	3863.68
Contribution to Provident and other funds	256.74	225.07
Employee Stock Compensation	26.43	24.18
Staff Welfare Expenses	838.30	704.04
Total	5278.64	4816.97

2.22 FINANCE COST

(Rs. in Lakhs)

Particulars	2026	2025
Interest Expense	0.23	0.89
Interest – unwinding of discounting on Warranty	23.77	19.84
Interest on Lease Liability	15.37	12.28
Total	39.37	33.01

2.23 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSE

(Rs. in Lakhs)

Particulars	2026	2025
(a) Depreciation on Property, Plant and Equipment	2184.20	1984.57
(b) Depreciation on Right-of-use asset	57.13	43.83
(c) Depreciation on Investment Property	0.53	0.53
(d) Amortisation on Intangible Assets	3.54	5.40
Total	2245.40	2034.33

2.24 OTHER EXPENSES

(Rs. in Lakhs)

Particulars	2026	2025
Power, Fuel & Water Charges	957.56	787.60
Consumption of Stores & Spares	2064.59	1674.87
Hire & Service Charges	3545.70	2460.02
Rates and Taxes	12.74	10.90
Insurance	64.20	57.81
Repairs and Maintenance		
– Buildings	341.49	140.10
– Machinery	1169.95	825.71
– Others	44.86	69.02
Postage & Telephone	3.97	4.78
Printing & Stationery	20.30	11.93
Travelling & Conveyance Expenses	72.07	87.00
Auditors' Remuneration		
– Statutory Auditor's		
Audit Fee (including quarterly limited reviews)	17.50	17.50
Tax Audit Fee	2.50	2.50
Other Services	2.25	2.25
– Cost Auditor		
Audit Fee	1.40	1.40
CSR Expenses (Refer Note 2.25)	396.29	346.16
Research & Development Expenses	175.74	376.31
Other Marketing Expenses	1187.97	218.51
Miscellaneous Expenses	1064.12	875.05
Total	11145.20	7969.42

SWARAJ ENGINES LIMITED

2.25 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

(Rs. in Lakhs)

Particulars	2026	2025
1. Amount required to be spent by the company during the year	391.84	341.05
2. Amount of expenditure incurred on :		
(i) Construction/acquisition of any asset	—	—
(ii) On purposes other than (i) above	396.29	346.16
3. Shortfall at the end of the year	—	—
4. Total Previous year's shortfall	—	—
5. Reason for shortfall	Not applicable	Not applicable
6. Nature of CSR Activities		
Driven by our Core purpose, our CSR vision is to focus our efforts within the constituencies of girls, youth & farmers by innovatively supporting them through programmes designed in the domains of education, health and environment while harnessing the power of technology.		
7. Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	—	—

2.26 EARNING PER SHARE

(Refer Note 1.16)

(Rs. in Lakhs)

Particulars	2026	2025
Profit for the year	19630.74	16598.37
Profit for the year for diluted earning per share	19630.74	16598.37
Weighted average number of Ordinary Equity Shares used in Computing basic earning per share	12147866	12147308
Effect of potential Ordinary Equity shares on employee stock options	2678	3016
Weighted average number of Ordinary Equity Shares used in Computing diluted earning per share	12150544	12150324
Basic earning per share (Rs.) (Face Value of Rs. 10 per share)	161.60	136.64
Diluted earning per share (Rs.)	161.56	136.61

2.27 FINANCIAL INSTRUMENTS

(Refer Note 1.12)

Capital management

Company's capital management objectives are to:

- ensure the company's ability to continue as a going concern
- provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

For the purposes of the Company's Capital Management, capital includes issued capital and all other equity reserves. Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

(Rs. in Lakhs)

Particulars	2026	2025
Equity Share Capital	1214.99	1214.75
Other Equity Reserves	47677.42	40705.33
Total	48892.41	41920.08

Categories of Financial Assets and Financial Liabilities
As at 31st March, 2026

(Rs. in Lakhs)

Particulars	Amortised Costs	Fair Value through Profit or Loss	Fair Value through OCI	Total Carrying Value	Total Fair Value
Non-Current Assets					
Security Deposits-Unsecured	81.98	–	–	81.98	81.98
Fixed Deposits more than 12 months	2590.00	–	–	2590.00	2590.00
Total Non-Current Financial Assets	2671.98	–	–	2671.98	2671.98
Current Assets					
Investments	–	1926.00	–	1926.00	1926.00
Trade Receivables	20617.99	–	–	20617.99	20617.99
Cash and Cash Equivalents	1725.82	–	–	1725.82	1725.82
Other Bank Balances	10457.38	–	–	10457.38	10457.38
Other Financial Assets	3971.49	–	–	3971.49	3971.49
Total Current Financial Assets	36772.68	1926.00	–	38698.68	38698.68
Total Financial Assets	39444.66	1926.00	–	41370.66	41370.66
Non-Current Liabilities					
Financial liabilities - Lease	144.88	–	–	144.88	144.88
Total Non-Current Financial Liabilities	144.88	–	–	144.88	144.88
Current Liabilities					
Lease Liabilities	59.98	–	–	59.98	59.98
Trade Payables	24826.16	–	–	24826.16	24826.16
Other Financial Liabilities	2136.54	–	–	2136.54	2136.54
Total Current Financial Liabilities	27022.68	–	–	27022.68	27022.68
Total Financial Liabilities	27167.56	–	–	27167.56	27167.56

SWARAJ ENGINES LIMITED

As at 31st March, 2025

(Rs. in Lakhs)

Particulars	Amortised Costs	Fair Value through Profit or Loss	Fair Value through OCI	Total Carrying Value	Total Fair Value
Non-Current Assets					
Security Deposits-Unsecured	81.98	—	—	81.98	81.98
Fixed Deposits more than 12 months	4570.00	—	—	4570.00	4570.00
Other Corporate Deposits	2000.00	—	—	2000.00	2000.00
Total Non-Current Financial Assets	6651.98	—	—	6651.98	6651.98
Current Assets					
Investments	—	1919.40	—	1919.40	1919.40
Trade Receivables	17722.42	—	—	17722.42	17722.42
Cash and Cash Equivalents	655.59	—	—	655.59	655.59
Other Bank Balances	16774.16	—	—	16774.16	16774.16
Other Financial Assets	726.14	—	—	726.14	726.14
Total Current Financial Assets	35878.31	1919.40	—	37797.71	37797.71
Total Financial Assets	42530.29	1919.40	—	44449.69	44449.69
Non-Current Liabilities					
Financial liabilities - Lease	139.99	—	—	139.99	139.99
Total Non-Current Financial Liabilities	139.99	—	—	139.99	139.99
Current Liabilities					
Lease Liabilities	58.53	—	—	58.53	58.53
Trade Payables	22115.16	—	—	22115.16	22115.16
Other Financial Liabilities	1600.18	—	—	1600.18	1600.18
Total Current Financial Liabilities	23773.87	—	—	23773.87	23773.87
Total Financial Liabilities	23913.86	—	—	23913.86	23913.86

Financial Risk Management Framework

Company's activities expose it to financial risks viz credit risk and liquidity risk.

Credit Risk

Majority of Company's receivables pertain to Mahindra & Mahindra Limited, a holding company. Based on the overall credit-worthiness of Receivables, coupled with their past track record, Company expect No / Minimum Risk with regard to its outstanding receivables. Also, there is mechanism in place to periodically track the outstanding amount and assess the same with regard to its realisation. Company expect all the debtors to be realised in full, accordingly no provision has been made in the books of account.

Credit risk on cash and cash equivalents is limited as Company generally invest in deposits with banks, high rating financial institutions & debt based Mutual Funds. Ratings are monitored periodically for re-adjustment of Portfolio , if any required. Investment as on date of financial statement are as per latest available ratings.

Liquidity Risk
(i) Liquidity Risk Management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast & actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of Financial Liabilities

The following table specifies the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the table have been drawn up based on the earliest date on which the Company can be required to pay. Financial Liabilities includes Trade Payables, Capital Purchases, Unpaid/Unclaimed Dividend etc. which are in the normal course of business having maturity plan of less than 1 year and lease liabilities having maturity of more than 1 year.

(Rs. in Lakhs)

Particulars	Less than 1 Year	1 - 3 Years	3 - 5 Years	5 Years and above
31st March, 2026				
Lease Liabilities	59.98	68.37	76.51	—
Trade Payables	24826.16	—	—	—
Other Financial Liabilities	2136.54	—	—	—
Total	27022.68	68.37	76.51	—
31st March, 2025				
Lease Liabilities	58.53	47.08	92.91	—
Trade Payables	22115.16	—	—	—
Other Financial Liabilities	1600.18	—	—	—
Total	23773.87	47.08	92.91	—

As at 31st March, 2026, the Company had a working capital of Rs. 29509.04 lakhs including cash and bank balance & bank deposits of Rs. 12055.82 lakhs and investment of Rs. 1926.00 lakhs and other corporate deposits of Rs. 3000.00 Lakhs.

As at 31st March, 2025, the Company had a working capital of Rs. 23416.08 lakhs including cash and bank balance & bank deposits of Rs. 17290.59 lakhs and investment of Rs. 1919.40 lakhs and other corporate deposits of Rs. Nil.

Accordingly, company do not perceive any liquidity risk.

(iii) Financing arrangements

The Company had access to the following borrowing facilities at the end of the reporting period:

Rs. in Lakhs

Particulars	2026	2025
Secured Non-Fund Based Letter of Credit facility		
— Expiring within one year	3900.00	3900.00
— Expiring beyond one year	—	—

SWARAJ ENGINES LIMITED

2.28 FAIR VALUE MEASUREMENT

The fair values of the Financial Assets and Liabilities are included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique

Level 1 - Quoted (unadjusted prices) in active markets for identical assets or liabilities.

Level 2 - Other Techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 - Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Fair Valuation Techniques and Inputs used - recurring Items

a) Financial Instruments measured at Fair Value					(Rs. in Lakhs)
Particulars	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	2026	2025			
Financial Assets					
Investments in Mutual Fund	1926.00	1919.40	Level 1	As on Date NAV of the Quoted Fund	—
Total Financial Assets	1926.00	1919.40			

b) Financial Instrument measured at Amortised Cost

As at 31st March, 2026						(Rs. in Lakhs)
Particulars	Carrying Value	Fair Value	Fair Value			
			Level 1	Level 2	Level 3	
Financial Assets						
Non-Current Assets						
Security Deposits-Unsecured	81.98	81.98	—	81.98	—	
Fixed Deposits more than 12 months	2590.00	2590.00	—	2590.00	—	
Total Non-Current Financial Assets	2671.98	2671.98	—	2671.98	—	
Current Assets						
Trade Receivables	20617.99	20617.99	—	20617.99	—	
Cash and Cash Equivalents	1725.82	1725.82	—	1725.82	—	
Other Bank Balances	10457.38	10457.38	—	10457.38	—	
Other Financial Assets	3971.49	3971.49	—	3971.49	—	
Total Current Financial Assets	36772.68	36772.68	—	36772.68	—	
Total Financial Assets	39444.66	39444.66	—	39444.66	—	

Financial Liabilities
Non-Current Liabilities

Lease liabilities	144.88	144.88	—	144.88	—
Total Non-Current Financial Liabilities	144.88	144.88	—	144.88	—

Current Liabilities

Lease liabilities	59.98	59.98	—	59.98	—
Trade Payables	24826.16	24826.16	—	24826.16	—
Other Financial Liabilities	2136.54	2136.54	—	2136.54	—
Total Current Financial Liabilities	27022.68	27022.68	—	27022.68	—
Total Financial Liabilities	27167.56	27167.56	—	27167.56	—

As at 31st March, 2025

(Rs. in Lakhs)

Particulars	Carrying Value	Fair Value	Fair Value		
			Level 1	Level 2	Level 3

Financial Assets
Non-Current Assets

Security Deposits-Unsecured	81.98	81.98	—	81.98	—
Fixed Deposits more than 12 months	4570.00	4570.00	—	4570.00	—
Other Corporate Deposits	2000.00	2000.00	—	2000.00	—
Total Non-Current Financial Assets	6651.98	6651.98	—	6651.98	—

Current Assets

Trade Receivables	17722.42	17722.42	—	17722.42	—
Cash and Cash Equivalents	655.59	655.59	—	655.59	—
Other Bank Balances	16774.16	16774.16	—	16774.16	—
Other Financial Assets	726.14	726.14	—	726.14	—
Total Current Financial Assets	35878.31	35878.31	—	35878.31	—

Total Financial Assets

42530.29	42530.29	—	42530.29	—
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Financial Liabilities
Non-Current Liabilities

Lease liabilities	139.99	139.99	—	139.99	—
Total Non-Current Financial Liabilities	139.99	139.99	—	139.99	—

Current Liabilities

Lease liabilities	58.53	58.53	—	58.53	—
Trade Payables	22115.16	22115.16	—	22115.16	—
Other Financial Liabilities	1600.18	1600.18	—	1600.18	—
Total Current Financial Liabilities	23773.87	23773.87	—	23773.87	—

Total Financial Liabilities

23913.86	23913.86	—	23913.86	—
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SWARAJ ENGINES LIMITED

2.29 EMPLOYEE BENEFITS

(Refer Note 1.8)

Defined benefit plans – as per Actuarial Valuation on 31st March, 2026

(Rs. in Lakhs)

Particulars	Gratuity - Funded	
	2026	2025
I. Expenses Recognised in the Statement of Profit & Loss Account		
1. Current Service Cost	100.42	69.17
2. Past Service Cost	130.43	–
3. Interest	88.56	92.03
4. Expected Return on plan assets	(86.71)	(90.31)
5. Total Expense	232.70	70.89
II. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	1561.18	1381.25
2. Fair value of plan assets as at 31st March	1324.97	1325.30
3. Surplus/(Deficit)	(236.21)	(55.95)
III. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	1381.25	1318.59
2. Expenses Recognised in Profit and Loss Account		
- Past Service Cost	130.43	–
- Current Service Cost	100.42	69.17
- Interest Expense/ (Income)	88.56	92.03
3. Recognised in Other Comprehensive Income		
Re-measurement gains / (losses)		
– Actuarial Gain/ (Loss) arising from:		
i. Demographic Assumptions	–	–
ii. Financial Assumptions	–	–
iii. Experience Adjustments	102.13	(40.00)
iv. Difference in present value of obligation	(83.70)	32.85
4. Benefit payments	(157.91)	(91.39)
5. Present value of defined benefit obligation at the end of the year	1561.18	1381.25
IV. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year	1325.30	1269.40
2. Expected return on plan assets	86.71	90.31
3. Recognised in Other Comprehensive Income		
Re-measurement gains / (losses)		
– Actual Return on plan assets in excess of the expected return	13.33	6.15
4. Contributions by employer (including benefit payments recoverable)	57.54	50.83
5. Benefit payments	(157.91)	(91.39)
6. Fair value of plan assets at the end of the year	1324.97	1325.30

(Rs. in Lakhs)

Particulars	Gratuity - Funded	
	2026	2025
V. The Major categories of plan assets		
– Funded with LIC	100%	100%
VI. Actuarial assumptions		
1. Discount rate	7.69%	6.80%
2. Expected Return	6.80%	7.23%
3. In-Service Mortality	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate
4. Turnover Rate	5.00%	5.00%
5. Salary Rise - Officers	9.00%	9.00%
6. Salary Rise - Workers	6.00%	6.00%
7. Remaining Working Life	16.27 Years	14.21 Years

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is: (Rs. in Lakhs)

Principal assumption		Changes in assumption	Increase/(Decrease) impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2026	0.50%	(44.32)	46.87
	2025	0.50%	(38.04)	40.28
Salary growth rate	2026	0.50%	45.88	(43.79)
	2025	0.50%	38.71	(36.91)

2.30 RELATED PARTY TRANSACTIONS

Names of the Related Parties	Relationship
Holding Company	
1. Mahindra & Mahindra Limited (M&M)	Holding Company
Subsidiary of M&M	
1. Mahindra & Mahindra Financial Services Limited	Subsidiary of M&M
2. Mahindra Logistics Limited	Subsidiary of M&M
3. Mahindra Integrated Business Solutions Private Limited	Subsidiary of M&M
4. Erkunt Traktor Sanayii Anonim Sirketi	Subsidiary of M&M
Associate/Joint Venture of M&M	
1. Tech Mahindra Limited	Associate Company
2. Mahindra Summit Agriscience Limited	Joint Venture

SWARAJ ENGINES LIMITED

Key Management Personnel

Name of KMP	Designation
Mr. Rajya Vardhan Kanoria	Chairman (Non-Executive Independent Director)
Mr. Rajesh Jejurikar #	Chairman (Non-Executive, Non-Independent Director)
Mr. S. Nagarajan	Non-Executive Independent Director
Mr. Nikhilesh Panchal	Non-Executive Independent Director
Ms. Smita Mankad	Non-Executive Independent Director
Mr. Harish Chavan	Non-Executive, Non-Independent Director
Mr. Puneet Renjhen	Non-Executive, Non-Independent Director
Mr. Gaganjot Singh ^	Non-Executive, Non-Independent Director
Mr. Devjit Sarkar	Whole Time Director & Chief Executive Officer

^appointed / # ceased during the year

Details of transactions between the Company and its related parties are disclosed below: (Rs. in Lakhs)

Sr. No.	Nature of Transactions	Holding Co. (M&M)		Subsidiary/Associates/JV of M&M Ltd.		KMPs		Total	
		2026	2025	2026	2025	2026	2025	2026	2025
1	Purchases:	2362.38	4047.10	224.45	180.43	—	—	2586.83	4227.53
	Goods	2351.60	4014.89	—	—	—	—	2351.60	4014.89
	Services	10.78	32.21	224.45	180.43	—	—	235.23	212.64
2	Sales:	199281.83	167599.90	—	—	—	—	199281.83	167599.90
	Goods	199281.83	167599.90	—	—	—	—	199281.83	167599.90
3	Deputation of Personnel:								
	From related party	563.58	661.03	—	—	—	—	563.58	661.03
4	Managerial Remuneration	—	—	—	—	155.86	168.62	155.86	168.62
5	Stock Options*	—	—	—	—	13.19	—	13.19	—
6	Commission and other benefits to Non-executive/independent director**	—	—	—	—	44.85	49.27	44.85	49.27
7	Dividend Distributed	6616.04	6014.58	—	—	—	—	6616.04	6014.58
8	Other Transactions:								
	Rental Income	17.01	16.20	1.20	1.14	—	—	18.21	17.34
	Other Expenses	441.82	359.91	2.30	7.29	—	—	444.12	367.20
	Reimbursement received from Parties	7.71	8.96	2.30	7.29	—	—	10.01	16.25
	Reimbursement made to Parties	434.11	350.95	—	—	—	—	434.11	350.95
9	Outstandings:								
	Trade and Other Payable	37.44	159.47	11.76	0.40	—	—	49.20	159.87
	Trade and Other Receivable	20617.87	17722.30	0.12	0.12	—	—	20617.99	17722.42

* excludes stock option from Holding Company - Mahindra & Mahindra Limited.

** includes sitting fees and commission paid/payable to Khaitan & Co. during FY 2024-25, in which Mr. Nikhlesh Panchal is a partner.

Transactions with related parties are at arm's length.

2.31 CONTINGENT LIABILITIES AND COMMITMENTS

(Rs. in Lakhs)

Particulars	2026	2025
Contingent Liabilities		
Claims against the Company not acknowledged as debt		
– Excise matters in dispute	229.33	220.26
– Sales Tax matters in dispute	–	30.77
– Income Tax matters in dispute*	50.43	50.43
Commitments		
Estimated amount of contracts remaining to be executed on capital	7392.15	702.15

*Assessment of Income Tax is complete upto Assessment Year 2020-21. There is no demand which is disputed in Appeal and not provided for. For earlier Assessment Years, Company have filed appeals / references which involves an estimated liability of Rs. 50.43 Lakhs (31.03.2025 - Rs. 50.43 Lakhs)

2.32 SEGMENT REPORTING

The Company is primarily engaged in the business of diesel engines, diesel engine components and spare parts. As the basic nature of these activities are governed by the same set of risk, returns and internal business reporting system, accordingly these have been grouped as single segment in above disclosures as per Ind AS- 108 dealing with "Operating Segment".

2.33 PARTICULARS IN RESPECT OF GOODS MANUFACTURED :

Class of Goods	Unit of Qty.	2026	2025
Production			
Engines	Nos.	202730	168225
Despatches			
Engines	Nos.	202771	168820

2.34 PARTICULARS IN RESPECT OF REVENUE FROM OPERATIONS :

(Rs. in Lakhs)

Class of goods	2026	2025
Sale of Products		
Engines	196347.03	164081.55
Spares	3500.66	3310.04
Total	199847.69	167391.59
Other Operating Revenue		
Scrap & Others	865.74	797.64
Total	200713.43	168189.23

SWARAJ ENGINES LIMITED

2.35 PARTICULARS IN RESPECT OF FINISHED GOODS:

Class of Goods	Unit of Qty	Opening Balance		Closing Balance	
		Qty.	Rs. in Lakhs	Qty.	Rs. in Lakhs
Engines	Nos.	1091 (1933)	907.37 (1643.15)	1025 (1091)	863.89 (907.37)
Engine Parts	—	—	197.80 (327.15)	—	253.33 (197.80)

2.36 ADDITIONAL REGULATORY INFORMATION

Ratios

Particulars	2026	2025	Variance (%)
1. Current Ratio (in times) (Current Assets) / (Current Liabilities)	2.06	1.96	5.10%
2. Debt-Equity Ratio (in times) (Total Debt) / (Total Equity)	N.A.	N.A.	—
3. Debt service coverage Ratio (in times) (Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustment)/(Debt service = Interest and lease payments + Principal repayments)	N.A.	N.A.	—
4. Return on Equity (%) (Net Profit after Taxes) / (Average Shareholder's Equity)	43.23%	42.14%	1.09%
5. Inventory Turnover Ratio (times) (Revenue from operations) / (Average Inventory)	26.21	22.55	16.23%
6. Trade receivables turnover ratio (times) (Revenue from operations) / (Average Trade Receivables)	10.47	11.31	(7.43%)
7. Trade payables turnover ratio (times) (Purchases) / (Average trade payables)	6.68	7.01	(4.71%)
8. Net capital turnover ratio (times) (Revenue from operations) / (Average working capital)	7.58	7.08	7.06%
9. Net profit ratio (%) (Net Profit after Taxes) / (Revenue from operations)	9.78%	9.87%	(0.09%)
10. Return on capital employed (%) (Profit before tax and finance costs) / (Capital employed = Tangible Net worth + Lease liabilities + Deferred tax liabilities)	54.53%	53.69%	0.84%
11. Return on Investments (%) - Quoted Investments (Income generated from Investments) / (Time Weighted Average Investments)	5.64%	6.83%	(1.19%)
There is no significant change of 25% in the above ratios over previous year.			

2.37 DIVIDENDS

The Board of Directors, in their meeting held on 16th April, 2025, proposed a total dividend of Rs. 104.50/- per equity share and the same was approved by the shareholders at the Annual General Meeting held on 15th July, 2025, this has resulted in a cash outflow of Rs. 12694.10 lakhs during 2025-26.

The Board of Directors, in their meeting held on 13th April, 2026, proposed a total dividend of Rs. 110/- per equity share for the financial year ended on 31st March 2026, subject to the approval of shareholders at the Annual General Meeting and if approved, would result in a cash outflow of approximately Rs. 13364.85 lakhs.

2.38 Recent Accounting Pronouncements

Standard issued but not yet effective

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. As at the date of authorisation of these financial statements, the Company has not applied the following new amendment to Ind AS that has been issued but is not yet effective:

Amendment to Ind AS 1 Presentation of Financial Statements

Where a covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment.

The Company does not expect that the adoption of this amendment to have any impact on the financial statements of the Company in future periods.

2.39 New Labour Codes Laws

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new Labour Codes") - consolidating 29 existing labour laws.

In accordance with the new Labour Codes, the Company has currently estimated the incremental impact on retiral benefits to be Rs. 340.51 lakhs. This has been presented under "Exceptional Items" in the financial statement.

The Company continues to monitor developments on the Rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications, basis such developments / guidance.

2.40 Other Disclosures

Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013.

- a. Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. The Company does not have any transactions with companies struck off.
- c. The Company has not revalued its property, plant and equipment or intangible assets or both during the current year.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. 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
- f. The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- g. The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

SWARAJ ENGINES LIMITED

- h. The Company does not have any borrowings from banks and financial institutions on the basis of security of current assets.
- i. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- j. The Company has complied with the number of layers prescribed under the Companies Act, 2013.

2.41 Previous year's figures have been regrouped, wherever necessary, so as to correspond with those of the current year.

Significant Accounting Policies	1
Notes on Accounts	2

As per our report of even date attached

The Notes referred to above form an integral part of these financial statements

For B K KHARE & CO.
Chartered Accountants
Firm Registration No.105102W

KARTHIK SRINIVASAN
Partner
Membership No. 215782

MAHESH GUPTA
Chief Financial Officer

RAJESH K. KAPILA
Company Secretary
M.No. : ACS – 9936

FOR AND ON BEHALF OF THE BOARD

RAJYA VARDHAN KANORIA
Chairman
DIN : 00003792

DEVJIT SARKAR
Whole Time Director &
Chief Executive Officer
DIN : 10745850

Jaipur, 13th April, 2026

S.A.S. Nagar (Mohali), 13th April, 2026

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. in Lakhs)

Particulars	2026	2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	26357.21	22304.60
Adjustments for:		
Depreciation and Amortisation	2245.40	2034.33
Employee Stock Compensation	26.42	24.19
Interest (Received) / Paid (Net)	(1597.14)	(1479.82)
(Profit)/Loss on Mutual Fund Investment	(210.05)	(191.50)
(Profit)/Loss on disposal of Property, Plant and Equipment (Net)	97.87	85.07
Net gain on financial assets measured at FVTPL	(3.31)	(4.03)
Operating Profit Before Working Capital Changes	26916.40	22772.84
Movements in working capital:		
(Increase)/Decrease in Trade and Other Receivables (Non-Current/Current)	(12169.22)	(5198.29)
(Increase) in Inventories	354.30	(755.29)
(Decrease)/Increase in Trade and Other Payables (Non-Current/Current)	3493.36	6601.46
Cash generated from Operations	18594.84	23420.72
Income taxes paid	(6942.74)	(5754.22)
Net cash generated from Operating Activities	11652.10	17666.50
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investments Sales / (Purchase) - Net	(3.29)	95.73
Bank Deposit (Placed) / Matured - Net	10385.00	(6685.00)
Other Corporate Deposits (Placed)/Matured - Net	(1000.00)	(2000.00)
Interest received	1636.51	1512.87
Net Proceeds from disposal of Mutual Fund Investments	210.05	191.50
Purchase of Property, Plant and Equipment	(6979.03)	(2446.19)
Changes in earmarked balances and margin accounts with banks	(2088.22)	3501.73
Proceeds from disposal of Property, Plant and Equipment	47.95	14.96
Net cash (used in) from Investing Activities	2208.97	(5814.40)

SWARAJ ENGINES LIMITED

C. CASH FLOW FROM FINANCING ACTIVITIES

Repayment of lease liabilities (including interest)	(72.98)	(53.50)
Dividends paid to Shareholders of the Company	(12694.10)	(11539.89)
Equity Shares issued under ESOP	0.24	0.02
Interest and Finance Charges paid	(24.00)	(20.77)
Net cash(used in) Financing Activities	(12790.84)	(11614.14)
Net Increase / (Decrease) in Cash and Cash Equivalents	1070.23	237.96
Cash and Cash Equivalents at the beginning of the year	655.59	417.63
Cash and Cash equivalents at the end of the year - refer Note No. 2.10 (a)	1725.82	655.59

- Note: 1. The above Statement of Cash Flows has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows'.
2. Previous year's figures have been regrouped, wherever necessary, so as to correspond with those of the current year.

Significant Accounting Policies - Note 1

Notes on Accounts - Note 2

As per our report of even date attached

For B.K. KHARE & CO.
Chartered Accountants
Firm Registration No.105102W

KARTHIK SRINIVASAN
Partner
Membership No. 215782

MAHESH GUPTA
Chief Financial Officer

RAJESH K. KAPILA
Company Secretary
M.No. : ACS – 9936

Jaipur, 13th April, 2026

FOR AND ON BEHALF OF THE BOARD

RAJYA VARDHAN KANORIA
Chairman
DIN : 00003792

DEVJIT SARKAR
Whole Time Director &
Chief Executive Officer
DIN : 10745850

S.A.S. Nagar (Mohali), 13th April, 2026

INDEPENDENT AUDITORS' REPORT

To the Members of Swaraj Engines Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Swaraj Engines Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

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

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the current period. 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. We have determined the matter described below to be the key audit matter to be communicated in our report:

Key Audit Matters on Related Party Transactions

Key Audit Matter	As a part of the business activity, the Company deals with entities which are related parties and significant revenue sources are from related parties only. The Arm's length pricing of the transactions with Related Parties, risks of material misstatement associated with related party relationships and transactions may have a significant impact on the interest of the Company, and true and fair presentation of related party relationships and transactions in the financial statements of the Company.
Principal Audit Procedures	We performed the following audit procedures relating to related party relationships and transactions. • Obtained the list of related parties from management and reconciled the same with prior period disclosures to identify completeness and changes during the year. • Evaluated the nature of the relationships and transactions by reviewing supporting documentation to understand the purpose and business rationale. • Obtained direct balance confirmations from related parties for outstanding balances and transactions during the year.

SWARAJ ENGINES LIMITED

	- Performed substantive audit procedures on sampled related party transactions, including testing of underlying documents and approvals. - Ensured that all related party transactions were placed before the Audit Committee for approval. - Reviewed the company's related party transactions policy approved by the Board and checked compliance with the said policy. - Obtained independent consultant report on arm's length analysis of revenue transactions. Reviewed the key assumptions of the study, with support from our internal expert.
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Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report, and the related annexures, but does not include the financial statements and our Auditors' Report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the 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 Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' report to the related disclosures in the 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 auditors' 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the, key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors 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 Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
 - (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of 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 as at 31 March, 2026 on its financial position in its Financial Statements - Refer Note 2.31 to the Financial Statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There was no delay in transferring the amounts to the Investor Education and Protection Fund by the Company;
 - (iv)
 - (a) The management has represented that, to the best of its knowledge and belief, 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) The management has represented that, 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;
 - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement; and

- (v) The final dividend proposed in the previous year, declared, and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

- (vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For B. K. Khare & Co.

Chartered Accountants

Firm Registration No. 105102W

Karthik Srinivasan

Partner

Membership No. 215782

UDIN:26215782PYQPDS3468

Place: Jaipur

Date: April 13, 2026

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Swaraj Engines Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to 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 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For B. K. Khare & Co.

Chartered Accountants
Firm Registration No. 105102W

Karthik Srinivasan

Partner
Membership No. 215782
UDIN:26215782PYQPDS3468

Place: Jaipur

Date: April 13, 2026

Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

- (i) (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and investment property by which the property, plant and equipment (including asset in custody of vendors), and investment property are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment and investment property. In accordance with the programme, the Company has physically verified property, plant and equipment, and investment property during the year and no material discrepancies were noticed on such verification. In respect of Property, Plant and Equipment lying at the premises of third party vendors, physical verification was carried out by the management through confirmation from such vendors.
- (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment and investment property or intangible assets or both during the year.
- (e) Based on the audit procedures performed by us and according to the information, explanations, and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the inventory comprising of finished goods, raw materials, stores & spares, components, and work-in-progress has been physically verified at reasonable intervals by the management during the year. Stock-in-transit as on March 31, 2026 has been verified by the management on subsequent receipt of the goods. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records. We have relied on confirmations and representations from third parties in case of inventory lying in their locations, wherever applicable.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.
- (iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act for the products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, specified by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below :

(Rs. in Lakhs)

Name of Statute	Nature	Forum where dispute is pending	Period to which the amount relates	Amount involved
The Central Excise Act, 1944	Excise Duty	Appellate Authority- Tribunal Level	F.Y. 2004-05 to F.Y. 2005-06	87.47
		Appellate Authority- Tribunal Level	F.Y. 2015-16 to F.Y. 2017-18	107.25

- (viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not obtained any loans or other borrowings. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution, or any other lender till the date of our audit report.
- (c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not obtained term loan during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no short-term loan is obtained by the Company during the year. Accordingly, the reporting under Clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has no subsidiaries, associates or joint ventures. Accordingly, the reporting under Clause 3(ix)(e) of the Order is not applicable to the Company.

- (f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has no subsidiaries, associates or joint ventures. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, no whistle-blower complaints were received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.
- (d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has five Core Investment Companies.

- (xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and 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, 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 that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.
- (b) According to the information and explanations given to us, in respect of ongoing projects, the Company has no unspent amount which needs to be transferred to a special account in compliance with sub-section (6) of Section 135 of the Act.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Karthik Srinivasan
Partner
Membership No. 215782
UDIN:26215782PYQPDS3468
Place: Jaipur
Date: April 13, 2026

NOTES

[illegible]

Glimpses – CSR Initiatives



Development of Sensory Garden at Govt. Rehabilitation Institute for Intellectual



Organized Blood Donation Camp
(Collected 400+ units)



Mammography screening facility to female in various villages



Training to women through Krishi Vigyan Kendra under Perna initiative