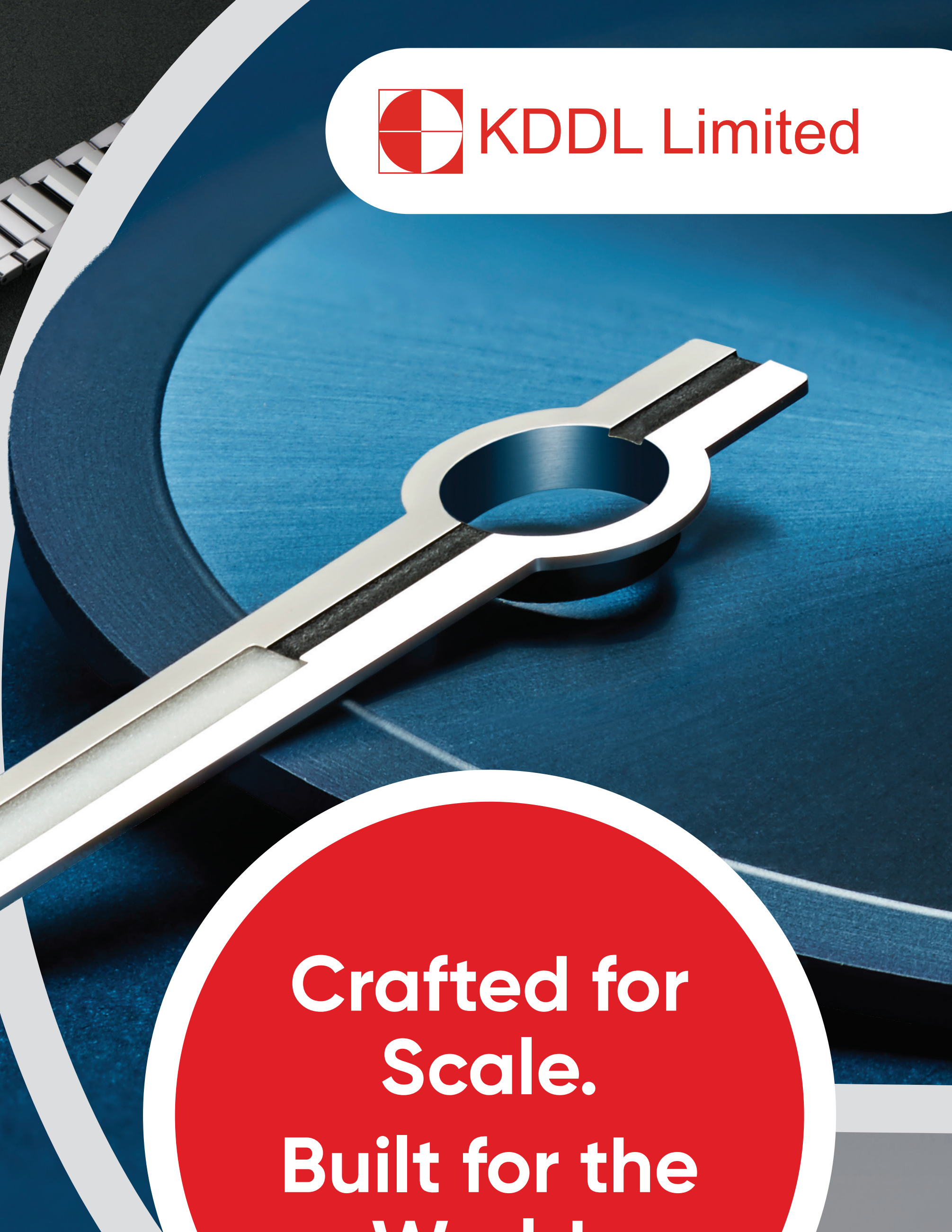
KDDL Limited



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Annual Report **2025-26**

ACROSS THE PAGES

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https://www.kddl.com/financial-dashboard-yearly/

OR SIMPLY SCAN

INVESTOR INFORMATION

Market Cap (1st July, 2025 to 31st December, 2025):
BSE: Rs. 3,133.72 Crores
NSE: Rs. 3,133.66 Crores

CIN:
L33302HP1981PLC008123

BSE Code:
532054

NSE Symbol:
KDDL

Final Dividend:
Rs. 8 per Equity Share

AGM Date and Time:
15th September, 2026 at 03:00 p.m.

AGM Mode:
Video Conferencing (VC)/Other Audio-Visual Means (OAVMs)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Yashovardhan Saboo
Executive Chairman and Managing Director

Mrs. Anuradha Saboo
Promoter Director

Mr. Anurag Maheshwari
Independent Director

Mr. Chitranjan Agarwal
Independent Director

Mr. Jai Vardhan Saboo
Promoter Director

Mrs. Neelima Tripathi
Independent Director

Mr. Sanjeev Kumar Masown
Executive Director and Chief Financial Officer

Mr. Sanjiv Sachar
Independent Director

Mr. Hanspeter Pieth*
Non Executive Director

Mr. Nagarajan Subramanian**
Independent Director

*ceased to be Director w.e.f. 22nd June, 2026

**ceased to be Director w.e.f. 27th July, 2026

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Brahm Prakash Kumar

BANKERS

IDBI Bank Limited

YES Bank Limited

HDFC Bank Limited

The Hongkong and Shanghai Banking Corporation Limited

Shinhan Bank

STATUTORY AUDITORS

M/s. Walker Chandiok & Co. LLP

Chartered Accountants

REGISTERED & CORPORATE OFFICE

Registered Office

Plot No. 3, Sector III, Parwanoo - 173 220, Himachal Pradesh

Corporate Office

Kamla Centre, S.C.O. 88-89, Sector 8-C, Madhya Marg,
Chandigarh - 160 009

MANUFACTURING FACILITIES

Dials Units

UNIT – I

Plot No. 3, Sector III, Parwanoo - 173 220,
Himachal Pradesh

UNIT – II

Haibatpur Road, Saddomajra, Near
Gulmohar City, Derabassi - 140 507,
Punjab

UNIT – III

Village Dhana, Bagbania, PO
Manpura, Tehsil: Baddi, District:
Solan - 173 205, Himachal Pradesh

Hands Units

UNIT – I

Plot No. 296-297, 5th Main, 4th Phase,
Peenya Industrial Area,
Bengaluru - 560 058, Karnataka

UNIT – II

408, 11th Cross,
4th Main, 4th Phase, Peenya Industrial Area,
Bengaluru - 560 058, Karnataka

Packaging Units

UNIT – I

Plot No. 9, Sector V, Parwanoo - 173 220,
Himachal Pradesh

UNIT – II

Plot No. 219, Industrial Area - Phase-I,
Panchkula - 134 113, Haryana

EIGEN Unit

Unit No. 55-A, Hunachur Village, Jala Hobli, Yelahanka Taluk,
Bengaluru North, Near Kiadb Aerospace Park,
Bengaluru- 562 149, Karnataka

Bracelet Division

Plot No. 29-A7, Dobbaspet Industrial Area, Phase-4, Honnenahalli Village, Sompura Hobli, Nelamangala Taluk, Bengaluru- 562 111, Karnataka

STATUTORY & CONTACT DETAILS

CIN: L33302HP1981PLC008123

Contact Details

Telephone: +91 172 2548223/24/**Fax:** +91 172 2548302
Email: investor.complaints@kddl.com/**Website:** www.kddl.com

MANAGEMENT DISCUSSION AND ANALYSIS

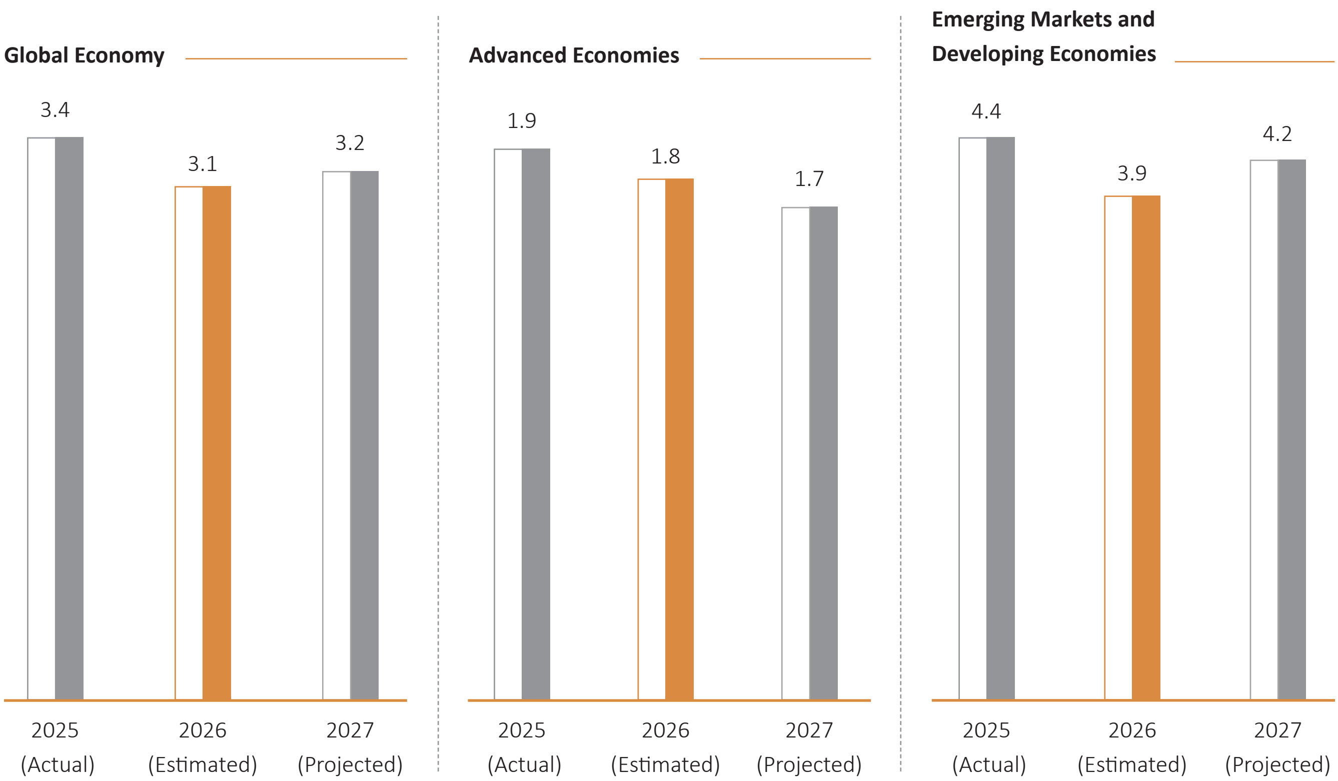
GLOBAL ECONOMY

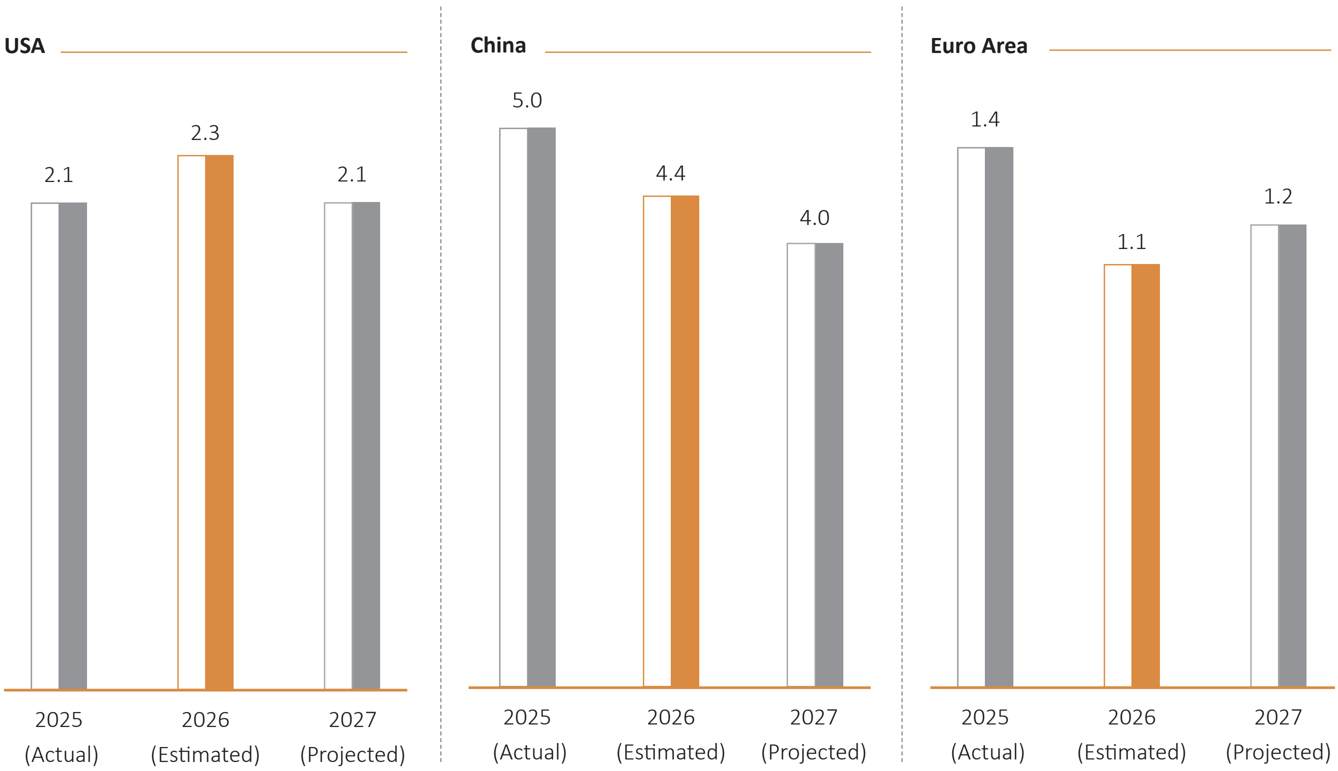
The global economy demonstrated resilient yet uneven performance in 2025, navigating a complex landscape of trade policy shifts and digital transformation. According to the IMF's World Economic Outlook (April 2026), global growth reached 3.4% in 2025, outperforming earlier conservative estimates. However, the outlook for 2026 has been moderated to 3.1% as the global economy faces renewed headwinds from geopolitical volatility in the Middle East, which has introduced fresh supply-chain pressures and volatility in energy markets.

Global headline inflation, which had moderated to 4.1% in 2025, is now projected to tick upward to 4.4% in 2026 before resuming its descent in 2027. The World Trade Organisation (WTO), in its March 2026 report, noted that after a robust 4.6% growth in merchandise trade in 2025, volumes are expected to slow to 1.9% in 2026 due to heightened trade policy uncertainty and the cooling of front-loaded inventory cycles seen in the previous year.

Source: World Economic Outlook, April 2026: Global Economy in the Shadow of War, WTO | 2026 News items- Middle East conflict weighs further on slowing trade outlook

ECONOMIC GROUP/REGION

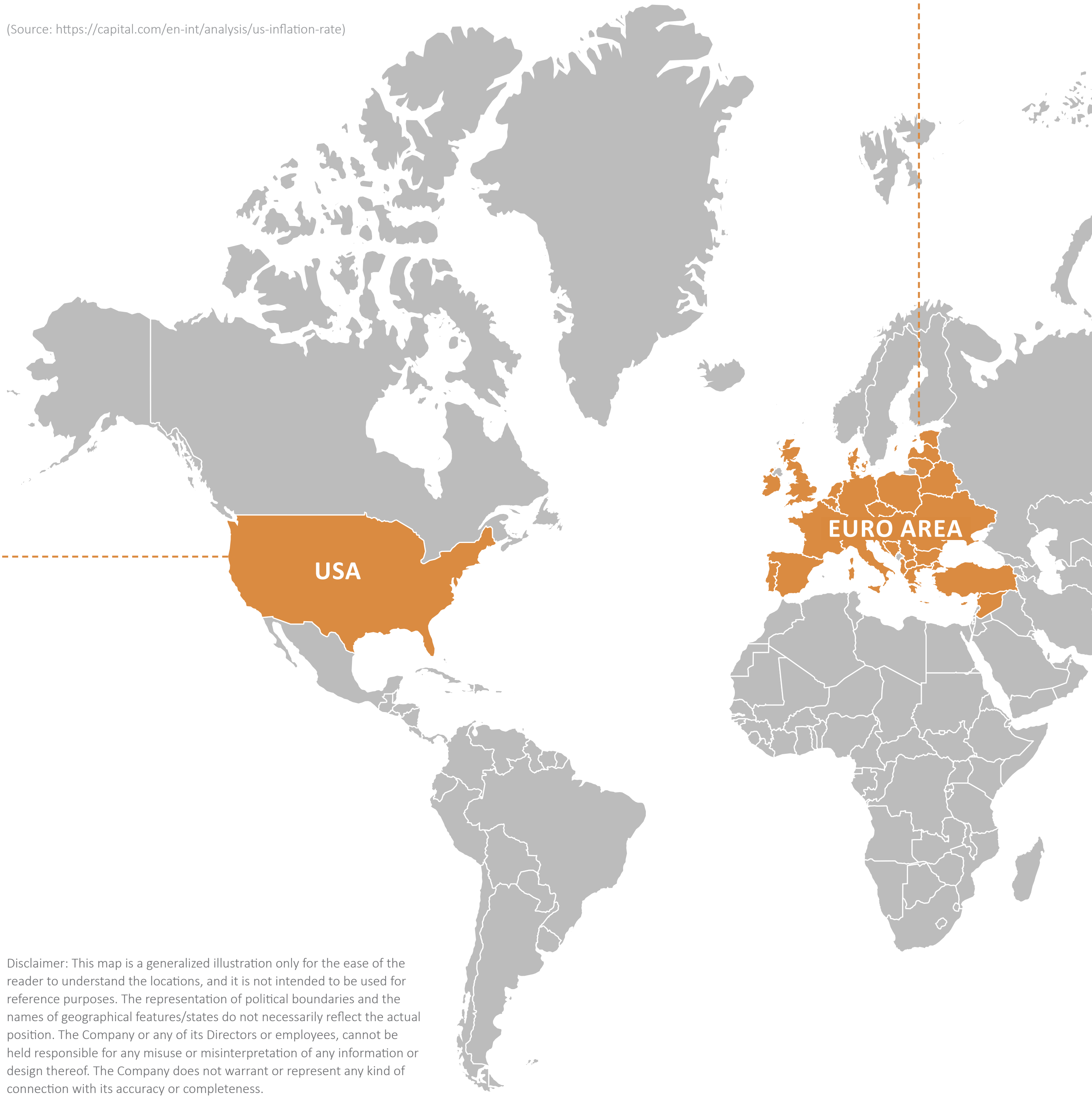



USA
2.1
2.3
2.1
2025 (Actual)
2026 (Estimated)
2027 (Projected)
China
5.0
4.4
4.0
2025 (Actual)
2026 (Estimated)
2027 (Projected)
Euro Area
1.4
1.1
1.2
2025 (Actual)
2026 (Estimated)
2027 (Projected)

USA

The U.S. economy grew by 2.1% in 2025, supported by robust technology-led investment and steady consumption. Growth for 2026 is projected to rise slightly to 2.3%, as broad-based productivity gains from digital adoption help offset the impact of elevated interest rates. Inflation moderated to 2.7% at the end of 2025, with a target return to 2% expected by mid-2027.

(Source: https://capital.com/en-int/analysis/us-inflation-rate)



Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors or employees, cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

EURO AREA

The Euro Area recorded a resilient growth of 1.4% in 2025, benefiting from a recovery in real wages and a stabilisation of energy costs mid-year. However, the 2026 growth outlook was revised downward to 1.1%, reflecting the regional impact of the early-2026 energy price shocks and industrial stagnation in major economies like Germany.

(Source: World Economic Outlook, April 2026: Global Economy in the Shadow of War)

CHINA

China successfully met its growth target in 2025, expanding by 5.0%. This resilience was supported by targeted fiscal stimulus and a strong export performance in high-tech sectors. For 2026, growth is projected to moderate to 4.4% as the economy continues its structural transition towards high-quality development amidst a persistent property sector downturn and evolving trade barriers.

OUTLOOK

The global economic environment for 2026 is characterised by a 'calibrated recovery'. While structural drivers like AI-driven productivity and supply-chain diversification remain central to long-term growth, the short-term landscape is dominated by the need for geopolitical risk management. For businesses in the luxury and precision engineering sectors, success in 2026 will hinge on operational agility and the ability to navigate shifting trade corridors and currency volatility.

INDIAN ECONOMY

India solidified its position as the world's fastest-growing major economy during 2025–26, with real GDP estimated to grow by 7.6%, significantly outpacing most major economies despite heightened geopolitical uncertainty during the latter part of the year. Growth continued to be supported by strong domestic demand, robust government capital expenditure of Rs. 12.2 Lac Crores, and expanding industrial activity, with manufacturing GVA growing by 9.13% during the first half of the fiscal year. India's macroeconomic resilience was further reflected in healthy banking sector fundamentals, with Gross Non-Performing Assets (GNPA) declining to 2.2% in September 2025, while foreign exchange reserves reached a record USD 701.4 Billion, strengthening confidence in the country's long-term growth prospects.

Sources:

- https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&reg=3&lang=2
- https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=156404&ModuleId=3&reg=37&lang=1
- https://www.rbi.org.in/Scripts/AnnualReportPublications.aspx?year=2026

At the same time, the global economic landscape became increasingly complex. Escalating geopolitical conflicts, evolving tariff regimes, supply chain realignments and changing trade relationships influenced cross-border trade and manufacturing activity worldwide. The Indian Rupee remained under pressure amid the continued strength of the US Dollar, elevated US Treasury yields and persistent foreign portfolio outflows. While relatively lower crude oil prices and supportive measures by the Reserve Bank of India, including the FCNR(B) swap window, are expected to provide near-term stability, the Rupee is expected to trade in a broad range of Rs. 92.5–97.0 against the US Dollar over the near-to medium-term. In addition, the appreciation of the Swiss Franc increased import costs across several industries. Nevertheless, India continued to pursue a balanced geopolitical and trade strategy by strengthening strategic partnerships, expanding free trade agreements with key economies, deepening engagement with emerging trading partners, and maintaining diversified global trade relationships. The Government also accelerated domestic manufacturing through initiatives such as Make in India, Production Linked Incentive (PLI) schemes, customs rationalisation and trade agreements, including the Trade and Economic Partnership Agreement (TEPA) with EFTA nations. These initiatives are expected to enhance India's manufacturing competitiveness, encourage localisation and strengthen integration into global value chains.

Sources:

- https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&reg=3&lang=2
- https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=156404&ModuleId=3&reg=37&lang=1
- https://www.rbi.org.in/Scripts/AnnualReportPublications.aspx?year=2026

The country's stable macroeconomic environment and calibrated monetary policy contributed to a moderation in headline inflation, with CPI easing to 3.4% in March 2026. However, inflationary risks arising from global commodity prices, energy markets and geopolitical developments continued to warrant close policy attention. Stable inflation, coupled with rising employment in organised sectors, supported improvements in disposable incomes and consumption. India's nominal per capita income crossed USD 2,800 in 2026, reflecting the country's continued transition towards higher discretionary spending. Wealth creation also accelerated, with the number of Ultra High Net Worth Individuals (UHNWIs) increasing to 19,877, representing a 63% increase over the past five years. This expanding affluent population continues to drive premiumisation across sectors, with discretionary categories such as travel, electronics and luxury products expected to register a CAGR of 14–18% through 2027.

Sources:

- https://www.reuters.com/world/india/view-indias-march-retail-inflation-quickens-340-yy-2026-04-13/
- https://www.rbi.org.in/Scripts/AnnualReportPublications.aspx?year=2026
- https://www.imf.org/external/datamapper/NGDPDPC@WEO/IND/BGD
- https://www.knightfrank.com/wealthreport

The favourable consumption environment has been particularly beneficial for the luxury watch industry. The Indian watch market was valued at approximately USD 4.19 billion in 2025 and is projected to reach USD 7.52 billion by 2031, at a CAGR of 10.23%. The implementation of TEPA has reduced customs duty on Swiss watches to 15.71% from January 2026, with duties scheduled to be phased out completely by 2031. Combined with increasing wealth creation, greater pricing parity with international markets and changing consumer preferences, these developments continue to strengthen the organised luxury watch ecosystem and create favourable long-term growth opportunities for companies operating across the premium watch value chain.

Sources:

- https://www.imarcgroup.com/india-watch-market
- https://www.pib.gov.in/PressReleasePage.aspx?PRID=2238889&lang=1&reg=3
- https://www.pib.gov.in/PressReleasePage.aspx?PRID=2227012&lang=1&reg=3

OUTLOOK

The Indian economy is projected to grow by approximately 6.5% in 2026–27, reflecting a moderation from the previous year amid rising external risks, including geopolitical tensions, commodity price volatility, evolving global trade dynamics and policy uncertainty. Despite these headwinds, India's growth outlook remains resilient, supported by sustained public infrastructure investment, expanding manufacturing activity, healthy domestic consumption, stable financial markets and continued policy support for capital expenditure.

While global tariff actions, inflationary pressures and currency volatility may continue to create near-term uncertainties, India's diversified trade partnerships, balanced geopolitical approach, continued regulatory reforms, emphasis on Make in India, and deeper integration into global supply chains are expected to strengthen its long-term economic competitiveness. Inflation is expected to remain within the Reserve Bank of India's target range, supporting real income growth and discretionary consumption. Rising urbanisation, increasing affluence, expanding premium consumer segments and continued manufacturing-led policy initiatives position India favourably for sustained growth across precision engineering, exports and organised luxury retail.

Sources:

- https://www.rbi.org.in/Scripts/AnnualReportPublications.aspx?year=2026
- https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&reg=3&lang=2

SWISS WATCH INDUSTRY

The Swiss watchmaking industry entered 2026 following a second consecutive year of moderation. In 2025, exports declined by 1.7% to CHF 25.6 Billion, while export volumes decreased by 4.8% to 14.6 million watches. The softer performance was primarily driven by weaker demand across key Asian markets, particularly China and Hong Kong, alongside elevated gold prices and the appreciation of the Swiss Franc, which increased production costs and retail prices globally. Despite these headwinds, demand remained resilient in the premium and high-luxury segments, underscoring the enduring appeal of high-value Swiss timepieces. This resilience is particularly relevant for manufacturers serving the luxury watch segment, where demand has remained comparatively stable despite broader market softness.

Sources:

- https://www.fhs.swiss/pdf/communique_250112_a.pdf
- https://www.fhs.swiss/eng/statistics.html

Amid the moderation witnessed across several mature markets, India continued to stand out as one of the brightest growth markets for Swiss watch exports. Supported by rising affluence, increasing premiumisation, and strengthening demand for luxury timepieces, Swiss watch exports to India reached approximately CHF 296 million during 2025, reflecting continued growth and reinforcing India's emergence as a strategically important market for global luxury watch brands. The phased implementation of the India–EFTA Trade and Economic Partnership Agreement (TEPA) is expected to further strengthen this momentum by improving price competitiveness and encouraging greater participation by global brands.

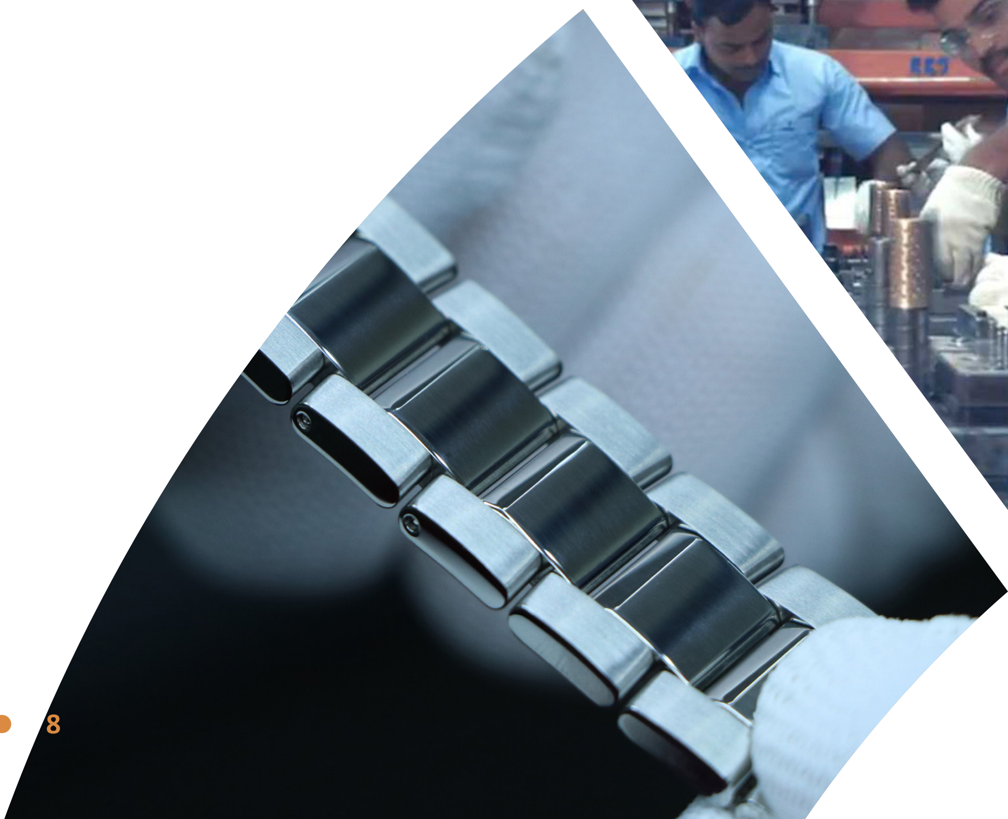
Sources:

- https://www.fhs.swiss/pdf/communique_250112_a.pdf
- https://www.fhs.swiss/eng/statistics.html

The initial months of 2026 indicated a mixed trend, reflecting continued demand variability across markets. January 2026 recorded a 3.6% decline in Swiss watch exports, followed by a narrower decline in the subsequent period. Performance varied across geographies, with resilience in select European markets and continued softness across parts of Asia.

Sources:

- https://www.fhs.swiss/file/59/comm_260101_a.pdf
- https://www.fhs.swiss/scripts/getstat.php?file=comm_260303_a.pdf)



MARKETS	(MILLION CHF)				VARIANCE VS. LAST YEAR	CAGR (2022–2025)
	2025	2024	2023	2022		
USA	4,352.9	4,372.6	4,162.7	3,891.0	(0.5%)	3.81%
China	1,804.4	2,053.5	2,767.8	2,568.6	(12.1%)	(11.10%)
Japan	1,850.9	1,965.4	1,822.9	1,693.0	(5.8%)	3.02%
Hong Kong	1,790.8	1,914.9	2,356.4	1,908.8	(6.5%)	(2.10%)
UK	1,718.9	1,716.4	1,744.0	1,620.8	0.1%	1.98%
Singapore	1,632.7	1,620.8	1,655.1	1,615.2	0.7%	0.36%
France	1,329.1	1,311.9	1,280.0	1,184.0	1.3%	3.93%
Germany	1,217.4	1,305.8	1,357.9	1,292.2	(6.8%)	(1.97%)
UAE	1,316.2	1,272.0	1,264.1	1,126.5	3.5%	5.32%
Italy	1,044.4	1,049.6	1,066.9	976.2	(0.5%)	2.28%
India	296.0	273.9	218.8	187.6	8.1%	16.42%
Other Countries	7,198.7	7,136.3	7,051.7	6,795.2	0.9%	1.94%
Total	25,552.4	25,993.1	26,748.3	24,859.1	(1.7%)	0.92%

*The 2025, 2024 and 2023 values for the core markets are from FH's latest annual market release; the 2022 figures for the same core markets and the total are from FH's historical series; India's 2022 figure is from FH's 2022 annual report.

Sustainability is also becoming more important across the Swiss watch value chain. Global luxury brands are placing greater emphasis on ethical sourcing, responsible manufacturing, circularity and sustainable materials. This shift is expected to increase preference for suppliers with strong quality systems, transparent processes and responsible manufacturing practices.

Sources:

- https://www.fhs.swiss/pdf/mt3_250112_a.pdf
- https://www.fhs.swiss/scripts/getstat.php?file=histo_marches_260202_a.pdf
- https://www.fhs.swiss/file/6/RA_2022_en.pdf

OUTLOOK

The Swiss watch industry is expected to witness gradual stabilisation through 2026, following the moderation observed in 2025. Early-year export trends indicate a mixed performance, with recovery visible in select markets, while demand in certain regions, particularly parts of Asia, remains measured.

Growth is expected to be supported by continued demand in higher-value segments, where consumer preference for premium and luxury products remains intact. Established markets such as the USA are expected to provide stability, while demand recovery in key Asian markets will remain an important factor influencing overall industry performance.

India is expected to remain one of the most attractive long-term growth markets for Swiss watchmakers. Supported by favourable demographics, rising discretionary incomes, increasing acceptance of luxury watches as long-term value assets, and the progressive reduction in import duties under TEPA, the country continues to attract greater attention from global watch brands. Manufacturers are increasingly strengthening partnerships with trusted suppliers and organised retail networks to capitalise on this structural opportunity.

At the same time, input cost dynamics, including precious metal prices, and currency movements are expected to continue influencing pricing and margins across the value chain. Trade conditions and evolving consumer preferences across regions may also shape demand patterns.

INDIAN WATCH INDUSTRY

The Indian watch industry has transitioned into a structural growth phase in 2025–26, characterised by a shift from volume-driven sales to value-led premiumisation. This evolution is primarily fuelled by the landmark implementation of the India-EFTA Trade and Economic Partnership Agreement (TEPA), which officially came into force on 1st October 2025. By initiating a phased reduction on customs duty on Swiss timepieces, this regulatory breakthrough has resulted in significant price rationalisation, making luxury watches more accessible to domestic collectors. This newfound price competitiveness has catalysed a deeper strategic entry of global Swiss maisons into the Indian market, viewing the country as a resilient alternative to slowing growth in traditional Western and Chinese markets. Beyond improving affordability, TEPA is expected to encourage greater participation by global luxury brands, expand consumer choice and strengthen India's organised luxury watch ecosystem through deeper investments in retail networks and customer engagement.

This premiumisation trend extends beyond affordability and pricing. Consumers are increasingly seeking products that embody craftsmanship, heritage, exclusivity and enduring value. Luxury watches are progressively being viewed not only as timekeeping instruments but also as expressions of personal identity, milestones and collectible assets, supporting sustained demand across premium and high-luxury categories.

Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2173138&reg=3&lang=2

This regulatory tailwind is underpinned by the rapid expansion of India's affluent class, with the segment of individuals earning over USD 10,000 projected to reach 100 million by 2027. The emergence of this cohort has triggered a fundamental change in consumer behaviour, with high-end timepieces increasingly viewed as expressions of personal achievement and collectible assets. Growing exposure to global luxury brands through digital platforms and international travel has further accelerated aspiration-led consumption, particularly among younger affluent consumers entering the luxury segment for the first time. Consequently, Swiss watch exports to India increased by 8.1% year-on-year, from CHF 273.9 million in 2024 to CHF 296.0 million in 2025.

Over 2023–2025, exports rose by approximately 35.3%, equivalent to a CAGR of about 16.4%. Despite this strong trajectory, India represented approximately 1.2% of total Swiss watch exports in 2025, underscoring substantial untapped growth potential and long-term market headroom.

This trend is further bolstered by a historic surge in wealth creation; as India's UHNWI population rose, the demand for 'hard luxury' has led to the rise of the Certified Pre-Owned (CPO) segment, allowing collectors to participate in the full brand lifecycle while ensuring high residual values for their acquisitions. Increasing consumer confidence in authenticated pre-owned luxury watches is expanding participation across the luxury watch ownership lifecycle while reinforcing the long-term value proposition of premium timepieces.

Source: https://www.business-standard.com/finance/personal-finance/india-s-rich-are-spending-like-never-before-and-the-numbers-are-staggering-126042800795_1.html

The consequence of these converging factors is a highly professionalised and consolidated retail landscape. Consumers increasingly prefer organised retail channels that offer authenticity, transparent pricing, certified after-sales service and trusted customer experiences. These capabilities have become important differentiators within the luxury watch ecosystem. The consumer's demand for authenticity and specialised maintenance has driven the market towards organised retail players, which now control major stake of the luxury segment. This formalisation has enabled a strategic expansion of luxury retail into Tier-II cities where a new generation of digital-native wealth creators is seeking global-standard horological experiences. Luxury retail is also evolving towards larger experiential boutiques and destination-led formats that strengthen customer engagement and enhance brand storytelling. The growing emphasis on premium retail environments is expected to support demand across the broader luxury watch value chain, including premium packaging, visual merchandising and specialised watch components. As Millennial and Gen Z enthusiasts, who now represent the majority of first-time luxury buyers, prioritise brand heritage and digital transparency, the industry's focus has shifted toward omnichannel storytelling and experiential retail. For KDDL Limited, this structural evolution ensures that the convergence of duty reduction and a surging affluent base provides a durable and long-term growth trajectory.

Sources:

- https://www.news.admin.ch/en/newnsb/O8hG66Fgv1j36OLRRz0Ud
- https://www.pib.gov.in/PressReleasePage.aspx?PRID=2173968)

GLOBAL METAL STAMPING MARKET

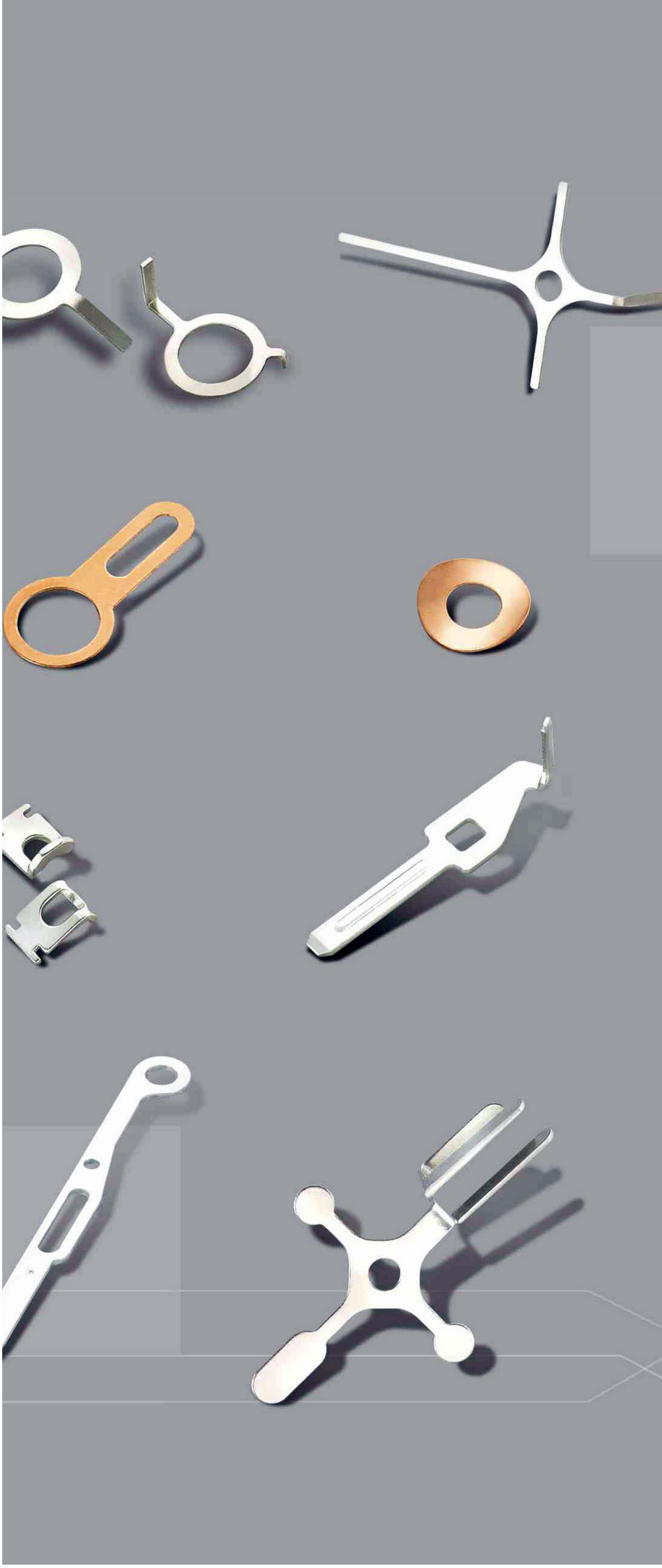
The global metal stamping market is undergoing a structural transition towards high-precision and high-complexity manufacturing, with its valuation reaching USD 259.35 Billion in 2025. This growth is primarily fuelled by the global pivot toward Electric Vehicles (EVs) and the increasing miniaturisation of components in consumer electronics sectors. As industries move towards lightweight and energy efficiency, the demand for intricate, high-strength metal parts has resulted in a significant technological shift within the stamping sector. Manufacturers are increasingly moving away from traditional mechanical presses towards servo and hydraulic press systems, which offer the micron-level tolerance necessary for aerospace and medical applications. This evolution has led to a market trajectory projected to reach USD 377.45 Billion by 2034, establishing precision stamping as a critical component of the global high-tech supply chain.

Sources:

- https://www.fortunebusinessinsights.com/metal-stamping-market-112842
- https://www.grandviewresearch.com/industry-analysis/metal-stamping-market

The ongoing geopolitical realignment, specifically the "China Plus One" strategy, has further accelerated opportunities for Indian precision manufacturers. This shift, supported by the Indian government's 'Make in India' initiatives and PLI schemes, has triggered a surge in domestic manufacturing demand.

Aligned to this tailwind, the Company's precision engineering arm, Eigen, has successfully capitalised on these global tailwinds by aligning its technical capabilities with high-growth segments such as energy storage systems and advanced electronics. Eigen's long-standing partnerships with global Original Equipment Manufacturers (OEMs), where the subsidiary's expertise in progressive tool design and die-making provided a definitive competitive edge. By delivering high-speed, zero-defect production for complex assemblies, Eigen has successfully transitioned from a component supplier to a strategic solution provider for global technology leaders.



GLOBAL ORNAMENTAL PACKAGING MARKET

The global ornamental packaging market is undergoing a structural shift towards 'Eco-Luxury,' with its valuation reaching USD 14.58 Billion in 2025 and projected to hit USD 15.42 Billion by 2026. This momentum is primarily fuelled by the dual demand for sustainable, low-carbon materials and an enhanced 'unboxing experience' that serves as a critical extension of luxury brand identity. As top-tier watch and jewellery maisons transition towards the preference for recyclable paperboard and reusable formats has resulted in a 5.7% CAGR for the segment. This evolution has led to a market environment where high-gloss aesthetics must now coexist with circularity, prompting manufacturers to innovate in foil-lamination and biodegradable coatings to meet stringent global ESG standards.

Source: https://www.researchandmarkets.com reports/6231627/luxury-packaging-market-report

India is emerging as an attractive manufacturing destination for premium packaging as global luxury brands diversify their supply chains and increasingly source from reliable, high-quality partners. The growing domestic luxury market, expanding presence of international watch and jewellery brands, and increasing emphasis on localisation have created significant opportunities across luxury watches, jewellery, premium gifting and lifestyle products. These trends are strengthening demand for organised manufacturers capable of delivering customised packaging solutions that meet global quality standards while supporting faster turnaround times and import substitution.

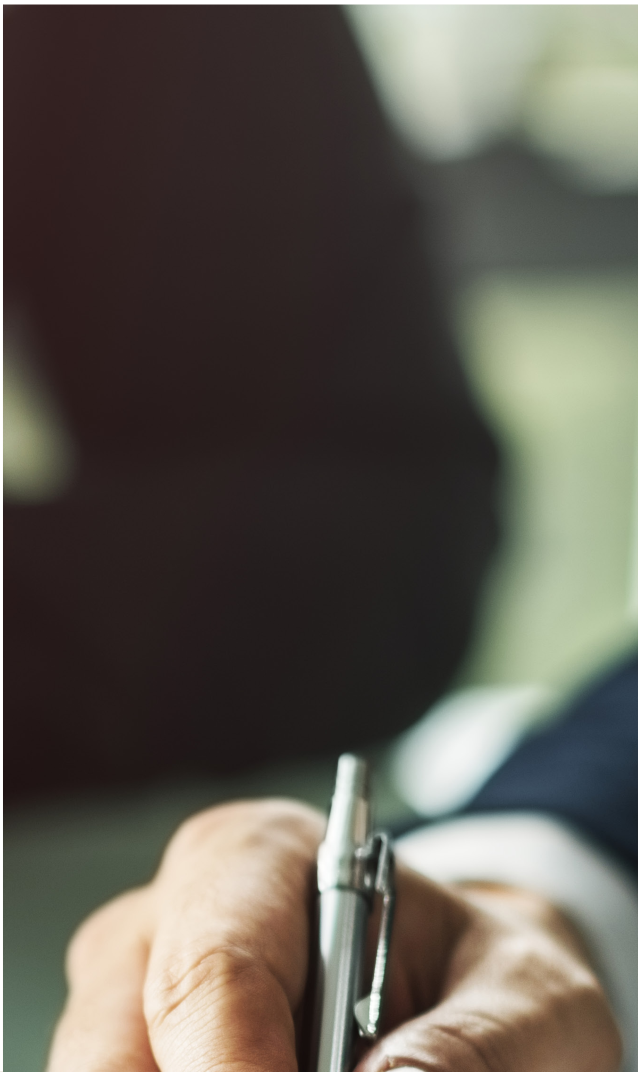
The Company's ornamental packaging division continued to strengthen its capabilities during 2025–26 through the operationalisation of its Panchkula manufacturing facility, with an installed capacity of approximately 1,00,000 premium boxes per month. During the year, the division recorded over 35% year-on-year revenue growth, supported by increasing domestic demand and a healthy pipeline of Requests for Quotations (RFQs) from international brands operating in India. The Company continues to enhance its manufacturing capabilities, expand its customer base and deliver customised, value-added packaging solutions that align with the quality expectations of leading global brands.

BUSINESS OVERVIEW

KDDL Limited (referred to as 'KDDL' or 'the Company'), formerly known as Kamla Dials and Devices Limited, has been a hallmark of precision engineering and craftsmanship since its establishment in 1981. Headquartered in Chandigarh, the Company operates across India and Switzerland, serving leading global customers in the luxury watchmaking and precision engineering sectors.

Over the years, the Company has evolved into an export-oriented manufacturer with capabilities across premium watch components, including dials, hands, indexes, and bracelets, catering to global luxury watch brands. The Company complements its core offering with premium ornamental packaging solutions, serving the requirements of watch and jewellery brands. In addition, KDDL operates a precision engineering division (Eigen), which manufactures high-precision stamped components and tooling solutions for industries such as automotive, aerospace, electrical and electronics, consumer durables, and alternate energy. Through its subsidiary, Ethos Limited, the Company is present in luxury watch retail and operates one of India's leading organised retail networks for premium and luxury watches.

The Company's presence across manufacturing and retail enables participation across the luxury value chain, supported by long-standing customer relationships and a diversified business portfolio.



OPERATIONAL OVERVIEW

KDDL Limited maintained operational resilience during 2025–26 and witnessed growth in all business units despite continued softness in the global watch market while benefiting from relatively stable domestic demand.

During the year, the Company reported revenue growth of 31.6% year-on-year, supported by strong contributions from its precision engineering (Eigen) and bracelet businesses, which partially offset the moderation in the global watch component segment.

A key operational milestone during the year was the scaling up of the bracelet division, which was commissioned in October 2024, with an installed capacity of ~75,000 units per annum. The division witnessed healthy traction from global customers, with capacity utilisation reaching 75% during the year, reinforcing its role as a key addition to the Company's watch component portfolio. Building on this success, the Company is already planning its next phase of expansion, which includes the construction of an additional floor to further scale up production capability.

The precision engineering division (Eigen) continued to demonstrate strong momentum during 2025–26, with revenue of around Rs. 200 Crores and contributing 39.4% to the Company's overall revenue. Over the last five years, Eigen has scaled significantly, growing from a revenue base of Rs. 37 Crores in FY 2020–21 to its current position. Demand remained robust across sectors such as automotive, aerospace, electrical and electronics, and alternate energy. To support this growth, the Company is expanding its manufacturing footprint through an additional facility of ~30,000 sq. ft. in Bengaluru, expected to be operational in 2026–27.

The ornamental packaging division also progressed during the year, with commercial operations gaining traction at the Panchkula facility, developed with an investment of Rs. 8 Crores and a capacity of 1,00,000 units per month. The division is focused on serving premium watch, jewellery, and luxury segments across domestic and international markets, with an emphasis on localisation and faster turnaround for global brands.

During the year, the Company also advanced the global rollout of the Favre-Leuba brand through its subsidiary, Silvercity Brands AG, expanding its presence across key international markets.

Overall, the Company continued to strengthen its operational capabilities through capacity expansion, entry into adjacent product categories, and a sharper focus on high-value, export-oriented segments.

REVENUE AND PROFITABILITY (STANDALONE)

The Company reported operational net revenue of Rs. 504.8 Crores, reflecting magnificent year-on-year growth of 31.6% over the Rs. 383.6 Crores recorded in 2024–25. Despite a challenging market environment in the global watch industry, geo-political conflicts, uncertain economic environment and tariff issues, all business units recorded healthy growth over the previous year.

This performance was driven mainly by the growth of our precision engineering business, newly commenced bracelet and packaging units. Watch component business comprising watch hands and watch dials also witnessed value growth due to major Rupee depreciation during the year and enhanced volumes in domestic market. The precision engineering business continued its journey of healthy growth majorly in the international markets. Focused efforts to expand its international footprint, sharpen its competitive edge, and deepen client relationships translated into tangible market share gains. KDDL's consistent emphasis on product quality, operational agility, enhanced capabilities and product range, and the ability to anticipate and respond to evolving customer needs remained central to its success.

KDDL delivered strong performance in 2025–26, recording a robust growth of 40.9% in exports turnover while domestic revenue witnessed growth of 13.3%.

At the core of KDDL's operations, the watch component segment continued to be the primary revenue driver. During the year this segment also included the revenue from our new business unit for manufacture of steel bracelets. The revenue from the watch component segment grew by 31.3% during the year majorly due to an increase in revenue from bracelet business by 214%. Its share of total revenue dipped marginally from 55.4% to 55.3%. While domestic revenue in this segment grew by 20.9%, export sales witnessed growth of 35.5%. The growth in exports market was primarily due to higher capacity utilisation in bracelet business and incremental revenue due to Rupee depreciation. The growth in domestic revenue was due to improved market conditions and increase in volumes with major customers from across the country.

The Eigen precision engineering division sustained its momentum as a critical growth driver, achieving 35.6% growth in revenue, driven by a 49.7% increase in exports and modest growth of 4.1% in domestic sales. The compounded revenue growth in last 5 years from 2020–21 to 2025–26 is 40.1%. The segment's export-to-domestic revenue mix improved highlighting a successful strategic shift. Growth was propelled by targeted expansion into high-potential sectors like alternate energy comprising EVs, energy storage solutions, aerospace, automotive, and electricals, reflecting KDDL's adaptive, market-led approach and strong sectoral positioning. The division's order book remains healthy.

The Company's continued collaboration with strategic partners in emerging technologies is expected to drive revenue and profitability growth.

Ornamental packaging division also witnessed healthy growth of 37.3% mainly due to ramp-up in volumes from new production facility which had commenced production during the previous year. The Company is continuously adding new customers with major focus on international brands from their domestic needs to leverage the logistics and warehousing costs.

STRATEGIC PRIORITIES

Looking ahead, the Company's strategic priorities remain focused on:

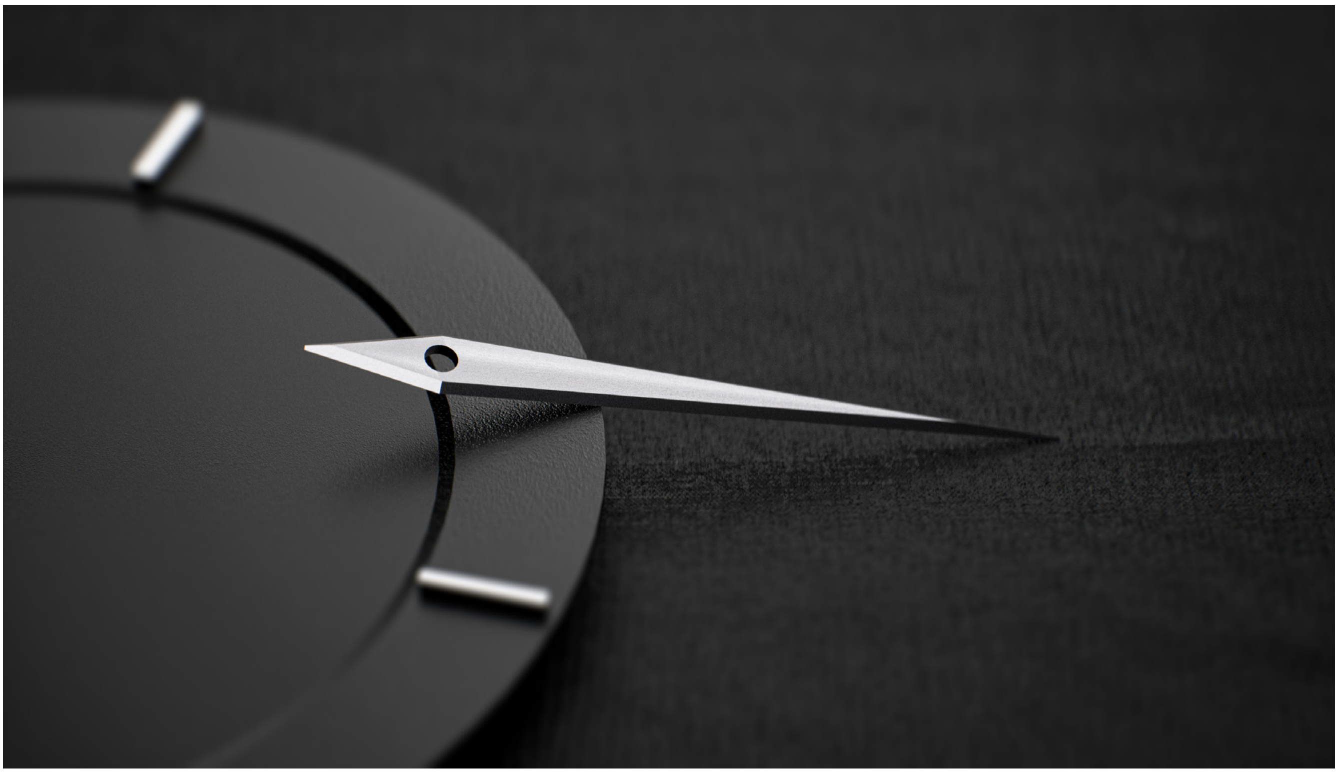
- Expanding the watch component business across global markets, supported by established customer relationships and product capabilities
- Scaling the precision engineering division through increased participation in high-value, application-driven segments
- Strengthening presence in premium ornamental packaging through continued focus on design, quality, and customer alignment
- Enhancing offerings through specialised, high-value products, supported by design capabilities and integration across business units
- Strengthening market outreach and customer engagement across key geographies
- Driving operational efficiency through process optimisation and capacity utilisation

PROSPECTS

Over the past few years, KDDL has continued to focus on increasing its market share both for domestic and exports customers by adding new capabilities, enhanced product offerings, world class quality and delivery with competitive pricing. The Company works closely with key players, aligning its capacity and capabilities to meet demand, with a clear focus on productivity and timely delivery of premium watch components. Backed by strong relationships, efficient delivery models, and agility in operations, KDDL sees a solid opportunity to grow its market share in India. On the export front, long-standing relationships, especially with partners in the Swiss watch industry, remain a major strength. While there has been a slowdown in the Swiss watch industry, recovery is foreseen in the next 6 months. The Company remains cautiously optimistic. It is moving up the value chain by strengthening design capabilities, shortening response times, and ensuring high product quality. The current manufacturing setup is equipped to handle complex export requirements, and planned upgrades should further improve competitiveness. KDDL is also stepping up its brand visibility through better focussed marketing and communication. Feedback from customers has been encouraging, and the Company plans to build on this momentum. KDDL Limited is strategically diversifying both its customer base and product offerings in response to global economic uncertainties and a slowdown in the traditional Swiss watch industry.

The Company is expanding beyond Switzerland into resilient markets such as Japan, the USA, the UK, Italy, and the Middle East, while also exploring opportunities in emerging watchmaking hubs like Germany and Scandinavia. Simultaneously, KDDL is shifting focus towards the mid- to high-value product segment in its watch component business, targeting higher-margin growth and greater customer value.

The Company plans to increase the capacity of steel bracelet factory to tap new customer groups and markets in the coming year. In precision engineering, the Eigen division continues to grow its presence in high-complexity, value added components. It is actively focusing on its chosen segments requiring high complexity, skills and capabilities along with high entry barriers. KDDL's internal capabilities and reliability in quality, delivery along with strong engagement with customers give it a clear edge. India's position as a global sourcing hub is strengthening, and KDDL is in a good spot to take advantage of that. With fast development cycles, competitive pricing, and strong engineering capabilities, the Company is becoming a preferred partner for global manufacturers. Internally, efforts to optimise costs, improve productivity, and use capacity more efficiently are paying off. These have helped in maintaining strong EBITDA and PBT margins. With continued investment, a growing product pipeline, and an expanding customer base, KDDL is well-positioned for sustainable growth and long-term success in both domestic and global markets.



KEY FINANCIAL RATIOS

During 2025–26, KDDL delivered a strong financial performance despite a challenging global environment for the luxury watch industry. Revenue growth was supported by continued momentum across watch components, precision engineering, bracelets and packaging businesses, while the Company continued to invest in future growth opportunities.

Operational profitability remained resilient, with the Operating Profit Margin at 18.4% compared with 18.5% in the previous year. Gross Margin stood at 74.9%, reflecting the strength of the Company's value-added manufacturing portfolio and disciplined cost management. Profit Before Tax before exceptional items as a percentage of operational net revenue stood at 15.6%, broadly in line with the previous year despite increased investments in expansion and capability enhancement.

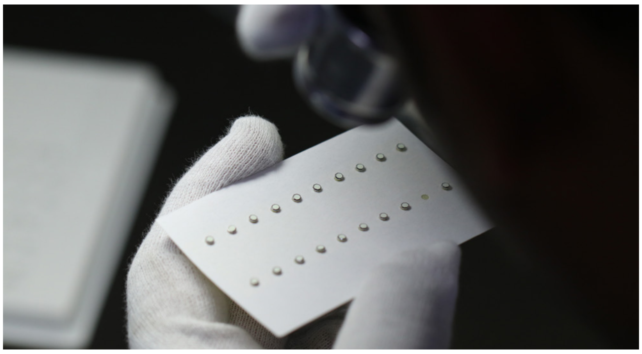
The Company's financial position remained robust. The Interest Coverage Ratio improved to 11.5 times, demonstrating strong debt-servicing capacity supported by healthy operating earnings. The Current Ratio improved to 1.51 times, reflecting a stronger liquidity position, while the Debt-to-Equity Ratio remained stable at 0.29 times, indicating prudent leverage management despite higher borrowings to support growth initiatives.

Working capital metrics remained healthy. While the Debtors' Turnover Ratio moderated to 5.7 times and the collection period increased to 63 days, the movement was largely attributable to higher business volumes and receivables associated with growth across domestic and export markets. Inventory Turnover improved to 1.9 times, with the inventory holding period reducing to 6.3 months, reflecting improved inventory utilisation.

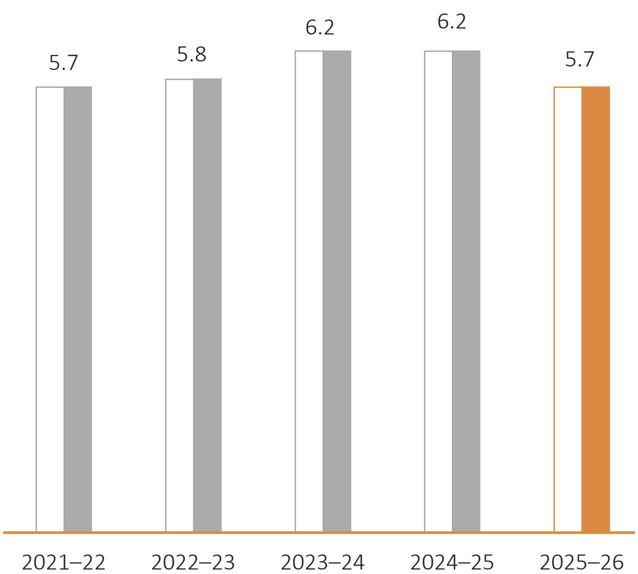
The Company's capital base continued to strengthen, with Shareholders' Funds increasing to Rs. 3,839.2 Million and Return on Net Worth (Overall) improving to 25.1%. These metrics underscore KDDL's ability to generate stronger returns while continuing to invest in capacity expansion, operational capabilities and long-term growth opportunities, thereby reinforcing its financial resilience and value creation potential.

DEBTORS' TURNOVER AND AVERAGE COLLECTION PERIOD

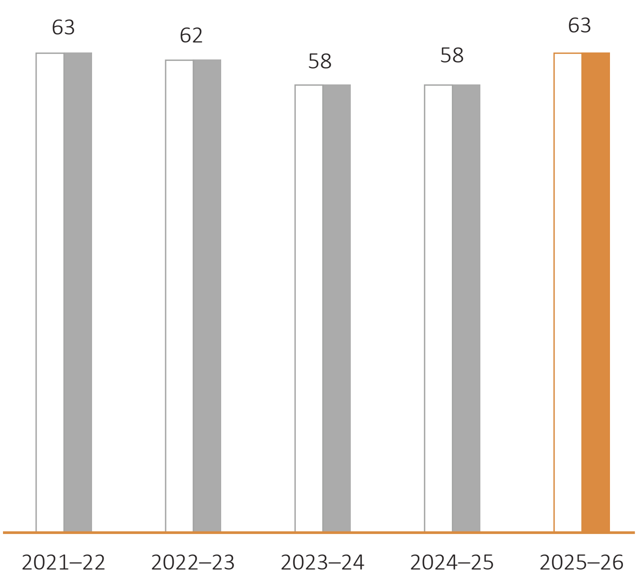
The Debtors' Turnover Ratio moderated to 5.7 times in 2025–26 from 6.2 times in the previous year, while the average collection period increased to 63 days. The movement was primarily driven by a significant increase in revenue, particularly from export markets, bracelets, precision engineering and packaging businesses, resulting in a higher receivables base. The ratio remains at a healthy level, reflecting disciplined credit management despite accelerated business growth.



DEBTORS' TURNOVER (NO. OF TIMES)



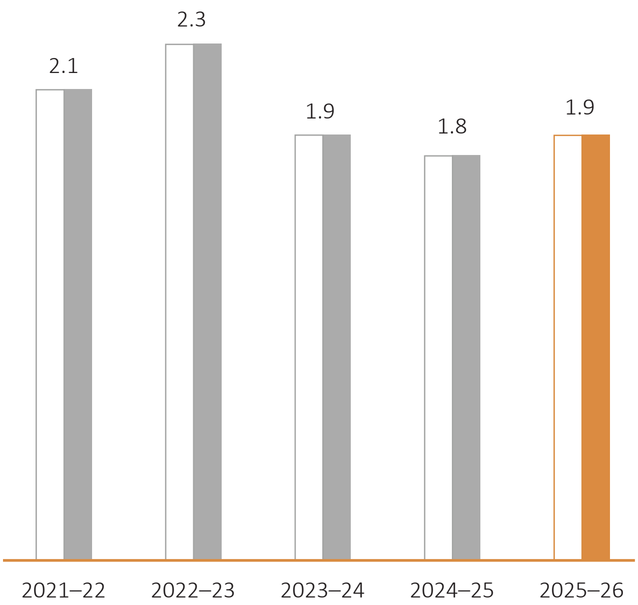
DEBTORS' AVERAGE COLLECTION PERIOD (NO. OF DAYS)



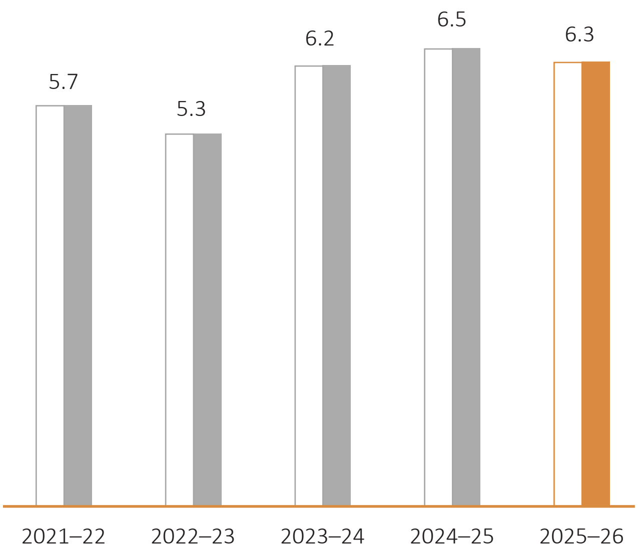
INVENTORY TURNOVER AND AVERAGE INVENTORY HOLDING PERIOD

Inventory Turnover improved marginally to 1.9 times from 1.8 times, while the inventory holding period reduced to 6.3 months from 6.5 months. The improvement reflects better inventory utilisation amid higher production volumes, increased order execution and stronger demand across watch components, precision engineering and bracelet businesses. Strategic inventory build-up to support growth and customer commitments was balanced by efficient inventory management practices.

INVENTORY TURNOVER RATIO (NO. OF TIMES)



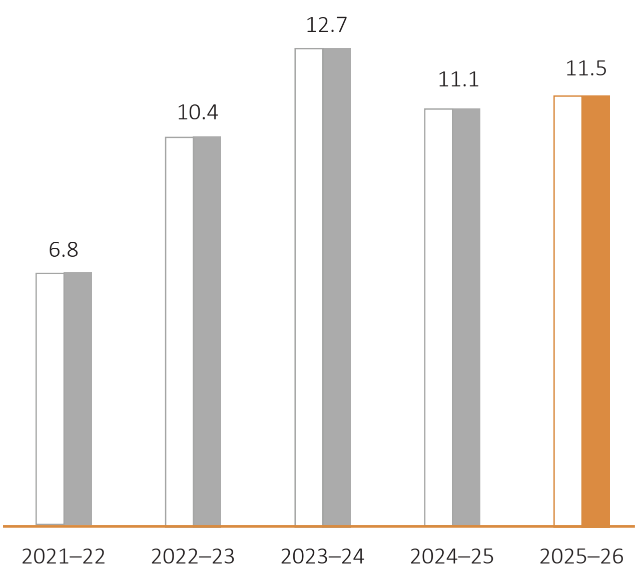
INVENTORY HOLDING PERIOD (NO. OF MONTHS)



INTEREST COVERAGE RATIO

Interest Coverage Ratio improved to 11.5 times from 11.1 times. The increase was supported by stronger operating profitability, driven by growth across key business segments and improved earnings generation. Despite higher borrowings and finance costs associated with ongoing expansion initiatives, operating profits grew at a faster pace, strengthening debt-servicing capability.

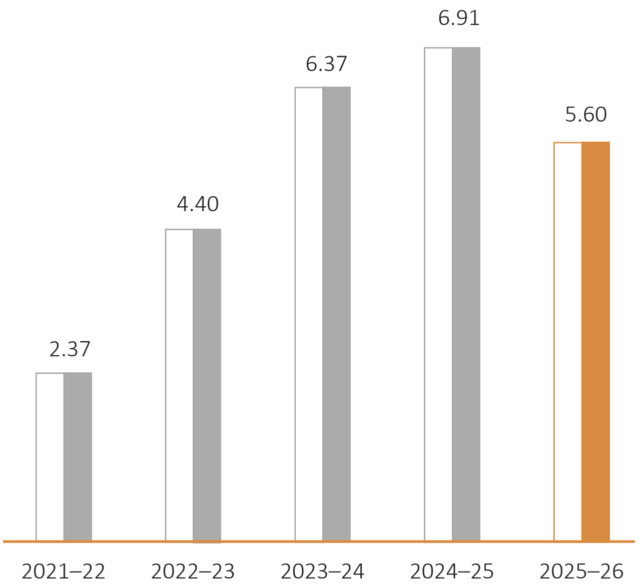
INTEREST COVERAGE RATIO (NO. OF TIMES)

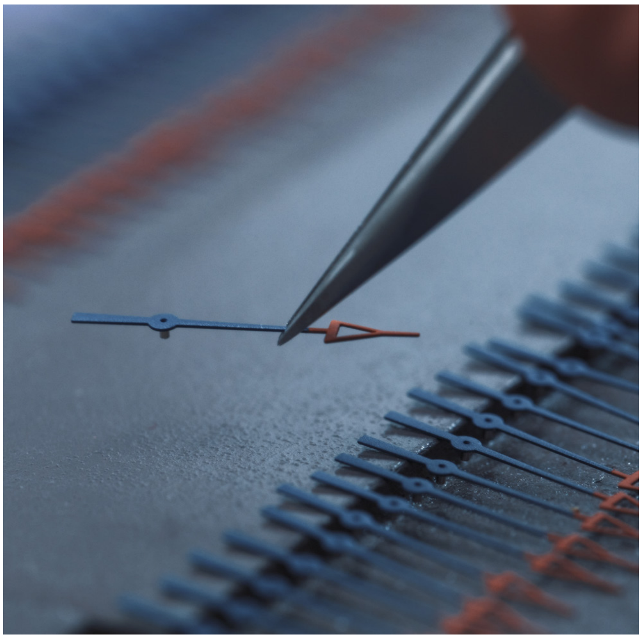


DEBT SERVICE COVERAGE RATIO

Debt Service Coverage Ratio moderated to 5.60 times from 6.91 times. The decline was primarily attributable to higher debt repayments and increased financing commitments linked to capacity expansion, infrastructure enhancement and working capital requirements. Nevertheless, the ratio remained comfortably above industry benchmarks, reflecting strong cash generation and financial resilience.

DEBT SERVICE COVERAGE RATIO (NO. OF TIMES)



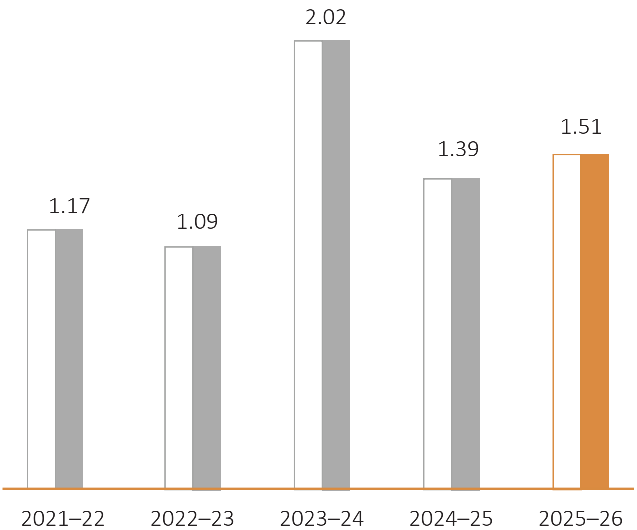


CURRENT RATIO

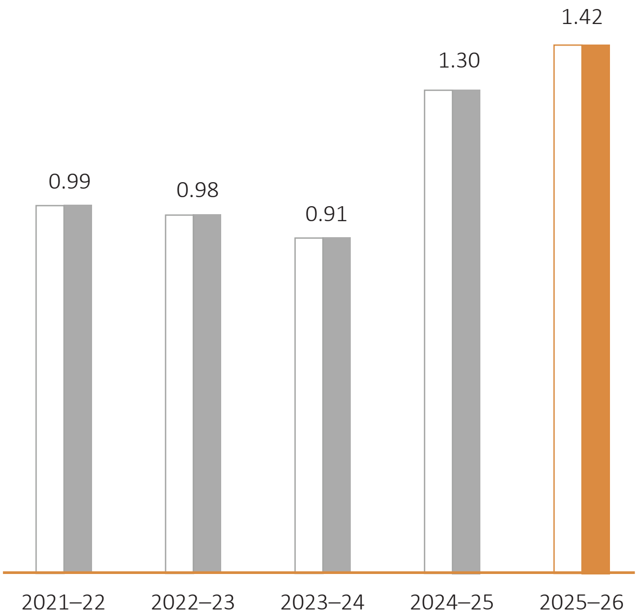
The Current Ratio improved to 1.51 times from 1.39 times. The increase reflects growth in current assets, including inventories, trade receivables and cash balances, in line with expanding business operations. The ratio indicates adequate liquidity to support operational requirements and future growth initiatives.

The adjusted current ratio improved to 1.42 times from 1.30 times. The improvement demonstrates stronger operating liquidity and enhanced working capital management, even after excluding cash and bank balances from the calculation.

CURRENT RATIO (NO. OF TIMES)



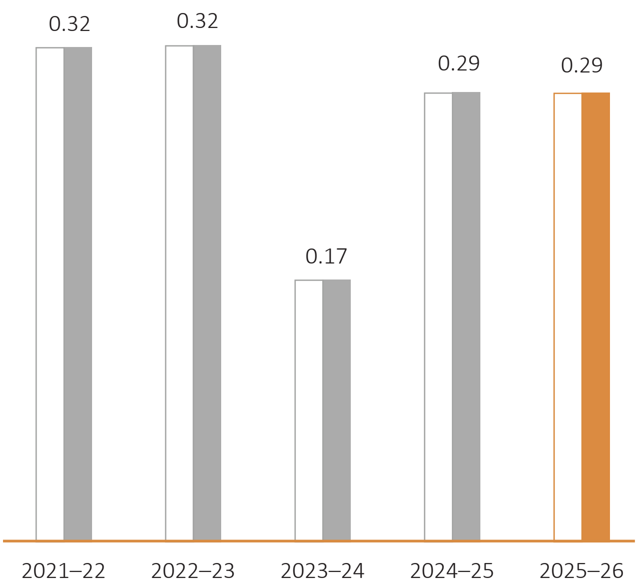
CURRENT RATIO (EXCLUDING CASH AND BANK BALANCES) (NO. OF TIMES)



DEBT-TO-EQUITY RATIO

The Debt-to-Equity Ratio remained stable at 0.29 times despite higher borrowings during the year. Growth in shareholders' funds through retained earnings and improved profitability adequately supported the increase in debt, resulting in a balanced capital structure and prudent leverage position.

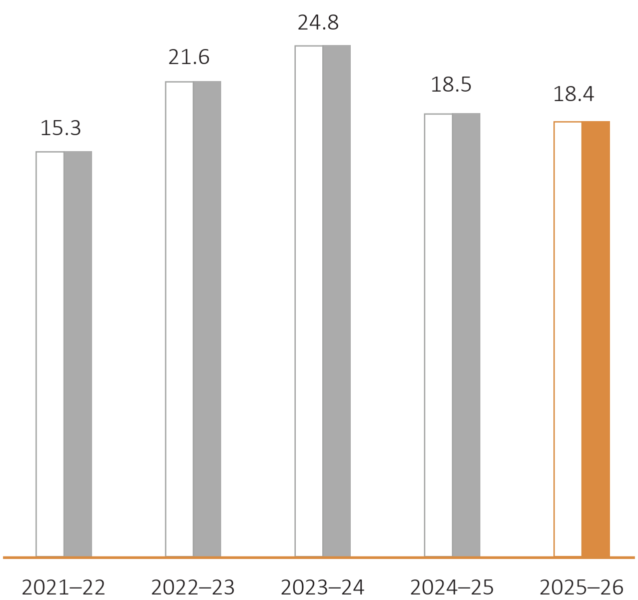
DEBT-TO-EQUITY RATIO (NO. OF TIMES)



OPERATING PROFIT MARGIN

Operating Profit Margin remained largely stable at 18.4% compared with 18.5% in the previous year. The Company maintained profitability despite investments in growth initiatives, changing business mix and ongoing expansion activities. Operational efficiencies and a favourable product portfolio helped offset inflationary and cost pressures.

OPERATING PROFIT MARGIN (%)

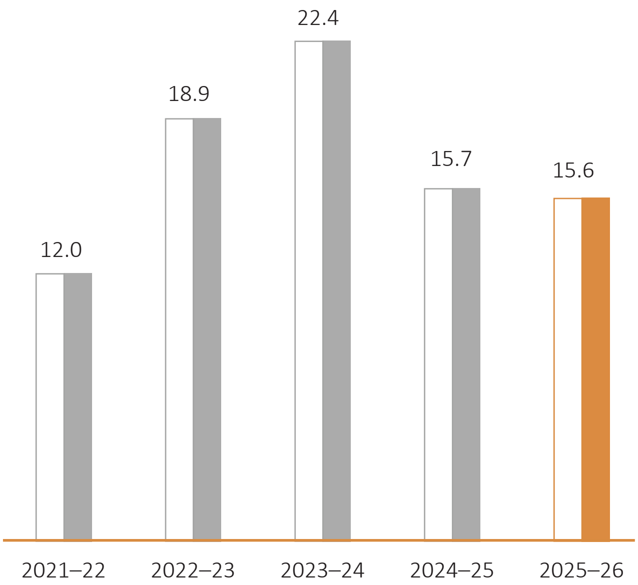


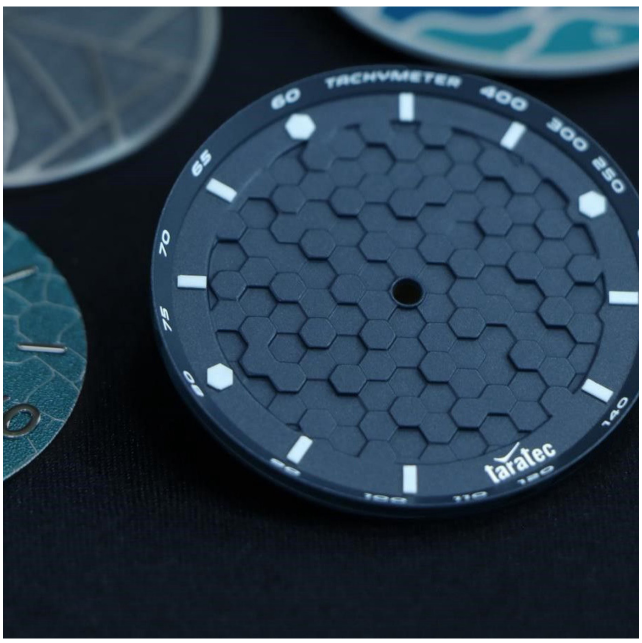
PROFIT BEFORE TAX MARGIN (BEFORE EXCEPTIONAL ITEMS)

Gross Margin stood at 74.9%, demonstrating the Company's ability to sustain value-added manufacturing and maintain pricing discipline. Continued focus on premium watch components, precision engineering products and specialised manufacturing capabilities supported margin stability.

Profit Before Tax Margin before exceptional items remained broadly stable at 15.6% compared with 15.7% in the previous year. Higher revenues and operating profits offset the impact of increased depreciation and finance costs arising from recent capital investments and expansion projects.

PROFIT BEFORE TAX MARGIN (BEFORE EXCEPTIONAL ITEMS) (%)

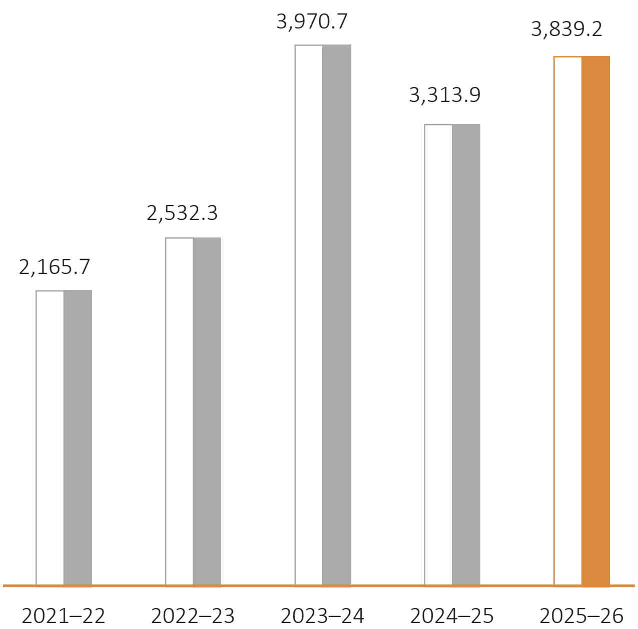


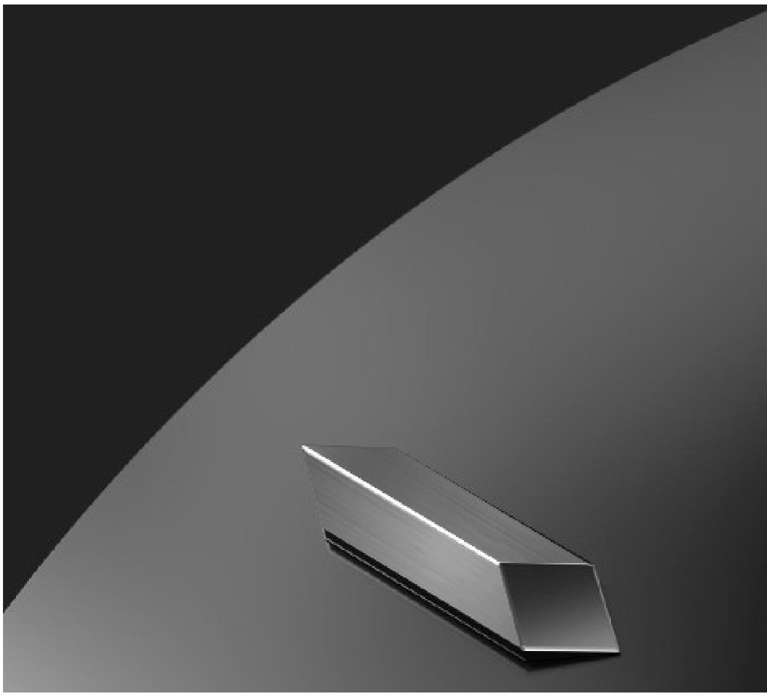


SHAREHOLDERS’ FUNDS

Shareholders’ Funds increased to Rs. 3,839.2 Million from Rs. 3,313.9 Million. The growth reflects profit retention during the year and continued strengthening of the Company’s net worth, providing a stronger foundation to support future expansion and strategic investments.

SHAREHOLDERS’ FUNDS (RS. MILLION)

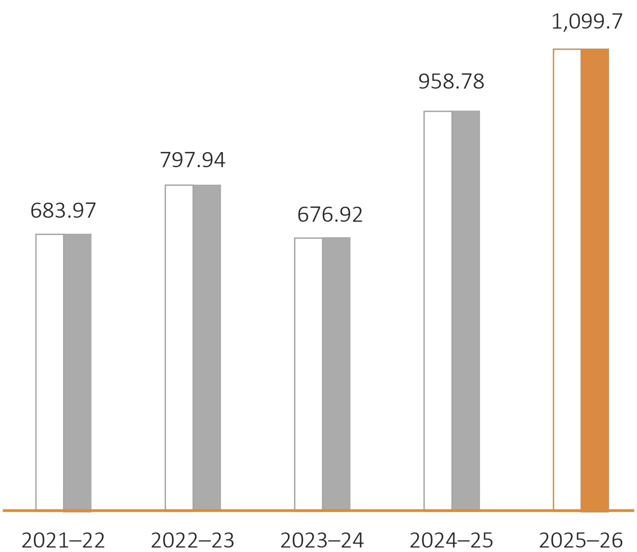




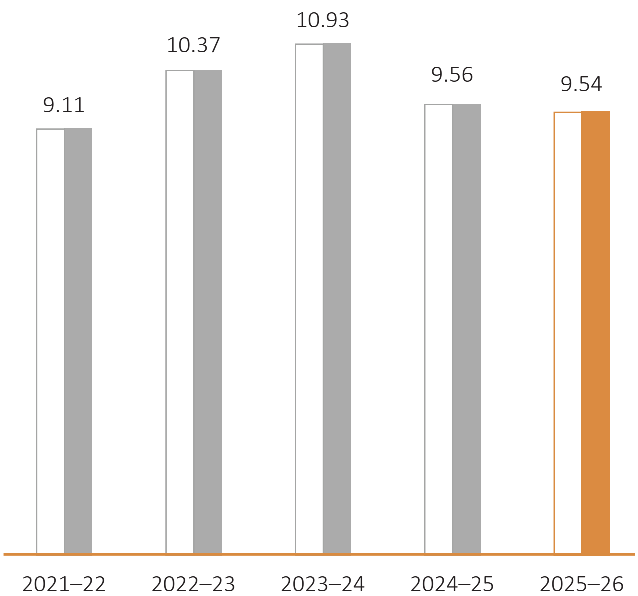
LOAN FUNDS AND COST OF DEBT

Loan Funds increased to Rs. 1,099.7 Million from Rs. 958.8 Million, reflecting borrowings undertaken to support capacity expansion, infrastructure development and working capital requirements. Despite the increase in debt levels, the Cost of Debt remained stable at 9.54%, indicating effective treasury management and access to funding at competitive rates.

LOAN FUNDS (RS. MILLION)

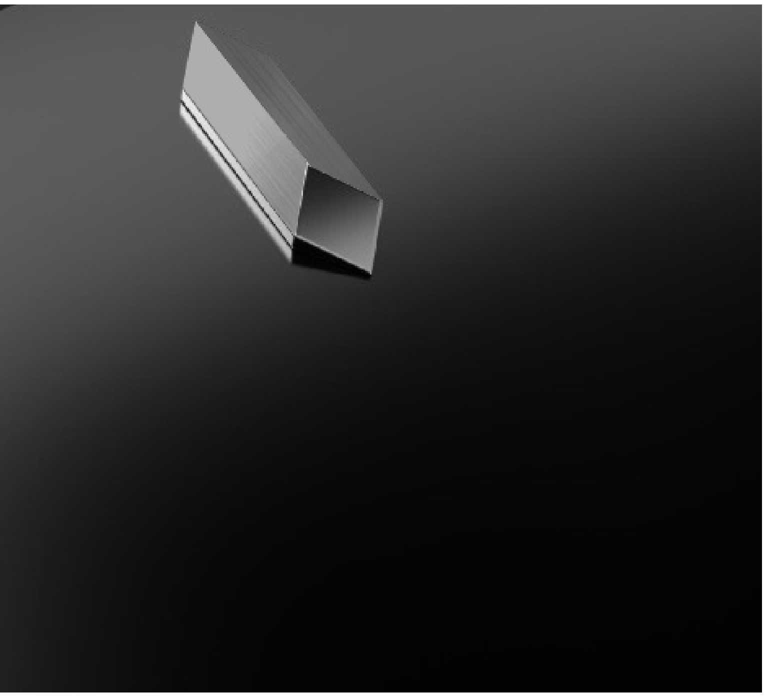


COST OF DEBT (%)

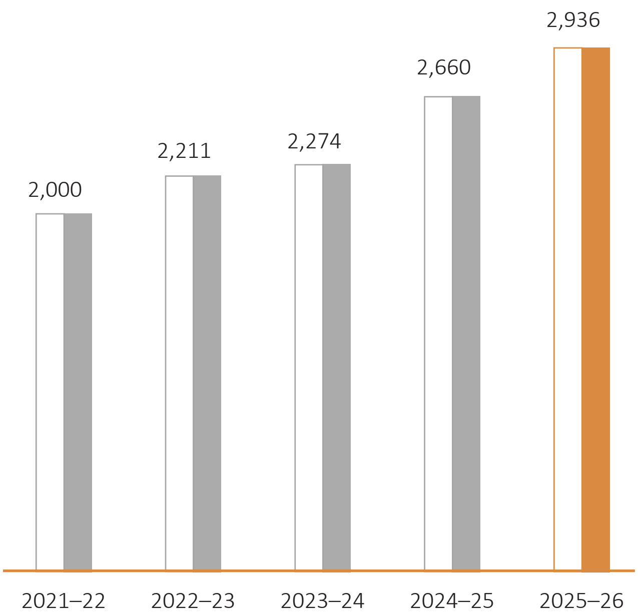


FIXED ASSETS

Tangible Fixed Assets increased to Rs. 2,936 Million from Rs. 2,660 Million. The increase reflects continued investments in manufacturing infrastructure, capacity enhancement, process improvements and technology upgrades across business segments to support future growth opportunities and operational efficiency.



TANGIBLE FIXED ASSETS (RS. MILLION)

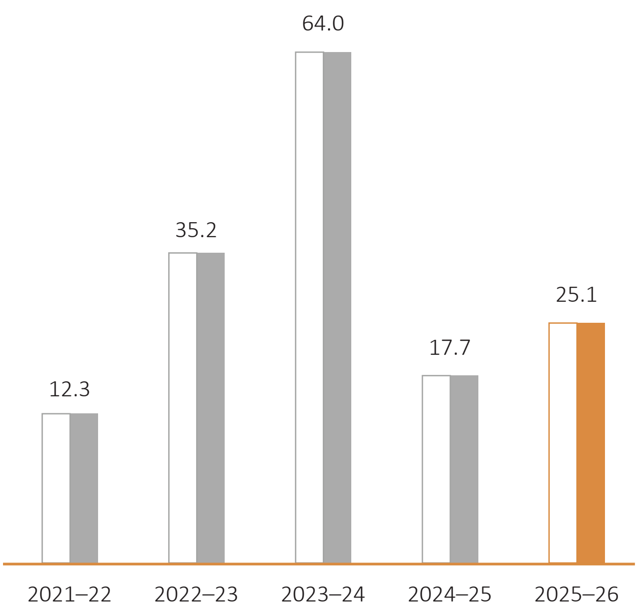


RETURN ON NET WORTH

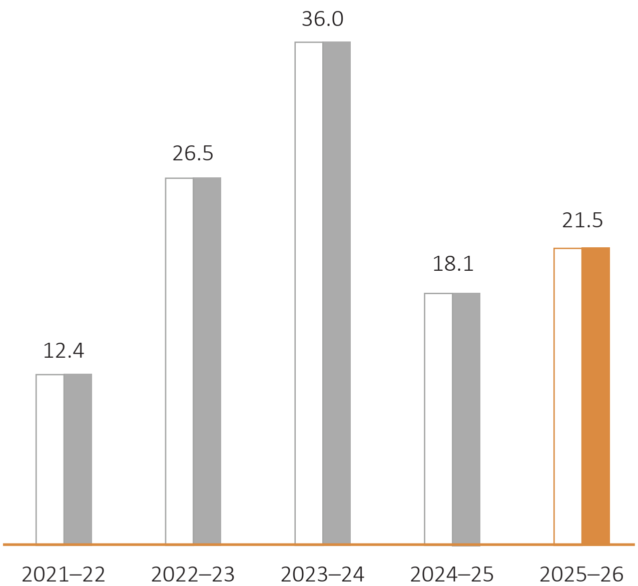
Return on Net Worth (Overall) improved significantly to 25.1% from 17.7%. The increase was driven by stronger profitability, improved earnings generation and better utilisation of shareholders' capital, reflecting the Company's ability to create enhanced value from its equity base.

Operational Return on Net Worth improved to 21.5% from 18.1%. The improvement reflects stronger performance of the core operating businesses, supported by growth across watch components, precision engineering, bracelets and packaging, as well as improved operational efficiency and capital productivity.

RETURN ON NET WORTH (OVERALL) (%)



RETURN ON NET WORTH (OPERATIONAL) (%)



ETHOS LIMITED

During FY 2025-26, Ethos Limited delivered strong top-line growth, even as profitability was tempered by external cost pressures. On a standalone basis, turnover (including other income) rose to Rs. 1,65,311.97 Lacs, an increase of approximately 29.5% over Rs. 1,27,651.39 Lacs in the previous year, while consolidated turnover grew by a comparable margin to Rs. 1,65,840.54 Lacs. This growth was led by a deliberate shift towards the luxury and high-luxury segments, volume growth, and the continued scaling of the certified pre-owned (CPO) business.

Profitability reflected a more demanding operating environment. Standalone profit before tax and profit after tax moderated to Rs. 12,746.95 Lacs and Rs. 9,492.23 Lacs respectively (from Rs. 13,155.29 Lacs and Rs. 9,825.41 Lacs), while on a consolidated basis profit before tax rose to Rs. 13,085.16 Lacs and profit after tax (after minority interest) stood at Rs. 9,476.52 Lacs. Margins were affected principally by the sharp appreciation of the Swiss Franc against the Rupee, up over ~23% during the year and crossing Rs. 120 in January 2026, which increased the cost of imported inventory, together with higher marketing investment and the upfront costs of an accelerated pace of boutique expansion. Consequently, the operating profit margin moderated to 9.55% and the net profit margin to 5.89%. Earnings per share of Rs. 36.27 (standalone) and Rs. 36.21 (consolidated) additionally reflect the enlarged equity base following the rights issue undertaken during the year.

Operationally, the Company expanded its boutique network from 73 to 94 boutiques across 30 cities (103 boutiques across 34 cities as on date), deepened its omnichannel capabilities, strengthened its after-sales service vertical, and added new brand partnerships across its luxury and high-luxury portfolio — including the reorganisation of its lifestyle vertical, comprising the Messika and Rimowa businesses, under a dedicated entity, Ethos Lifestyle Private Limited. These initiatives supported higher footfalls, a richer product mix, and stronger customer engagement.

The Company's Balance Sheet strengthened materially during the year. The current ratio improved to 5.48 times (from 4.97), reflecting a more robust liquidity position, while the debt-equity ratio eased to 0.21 times (from 0.28), aided by the equity raised through the rights issue. The Debtors Turnover Ratio improved to 90.54 times (from 73.99), reflecting efficient receivables management, and the Inventory Turnover Days improved to 222 days (from 246) reflection of better inventory management. The Interest Coverage Ratio moderated to 5.80 times (from 7.78), primarily on account of lower operating profit and higher finance costs associated with lease liabilities recognised on new boutiques under Ind AS 116.

Overall, the Company's performance reflects healthy operational execution and disciplined balance-sheet management, even as currency and expansion-related costs weighed on near-term margins. The management remains focused on long-term value creation through profitable and sustainable growth.

FAVRE LEUBA

The Company also witnessed encouraging traction from Favre Leuba, the iconic Swiss heritage watch brand owned through Silvercity Brands AG. The brand expanded rapidly across international markets, achieved strong sell-through performance, and continued to strengthen its global footprint through new product introductions and expanded points of sale.

Despite currency-related headwinds arising from Swiss Franc appreciation and continued investments towards future growth, Ethos maintained healthy profitability and remained focused on long-term value creation through market leadership, customer experience, disciplined execution, and strategic expansion. The management remains confident of sustaining strong growth momentum while further strengthening its position within India's rapidly expanding luxury consumption landscape.

RISKS, THREATS AND CONCERNS

KDDL recognises risk as an integral part of business management and treats it as a key input in decision-making, control design, and long-term planning. The Company has established a structured risk management framework that supports timely identification, assessment, monitoring, and mitigation of risks across its operations. This framework is designed to protect business continuity, support compliance, and strengthen value creation. Oversight by the Board ensures that the approach remains current, practical, and aligned with the Company's operating environment.

The risk management philosophy is embedded across the organisation and encourages accountability at all levels. Employees are expected to remain alert to emerging risks, report concerns early and respond with discipline and clarity. This culture supports a balanced approach to risk recognition and mitigation, enabling the Company to adapt to changing conditions while maintaining operational resilience.

General Risk Management

KDDL follows a proactive approach to managing day-to-day business risks arising from market conditions, operational variables, and external developments. The Company monitors these factors regularly and takes suitable measures to support continuity, efficiency, and performance stability. This approach helps the organisation remain prepared and responsive in a changing business environment.

Macroeconomic and Regulatory Risks

The Company operates in an environment shaped by macroeconomic movements, regulatory developments, tax changes, and policy updates. KDDL closely tracks these factors to assess their potential impact on business planning, compliance, and execution. By maintaining regular monitoring and internal review processes, the Company remains better positioned to adjust operations and support business flexibility.

Environmental and Disaster-related Risks

KDDL remains mindful of risks arising from natural events, operational disruptions, and other unforeseen incidents. The Company has put in place suitable systems and preparedness measures to support business continuity and reduce the impact of such events. In addition, insurance coverage and operational safeguards provide an added layer of protection across facilities and operations.

Market Risks

The Company is exposed to market-linked risks, including changes in demand, shifts in consumer preferences, competitive pressures, and economic volatility. These conditions can affect business performance and planning visibility. To address these factors, KDDL follows an agile operating model that supports timely adjustments in line with market conditions and helps sustain business resilience.

Risk Category	Description of Risk	Mitigation Strategy
Demand Variability in Watch Segment	Changes in economic conditions and evolving consumer preferences may influence demand across the watch segment, including premium categories. Variations in discretionary spending can impact sales volumes and product mix.	The Company continues to strengthen its product portfolio through design, innovation, and expanded offerings aligned with evolving consumer preferences. A calibrated pricing approach and focus on premium positioning support market relevance and demand stability.
Customer Concentration	A significant portion of the Company's business is derived from a defined set of key customers across domestic and international markets, including Switzerland. This concentration may influence revenue visibility and order flow.	KDDL is focused on expanding its customer base by strengthening relationships with existing partners and engaging with new customers across geographies. This approach supports diversification while maintaining continuity in business operations.
Segment Concentration	A considerable share of revenue continues to be generated from the watch components segment. While this reflects domain strength, it also increases reliance on a specific business line.	The Company continues to scale its precision engineering components business and explore opportunities across adjacent sectors. This supports diversification of revenue streams and enhances overall business balance.
Foreign Exchange Exposure	With a significant share of revenue linked to exports, the Company remains exposed to fluctuations in foreign exchange rates, particularly the Swiss Franc and US Dollar. Currency movements may influence revenue realisation and margins.	The Company manages currency exposure through a combination of natural hedging, currency alignment between imports and exports, and appropriate financial strategies. This approach supports stability in earnings and financial performance.
Talent Availability and Retention	The business requires skilled talent across manufacturing and retail operations. Competition for experienced professionals may influence hiring and retention, particularly in specialised roles.	KDDL continues to strengthen its human resource practices through structured hiring, training, and development initiatives. Competitive compensation structures and employee engagement programmes support talent retention and capability building.

HUMAN RESOURCES MANAGEMENT

KDDL continues to recognise its people as a core driver of long-term value creation and operational strength. The Company follows a structured and strategic approach to human resource management, focused on attracting, developing, and retaining talent across functions. Emphasis remains on building capabilities, supporting continuous learning, and aligning workforce development with business requirements.

During the year, the Company strengthened its talent development initiatives through focused training programmes, role-based skill enhancement, and structured learning interventions. Leadership development and succession planning remain integral to building organisational depth, while job rotations and cross-functional exposure support capability building across teams. External partnerships and domain-specific training programmes continue to align internal competencies with evolving industry practices.

KDDL maintains a proactive approach to talent acquisition, ensuring the availability of skilled resources across key operational and strategic areas. Internal talent is supported through targeted development initiatives, enabling progression and role readiness. The Company continues to foster a collaborative and inclusive work environment, supported by structured engagement, recognition, and performance-linked feedback mechanisms.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

KDDL maintains a strong internal control framework supported by clearly defined systems, policies, and procedures covering key operational areas. These controls are designed to support the accuracy and reliability of financial reporting, ensure compliance with applicable laws and regulations, safeguard assets, and align operations with both strategic and business objectives. The framework is built on documented standard operating procedures that are reviewed and updated periodically to reflect changes in business requirements, market conditions, and governance expectations.

The internal audit function operates independently and follows a risk-based annual audit plan approved by the Audit Committee. This enables regular monitoring of internal controls, operating processes, and compliance with established procedures. The internal auditor provides objective assessments to the Audit Committee and the Board on the effectiveness of controls, risk management, and governance practices.

Senior management reviews the observations and recommendations arising from internal audits and oversees corrective actions where required. Regular interaction among management, the Audit Committee, statutory auditors, and internal auditors helps maintain oversight of financial reporting, accounting practices, and control mechanisms. This process supports continuous improvement across business segments and reinforces alignment with the Company's long-term objectives.

CAUTIONARY STATEMENT

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, and others may constitute 'forward-looking' statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Principal factors that could make a significant difference to the Company's operations and actual results include among others, government regulations, statutes, tax laws, economic developments within India and countries in which the Company conducts businesses, litigations, and other allied factors.

NOTICE

KDDL LIMITED

(CIN- L33302HP1981PLC008123)
Registered Office: Plot No 3, Sector-III, Parwanoo, Distt. Solan, (H. P)-173220
Email: investor.complaints@kddl.com; Website: www.kddl.com
Phone: 0172-2548223/24 & 27, Fax: 0172-2548302

NOTICE is hereby given that 46th Annual General Meeting (AGM) of KDDL Limited will be held on Tuesday, 15th September, 2026 at 03:00 p.m. IST 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 Registered Office of the Company at Plot No 3, Sector-III, Parwanoo, District Solan, (H.P)-173220 which shall be deemed to be the venue of the AGM.

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company (Standalone as well as consolidated) for the financial year ended 31st March 2026 the reports of the Board of Directors and Auditors thereon.**

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

   "**RESOLVED THAT** Audited Financial Statements of the Company (Standalone as well as Consolidated) for the financial year ended 31st March 2026 (including the Balance Sheet as at 31st March 2026 and Statement of Profit and Loss and the Cash Flow Statement for the year ended 31st March 2026) along with the Report of the Board and the Auditors' Report thereon, as circulated to the Members and placed before the Meeting, be and are hereby, received, considered and adopted."

2. **To confirm the payment of Interim Dividend of Rs. 15 per equity share (150%) of face value of Rs. 10 each for the financial year 2025-26 and to declare final dividend of Rs. 8 per equity share (80%) for the financial year ended 31st March 2026.**

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

   "**RESOLVED THAT** the interim Dividend of Rs. 15 (Rs. Fifteen only) per equity share (150%) of Rs. 10/- each, absorbing Rs. 18,44,89,200/- paid to the shareholders for the financial year 2025-26, as per the Resolution passed by the Board of Directors at its meeting held on 10th November 2025 be and is hereby noted and confirmed."

   "RESOLVED FURTHER THAT payment of Final Dividend of Rs. 8 (Rs. Eight only) per equity share (80%) of Rs. 10/- each, absorbing Rs 9,83,94,240/- out of current year's profit be and is hereby declared and the same be paid as recommended by Board of Directors, to those Equity shareholders whose names appear on the Register of Members of the Company as on Tuesday, 8th September, 2026 being record date, fixed for this purpose."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Mr. Sanjeev Kumar Masown, Whole Time Director-cum- Chief Financial Officer or Mr. Brahm Prakash Kumar, Company Secretary be and are hereby severally authorised to do all such acts, deeds, things and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

3. **To re-appoint Mr. Sanjeev Kumar Masown (DIN: 03542390) who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.**

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

   "**RESOLVED THAT** Mr. Sanjeev Kumar Masown (DIN: 03542390) of the Company, who retires by rotation in terms of the provisions of Section 152 of the Companies Act, 2013 or other applicable provisions, if any, read with Articles of Association of the Company and being eligible has offered himself for re-appointment, be and is hereby, re-appointed as Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. **Approval for Incentive Payout to Mr. Yashovardhan Saboo (DIN – 00012158), Chairman and Managing Director of the Company for the financial year 2025-26.**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder read with Schedule V of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all other applicable laws including any statutory amendment(s), modification(s), variation(s) or reenactment(s) thereof, for the time being in force), pursuant to the recommendations of the Nomination & Remuneration Committee, Audit Committee and Board of Directors and subject to all necessary statutory approvals/permissions, if any, and such conditions and modifications as may be prescribed by the approving/ consenting authority(ies) while granting such approvals/ permissions, consent of the Members of the Company be and is hereby accorded for one time Incentive Payout of Rs. 61.71 Lacs (Rs. Sixty One Lacs and Seventy One Thousand only) which is over and above the total amount of remuneration as approved by the Shareholders of the Company, to Mr. Yashovardhan Saboo (DIN: 00012158), Chairman and Managing Director of the Company for the financial year ended 31st March 2026, upon such terms and conditions which may be decided, altered, modified by the Board of Directors (including its committee thereof) of the Company in accordance with all applicable provisions of laws and in the best interest of the Company."

"**RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient in this regard."

5. **Approval for Incentive Payout to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year 2025-26.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder read with Schedule V of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re- enactment(s) thereof, for the time being in force), pursuant to the recommendations of the Nomination & Remuneration Committee, Audit Committee and Board of Directors and subject to all necessary statutory approvals/ permissions, if any, and such conditions and modifications as may be prescribed by the approving/consenting authority(ies) while granting such approvals/permissions, consent of the Members of the Company be and is hereby accorded for one time Incentive Payout of Rs. 49.04 Lacs (Rs. Forty Nine Lacs and Four Thousand only) which is over and above the total amount of remuneration as approved by the Shareholders of the Company, to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year ended 31st March 2026 , upon such terms and conditions which may be decided, altered, modified by the Board of Directors (including its committee thereof) of the Company in accordance with all applicable provisions of laws and in the best interest of the Company."

"**RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient in this regard."

6. **Authorisation for borrowings by way of Unsecured Fixed Deposits from the Shareholders of the Company.**

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

"**RESOLVED THAT** in accordance with the provisions of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 ("the act") and the rules made there under (including any statutory modification (s) thereof for the time being in force), approval of the Shareholders of the Company, be and is hereby accorded to the Board of Directors of the Company to borrow money(s) from its shareholders by way of Unsecured Fixed Deposits subject to compliance of all the conditions and maximum limits as stated under Section 73 of the act or any other applicable provisions of the act read with rules made thereunder."

"**RESOLVED FURTHER THAT** the Deposits accepted by the Company, may be cumulative or non-cumulative as per the scheme framed by the Company and carrying such rates of interest specified in the Circular to be specifically approved by the Board of Directors of the Company."

"**RESOLVED FURTHER THAT** the Board of Directors, be and is hereby, specifically authorised to do all such acts, deeds and things as may be necessary to give effect to the above resolution and to settle any question, difficulty or doubt that may arise in this regard."

7. **Ratification of Remuneration to Cost Auditor for the financial year 2026-27.**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies

Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration payable to M/s Khushwinder Kumar & Co., Cost Accountants (FRN: 100123) appointed by the Board of the Company to conduct the audit of cost records pertaining to electricals or electronic products and tools of the Company for the financial year 2026-27 amounting up to Rs. 1 Lac (Rs. One Lac only) plus GST & out of pocket expenses incurred in connection with the audit, be and is hereby ratified and confirmed."

"**RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient to give effect to this resolution."

For and on behalf of the Board of Directors

Brahm Prakash Kumar
Company Secretary
Membership no. : F7519

Date: 4th August 2026
Place: Chandigarh

KDDL Limited
CIN – L33302HP1981PLC008123
Registered office – Plot no. 3, Sector III,
Parwanoo-173 220, Himachal Pradesh
Corporate office – S.C.O. 88-89, Sector 8 C
Madhya Marg, Chandigarh 160 009
Website – www.kddl.com
E-mail – investor.complaints@kddl.com

NOTES:

1. In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular No. 03/2025 dated 22nd September 2025 issued by the Ministry of Corporate Affairs ("MCA") and such other applicable circulars issued by MCA and SEBI ("the Circulars") read with the provisions of the Listing Regulations, companies are allowed to hold AGM through video conference or other audio visual means ("VC/OAVM"), without the physical presence of members at a common venue. Accordingly, the AGM of the Company is being held through VC/OAVM without the physical presence of the Members at a common venue. The Registered Office of the Company shall be deemed venue of 46th AGM of the Company
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 7 of the Notice, is annexed hereto.
3. Since this AGM is being held through Video Conferencing / Other Audio Visual Means, (a) Members will not be able to appoint proxies for the meeting, and (b) Attendance Slip and Route Map are not annexed to this Notice.
4. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website www.kddl.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL www.evoting.nsdl.com
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. In accordance with Secretarial Standard -2 on General Meetings issued by institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standard-1 and 2 dated 15th April 2020 issued by the ICSI ,the proceeding of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be deemed venue of the AGM.
6. The Record Date fixed for the purpose of determining entitlement of the Members to the Final Dividend for the financial year ended 31st March 2026 is Tuesday, 8th September 2026.
7. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and are desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company/RTA.
8. In accordance with Regulation 40 of the SEBI (LODR) Regulations, 2015, as amended, all requests for transfer of securities shall be processed only if the securities are held in dematerialised form. Therefore, Members holding shares of the Company in physical form are requested to kindly get their shares dematerialised in case they wish to transfer their shares since physical transfer/issuance of equity shares has been disallowed by SEBI. Members can contact Company's RTA at investor@masserv.com for assistance in this regard. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 has mandated the Listed Companies to issue securities in dematerialised 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 can be downloaded from the website of RTA of the Company at https://www.masserv.com/downloads.asp
9. In accordance with the provisions of Section 124 of the Companies Act, 2013 and rules made their under, the amount of dividend remaining unpaid or unclaimed 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. In terms of the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amount lying with the Company on its website.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc for shares held in electronic form to their Depository Participants (DPs) and for shares held in

physical form to the Company/ Registrar and Transfer Agents (RTA) in prescribed Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) the format of which can be downloaded from the website of RTA of the Company at https://www.masserv.com/downloads.asp.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ RTA.

12. As required under regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant details of Director retiring by rotation and seeking re-appointment at the ensuing AGM are furnished as annexure A to this notice of AGM.

13. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he/ she may submit the same in Form ISR3 or Form SH-14. The said form can be downloaded from the website of RTA of the Company at https://www.masserv.com/downloads.asp. Members are requested to submit the said form to their Depository Participant in case the shares are held in dematerialised form and to the Company's RTA at investor@masserv.com in case the shares are held in physical form.

14. Dividend income on equity shares is taxable in the hands of shareholders, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates in accordance with the provisions of the Income Tax Act, 1961 ("IT Act") read with amendments thereof. The shareholders are requested to update their PAN with the Company/Registrar & Transfer Agents viz. M/s MAS Services Limited ("RTA") (in case of shares held in physical form) and with the Depositories/Depository Participants ("DPs") (in case of shares held in demat form).

15. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

16. The Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or Arrangements in which the Directors are interested and all other documents referred to in the accompanying Notice will be available for inspection by the Members. Members seeking to inspect such documents physically can inspect at the registered office of the Company on all working days, except Saturdays and Sundays, between 11.00 a.m. to 1.00 p.m. up to the last date of remote e-voting. The Members are requested to send a request through e-mail on investor.complaints@kddl.com with folio no. or DP/ Client Id at least three working days in advance.

17. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

18. 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 e-mail address mentioning their name, DP ID and Client ID/ folio no. mobile number along with their queries at investor.complaints@kddl.com at least 7 working days before the date of AGM. Those Members who have registered themselves as a speaker will 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.

19. **Remote E-voting:**

    (a) In compliance with the provisions of Sections 108 and 110 of the Act, read with the Companies (Management and Administration) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to offer E-voting facility to its Members, to enable them to cast their votes electronically. The Company has appointed National Securities Depository Limited (NSDL) i.e. www.evoting.nsdl.com for facilitating e-voting to enable the members to cast their votes electronically (hereinafter referred to as the "Remote e-voting").

    (b) The voting period begins on Friday, 11th September 2026 at 09.00 A.M (IST) and ends on Monday, 14th September 2026 at 5:00 p.m. (IST). During this period, members of the Company holding equity shares either in physical form or in dematerialised form, as on the cut-off date i.e. Tuesday, 8th September 2026 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

(c) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Tuesday, 8th September 2026 being the cut-off date fixed for the purpose. (d) The procedure for remote e-voting is as under:

(d) The procedure for remote e-voting is as under:

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/ SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
	3. 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
	4. 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 hold 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.
	5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. 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. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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 shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

4. Your User ID details are given below :

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

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

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

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

   c) How to retrieve your 'initial password'?

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

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

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

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

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

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

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

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.

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. 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.
2. 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 and 022 - 2499 7000 or send a request to Mr. Amit Vishal, Deputy Vice President at evoting@nsdl.com

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

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

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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may

retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor.complaints@kddl.com. The same will be replied by the Company suitably.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4 & 5

The Nomination & Remuneration Committee (NRC) of the Board of Directors of the Company at its meeting held on 28th July 2022 had approved a policy and guidelines for the additional incentive payout for the distribution of excess operational profit compared to the financial budget and previous year actual profit with all eligible employees (above manager level) including Executive Directors of the Company. The main spirit and objective of the policy is to share fixed percentage of the excess profits to reward and motivate the employees for their contribution, efforts and hard work leading to higher and better performance.

As per the policy approved by NRC, this additional incentive is to be paid to all eligible employees in managerial and leadership grades in proportion to their variable incentive linked to respective business segments and Company's actual financial performance vis-a-vis budget and previous financial year.

As per these guidelines, the excess operational profit is already distributed to all eligible employees (except Executive Directors) covered under the scheme as one-time payment. However, the additional incentive payout to Mr. Yashovardhan Saboo and Mr. Sanjeev Kumar Masown is still not paid due to the maximum limit of remuneration already approved by the Shareholders.

During the previous financial year ended 31st March 2026, Company's operational performance and normalized operational profit before tax was significantly higher by Rs. 27.6 Crores compared to the actual performance of 2024-25 and also higher than the financials budgets by Rs. 18.5 Crores for 2025-26.

Accordingly, the Board of Directors of the Company, pursuant to the recommendations of Nomination and Remuneration Committee (NRC) and Audit Committee, at its meeting held on 19th May 2026 and subject to the approval of Shareholders, recommended one time Incentive Payout for Mr. Yashovardhan Saboo and Mr. Sanjeev Kumar Masown which is applicable to all managerial staff.

The proposed incentive payout (as detailed above) for the year ended 31st March 2026, duly recommended by the Board of Directors pursuant to the recommendations of Nomination and Remuneration Committee and Audit Committee, at its meeting held on 19th May 2026 is over and above the limits already approved by the Shareholders, payment of which requires Shareholders' approval and the same is being sought now in ensuing Annual General Meeting of the Company by way of Special Resolution, in accordance with the provisions of Section 197, Schedule V and all other applicable provisions of the Companies Act, 2013 and Listing Regulations.

NOTICE (CONTD.)

Details of proposed incentive amount for the financial year ended 31st March 2026 are given below:

Sr. No	Name & Designation	Incentive Amount for the financial year ended 31st March 2026 (Rs. in Lacs) for approval of the shareholders
1	Mr. Yashovardhan Saboo – Chairman & Managing Director	61.71
2	Mr. Sanjeev Kumar Masown – Whole time Director cum CFO	49.04

The following additional information as required under Part II Section II of Schedule V of the Companies Act, 2013 is being furnished hereunder:

I. GENERAL INFORMATION:

1) Nature of Industry:

The Company is in the business of manufacturing watch components (watch dials, watch hands, indexes and bracelets), ornamental packaging, precision engineering components and press tools.

2) Date or expected date of commencement of commercial production:

6th February 1981

3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

4) Financial performance based on given indicators:

Amount (Rs. in Lacs)

	Standalone		
Particular	2025-26	2024-25	2023-24
Total Income	52,406.00	38,363.45	55,369.61
Profit/ (Loss) before tax	9,646.00	5,879.85	25,401.03
Profit/(Loss) after tax	7,660.00	6,923.13	22,004.96

5) Foreign investments or Collaborators, if any

The Company does not have any foreign collaborations as on the date of this Notice. The Company has made investments in the following overseas subsidiaries, as detailed below:

(Rs. in Lacs)

Sr. No.	Name of the Company	As on 31st March 2026
1	Pylania AG	2,259.40
2	Kamla International Holdings SA	3,567.24
3	Silvercity Brands AG	1,466.45

II. INFORMATION ABOUT THE APPOINTEE:

(1)	Background details	**Mr. Yashovardhan Saboo:** He read Economics (Hons) at St. Stephen's College, Delhi University, followed by the MBA programme at IIM Ahmedabad. He founded Kamla Dials and Devices Limited (now KDDL Limited) in 1983 and has served as Managing Director of the Company since then. In 1993, he set up a specialist paint business, SBL Coatings. In 2003, he set up ETHOS Limited. In 2006, he set up the Precision Stamping unit, EIGEN Engineering, at Bangalore. He was the Founder and President of AIFHI (All India Federation of Horological Industries). He has been in leadership roles in PHDCCI and CII. He served as President of Swiss-India Chambers of Commerce (North) and is a member of the GPHG (Grand Prix d'Horlogerie de Genève) Academy. He has served as a member of the jury for the GPHG Awards held at Geneva, Switzerland. **Mr. Sanjeev Kumar Masown:** Mr. Masown has been our Executive Director since 2016 in addition to his role as Chief Financial Officer (CFO) since 2011. He is a qualified CMA, a Fellow of the Institute of Cost Accountants of India, and holds a post graduate degree in commerce. He is also certified six sigma Green Belt. He has over 32 years of extensive industry experience, with expertise spanning finance, commercial management, manufacturing operations, and business strategy. His comprehensive understanding of the Company's business and operations, coupled with his rich experience across diverse functional areas, enables him to make significant contributions to the Company's strategic direction and operational excellence.
(2)	Past remuneration	**Mr. Yashovardhan Saboo :** Details of remuneration drawn from KDDL Limited : 2025-26: Rs. 503.23 Lacs Details of remuneration drawn from Ethos Limited : 2025-26: Rs. 259.21 Lacs
		Mr. Sanjeev Kumar Masown : Details of remuneration drawn from KDDL Limited : 2025-26: Rs. 245.74 Lacs
(3)	Recognition or awards	**Mr. Yashovardhan Saboo :** • Chairman- CII Chandigarh, 2002 • Founder Member YTTS, an NGO involved with running various school programmes for underprivileged youth. • Actively associated in organisations as Rotary Club Chandigarh, AIESEC, Spic Macay. • Udyog Ratna Award from PHDCCI in 2005 (For valuable contribution to economical development of Himachal Pradesh) • Ex - President of Swiss-Indian Chambers of Commerce (North) • Member of Jury GPHG (Grand Prix d'Horlogerie de Genève) 2023 & 2025. • Founder and President of AIFHI (All India Federation of Horological Industries)

NOTICE (CONTD.)

(4)	Job profile and his suitability; Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	**Mr. Yashovardhan Saboo** Our Company benefits greatly from an experienced management team with deep industry know-how and knowledge. The management team is led by Mr. Yashovardhan Saboo, our Chairman & Managing Director. Mr. Saboo has rich experience of handling various areas of business and is well known in the industry. His respective skill sets and experience place him in a correspondingly equal position at major diversified Companies in India. **Mr. Sanjeev Kumar Masown** He has played a key role in strengthening the Company's commercial and financial functions and possesses a deep understanding of the complexities and challenges of manufacturing operations. His ability to identify operational issues, make timely and effective interventions, and leverage the Company's strengths has contributed to improving operational efficiency and supporting sustainable business growth. He is currently leading the Company's strategic and fast-growing precision engineering business segment, "EIGEN." Under his leadership, EIGEN has emerged as an important strategic growth business for the Company. His ability to build and nurture long-term relationships with customers and business partners, identify emerging opportunities through innovative and forward-looking thinking, and foster a collaborative and people-centric work culture has contributed significantly to the development and expansion of the business. His balanced approach towards customer engagement, operational excellence, talent development, and strategic execution continues to support the Company's long-term growth and value creation initiatives.
(5)	Remuneration proposed	Details forms a part of Explanatory Statement
(6)	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel [or other director], if any	**Mr. Yashovardhan Saboo** (a) Mr. Yashovardhan Saboo is the Promoter of the Company and is holding 18,02,173 equity shares (i.e. 14.65% of the paid up capital) in the Company. (b) Fixed Deposits of Rs. 6.03 Crores (indirectly). (c) Mr. Yashovardhan Saboo is the brother of Mr. Jai Vardhan Saboo and the husband of Mrs. Anuradha Saboo, who are Non-Executive Directors of the Company. **Mr. Sanjeev Kumar Masown** Fixed Deposits of Rs. 2.87 Crores (directly and indirectly)

III. INFORMATION

1) Reasons for inadequacy

During the financial year ended 31st March 2026, the Company has reported profits. The provisions of section 197 of the Companies Act, 2013 puts a cap for the payment of remuneration to Executive and Non- Executive Directors. The total remuneration including one time incentive payout to Executive Directors will exceed the limits as mentioned in the section 197 of the Companies Act, 2013. Hence, in accordance with the provisions of Section 197 read with schedule V thereof, approval of the Shareholders is being sought by way of the Special Resolution set out in this notice.

2) Steps taken or proposed to be taken for improvement

The Company's performance has shown consistent improvement over the years. It continues to expand its product portfolio, customer base, and market segments with a view to enhancing revenue and profitability. Various strategic initiatives, including improved communication, digital marketing, and social media outreach, have generated encouraging responses from customers. The Company is expanding its product range, capabilities and capacities in line with market expectations. The Company remains committed to enhancing operational efficiency, productivity, capacity utilisation, cost optimisation, and employee skill development. It is also strengthening its presence in emerging market segments and receiving positive responses from overseas markets. The management is confident that the Company will continue to maintain strong and sustainable profitability in the years ahead.

3) Expected increase in productivity and profits in measurable terms:

The Company continues to maintain a strong and healthy financial performance with consistent growth. Its financial position, liquidity, and key indicators relating to profitability, gearing, and growth remain robust and compare favourably with peer manufacturing companies. The various strategic initiatives undertaken by the Company in its business operations are expected to further strengthen revenue generation and profitability in the years ahead.

None of the Directors and Key Managerial Personnel or their relatives except Mr. Yashovardhan Saboo and Mr. Sanjeev Kumar Masown, are either concerned or interested in the resolution.

Your Directors recommend the resolutions set out at Item no. 4 & 5 for approval of the Members by way of Special Resolution.

ITEM NO. 6

Section 73(2) of the Companies Act, 2013 ("the Act") makes it mandatory for the Company to obtain approval of General Meeting before accepting any borrowing from the shareholder by way of Fixed Deposits. As the conditions and maximum limits for accepting deposits from the Shareholders have been laid down in the Companies (Acceptance of Deposits) Rules, 2014 ("the rules") so approval of the Shareholders is required for accepting deposits after complying with all the conditions as stated in Section 73(2) of the Act and within the limits prescribed under the rules.

The Deposits accepted by the Company may carry such rates of interest specified in the Circular to be specifically approved by the Board of Directors of the Company subsequent to the approval of the shareholders.

In view of above, approval of shareholders is sought by way of an Ordinary Resolution under Section 73(2) and other applicable provisions of the act as set out at item No. 6 of the notice.

None of the Directors and Key Managerial Personnel or their relatives are in any way, concerned or interested in the resolution set out at item no. 6 of the notice. The Board recommends the Resolution set out at item no. 6 of the notice for the approval of the members as an Ordinary Resolution.

ITEM NO. 7

The Board of Directors at its meeting held on 4th August 2026 upon the recommendations of the Audit Committee, approved the appointment of M/s Khushwinder Kumar & Co., Cost Accountants (Registration No.100123) as the Cost Auditor of the Company to conduct the audit of cost records of the Company pertaining to electricals or electronic products and tools for financial year commencing from 1st April 2026 to 31st March 2027 at a remuneration of up to Rs. 1,00,000/- (Rs. One Lac only) plus GST & out of pocket expenses on actual basis.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (as amended from time to time) the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending 31st March 2027 as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

None of the Directors and Key Managerial Personnel or their relatives are in any way, concerned or interested in the resolution set out at item no. 7 of the notice.

The Board recommends the resolution set out at item no. 7 of the notice for the approval of the members as an ordinary Resolution.

For and on behalf of the Board of Directors

Brahm Prakash Kumar
Company Secretary
Membership no. : F7519

Date: 4th August 2026
Place:Chandigarh

KDDL Limited
CIN – L33302HP1981PLC008123
Registered office – Plot no. 3, Sector III,
Parwanoo-173 220, Himachal Pradesh
Corporate office – S.C.O. 88-89, Sector 8 C
Madhya Marg, Chandigarh 160 009
Website – www.kddl.com
E-mail – investor.complaints@kddl.com

ANNEXURE A

The brief profile, specific areas of expertise and other information of directors seeking re-appointment:

Name of the Director	**Mr. Sanjeev Kumar Masown (DIN : 03542390)**
Date of Birth	30th September 1969
Date of first appointment on the Board	30th May 2016 as an Additional Director
Date of re-appointment	31st May 2024
Brief Resume, Expertise in specific functional areas and qualification	Mr. Masown has been serving as an Executive Director of the Company since 2016, in addition to his role as Chief Financial Officer (CFO), which he has held since 2011. He is a qualified Cost and Management Accountant (CMA), a Fellow of the Institute of Cost Accountants of India and holds a postgraduate degree in Commerce. He is also a certified Six Sigma Green Belt. Mr. Masown has over 32 years of extensive industry experience, with expertise spanning finance, commercial management, manufacturing operations, and business strategy. His comprehensive understanding of the Company's business and operations, coupled with his rich experience across diverse functional areas, enables him to make significant contributions to the Company's strategic direction and operational excellence. He has played a key role in strengthening the Company's commercial and financial functions and possesses a deep understanding of the complexities and challenges of manufacturing operations. His ability to identify operational issues, make timely and effective interventions, and leverage the Company's strengths has contributed to improving operational efficiency and supporting sustainable business growth. He is currently leading the Company's strategic and fast-growing precision engineering business segment, "EIGEN." Under his leadership, EIGEN has emerged as an important strategic growth business for the Company. His sability to build and nurture long-term relationships with customers and business partners, identify emerging opportunities through innovative and forward-looking thinking, and foster a collaborative and people-centric work culture has contributed significantly to the development and expansion of the business. His balanced approach towards customer engagement, operational excellence, talent development, and strategic execution continues to support the Company's long-term growth and value creation initiatives.
No. Board Meetings attended in financial year 2025-26	7
Directorship held in other Public companies (excluding foreign Company and section 8 Company) – As on 31st March 2026	Mahen Distribution Limited Kamla Tesio Dials Limited Artisan Watch Products Private Limited
Membership/ Chairmanship of Committees of other Public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	NA
Number of shares held in the Company	Nil
Relationships with other Directors/KMP	NA
Listed entities from which the person has resigned in the past three years	NA

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 46th Annual Report and the Audited Financial Statements of the Company for the financial year ended 31st March 2026.

OPERATIONS AND PROSPECTS

Financial Results (Standalone and Consolidated)

Particulars	(Amount in Rs. million)					
	Standalone			Consolidated		
	2025-26	2024-25	2023-24	2025-26	2024-25	2023-24
Income- Operational	5,048.0	3,836.4	3,599.2	22,077.8	16,945.7	14,197.7
Income- Investment	192.7	-	1,937.7	-	-	-
Total Income	**5,240.6**	**3,836.4**	**5,537.0**	**22,077.8**	**16,945.7**	**14,197.7**
Profit before interest, depreciation and exceptional item	1,349.6	884.6	2,767.2	3,631.6	3,069.6	2,766.4
Less: Finance Cost	142.7	109.0	88.5	424.0	314.2	262.2
Gross Profit	**1,207.0**	**775.6**	**2,678.7**	**3,207.6**	**2,755.4**	**2,504.2**
Less: Depreciation and amortisation	242.4	187.6	138.6	1,224.1	861.1	649.3
Profit before Share of Profit of an associate	964.6	588.0	2,540.1	1,983.5	1,894.3	1,854.9
Share of Profit of an associate	-	-	-	(2.4)	0.7	7.4
Statutory impact of new labour code	-	-	-	24.4	-	-
Profit Before tax	964.6	588.0	2,540.1	1,956.6	1,895.0	1,862.3
Less: Tax Expense	198.7	95.6	339.6	604.8	472.2	487.8
Net Profit/(Loss) for the Year	**766.0**	**492.4**	**2,200.5**	**1,351.8**	**1,422.8**	**1,374.5**
Other Comprehensive Income/(Loss) (OCI)	5.3	(7.4)	(9.0)	142.3	25.6	(14.1)
Total Comprehensive Income/(Loss) for the period	771.3	485.0	2,191.5	1,494.1	1,448.4	1,360.4

PERFORMANCE AND PROJECTIONS

The financial performance for the financial year 2025-26 was better than expectations despite very challenging market environment, continuous slowdown in Swiss watch industry, geo-political tensions due to wars, uncertain economic pressures, tariff issues and protectionist approach by major markets, regulatory restrictions and wide fluctuations in currency.

The various business segments delivered mixed performances. The luxury watch retail business achieved significant revenue growth, but the profitability was flat due to major impact of forex fluctuation and front ending of expenses related to marketing and new stores opening. The watch component manufacturing business for the Swiss market remained under sustained pressure as the volume of watches exported from Switzerland declined by 4.8% (almost 740,000 watches) during the year.

Despite the slowdown in Swiss watch market, the manufacturing revenues witnessed healthy growth compared to the previous year, supported by robust growth in the precision stamping business, enhancement of capacity utilisations in the watch bracelets division, packaging business and the enhanced volumes in the domestic watch market.

During the year, the Company achieved consolidated sales revenue of Rs. 22,077.8 million, compared to Rs. 16,945.7 million in the previous year — an impressive growth of 30.3%. Profit before tax (PBT) increased from Rs. 1,895.0 million to Rs. 1,956.6 million, registering a growth of 3.2%. On a standalone basis, operational sales revenue rose by 31.6% to Rs. 5,048 million, compared to Rs. 3,836.4 million in the previous year. In addition to this, company had non-operational revenue of Rs. 192.7 million during the year.

The Company reported a standalone PBT of Rs. 964.6 million, compared with Rs. 588 million in the previous year and net profit after tax (PAT) of Rs. 766 million, compared to Rs. 492.4 million in the previous year.

MANUFACTURING BUSINESS SEGMENTS

The watch component business comprising of watch hands, watch dials, indexes and steel bracelets remained the largest revenue contributor within the manufacturing portfolio, though its share declined marginally from 55.4% to 55.3%, but the share of steel bracelets improved from 3.2% (out of 55.3%) to 7.6% (out of 55.4%) with increased capacity utilisations and revenue for the full year compared to previous year revenue for partial year. The Company's other manufacturing businesses — namely precision engineering and packaging – also showed strong growth.

The Swiss watch exports business declined for the second year in a row from 2024 onwards, with Swiss exports declining 1.7% in value terms (CHF), marking eleven consecutive quarters of decline since the second half of calendar year 2023. The total number of units exported in 2025 fell by 4.8% compared to 2024, with the steepest declines coming from Greater China, wherein the exports have decreased by over a third in last two years. At the same time, the price of gold and the Swiss franc reached record highs, significantly increasing the cost of Swiss watches, especially on foreign markets. United States remains the main destination market for the Swiss watch exports and accounted for 17% of the overall exports in 2025. Nonetheless, trade was significantly disrupted by the announcement on tariffs. As expected, decline in the initial part of the year were offset by growth over the course of the year, resulting in an annual decline of 0.5%. Similarly, the decline of 0.3% in Europe was more moderate with growth in France (+1.3%) was not sufficient to offset the downturn in Germany (-6.8%), while the United Kingdom (+0.1%) and Italy (-0.5%) remained close to the results achieved in 2024.

Year 2026 began with cautious optimism among major brands and customers, with expectations of bottoming out of the slowdown in Swiss exports. However, the US-Iran war brought additional uncertainty in the Gulf and Middle East region coupled with ripple effects in other European and Asian markets. The trend of slowdown is expected to reverse over next two quarters with the normalisation of war situation and recovery in the major markets. Conversely, the Chinese market is expected to remain flat and not recover quickly.

In welcome contrast, the domestic watch market continued to show clear growth and recovery compared to the previous year. The Company remains focused and aligned on premiumisation and supplying high-value, complex-featured products tailored to customer requirements. The total revenue of watch components business including steel bracelets increased by 31.3% compared to previous year with domestic and exports revenue increasing by 20.9% and 35.5% respectively.

The precision engineering business emerged as the second-largest contributor to manufacturing revenue, increasing its share from 38.3% to 39.4%. The revenue from this business increased by 35.6% compared to previous year and the major growth coming from exports with growth of 49.7%. This business generates more than 75% of the revenue from exports. Revenue growth was driven by the Company's efforts to build relationships with large multinational corporations and high-potential accounts in selected precision component markets. The Company continues to upgrade and add new technical capabilities, expanded its product range, and extended its reach into new geographies — positioning itself for sustainable growth in the coming years.

The ornamental packaging business recorded revenue growth of 37.3% over the previous year. During the year, the capacity utilisation of new packaging unit in Panchkula, Haryana also increased. The Company continues to focus and add new customers to serve leading Swiss watchmakers and other customers initially for the Indian requirements and then leading to global requirements. Initial customer feedback has been highly encouraging and promising.

PROSPECTS

Exports of watch components are expected to recover slowly gradually. The domestic watch market is likely to sustain its growth trajectory, offering opportunities to increase market share. Overall revenue from the watch components business is projected to improve by 10-12%, driven by higher volumes and improved average realisations. Strategic marketing initiatives, including enhanced digital presence to showcase new products and features, will be key drivers. Manufacturing excellence will remain a priority, with a focus on Guaranteed Delivery Dates (GDD), quality, and Turnaround Time (TAT). The expanded capacity and addition of new customers in the ornamental packaging business is projected to deliver over 25% growth in that segment. Precision stamping revenues are expected to grow steadily, supported by market diversification, customer acquisition, and a strong reputation for quality and technical capability.

ETHOS LIMITED

During FY 2025-26, Ethos Limited delivered strong top-line growth, even as profitability was tempered by external cost pressures. On a standalone basis, turnover (including other income) rose to Rs. 1,65,311.97 Lacs, an increase of approximately 29.5% over Rs. 1,27,651.39 Lacs in the previous year, while consolidated turnover grew by a comparable margin to Rs. 1,65,840.54 Lacs. This growth was led by a deliberate shift towards the luxury and high-luxury segments, volume growth, and the continued scaling of the certified pre-owned (CPO) business.

Profitability reflected a more demanding operating environment. Standalone profit before tax and profit after tax moderated to Rs. 12,746.95 Lacs and Rs. 9,492.23 Lacs respectively (from Rs. 13,155.29 Lacs and Rs. 9,825.41 Lacs), while on a consolidated basis profit before tax rose to Rs. 13,085.16 Lacs and profit after tax (after minority interest) stood at Rs. 9,476.52 Lacs. Margins were affected principally by the sharp appreciation of the Swiss Franc against the Rupee, up over ~23% during the year and crossing Rs. 120 in January 2026, which increased the cost of imported inventory, together with higher marketing investment and the upfront costs of an accelerated pace of boutique expansion. Consequently, the operating profit margin moderated to 9.55% and the net profit margin to 5.89%. Earnings per share of Rs. 36.27 (standalone) and Rs. 36.21 (consolidated) additionally reflect the enlarged equity base following the rights issue undertaken during the year.

Operationally, the Company expanded its boutique network from 73 to 94 boutiques across 30 cities (103 boutiques across 34 cities as on date), deepened its omnichannel capabilities, strengthened its after-sales service vertical, and added new brand partnerships across its luxury and high-luxury portfolio — including the reorganisation of its lifestyle vertical, comprising the Messika and Rimowa businesses, under a dedicated entity, Ethos Lifestyle Private Limited. These initiatives supported higher footfalls, a richer product mix, and stronger customer engagement.

The Company's Balance Sheet strengthened materially during the year. The current ratio improved to 5.48 times (from 4.97), reflecting a more robust liquidity position, while the debt-equity ratio eased to 0.21 times (from 0.28), aided by the equity raised through the rights issue. The Debtors Turnover Ratio improved to 90.54 times (from 73.99), reflecting efficient receivables management, and the Inventory Turnover Days improved to 222 days (from 246) reflection of better inventory management. The Interest Coverage Ratio moderated to 5.80 times (from 7.78), primarily on account of lower operating profit and higher finance costs associated with lease liabilities recognised on new boutiques under Ind AS 116.

Overall, the Company's performance reflects healthy operational execution and disciplined balance-sheet management, even as currency and expansion-related costs weighed on near-term margins. The management remains focused on long-term value creation through profitable and sustainable growth.

Pylania SA

During 2025-26, Pylania SA's operations witnessed recovery in revenue and recorded revenue growth of 43% compared to previous year. The Company maintained its diversified revenue streams — including partial manufacturing of watch components, trading in watch components and accessories, and providing consultancy and advisory services. Revenue recorded growth from CHF 1.58 million to CHF 2.26 million, an improvement of 43% compared to the previous year. However, Operating profit before tax fell from CHF 0.22 million to CHF 0.13 million, primarily due to change of revenue mix, increased overheads for adding new capabilities and infrastructure for the additional revenue stream. As part of its growth strategy, Pylania SA has initiated infrastructure development and product design capabilities for the manufacture of high-end, precious stone watch dials targeted at premium Swiss watch brands. Revenue from the new capabilities is expected to commence in FY27. During the year, Pylania SA extended additional loans of CHF 0.542 million to Estima AG. Pylania has also converted the existing loans (including subordinated loans) of CHF 2.885 million into equity. Pylania holds 31.28% (Previous year 30%) equity capital of Estima.

As of 31st March 2026, the cumulative loans stood at CHF 1.139 million.

Estima AG

For the fiscal year 2025-26, Estima AG recorded revenue of CHF 3.352 million. This represents 14% growth compared to the previous year, mainly due to enhanced capacity utilisations. The operating loss reduced marginally from CHF 1.038 million to CHF 0.98 million.

Despite the challenging market, the management remains cautiously optimistic that an improvement in Swiss market conditions will lead to a healthier order pipeline and eventual profitability. During the year, Estima AG continues to invest in strengthening its team, acquiring selected machinery for high-quality and complex features, and recruiting skilled professionals for critical roles. The Company also benefits from ongoing technical guidance and support from the parent company.

During the year, the equity capital of Estima was increased from CHF 1,000,000 to CHF 1,071,000 by issuance of 71 additional equity shares of CHF 1000 each @ CHF 82440 including share premium of CHF 81,440.

Pylania and KIH have also waived the subordinated loans of CHF 2.443 million and CHF 4.35 million. These loans were acquired by Pylania and KIH from previous owners at NIL consideration.

Kamla International Holdings SA (KIH)

KIH, a wholly owned subsidiary of KDDL Limited, operates as a special-purpose vehicle for strategic overseas investments. During the year, KIH converted loan to Estima (including subordinated loans) of CHF 2.967 million into equity. KIH holds 68.72% (Previous year 70%) equity capital of Estima.

KIH has also provided loan of CHF 1.077 million to Pylania as on 31st March 2026.

Kamla Business Services Limited (KBSL) (Formerly known as Kamla Tesio Dials Limited)

KBSL, a subsidiary of KDDL Limited, is engaged in the assembly of watch dials under job contracts for the parent company. In 2025-26, it reported revenue of Rs. 25.4 million and PBT of Rs. 3.8 million, compared to Rs. 21.7 million and PBT of Rs. 5.6 million in the previous year.

Mahen Distribution Limited (MDL)

MDL, a wholly owned subsidiary of KDDL Limited, is engaged in workforce recruitment, staffing, and managerial services. During the year, revenue from manpower services fell to Rs. 0.46 million from Rs. 6.80 million in the prior year. MDL also generated interest income from surplus funds arising from the sale of its investment in Ethos Limited. Other income declined from Rs. 114.7 million from Rs. 42.05 million in the previous year. As a result, MDL's PBT decreased from Rs. 108.6 million in 2024-25 to Rs. 33.80 million during the year.

During the year, MDL has subscribed to 11,30,199 equity shares of its fellow subsidiary company Ethos Limited having a face value of Rs. 10 each at an issue price of Rs. 1800 per share (including a premium of Rs. 1790 per rights equity share).

During the year, the Company made a second instalment of CHF 12,49,820 towards the acquisition of 874,000 equity shares of CHF 1 each, issued at a premium of CHF 1.86 per share of Silvercity Brands AG.

Silvercity Brands AG (SCB)

SCB is engaged in the design, development, assembly, and distribution of watches under the iconic "Favre Leuba" brand. In 2025–26, SCB recorded revenue of CHF 3.309 million, compared to CHF 1.286 million in the previous year. The Company reported a loss of CHF 1.15 million, compared to a loss of CHF 0.415 million in the prior year. Management has ambitious plans for the brand's global growth and remains confident about expanding Favre Leuba's presence in the years ahead.

Artisan Watch Products Private Limited

The newly incorporated subsidiary company aims to expand capabilities in high-end artisanal watch components. Presently the production trials are being undertaken, and the Company is expected to commence operations during the current year.

DEPOSITS

The details of deposits covered under Chapter V of the Companies Act, 2013 ("the act") is given hereunder:

1. Deposits Accepted/renewed during the year: Rs 23,95,91,000
2. Deposits outstanding at the end of the year: Rs. 51,06,01,000
3. Deposits remained unpaid or unclaimed as at the end of the year: NIL
4. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: NIL
5. The details of deposits which are not in compliance with the requirements of Chapter: NIL

SHARE CAPITAL

The authorised share capital of the Company remained unchanged during the financial year under review. The subscribed and paid-up share capital of the Company as at 31st March 2026 stood at Rs. 12,29,92,800 (Rupees Twelve Crores Twenty-Nine Lacs Ninety-Two Thousands Eight Hundred only), comprising 1,22,99,280 (One Crores Twenty-Two Lacs Ninety-Nine Thousands Two Hundred Eighty) equity shares of Rs. 10 (Rupees Ten) each.

The Company did not issue any shares or other convertible securities, including sweat equity shares or securities under stock option schemes, during the year.

TRANSFER TO RESERVES

The Board of Directors has not proposed any transfer to the General Reserve for the financial year under review.

DIVIDEND

The Board of Directors has recommended a final dividend of Rs. 8 (80%) per equity share of face value of Rs. 10 each, subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM"). The final dividend, if approved by the shareholders, will be paid within the prescribed time after the conclusion of the AGM to those members whose names appear in the Register of Members or in the records of the depositories as on the Record Date, i.e., Tuesday, 8th september 2026.

During the financial year under review, the Company declared and paid an interim dividend of Rs. 15 (150%) per equity share of face value of Rs. 10 each.

Accordingly, the total dividend for the financial year 2025-26, including the recommended final dividend, aggregates to Rs. 23 (230%) per equity share of face value of Rs. 10 each.

The interim dividend declared and the final dividend recommended by the Board of Directors for the financial year 2025-26 are in accordance with the Company's Dividend Distribution Policy, formulated pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Policy is available on the Company's website i.e https://www.kddl.com/wp-content/uploads/PDF/Dividend%20Distribution%20Policy.pdf

CREDIT RATING

There has been no change in the credit rating during the year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes or commitments affecting the financial position of the Company have occurred since the close of the financial year ended 31st March 2026 up to the date of this Report. Further, there has been no change in the nature of the business of the Company during the said period.

SIGNIFICANT AND MATERIAL ORDERS

During the financial year under review, no significant or material orders were passed by any regulatory authority, court or tribunal that would impact the going concern status of the Company or its future operations.

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

The particulars of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are disclosed in the relevant notes forming part of the standalone financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company have been prepared in accordance with the provisions of the Companies Act, 2013, the applicable Indian Accounting Standards ("Ind AS") and other applicable statutory requirements. The audited Consolidated Financial Statements, together with the Independent Auditor's Report thereon, form part of this Annual Report.

The Consolidated Financial Statements present the financial performance, financial position and cash flows of the Company and its subsidiary(ies)/associate(s)/joint venture(s), as applicable.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the audited financial statements of the Company, including the Consolidated Financial Statements, together with the separate audited financial statements of its subsidiary(ies), are available on the Company's website at https://www.kddl.com/financial-dashboard-yearly/

Pursuant to Section 129(3) of the Act, a statement containing salient features of the Financial Statements of each of the subsidiaries, associates and JV Companies in the prescribed Form AOC-1 as Annexure I forms part of the Annual Report.

RELATED PARTY TRANSACTIONS (RPTS)

All transactions with related parties were reviewed and approved by the Audit Committee and were in accordance with the Policy on dealing with and materiality of related party transactions and the related party framework formulated and adopted by the Company.

All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act. There are no material significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their relatives which may have a potential conflict with the interest of the Company at large.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in Notes to the standalone financial statements of the Company. Disclosures of related party transactions in terms of Regulation 23 of the Listing Regulations submitted to Stock Exchanges for the half year on a consolidated basis, in the specified format -are available on the website of the Company at www.kddl.com. Form AOC-2 pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in Annexure II to this Report

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions under Section 134(3) (c) and 134(5) of the Act, with respect to Directors' Responsibility Statement, the Directors confirm:

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

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

c) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) That they had prepared the annual accounts on a going concern basis;

e) That they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

BOARD DIVERSITY

The Company believes that a diverse Board is essential for effective corporate governance, sound decision-making and the creation of sustainable long-term value. The Board comprises individuals with diverse skills, expertise, experience and backgrounds, enabling balanced deliberations and informed decision-making.

The Company's approach to Board diversity extends beyond gender and encompasses diversity in terms of age, experience, professional expertise, industry knowledge, functional skills, cultural and geographical background, and other attributes that contribute to an effective and balanced Board.

The Board Diversity Policy forms an integral part of the Company's Nomination and Remuneration Policy and provides the framework for achieving an appropriate balance of diversity on the Board. The Policy is available on the Company's website at https://www.kddl.com/wp-content/uploads/PDF/Nomination%20&%20Remuneration.pdf.

DIRECTORS

Declaration by Independent Directors

The Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as outlined in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Additionally, the Independent Directors have declared their compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, regarding their inclusion in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs and all received the confirmation that they have complied with the code of Independent Directors prescribed in Schedule IV of the act. There have been no changes in the circumstances affecting their status as Independent Directors of the Company. In the opinion of the Board, the Independent Directors meet the conditions specified under the Act and the Listing Regulations, and they remain independent of management.

Appointment/Re-appointment of Non-Executive Directors

i) The Shareholders of the Company at their 45th AGM held on 15th September 2025 confirmed the re- appointment of Mrs. Anuradha Saboo (DIN: 01812641) who retired by rotation at 45th Annual General Meeting and offered herself for reappointment.

ii) Pursuant to the recommendations of Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company at its meeting held on 15th December 2025, recommended the appointment of Mr. Hanspeter Pieth (DIN: 11423774), as a Non-Executive Non-Independent Director of the Company w.e.f 1st February 2026. The Shareholders by way of Postal Ballot Resolution dated 30th January 2026 approved the appointment of Mr. Hanspeter Pieth (DIN: 11423774), as a Non-Executive Non-Independent Director of the Company w.e.f 1st February 2026.

iii) Pursuant to the recommendations of Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company at its meeting held on 15th December 2025, recommended the reappointment of Mr. Yashovardhan Saboo (DIN: 00012158) as Chairman and Managing Director of the Company (Key Managerial Personnel), w.e.f. 1st April 2026, for a further period of three years, i.e. upto 31st March 2029. The Shareholders by way of Postal Ballot Resolution dated 30th January 2026 approved the reappointment of Mr. Yashovardhan Saboo (DIN: 00012158) as Chairman and Managing Director of the Company w.e.f 1st April 2026.

iv) In accordance with the provisions of Companies Act, 2013, Mr. Sanjeev Kumar Masown (DIN: 03542390) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. Necessary resolution for the re-appointment of Mr. Sanjeev Kumar Masown (DIN: 03542390) forms part of the Notice convening 46th Annual General Meeting (AGM). The Board recommends his re-appointment for the approval of the members. The necessary disclosures required under the Act, the Listing Regulations and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), for the above-mentioned re-appointment are provided in the Notice of 46th AGM of the Company. In the opinion of the Board, all the Directors, as well as the Director proposed to be re-appointed, possess the requisite qualifications, experience and expertise and hold high standards of integrity. During the year under review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees received by them for attending the meetings of the Board of Directors and Committee thereof and/or interest on deposits and dividend payment, if any.

v) Mr. Praveen Gupta (DIN: 01885287), Independent Director of the Company ceased to be Director on 23rd August 2025, upon completion of his second term of 5 (Five) consecutive years.

vi) Mr. Hanspeter Pieth (DIN: 11423774) tendered his resignation from the position of Non-Executive Director of the Company and accordingly, ceased to be Director w.e.f the closure of business hours 22nd June 2026.

vii) Mr. Nagarajan Subramanian (DIN: 02406548) has completed his term as an Independent Director of the Company on 27th July, 2026 and consequently, has ceased to be Independent Director of the Company.

Key Managerial Personnel

Mr. Yashovardhan Saboo – Chairman & Managing Director, Mr. Sanjeev Kumar Masown – Whole time Director cum Chief Financial Officer and Mr. Brahm Prakash Kumar – Company Secretary, are the Key Managerial Personnel of the Company. During the year under review, there were no changes to the Key Managerial Personnel of the Company.

BOARD MEETINGS

During the financial year under review, seven (7) meetings of the Board of Directors were held. The gap between any two consecutive meetings did not exceed the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD COMMITTEES

As at 31st March 2026, the Board of Directors had constituted five (5) Committees, namely, the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders' Relationship Committee.

During the financial year under review, all recommendations made by the Committees of the Board, wherever mandatory, were accepted by the Board. The composition, roles and terms of reference of these Committees are in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the Committees, including their composition and meetings, are provided in the Corporate Governance Report forming part of this Annual Report.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013, Listing Regulations and in accordance with the manner of evaluation, the Board carried out an annual performance evaluation of its own performance, board committees and of the Directors individually (including Independent Directors). A separate meeting of the Independent Directors was convened during the financial year under review, which, inter alia, reviewed the performance of the Board as a whole, the non-independent directors and the Chairman of the Company after taking into account the views of Executive and Non-executive Directors, assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties and expressed satisfaction over the same.

NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Nomination and Remuneration Policy, as approved by the Board of Directors.

The Policy provides the guiding principles for the appointment, remuneration, evaluation and succession of Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel. It also lays down the criteria for determining qualifications, positive attributes, independence of Directors and the framework for remuneration of Executive and Non-Executive Directors, KMPs and Senior Management Personnel.

The details of the Policy are provided in the Corporate Governance Report forming part of this Annual Report. The Policy is also available on the Company's website at https://www.kddl.com/wp-content/uploads/PDF/Nomination%20&%20Remuneration.pdf

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has adopted a Familiarisation Programme for its Independent Directors in compliance with Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Programme enables Independent Directors to gain a comprehensive understanding of the Company's business, operations, industry, governance framework and their roles and responsibilities. Details of the Programme are available on the Company's website at https://www.kddl.com/wp-content/uploads/PDF/Familiarization%20Programme.pdf

BOARD POLICIES

The Board of Directors has approved and adopted various policies in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These policies are available on the Company's website at https://www.kddl.com/codes-and-policies/

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company remains committed to creating sustainable social value through its Corporate Social Responsibility ("CSR") initiatives. Its CSR programmes focus on areas such as environmental sustainability, education, healthcare, skill development and other activities specified under Schedule VII to the Companies Act, 2013.

Details are given below :

Greening the Future - The Million-Tree Project

KDDL's Million-Tree Project is a key environmental initiative aimed at restoring degraded ecosystems and enhancing biodiversity through large-scale afforestation. By planting and nurturing one million trees, the Company seeks to create lasting environmental value through carbon sequestration, ecological restoration and improved landscape resilience.

As at 31st March 2026, KDDL and Ethos had planted a cumulative 5,38,049 trees through strategic partnerships with SayTrees Environmental Trust and SankalpTaru Foundation. Through these partnerships, the Company continues to scale its afforestation efforts and contribute meaningfully to climate action and environmental sustainability.

A Gift That Saves Lives – Organ Donation Awareness

As part of its Corporate Social Responsibility (CSR) initiatives, KDDL continues to support the cause of organ donation through its partnership with the MOHAN Foundation, a leading not-for-profit organisation dedicated to promoting organ donation.

Through this partnership, the Company undertakes awareness initiatives to educate communities about the importance and life-saving impact of organ donation, with the objective of encouraging informed participation and fostering greater public awareness.

This initiative reflects the Company's commitment to contributing to meaningful social causes and improving the quality of life within the communities it serves.

Empowering Young Lives Through Education and Skills

As part of its Corporate Social Responsibility (CSR) initiatives, KDDL has partnered with Catalysts for Social Action (CSA), a non-profit organisation dedicated to supporting children and young adults growing up in institutional care.

Through this partnership, the Company supports CSA's Livelihood Programme, which seeks to equip young individuals with the knowledge, skills and opportunities required for sustainable livelihoods and independent living. The programme focuses on:

- Career awareness and orientation
- Career counselling and guidance
- Job-oriented skill development and vocational training
- Access to higher education and professional development
- Computer literacy and digital skills
- Placement assistance and employability support

By enabling access to education, skill development and employment opportunities, the programme helps young individuals become self-reliant and better prepared for independent living. This initiative reflects KDDL's commitment to fostering inclusive growth, empowering underserved communities and creating sustainable social impact.

Extending Medical Assistance for Those in Need

As part of its Corporate Social Responsibility (CSR) initiatives, KDDL has partnered with Heart to Heart Service Society of Inner Wheel Club, a non-profit organisation dedicated to supporting economically disadvantaged patients by facilitating access to essential medical treatment.

Through this partnership, the Company supports medical assistance to poor and needy patients requiring medical care, helping reduce the financial burden associated with treatment. The initiative seeks to ensure that deserving patients have access to timely healthcare services.

By supporting this initiative, KDDL contributes to improving healthcare accessibility and reinforces its commitment to community well-being through meaningful and compassionate interventions.

Enabling Education, Empowering Lives

KDDL has partnered with the Youth Technical Training Society (YTTS), a non-profit organisation dedicated to improving access to education, skill development and livelihood opportunities, with a focus on the socio-economic upliftment and empowerment of rural communities and urban slum dwellers.

Through the Bridge Education and Skill Development Programme, the Company supports initiatives aimed at improving access to education, particularly for disadvantaged and marginalised children and youth. The programme focuses on:

- Providing after-school academic support in core subjects to strengthen learning outcomes.
- Enabling out-of-school children to re-enter the formal education system and continue their education.
- Delivering basic computer literacy training to equip young people with essential digital skills and enhance their future employability.

By supporting this initiative, KDDL seeks to bridge educational gaps, promote inclusive learning and empower children and youth with the knowledge, skills and confidence needed to build self-reliant and sustainable futures.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Company was required to spend Rs. 153.45 Lacs, being 2% of the average net profits of the three immediately preceding financial years, towards its CSR obligations for the financial year 2025-26. The Company has fully spent the required CSR amount of Rs. 153.45 Lacs along with Rs. 29.71 Lacs pertaing to previous financial year, during the current financial year in accordance with its CSR Policy and the applicable provisions of the Companies Act, 2013.

The Annual Report on CSR activities, as required under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed to this Board's Report as Annexure III.

The Company's Corporate Social Responsibility Policy is available on its website at https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf.

AUDITORS AND AUDITORS' REPORT

Statutory Auditor

Pursuant to the provisions of Section 139 of the Act and Rules made thereunder, the shareholders at the 44th Annual General Meeting ("AGM") held on 27th September 2024, appointed M/s Walker Chandiok & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 001076N/N500013) as the Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the 44th AGM until the conclusion of the 49th AGM.

The Statutory Auditors have audited the standalone and consolidated financial statements of the Company for the financial year ended 31st March 2026. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer of opinion and, accordingly, no explanation or comments by the Board are required under the provisions of the Companies Act, 2013.

Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained the prescribed cost records in respect of its EIGEN Unit, pertaining to electricals or electronic products and tools.

M/s Khushwinder Kumar & Co., Cost Accountants (Firm Registration No. 100123), were appointed as the Cost Auditors of the Company to conduct the audit of the cost records of the EIGEN Unit for the financial year ended 31st March 2026.

Based on the recommendation of the Audit Committee, the Board of Directors has re-appointed M/s Khushwinder Kumar & Co., Cost Accountants (Firm Registration No. 100123), as the Cost Auditors of the Company to conduct the audit of the cost records of the EIGEN Unit for the financial year 2026-27.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the shareholders. Accordingly, an appropriate resolution seeking ratification of the remuneration payable to the Cost Auditors forms part of the Notice convening the 46th Annual General Meeting.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the shareholders of the Company at the 45th Annual General Meeting had approved the appointment of M/s A. Arora & Co., Company Secretaries, Chandigarh, a proprietary firm of Mr. Ajay K. Arora (FCS No. 2191, Certificate of Practice No. 993), as the Secretarial Auditors of the Company for a term of five consecutive years, from the conclusion of the 45th AGM until the conclusion of the 50th AGM, to conduct the secretarial audit of the Company for the financial years 2025-26 to 2029-30.

The Secretarial Audit Report for the financial year 2025-26 given by M/s A. Arora & Co., Practicing Company Secretaries (C.P. No.: 993) is attached herewith as Annexure IV. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditors in their Report. Information referred to in the Secretarial Auditors' Report are self-explanatory and do not call for any further comments.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

The Statutory Auditors, Internal Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any instances of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Companies Act, 2013 including rules made there under.

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

The Company is committed to providing a safe, secure, inclusive and respectful work environment for all its employees and has zero tolerance for any form of discrimination or harassment, including sexual harassment.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder, the Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace. The Policy provides a framework for the prevention and redressal of complaints relating to sexual harassment and ensures a fair, impartial and confidential mechanism for addressing such complaints.

The Company has constituted an Internal Committee in accordance with the requirements of the Act to inquire into complaints of sexual harassment and to recommend appropriate action, wherever required. During the financial year under review, no complaint of sexual harassment was received by the Internal Committee.

MATERNITY BENEFIT ACT, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961 including all applicable amendments and rules framed thereunder.

INSOLVENCY PROCEEDINGS AND ONE-TIME SETTLEMENT

During the financial year under review, no application was made or any proceeding was pending against the Company under the provisions of the Insolvency and Bankruptcy Code, 2016. Further, the Company has not entered into any one-time settlement with any Bank or Financial Institution.

WHISTLE-BLOWER POLICY/VIGIL MECHANISM

The Company is committed to maintaining the highest standards of ethical conduct, integrity, and transparency across all its operations. Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism through its Whistle-Blower Policy to enable directors, employees and other stakeholders to report concerns relating to unethical behaviour, actual or suspected fraud, violations of the Company's Code of Conduct or any other improper practices, without fear of retaliation or victimisation.

The Company ensures that adequate safeguards are in place to protect whistle-blowers against any form of reprisal and provides for direct access to the Chairperson of the Audit Committee. All concerns reported under the Vigil Mechanism are investigated in a fair, transparent and timely manner.

The Whistle-Blower Policy is available on the Company's website at at https://www.kddl.com/wp-content/uploads/PDF/Whisle%20Blower%20Policy.pdf

RISK MANAGEMENT

The Company has established a robust risk management framework to identify, assess, monitor and mitigate risks that may affect its business objectives, operations, financial performance and long-term sustainability. The framework enables the Company to proactively manage strategic, operational, financial, regulatory and other key risks through appropriate mitigation measures.

The Board of Directors has constituted a Risk Management Committee to oversee the implementation and effectiveness of the Company's risk management framework. The Committee periodically reviews the key business risks, evaluates the adequacy of mitigation measures and recommends appropriate actions to strengthen the overall risk management process. Details of the composition and terms of reference of the Committee are provided in the Corporate Governance Report forming part of this Annual Report.

The Board has also approved a Risk Management Policy, which provides the guiding principles for identifying, evaluating, monitoring and mitigating risks across the organisation. The Policy is available on the Company's website at https://www.kddl.com/wp-content/uploads/PDF/policies/RCM-19-12-2022.pdf

INTERNAL CONTROLS

The Company recognises that a strong internal control environment is fundamental to effective governance, sustainable value creation, and stakeholder confidence. Management is responsible for establishing, maintaining, and continuously strengthening internal controls that are commensurate with the scale, complexity, and geographic footprint of the Company's operations.

The Company has established an adequate and effective system of internal financial controls ("IFC") over financial reporting, forming an integral part of the overall internal control framework. These controls are designed to ensure the orderly and efficient conduct of business, reliability of financial reporting, and compliance with applicable laws and regulations.

The effectiveness of the Company's internal financial controls is periodically evaluated through management reviews, independent internal audits and oversight by the Audit Committee. Any deficiencies identified are addressed through appropriate corrective actions within defined timelines, and the implementation of such actions is regularly monitored to ensure their effectiveness.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Company is committed to conducting its business in a responsible and sustainable manner by integrating environmental, social and governance (ESG) principles into its business strategy and operations. In terms of the Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report is attached as Annexure V forming part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and foreign exchange outgo, as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out in Annexure VI forming part of this Report.

PARTICULARS OF EMPLOYEES AND REMUNERATION

Pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the prescribed disclosures relating to remuneration are set out in Annexure VII to this Board's Report.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and rule 5(2) and rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection and any Member interested in obtaining a copy of the same may write to Company at investor.complaints @kddl.com from their registered e-mail address.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Act, read with Companies (Management & Administration) Rules, 2014, the annual return in the prescribed form is available on the website of the Company at https://www.kddl.com/shareholders-information/

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standards of corporate governance founded on the principles of integrity, transparency, accountability and ethical business conduct. The Company's governance framework reflects its core values, business practices and commitment to creating sustainable value for all stakeholders.

The Board of Directors recognises its fiduciary responsibilities and is committed to ensuring that the affairs of the Company are conducted in a fair, transparent and responsible manner. The Company continually endeavours to adopt and implement best governance practices, strengthen stakeholder confidence, protect the interests of minority shareholders and enhance long-term shareholder value.

The Company's corporate governance practices are aligned with the requirements of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and are aimed at promoting responsible and sustainable business growth.

The Corporate Governance Report and the certificate from the Independent Company Secretary, as stipulated in Schedule V of the Listing Regulations, are provided in a separate section which forms part of this Annual Report.

INSIDER TRADING GOVERNANCE

The Company has adopted a Code of Conduct for Prohibition of Insider Trading ("the Code") in accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Code lays down the procedures to be followed by designated persons and their immediate relatives while dealing in the securities of the Company and regulates the handling, communication and dissemination of Unpublished Price Sensitive Information (UPSI).

The Company has implemented appropriate internal controls and compliance mechanisms to ensure adherence to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code is available on the Company's website at https://www.kddl.com/insider-trading/

CYBER SECURITY

In response to the evolving cyber threat landscape, the Company continuously reviews and strengthens its cybersecurity framework. Robust security measures, including real-time monitoring and layered controls across user devices, networks, servers, applications and data, are in place to safeguard the Company's information assets and technology infrastructure.

LISTING OF SHARES

The shares are actively traded on NSE and BSE and have not been suspended from trading. The listing fee for the financial year 2025-26 has been duly paid.

INDUSTRIAL RELATIONS

The Company continued to maintain healthy, cordial and harmonious industrial relations across all its operations during the financial year. The commitment, dedication and sustained efforts of its employees have significantly contributed to the Company's performance and growth. The Company also continued to implement various initiatives aimed at enhancing productivity, operational efficiency and employee engagement.

ACKNOWLEDGEMENT

Your Directors place on record their gratitude to all the investors, customers, vendors, banks, regulatory and government authorities for the assistance, co-operation and encouragement they extended to the Company. Your directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of the employees in ensuring an excellent operational performance.

For and on behalf of the Board of Directors

Date: 4th August, 2026
Place: Chandigarh

Yashovardhan Saboo
Chairman & Managing Director

ANNEXURE I

Form AOC-1

Pursuant to first proviso to sub-section 3 of section 129 read with rule 5 of Companies (Accounts) Rules, 2014}

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part 'A': Subsidiaries (Information in respect of each subsidiary to be presented)

Amount(Rs. in Lacs)

Particulars										
Name of the subsidiary	**Pylania S.A.**	**Kamla International Holdings AG**	**Ethos Limited**	**Mahen Distribution Limited**	**Estima AG**	**Cognition Digital LLP**	**Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)**	**Silvercity Brands AG**	**Favre Leuba GmBH**	**Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)**
	Subsidiary	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**	**Subsidiary**
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March 2026	31st March 2026	31st March 2026	31st March 2026	31st March 2026	31st March 2026	31st March 2026	31st March 2026	31st March 2026	31st March 2026
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rs. Exchange rate: B/s CHF = 116.24 P/L CHF = 110.28	Rs. Exchange rate: B/s CHF =116.24 P/L CHF = 110.28	Rs.	Rs.	Rs. Exchange rate: B/s CHF = 116.24 P/L CHF = 110.28	Rs.	Rs.	Rs. Exchange rate: B/s CHF = 116.24 P/L CHF = 110.28	Rs. Exchange rate: B/s CHF = 116.24 P/L CHF = 110.28	Rs.
Share capital	1,050.64	2,060.28	2,675.77	600.57	969.70	42.94	100.00	6,725.98	18.39	799.49
Reserves & surplus	2,077.36	3,285.71	1,45,471.04	26,077.83	207.88	692.98	18.69	2,477.88	(0.97)	17,844.19
Total assets	7,789.42	5,364.70	1,99,649.49	26,681.29	5,319.81	863.43	163.33	10,433.97	17.42	20,439.45
Total Liabilities	4,661.42	18.71	51,502.68	2.89	4,142.23	127.51	44.64	1,230.11	-	1,795.77
Investments	-	-	4,747.23	25,342.87	-	-	-	44.13	-	-
Turnover	2,389.61	-	1,61,259.61	4.56	3,708.99	551.80	249.38	3,649.71	-	2,022.68
Profit before taxation	142.52	(15.96)	12,746.95	338.08	(1,080.82)	101.31	38.09	(1,268.53)	(2.50)	735.99
Provision for taxation	43.85	0.69	3,254.72	90.92	0.12	35.26	5.15	-	-	185.50
Profit after taxation	98.67	(16.65)	9,492.23	247.16	(1,080.94)	66.05	32.94	(1,268.53)	(2.50)	550.49
Proposed Dividend	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	50.12%	100.00%	100.00%	99.99%	99.99%	93.07%	93.07%	75.05%

ANNEXURE I (CONTD.)

Particulars Name of the subsidiary	Ficus Trading LLC	Micron Watch Service Private Limited	Artisan Watch Products Private Limited
	Subsidiary	Subsidiary	Subsidiary
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March 2026	31st March 2026	31st March 2026
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rs. Exchange rate: B/s CHF = 116.24 P/L CHF = 110.28	Rs.	Rs.
Share capital	69.87	10.00	500.00
Reserves & surplus	31.91	(0.65)	(2.60)
Total assets	107.69	10.00	623.61
Total Liabilities	5.91	0.65	126.21
Investments	-	-	-
Turnover	256.72	-	-
Profit before taxation	25.17	(0.65)	(3.49)
Provision for taxation	-	-	(0.89)
Profit after taxation	25.17	(0.65)	(2.60)
Proposed Dividend	-	-	-
% of shareholding	100%	50.10%	80.00%

Part "B": Associates and Joint Ventures

(Amount Rs. in Lacs)

Name of Associates	Pasadena Retail Private Limited
1. Latest audited Balance Sheet Date	31st March 2026
2. Shares of Associate/Joint Ventures held by the company on the year end	
Number	27,50,000
Amount of Investment in Associates/Joint Ventures	275.00
Extent of Holdings %	50%
3. Description of how there is significant influence	Joint Venture Company
4. Reason why the associate/joint venture is not consolidated	N.A.
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	363.88
6. Profit/Loss for the Year	(48.97)
i. Considered in Consolidation	(24.49)
ii. Not Considered in Consolidation	(24.48)

For and on behalf of the Board of Directors

Yashovardhan Saboo
Chairman & Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum CFO
DIN: 03542390

Place: Chandigarh
Date: 4th August, 2026

ANNEXURE II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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 arms length transactions under third proviso thereto.

1. Details of Contracts and arrangements or transactions not at arm's length basis: NA
2. Details of Contracts or arrangements or transactions at arm's length basis. (Amount Rs. in Lacs)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:		Amount paid as advances, if any:
1.	Estima AG	Business Transactions	Transactions in the normal course of business during 2025-26	i) Sale of Goods & Services ii) Purchase of Raw Material & Components iii) Payment of lease liabilities iv) Sale of Property, Plant and equipment	1,234.57 9.67 23.59 13.93	NIL
2.	Ethos Limited	Business Transactions	Transactions in the normal course of business during 2025-26	i) Events and exhibition ii) Reimbursement of expenses received by the Company iii) Rent received iv) Sale of goods and services v) Investment Made	20.45 4.89 27.10 2.16 199.04	NIL
3.	Dream Digital Technology Limited	Business Transactions	Transactions in the normal course of business during 2025-26	i) Dividend paid	5.79	NIL
4.	Vardhan Properties and Investment Limited	Business Transactions	Transactions in the normal course of business during 2025-26	i) Rent Received ii) Dividend Paid	0.60 7.50	NIL
5	Mahen Distribution Limited	Business Transactions	Transactions in the normal course of business during 2025-26	i) Rent received ii) Contractual labour expenses iii) Reimbursement of expenses paid by the Company iv) Dividend Received	0.60 4.56 4.97 1801.71	0.60 4.56 4.97 1801.71
6.	Mr. R.K. Saboo.	Business Transactions	Transactions in the normal course of business during 2025-26	i) Employee benefit expense ii) Dividend paid iii) Interest Paid iv) Deposits Repaid	30.00 379.73 13.53 40.00	NIL
7.	Mr. Yashovardhan Saboo	Business Transactions	Transactions in the normal course of business during 2025-26	i) Payment of lease liabilities ii) Compensation to key managerial personnel iii) Dividend paid iv) Deposits Received v) Deposits Repaid vi) Interest Paid	20.23 332.11 380.43 108.30 200.00 13.61	NIL
8.	Mrs. Anuradha Saboo	Business Transactions	Transactions in the normal course of business during 2025-26	i) Payment of lease liabilities ii) Dividend paid iii) Interest Paid / accrued iv) Deposits Received v) Director Sitting Fees vi) Deposits Repaid	33.72 172.27 7.14 58.50 2.05 162.30	NIL

ANNEXURE II (CONTD.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/tra nsactions	Salient terms of the contracts or arrangements or transactions including the value, if any:		Amount paid as advances, if any:
9	Mrs. Usha Saboo	Business Transactions	Transactions in the normal course of business during 2025-26	i) Interest Paid/ accrued ii) Deposits from shareholders accepted/renew iii) Deposits from shareholders repaid iv) Dividend paid	29.67 108.00 100.00 33.39	NIL
10	Mr. Sanjeev K Masown	Business Transactions	Transactions in the normal course of business during 2025-26	i) Compensation to key managerial personnel ii) Interest Paid/ accrued iii) Interest received iv) Deposits Received v) Deposits Repaid vi) Repayment of Loan given by Company	143.53 11.46 8.47 37.29 28.69 20.00	NIL
11	Mrs. Neeraj Masown	Business Transactions	Transactions in the normal course of business during 2025-26	i) Interest Paid ii) Deposits from shareholders accepted/renew iii) Deposits from shareholders repaid iv) Dividend Paid	13.28 53.80 22.20 0.00	NIL
12.	Mr. Lal Chand Masown	Business Transactions	Transactions in the normal course of business during 2025-26	i) Deposits from shareholders accepted/renew ii) Deposits from shareholders repaid iii) Interest Paid iv) Dividend Paid	19.75 18.25 1.75 0.00	NIL
13.	Mr. Praveen Gupta	Business Transactions	Transactions in the normal course of business during 2025-26	i) Director sitting Fee ii) Interest paid/ accrued iii) Deposit Received	2.97 1.24 30.00	NIL
14.	Mr. Sanjiv Sachar	Business Transactions	Transactions in the normal course of business during 2025-26	i) Director sitting Fee ii) Dividend Paid	7.07 0.30	NIL
15	Mr. Jai Vardhan Saboo	Business Transactions	Transactions in the normal course of business during	i) Director sitting Fee ii) Dividend Paid	1.50 5.19	NIL
16.	Cognition Digital LLP	Business Transactions	Transactions in the normal course of business during 2025-26	i) Rent Received	0.60	Nil
17.	Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	Business Transactions	Transactions in the normal course of business during 2025-26	i) Job work charges paid ii) Rent received	249.38 14.64	NIL
18	Mr. Pranav S Saboo	Business Transactions	Transactions in the normal course of business during 2025-26	i) Dividend paid	140.00	NIL

ANNEXURE II (CONTD.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:			Amount paid as advances, if any:
19	Mrs. Satvika Saboo	Business Transactions	Transactions in the normal course of business during 2025-26	i)	Dividend paid	29.02	NIL
20	Pylania SA	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii) iii) iv) v) vi)	Job work charges paid Reimbursement of expenses paid by the Company Sale of goods and services Guarantee Commission Received Reimbursement of expenses received by the Company Payment of lease liabilities	16.47 110.77 1588.47 3.38 4.79 27.42	
21	Saboo Housing Projects LLP	Business Transactions	Transactions in the normal course of business during 2025-26	i)	Payment of lease liabilities	8.74	NIL
22	Kamla International Holdings SA	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii)	Interest Income Investment Made	114.72 1,622.88	NIL
23	Mrs. Neelima Tripathi	Business Transactions	Transactions in the normal course of business during 2025-26	i)	Director Sitting Fees	3.00	NIL
24	Mr. Nagarajan Subramanian	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii)	Director Sitting Fees Dividend Paid	5.27 0.01	NIL
25	ASP SABOO FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii)	Interest paid/accrued Deposits Received from Relative of Directors	1.19 34.00	NIL
26	RKS JS FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2025-26	I) II)	Interest paid/accrued Deposits Received from Relative of Directors	23.98 268.00	NIL
27	UDS JS FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii)	Interest paid/accrued Deposits Received from Relative of Directors	0.52 25.00	NIL
28	VEENA KANORIA FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2025-26	i)	Interest paid/accrued	23.40	NIL
29	KDDL Ethos Foundation	Business Transactions	Transactions in the normal course of business during 2025-26	i)	CSR Contribution made	64.46	NIL

ANNEXURE II (CONTD.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:			Amount paid as advances, if any:
30	SABOO VENTURES LLP	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii) iii)	Dividend paid Deposit Received Interest paid/accrued	12.96 300.00 10.84	NIL
31	Silvercity Brands AG	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii)	Sale of goods and services Reimbursement of expenses received by the Company	13.58 43.61	NIL
32	Brahm Prakash Kumar	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii) iii) iv) v)	Compensation to key managerial personnel Interest Paid / accrued Deposit Received Deposit Repaid Dividend Paid	39.52 6.17 45.90 36.89 0.45	NIL
33	Muskan Masown	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii) iii)	Interest Paid / accrued Dividend Paid Salary paid to relatives of KMP	2.36 0.00 5.76	NIL
34	Artisan Watch Products Private Limited	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii) iii) iv) v) vi)	Reimbursement of expenses received by the Company Purchase of raw material and components Sale of goods and services Sale of Property, Plant and equipment Rent Received Investment Made	35.74 19.04 27.13 93.23 17.12 400.00	NIL
35	Mr. Chitranjan Agarwal	Business Transactions	Transactions in the normal course of business during 2025-26	i) ii)	Director Sitting Fee Dividend paid	4.52 1.87	NIL
36	Mr. Anurag Maheshwari	Business Transactions	Transactions in the normal course of business during 2025-26	i)	Director Sitting Fee	2.70	NIL
37	Mr. Hanspeter Pieth	Business Transactions	Transactions in the normal course of business during 2025-26	i)	Director Sitting Fee	0.38	NIL
38	VBL Innovations Private Limited	Business Transactions	Transactions in the normal course of business during 2025-26	i)	Reimbursement of expenses received by the Company	25.03	NIL

Place: Chandigarh
Date: 4th August, 2026

Yashovardhan Saboo
Chairman & Managing Director
DIN : 00012158

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY

The Company undertakes and/or supports various activities/projects as notified by the Ministry of Corporate Affairs from time to time. The Company undertakes CSR Activities directly or indirectly through a registered trust or society or any company established under Section 8 of the Act for CSR objectives. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web-link of the same is http://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf

2. THE COMPOSITION OF THE CSR COMMITTEE#:

Name	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. R.K. Saboo	Chairman	2	2
Mr. Yashovardhan Saboo	Member	2	2
Mr. Praveen Gupta*	Member	2	1
Mrs. Anuradha Saboo	Member	2	2
Mr. Nagarajan Subramanian**	Member	NA	1

#As on 31st March, 2026

*Ceased to be member w.e.f 23rd August, 2025

**Appointed as member w.e.f 24th August, 2025

3. 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.

Sr. No.	Particulars	Web- link(s)
1	Composition of CSR Committee	https://www.kddl.com/corporate-governance/
2	CSR Policy	https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf
3	CSR Project	https://www.kddl.com/corporate-responsibility/

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE(3) OF RULE 8, IF APPLICABLE: Not Applicable

5. a. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

Sr. No	Particulars	Net Profit (Rs. in lacs)
1	For financial year 2024-25	5,850.50
2	For financial year 2023-24	13,217.34
3	For financial year 2022-23	3,949.85
4	**Total (1+2+3)**	**23,017.69**
5	**Average Net Profits (Rs. 23,017.69/3)**	**7,672.56**
6	**Prescribed CSR expenditure (being 2% of the average net profits as stated in point 5 above)**	**153.45**

6. a. **Two percent of average net profit of the Company as per Section 135(5):** Rs. 153.45 Lacs

b. **Surplus arising out of the CSR projects or programs or activities of the previous financial years:**

Sr. No.	Particulars	Amount (Rs. in Lacs)
1	Extra Spent during the year 2024-25	(29.71)
2	CSR Liability for the year 2025-26	153.45
3	Balance to be spent during the year 2025-26 (2-1)	183.16
4	Actual CSR Expenditure during the year 2025-26	183.16*
5	Extra Spent during the year 2025-26 (4-3)	NA

*It includes Rs. 29.71 Lacs belonging to financial year 2024-25 and transferred in Unspent CSR Account.

c. **Amount required to be set-off for the financial year, if any:** Nil

d. **Total CSR obligation for the financial year:** Rs. 153.45 Lacs

7. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (Rs in Lacs)	Amount Unspent (Rs. in Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Name of the Fund	Date of transfer
183.16	Nil	NA	NA	NA	NA

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the project	Item from the list of Activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Rs. Lacs)	Amount spent in the current financial Year (in Rs. Lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs Lacs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR registration
1	Aftercare and Livelihood Program	ii	No	Throughout India		Ongoing	25.00	25.00	Nil	No	Catalysts for Social Action (CSA)	CSR00002803
2	Million Tree Project	iv	No	Maharashtra, Andhra Pradesh		Ongoing	34.78	34.78	Nil	No	SayTrees Environmental Trust	CSR00000702
3	Million Tree Project	iv	No	Karnataka, Haryana, Rajasthan		Ongoing	34.93	34.93	Nil	No	SankalpTaru Foundation	CSR00000590
4	Million Tree Project	Iv	No			Ongoing	0.71	0.71	Nil	Yes	NA	NA
5	Indian Culture- Art and Music	v	Yes	Chandigarh		Ongoing	9.78	9.78	Nil	Yes	NA	NA
6	Medical help for the poor and needy Patients	i	Yes	Chandigarh		Ongoing	6.00	6.00	Nil	No	Heart to Heart Service Society of Inner Wheel Club	CSR00027173
7	Promoting Education and Vocational Training	ii	Yes	Chandigarh			2.50	2.50	Nil	No	Youth Technical Training Society	CSR00039889

ANNEXURE III (CONTD.)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	**Name of the project**	**Item from the list of Activities in Schedule VII to the Act**	**Local area (Yes/ No)**	**Location of the project**		**Project duration**	**Amount allocated for the project (in Rs. Lacs)**	**Amount spent in the current financial Year (in Rs. Lacs)**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs Lacs)**	**Mode of Implementation Direct (Yes/No)**	**Mode of Implementation – Through Implementing Agency**	
				State	**District**						**Name**	**CSR registration**
8	Organ Donation	i	No	Uttarakhand			5.00	5.00	Nil	No	Mohan Foundation	CSR00001259
9	Million Tree Project*	iv	No				60.00	60.00	Nil	No	KDDL Ethos Foundation	CSR00045992
10	Indian Culture- Art and Music	v	Yes				4.46	4.46	Nil	Nil	KDDL Ethos Foundation	CSR00045992
	TOTAL						**183.16**	**183.16**		**Nil**		

*Location under finalisation

(c) **Amount spent in administrative overheads:** Nil

(d) **Amount spent on impact assessment, if applicable:** Not applicable

(e) **Total amount spent for the financial year (8b+8c+8d):** Rs. 183.16 Lacs

(f) **Details of excess amount for set-off are as follows:** Nil

8. **DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:** Nil

9. **WHETHER ANY CAPITAL ASSETS HAVE BEEN ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR:** Not Applicable

10. **SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PERCENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):** Not Applicable.

For and on behalf of the Board of Directors of KDDL Limited

R.K Saboo
Chairperson of CSR Committee

Yashovardhan Saboo
Chairman & Managing Director
DIN: 00012158

Place: Chandigarh
Date: 19th May, 2026

ANNEXURE IV

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,
KDDL Limited
Plot No. 3, Sector III
Parwanoo, Himachal Pradesh

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KDDL 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 KDDL LIMITED'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-processesand compliance-mechanism in place to the extent, in the mannerand subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by KDDL LIMITED ("the Company") for the financial year ended on March 31, 2026 under the provisions of below mentioned regulations:

(i) The Companies Act, 2013 (the Act) and the rules madethereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') andthe rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-lawsframed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules andregulations made thereunder to the extent of Foreign DirectInvestment, Overseas Direct Investment and External CommercialBorrowings;

(v) The following Regulations and Guidelines prescribed under theSecurities 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: Not applicable during the financial year under review.

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.

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) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.

(viii) The Air(Prevention and Control of Pollution) Act, 1981

(ix) The Water (Prevention and Control of Pollution) Act, 1974

I have also examined compliance with the applicable clauses ofthe 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 ("Stock Exchanges").

ANNEXURE IV (CONTD.)

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

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

1. The Board of Directors of the Company is duly constituted withproper balance of Executive Directors, Non-Executive Directorsand 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 BoardMeetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking andobtaining further information and clarifications on the agendaitems before the meeting and for meaningful participation at themeeting.
3. All decision is 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 companyand on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion that there are adequate systems andprocesses in the company commensurate with the size andoperations of the company to monitor and ensure compliance withapplicable laws, rules, regulations and guidelines.

I further report that during the audit period:

A. BSE Limited vide its email dated 20.03.2026, has intimated levy of SOP Fine for delayed submission of the unaudited quarterly results for the quarter ended June, 2017. The Company has filed a waiver application for the same, which is under process.

B. approval of the members was sought in the 45th Annual General Meeting of the company held on 15.09.2025 inter alia, for borrowing, by way of inviting and accepting unsecured fixed deposits from shareholders of the company, by way of ordinary resolution;

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.
AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993
Peer Review Cert No. 2120/2022
Date: 04.08.2026
Place: Chandigarh
UDIN: F002191H001092005

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

Annexure-A”

To,

The Members,

KDDL Limited

Plot No. III, Sector 3

Parwanoo, Himachal Pradesh

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

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

For A. ARORA & CO.
AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993
Peer Review Cert No. 2120/2022
Date: 12.08.2026
Place: Chandigarh
UDIN: F002191H001092005

ANNEXURE – V
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

(Business Responsibility and Sustainability Reporting (BRSR) is the practice of companies disclosing information about their environmental, social, and governance (ESG) performance. It goes beyond financial reporting to provide stakeholders with a comprehensive view of a company's non-financial impacts and contributions to sustainable development. BRSR covers topics such as environmental impact, social responsibility, and governance practices, aiming to promote transparency and accountability.)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sr. No.	Particulars	FY 2025-26
1	Corporate Identity Number (CIN) of the Listed Entity	L33302HP1981PLC008123
2	Name of the Listed Entity	KDDL Limited
3	Year of incorporation	8th January 1981
4	Registered office address	Plot No.3, Sector III, Parwanoo, Himachal Pradesh173220
5	Corporate address	Kamla Centre, SCO 88-89, Sector 8C, Madhya Marg, Chandigarh- 160009
6	E-mail	investor.complaints@kddl.com
7	Telephone	0172- 2548223/24
8	Website	http://www.kddl.com
9	Financial year for which reporting is being done	1st April 2025 – 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. 12,29,92,800/-
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Deepika Gulati Email ID: deepika.gulati@kddl.com Telephone No.: 0172- 2548223/24 Website: www.kddl.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	NA
15	Type of assurance obtained	NA

II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Watch Components Group	Watch Dials, watch hands, & watch bracelet	55.2%
2	Precision Engineering	Precision engineering components and press tools	39.4%
3	Packaging Business	Manufacturing Of Packaging Boxes for watches, jewellery, lifestyle & writing instruments	4.6%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1	Watch components	26521	55.2%
2	Components & Press tools	26101	39.4%
3	Packaging Products	16231	4.6%

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	9	1	10
International	0	1	1

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	14
International (No. of Countries)	28

Note :

National: The Company operates across various states in India through its offices and website.

International: The Company has a presence in multiple countries through exports, subsidiaries, joint ventures, sales offices, or direct operations.

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

71%

c. A brief on types of customers

KDDL is a leading Indian company that focuses on manufacturing watch components, precision-stamped components, and progressive tools used in diverse engineering applications. The Company produces watch dials, hands, bracelets, and indexes for global watch brands. Its Precision Engineering division caters to industries such as aerospace, electronics, automotive, consumer durables and alternate energy. Furthermore, KDDL's packaging division provides packaging boxes for the watch, Jewellery, and writing instrument sectors.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1	Permanent (D)	686	655	95.5%	31	4.5%
2	Other than Permanent (E)	2	2	100.0%	0	0.0%
3	**Total employees (D + E)**	688	657	95.5%	31	4.5%
			WORKERS			
4	Permanent (F)	825	658	79.8%	167	20.2%
5	Other than Permanent (G)	1,126	670	59.5%	456	40.5%
6	**Total workers (F + G)**	1,951	1,328	68.1%	623	31.9%

ANNEXURE – V
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent (D)	1	1	100.0%	0	0.0%
2	Other than Permanent (E)	0	0	0.0%	0	0.0%
3	**Total differently abled employees (D + E)**	1	1	100.0%	0	0.0%
	DIFFERENTLY ABLED WORKERS					
4	Permanent (F)	3	2	66.7%	1	33.3%
5	Other than Permanent (E)	3	2	66.7%	1	33.3%
6	**Total differently abled workers (F + E)**	6	4	66.7%	2	33.3%

21. Participation/Inclusion/Representation of women

Particular	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20.0%
Key Management Personnel	3	0	0.0%

22. Turnover rate for permanent employees and workers

Particular	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16.7%	46.4%	18.3%	12.6%	12.7%	12.6%	10.3%	22.2%	10.8%
Permanent Workers	18.3%	9.4%	16.7%	19.1%	18.3%	19.0%	20.2%	20.6%	20.3%

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

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

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1	Pylania S.A.	Subsidiary	100.0%	No
2	Kamla International Holdings AG	Subsidiary	100.0%	No
3	Ethos Limited	Subsidiary	50.1%	Yes*
4	Mahen Distribution Limited	Subsidiary	100.0%	No
5	Estima AG	Subsidiary	100.0%	No
6	Cognition Digital LLP	Subsidiary	99.9%	No
7	Kamla Business Services Limited (Formerly Kamla Tesio Dials Ltd)	Subsidiary	99.9%	No
8	Silvercity Brands AG	Subsidiary	93.1%	No
9	Pasadena Retail Private Limited	Associate	50.0%	No
10	Ethos Lifestyle Private Limited (formerly RF Brands Private Limited)	Subsidiary	100.0%	No
11	Micron Watch Services Private Limited	Subsidiary	50.1%	No
12	Favre Leuba Gmbh	Subsidiary	100.0%	No
13	Ficus Trading LLC	Subsidiary	100.0%	No

*Since Ethos Limited is a listed entity, it follows its own BRSR initiatives.

VI. CSR Details

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

Yes

a.	**Turnover (in Rs.)**	4,95,80,42,650
b.	**Net worth (in Rs.)**	3,83,92,18,913

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:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) *	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	Nil	0	0	Nil
Investors (other than shareholders)	Yes	0	0	Nil	0	0	Nil
Shareholders	Yes	4	0	Nil	4	0	Nil
Employees and workers	Yes	0	0	Nil	0	0	Nil
Customers	Yes	0	0	Nil	0	0	Nil
Value Chain Partners	Yes	0	0	Nil	0	0	Nil
Other (please specify)	NA	NA	NA	NA	NA	NA	NA

*Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)

Stakeholder group from whom complaint is received	Web Link for Grievance Policy
Communities	https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Mannual.pdf
Investors (other than shareholders)	
Shareholders	
Employees and workers	
Customers	
Value Chain Partners	
Other (please specify)	

ANNEXURE – V
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Emissions & Energy management	R	Emissions and energy management are critical for manufacturing companies. By effectively managing emissions and energy usage, companies can reduce their environmental footprint, comply with regulations, improve operational efficiency, minimise costs, and demonstrate a commitment to sustainability. Proactive management of emissions and energy contributes to a greener and more responsible manufacturing industry.	KDDL has implemented structured policies and procedures to regularly track energy use and emissions, focusing on identifying key areas requiring improvement. The Company encourages the adoption of renewable energy sources, including solar and wind, to help lower and compensate for greenhouse gas (GHG) emissions. Emission tracking systems are in place to monitor significant emission contributors.	Negative
2	Water Management	R	Water management is essential for manufacturers to ensure responsible use of water resources, reduce environmental impact, and mitigate operational risks. Efficient water management practices conserve water, minimise water-related costs, comply with regulations, protect ecosystems, and enhance sustainability, demonstrating corporate responsibility and long-term viability	KDDL is committed to effective water conservation by minimising freshwater usage. The Company has installed effluent treatment plants (ETPs) to treat wastewater, which is then reused for gardening, industrial processes, and production activities. Regular assessments and monitoring of water consumption are conducted to pinpoint high-usage areas and explore reduction strategies. Presently, Zero Liquid Discharge (ZLD) systems are operational at three KDDL facilities.	Negative
3	Waste Management	R	Effective waste management is crucial for a manufacturing company as it minimises environmental impact, ensures regulatory compliance, reduces operational costs, and enhances sustainability. Proper waste management practices promote resource efficiency, mitigate potential health and environmental risks, and demonstrate corporate responsibility	KDDL ensures that robust policies and procedures guide the proper handling, storage, and disposal of waste. Waste is managed responsibly through safe storage and disposal by authorised third-party vendors. The Company also promotes waste reduction and reuse methods to decrease reliance on virgin raw materials.	Negative

ANNEXURE – V
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Training and skill improvement	O	Training and skill improvement are crucial for individuals and organisations as they enhance performance, productivity, and adaptability. Continuous learning allows employees to gain new knowledge, refine existing skills, and stay current with industry advancements, leading to improved job satisfaction, career growth, and organisational success in a rapidly changing business environment.	NA	Positive
5	Customer Satisfaction	R	Customer satisfaction is crucial for a watch component and precision engineering company as it directly affects reputation, customer loyalty, and business growth. Satisfied customers contribute to positive word of-mouth marketing and drive repeat purchases, ensuring a strong market presence and continued success in a competitive industry.	Customers play a vital role in KDDL's sustainable success. The Company maintains high standards of product quality, focuses on innovation, ensures timely deliveries, and offers competitive pricing to fulfil customer needs. Two-way communication channels are in place to boost engagement, enhance brand loyalty, and maintain transparency. A system for capturing and acting on customer feedback helps improve product offerings.	Negative
6	Occupational Health and Safety	R	Occupational health and safety are critical for a manufacturing company as they protect employees from workplace hazards, reduce the risk of accidents and injuries, improve productivity, and ensure legal compliance. Prioritising health and safety foster a positive work environment and safeguards the Company's reputation.	KDDL has well-defined policies and procedures to assess risks and hazards across its operations, with strong measures to mitigate them. Routine safety audits and health monitoring are conducted to close any gaps in workplace safety. Employees are provided with appropriate personal protective equipment (PPE), and on-site health clinics are available for immediate medical attention. The Company also conducts safety training and awareness programs to foster a safety first culture and encourage employees to report any safety concerns.	Negative

ANNEXURE – V
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Innovation Management and resource efficiency	O	Innovation enhances product and service offerings to better align with customer needs, thereby boosting customer satisfaction. It also fosters the development of new products and services, creating additional revenue opportunities for the Company. Companies that prioritise innovation gain a competitive advantage and increase their market share. Operational efficiency focuses on achieving more with fewer resources, such as reducing energy consumption, increasing yield, and optimising equipment utilisation, ultimately maximising overall effectiveness.	NA	Positive
8	Supply Chain Management	O	Supply chain management is critical for manufacturers as it ensures the smooth flow of materials, reduces costs, improves operational efficiency, and enhances customer satisfaction. Effective supply chain management enables timely production, minimises inventory risks, optimises logistics, fosters supplier relationships, and allows companies to meet market demand efficiently and effectively.	NA	Positive
9	Corporate Governance	R	Corporate governance is essential for any company as it ensures transparency, accountability, and ethical decision-making. It establishes a framework that guides management behaviour, protects shareholder interests, promotes long-term sustainability, and enhances investor confidence. Effective corporate governance is fundamental for organisational success and stakeholder trust.	KDDL upholds strong corporate governance through established policies that promote ethical conduct, transparency, defined roles and responsibilities, risk management, and accountability in decision making. The Company is committed to continuous improvement through regular oversight, independent audits, and board-level supervision, ensuring that operations are managed sustainably and risks are effectively mitigated.	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Sr. No	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/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b	Has the policy been approved by the Board? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c	Web Link of the Policies, if available	https://www.kddl.com/codes-and-policies/								
2	Whether the entity has translated the policy into procedures. (Yes / No/ NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	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, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	SEDEX, Responsible Jewellery Council Certificate	AS 9100D:2016, ISO 9001:2015, IATF 16949:2016	ISO 45001:2018, SEDEX, SA 8000:2014	-	-	FSCSTD-40-004, FSCSTD-50-001, FSCSTD-40-003, ISO 14001:2015, Eco-Vadis, SEDEX	-	-	-
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	At KDDL, our commitment to sustainability and environmental stewardship remains a core aspect of our corporate philosophy. We continue to integrate responsible practices across our operations, aligning with national priorities on environmental conservation and social development. One of our flagship environmental initiatives, The Million Tree Project, reflects our long-term commitment to ecological restoration. Through this initiative, KDDL, with its subsidiaries and associate companies, has pledged to collaborate with credible implementation partners to plant and nurture one Million trees across degraded regions of India by 2030. In addition to our environmental efforts, KDDL is actively engaged in a range of social responsibility initiatives aimed at enhancing community well-being. These include: • Provision of medical assistance to underprivileged patients, ensuring access to essential treatment. • Promoting Education and Vocational Training • Helping Hand to Underserved People with Disabilities • Aftercare and Livelihood Program • Promotion of Indian Culture These initiatives collectively address critical areas such as child health, education, access to basic necessities, and sustainable livelihoods. As a responsible corporate entity, KDDL remains committed to making a measurable and lasting impact on both environmental and social fronts.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	KDDL continues to contribute to advancing its environmental and social responsibility objectives. Our initiatives have delivered a measurable impact, contributing positively to ecological restoration and socio-economic development. As part of the Million Tree Project – KDDL and Ethos have planted a cumulative 161,342 trees during FY 2025-26 and 5,38,049 trees to date through strategic partnerships with SayTrees Environmental Trust and SankalpTaru Foundation. Through these partnerships, the Company continues to scale its afforestation efforts and contribute meaningfully to climate action and environmental sustainability. This achievement reflects our ongoing commitment to environmental sustainability and underscores the progress we are making toward our target of planting one million trees by 2030.								

ANNEXURE – V
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

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)

KDDL Limited, a prominent Indian manufacturer of high-quality watch components, precision-stamped parts, and progressive tools, is firmly committed to Environmental, Social, and Governance (ESG) principles as part of its strategy for sustainable long-term value creation.

While challenges such as responsible material sourcing and managing socio-environmental impacts across the value chain persist, KDDL continues to uphold its commitment to sustainability, social responsibility, and strong governance practices. Serving as a testament to this commitment to sustainable business practices, the Company received a bronze medal in the EcoVadis ratings for two of its plants. The Company maintains high standards of corporate governance through an independent and diverse Board, robust ethical policies, and a well-established whistle-blower mechanism.

KDDL fosters a culture of inclusivity, collaboration, and continuous development by prioritising employee well-being, offering regular feedback mechanisms, and implementing engagement initiatives that promote a healthy and productive work environment.

Key sustainability initiatives include:

- A pledge to plant and nurture one million trees across India by 2030 as part of The Million Tree Project
- Organ Donation
- Provision of medical assistance to poor patients
- Promoting Vocational Training
- Aftercare and Livelihood Program
- Promotion of Indian Culture – Art and Music.

8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

The highest authority responsible is Chairman & Managing Director, Mr. Yashovardhan Saboo. Along with CMD, the Senior Management is responsible for the oversight and implementation of Business Responsibility policies.

9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA).

No

If Yes please provide details

NA

10 Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
a. Performance against above policies and follow up action	Director								
b. Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Director								

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

Yes	Yes	Yes	No	No	Yes	No	No	No
Bureau Veritas, ISOQUAR	TUV SUD South Asia Private Limited and Bureau Veritas	Bureau Veritas, TUV NORD CERT GmbH	-	-	TUV SUD South Asia Private Limited, Bureau Veritas, Forest Stewardship Council and Eco-Vadis	-	-	-

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

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

ANNEXURE – V
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	Presentations on Business Strategies, Risk Assessments, Financial Budgets Key focus areas of each business stream & Internal Controls	100.0%
Key Managerial Personnel	4	Risk Assessment and Business Strategies	100.0%
Employees other than BOD and KMPs	248	Health, Safety & Environment (HSE), Quality & Continuous Improvement, Standard Operating Procedures (SOP) Training, Production Planning & Inventory Awareness, Professional & Soft Skills, Company Policies & Code of Conduct, Prevention of Sexual Harassment (POSH), Leadership & Team Management, Awareness Training on Ergonomics, Awareness on Safe Material Handling, Awareness Training on Safe Working in Critical Zone, Training on Work Permit Reporting, Awareness Training on Waste Segregation	94.8%
Workers	334	Quality Standards & Compliance, Core Quality Tools like SPC, MSA and PPAP, Tooling & Manufacturing Processes, Lab Operations, Chemicals & Measurement, Workplace Safety & Statutory Compliance, Prevention of Sexual Harassment (POSH), Awareness Training on Ergonomics, Awareness on Safe Material Handling, Awareness Training on Safe Working in Critical Zone, Training on Work Permit Reporting, Awareness Training on Waste Segregation	100.0%

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

Monetary					
Particular	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR.) (For Monetary Cases only)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	Nil	Nil	Nil	Nil	NA
Settlement	Nil	Nil	Nil	Nil	NA
Compounding fee	Nil	Nil	Nil	Nil	NA

Non-Monetary				
Particular	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	Nil	Nil	Nil	NA
Punishment	Nil	Nil	Nil	NA

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NA	NA

4. Does the entity have anti-corruption or anti-bribery policy? (Yes/ No)

Yes

If Yes, provide details in brief

KDDL's Code of Conduct underscores the importance of integrity, ethical behaviour, and compliance with regulations in all business operations. It ensures that the Company upholds both legal requirements and its internal ethical principles. Bribery is strictly forbidden across all transactions, with systems in place to prevent and identify any unauthorised payments. Furthermore, KDDL adheres to anti-money laundering and counter-terrorism financing laws, with a protocol for promptly reporting unaccounted cash or any suspicious financial activities.

If Yes, Provide a web link to the policy, if available-Web link anti-corruption or anti bribery policy is place

https://www.kddl.com/wp-content/uploads/PDF/corporate/KDDL_Model_Code_of_Conduct.pdf

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

Particular	FY 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Case Details	FY 2025-26		FY 2024-25	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

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

No such incident has taken place in 2025-26.

8. Number of days of accounts payables in the following format:

Particular	FY 2025-26	FY 2024-25
Number of days of accounts payables	50	37

9. Open-ness of business

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

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	6.9%	7.7%
	b. Number of trading houses where purchases are made from	21	23
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	99.0%	97.9%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0.0%	0.0%
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0.0%	0.0%

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Parameter	Metrics		FY 2025-26	FY 2024-25
Share of RPTs in	a.	Purchases (Purchases with related parties / Total Purchases)	0.1%	0.3%
	b.	Sales (Sales to related parties / Total Sales)	5.8%	4.6%
	c.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	46.3%	92.5%
	d.	Investments	100.0%	99.7%

Leadership Indicators

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)

Yes

If Yes, provide details of the same.

In alignment with SEBI's Listing Obligations and Disclosure Requirements (LODR), the Company has implemented a Code of Conduct and a Related Party Transactions policy. These frameworks define the procedures and controls in place to effectively manage and address conflicts of interest involving members of the Board.

Further details are available on the Company's official policies page: https://www.kddl.com/codes-and-policies/

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

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimise the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

Essential Indicator

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Sr. No.	Particular	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
1	**R&D**	0.0%	0.0%	Nil
2	**Capex**	0.0%	0.0%	Nil

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

Yes

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

12.1%

Note – Percentage represents all suppliers (by value of the procurement) that undergo a mandatory screening process during onboarding. This process requires the submission and verification of certificates related to environmental management, health and safety standards, and social parameters, and adherence to fair labour practices.

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)	The Company follows processes in line with EPR, demonstrating its commitment to reducing its environmental footprint and adhering to sustainable practices throughout its operations.
(b)	E-waste	NA
(c)	Hazardous waste	NA
(d)	other waste	NA

4. a Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)

Yes

b If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

Yes

c If not, provide steps taken to address the same

NA

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

(This principle emphasises the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

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	655	655	100.0%	655	100.0%	NA	NA	655	100.0%	655	100.0%
Female	31	31	100.0%	31	100.0%	31	100.0%	NA	NA	31	100.0%
Total	686	686	100.0%	686	100.0%	31	100.0%	655	100.0%	686	100.0%
Other than permanent employees											
Male	2	2	100.0%	2	100.0%	NA	NA	2	100.0%	2	100.0%
Female	0	0	0.0%	0	0.0%	0	0.0%	NA	NA	0	0.0%
Total	2	2	100.0%	2	100.0%	0	0.0%	2	100.0%	2	100.0%

1. 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	658	658	100.0%	658	100.0%	NA	NA	658	100.0%	658	100.0%
Female	167	167	100.0%	167	100.0%	167	100.0%	NA	NA	167	100.0%
Total	825	825	100.0%	825	100.0%	167	100.0%	658	100.0%	825	100.0%
Other than permanent workers											
Male	670	670	100.0%	670	100.0%	NA	NA	670	100.0%	670	100.0%
Female	456	456	100.0%	456	100.0%	456	100.0%	NA	NA	456	100.0%
Total	1,126	1,126	100.0%	1,126	100.0%	456	100.0%	670	100.0%	1,126	100.0%

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

Particular	FY 2025-26	FY 2024-25
Cost incurred on well- being measures as a % of total revenue of the Company	1.9%	2.0%

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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	100.0%	100.0%	Yes	100.0%	100.0%	Yes
Gratuity	100.0%	100.0%	Yes	100.0%	100.0%	Yes
ESI	100.0%	100.0%	Yes	100.0%	100.0%	Yes
Others – please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

If not, whether any steps are being taken by the entity in this regard.

KDDL is dedicated to fostering an inclusive and discrimination-free workplace, where all forms of bias, including those related to disabilities, are not tolerated. The Company ensures equal opportunities for everyone and is actively enhancing its infrastructure to accommodate individuals with disabilities, providing them with the necessary support to perform their daily tasks comfortably and with dignity.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes

If so, provide a web-link to the policy.

Aligned with KDDL's Model Code of Conduct, the Company upholds the principles of fairness and equal treatment for all. Discrimination of any kind—whether based on race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic background, or disability—is strictly prohibited.

Further details are available at: https://www.kddl.com/wp-content/uploads/PDF/corporate/KDDL_Model_Code_of_Conduct.pdf

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	0.0%	0.0%	0.0%	0.0%
Female	0.0%	0.0%	0.0%	0.0%
Total	0.0%	0.0%	0.0%	0.0%

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

Category	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes	KDDL provides both permanent and temporary employees with accessible avenues to raise their concerns through the HR & Admin department of their respective units. This framework empowers employees to express grievances and seek resolution through established organisational processes. Additional grievance redressal mechanisms include: • Employee Suggestion Boxes • Whistleblower Policy • Anonymous Complaint Processes • Town Hall Meetings • Monthly Assembly Meetings • Direct Communication with HR (written or verbal) • Open House Feedback/Review Sessions for all employees The management is committed to handling all grievances with seriousness, ensuring timely and appropriate responses. These mechanisms are intended to supplement—not replace—any legal or collective agreement-based channels. The goal is to cultivate a safe, healthy, and supportive work environment, enabling the effective resolution of various concerns. By implementing diverse communication methods, KDDL ensures employees feel comfortable voicing their issues. This multi-channel approach promotes transparency and openness, reinforcing a culture where all concerns are acknowledged and addressed efficiently.

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

Category	FY 2025-26			FY 2024-25		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C.)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent employees	686	0	0.0%	607	0	0.0%
Male	655	0	0.0%	569	0	0.0%
Female	31	0	0.0%	38	0	0.0%
Total Permanent Workers	825	289	35.0%	871	318	36.5%
Male	658	268	40.7%	715	293	40.9%
Female	167	21	12.6%	156	25	16.0%

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8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		Number (B)	% (B / A)	Number (C)	% (C / A)		Number (E)	% (E / D)	Number (F)	% (C / D)
Employees										
Male	655	624	95.3%	289	44.1%	569	477	83.8%	20	3.5%
Female	31	29	93.6%	16	51.6%	38	19	50.0%	0	0.0%
Total	686	653	95.2%	305	44.5%	607	496	81.7%	20	3.3%
Workers										
Male	658	561	85.3%	437	66.4%	715	557	77.9%	412	57.6%
Female	167	148	88.6%	110	65.9%	156	138	88.5%	105	67.3%
Total	825	709	85.9%	547	66.3%	871	695	79.8%	517	59.4%

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 (D)	No. (E)	% (E / D)
Employees						
Male	655	655	100.0%	569	569	100.0%
Female	31	31	100.0%	38	38	100.0%
Total	686	686	100.0%	607	607	100.0%
Workers						
Male	658	640	97.3%	715	669	93.6%
Female	167	161	96.4%	156	142	91.0%
Total	825	801	97.1%	871	811	93.1%

10. Health and safety management system

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)**

Yes

If Yes, the Coverage such systems?

At KDDL, employee health and safety are of utmost importance. Our facilities are certified under SEDEX and ISO 45001 standards, which encompass Occupational Health and Safety (OHS) practices. Recognising employees as key stakeholders, we ensure full compliance with these standards across all our plants and operations.

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

To effectively identify and mitigate safety hazards and risks, KDDL follows rigorous procedures in line with the ISO 45001:2018 standard, implemented at the majority of our facilities. This globally recognised standard offers a strong framework for managing occupational health and safety. We also utilise Hazard Identification and Risk Assessment (HIRA) tools to methodically detect potential hazards for routine work and job safety assessment is carried out to evaluate risks for non-routine work and apply suitable control measures. Through these practices, we reinforce our commitment to maintaining a safe work environment and minimising incidents.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/ No)**

Yes

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

Yes

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

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

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

To enhance safety standards and minimise risks, the organisation has implemented a comprehensive safety framework that includes several key components. Safety policies and procedures are regularly reviewed and updated to align with industry best practices and regulatory requirements. Employee training and education programs are conducted to ensure that all personnel are equipped with the knowledge and skills to recognise and address potential hazards. Routine safety inspections and audits are carried out to assess compliance with safety protocols and identify areas for improvement. Risk assessments are systematically conducted to evaluate potential hazards and implement effective management strategies to mitigate them. Health and wellness programs are designed to support the well-being of employees, promoting a healthy work environment. Emergency preparedness and response plans are in place to ensure quick and effective action in the event of a safety incident. Safety equipment and facilities are continuously upgraded to provide a safe and secure working environment. Additionally, employee engagement and communication initiatives are promoted to foster a culture of safety and ensure that employees are actively involved in safety practices and feedback.

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

Particulars	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessment for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100.0%
Working Conditions	100.0%

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.

In response to safety-related incidents and significant risks identified through assessments of health and safety practices and working conditions, corrective actions have been implemented across multiple areas. Incident investigations are conducted thoroughly to identify root causes and ensure that appropriate corrective measures are taken to prevent recurrence. Ongoing safety training and awareness programs are being provided to all employees to reinforce safe working practices and improve overall safety culture. Additionally, safety equipment and facilities are regularly upgraded to meet the latest standards and provide a secure working environment. Policy and procedure reviews are carried out periodically to ensure compliance with regulatory requirements and to address any gaps in safety protocols. Furthermore, active employee engagement and consultation are encouraged to foster a collaborative approach to identifying and mitigating potential risks, ensuring a safer workplace for all.

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of**
   (A) **Employees (Y/N)** Yes
   (B) **Workers (Y/N)** Yes

2. **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/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	0	0	0	0

3. **Details on assessment of value chain partners:**

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100.0%
Working Conditions	100.0%

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.**

   No such risk or concern has been observed from the assessment.

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

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

Essential Indicators

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

   KDDL, with active involvement from senior management, the board of directors, and various departments, has carried out a comprehensive stakeholder identification exercise. This initiative focused on recognising individuals and groups who are either affected by or have an influence on the Company's operations. Identified stakeholders include both internal and external parties such as employees, investors, regulatory bodies, vendors, customers, dealers, financial institutions, and the broader community. The Company expresses its gratitude to all stakeholders for their continued support in achieving strategic goals. Valuing stakeholder input, KDDL is committed to nurturing strong relationships through consistent engagement and dialogue to better understand and meet their expectations.

   Identified Stakeholders:

   1. Shareholders and lenders
   2. Employees and workers
   3. Suppliers and vendors
   4. Local community
   5. Government and regulators
   6. Customers

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 & Marginalised Group**	**Channels of communication** (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	**Frequency of engagement** (Annually, Half-yearly, Quarterly, others- Please specify)	**Purpose and scope of engagement including key topics and concerns raised during such engagement**
Shareholders, Lenders	No	• Email • Investor meetings/calls • General meetings • Website	On a regular basis	KDDL regularly tracks its performance to ensure alignment with quarterly compliance requirements and manages day-to-day operations efficiently.
Employees and workers	No	• Email • Townhall meetings • Physical interaction • Monthly assembly meeting • Award functions • Recognition programmes • Engagement activities • Quarterly review meetings	On a regular basis	To foster alignment, motivation, and professional development within the organisation, KDDL ensures effective communication of work objectives, conducts motivational initiatives, organises regular review meetings, and seeks to understand employees' career aspirations, promoting a supportive and goal-driven environment.
Suppliers and Vendors	No	• Email • Physical meetings • Telephonic discussions	On a regular basis	KDDL strengthens its supply chain management by maintaining collaborative and reliable relationships with suppliers and vendors. This approach enhances the movement of goods and services, resulting in improved efficiency and greater customer satisfaction.
Local community	No	Interaction through a Company representative	On a regular basis	By understanding the needs of local communities and working proactively to address them, KDDL builds meaningful relationships and fosters collaboration that contributes to community development.

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Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and regulators	No	Official correspondence	On a regular basis	KDDL ensures adherence to government regulations by following issued circulars and seeking clarifications when necessary. Maintaining strong ties with government agencies enables transparent and seamless operations while ensuring legal compliance.
Customers	No	• Email • Roadshows • Local and international trade fairs • Customer visits • Physical meetings • Telephonic discussions • Social Media	On a regular basis	KDDL remains attentive to customer needs by monitoring market trends, evaluating product demand, and addressing any issues related to quality or delivery. Ongoing communication helps the Company enhance its offerings, ensuring high levels of customer satisfaction and loyalty.

PRINCIPLE 5 Businesses should respect and promote human rights.

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

Essential Indicators

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
			Employees			
Permanent	686	686	100.0%	607	607	100.0%
Other than permanent	2	2	100.0%	7	7	100.0%
Total Employees	688	688	100.0%	614	614	100.0%
			Workers			
Permanent	825	825	100.0%	871	871	100.0%
Other than permanent	1,126	1,126	100.0%	963	963	100.0%
Total Workers	1,951	1,951	100.0%	1,834	1,834	100.0%

2. Details of minimum wages paid to employees and workers

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										
Male	655	0	0.0%	655	100.0%	569	0	0.0%	569	100.0%
Female	31	0	0.0%	31	100.0%	38	0	0.0%	38	100.0%
Total	686	0	0.0%	686	100.0%	607	0	0.0%	607	100.0%
Other than Permanent										
Male	2	0	0.0%	2	100.0%	6	0	0.0%	6	100.0%
Female	0	0	0.0%	0	0.0%	1	0	0.0%	1	100.0%
Total	2	0	0.0%	2	100.0%	7	0	0.0%	7	100.0%
Workers										
Permanent										
Male	658	56	8.5%	602	91.5%	715	70	9.8%	645	90.2%
Female	167	16	9.6%	151	90.4%	156	16	10.3%	140	89.7%
Total	825	72	8.7%	753	91.3%	871	86	9.9%	785	90.1%
Other than Permanent										
Male	670	670	100.0%	0	0.0%	561	561	100.0%	0	0.0%
Female	456	456	100.0%	0	0.0%	402	402	100.0%	0	0.0%
Total	1,126	1,126	100.0%	0	0.0%	963	963	100.0%	0	0.0%

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Particular	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	2	3,74,48,710.5	0	0
Key Managerial Personnel	3	2,45,74,488.0	0	0
Employees other than BOD and KMP	652	8,67,037	31	7,06,825
Workers	658	3,77,292	167	2,67,201

Note:

The remuneration of the Board of Directors (BOD) includes the remuneration paid to Executive Directors but excludes commission and/or sitting fees paid to directors. Non-Executive and Independent Directors are excluded, as they do not receive any remuneration.

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

Particulars	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	13.2%	13.4%

Note :

The number for FY 2024-25 has been restated based on the updated calculation methodology adopted in FY 2025-26.

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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

   The management team, in collaboration with the Human Resources department for each unit, is responsible for addressing any human rights impacts or issues arising from or contributed to by the business.

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

   KDDL has established frameworks to address human rights concerns, including a Whistleblower Policy and a Prevention of Sexual Harassment (POSH) Policy. These policies enable employees to report any violations or issues related to human rights while ensuring confidentiality and safeguarding them from retaliation. Through these initiatives, KDDL demonstrates its commitment to maintaining a respectful, inclusive, and secure work environment that upholds human rights, integrity, and accountability.

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

Particulars	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	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour / Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

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

Particulars	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0.0%	0.0%
Complaints on POSH upheld	0	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   KDDL is committed to upholding ethical standards and integrity, with clear procedures in place to protect individuals who report incidents of discrimination or harassment. Complaints are handled confidentially and are disclosed only to a limited group of stakeholders involved in resolution. The whistleblower policy outlines strict protocols to maintain confidentiality and protect complainants from any negative consequences, ensuring a secure and trustworthy reporting process.

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

   Yes

10. **Assessments for the year:**

Name of the Assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100.0%
Forced/involuntary labour	100.0%
Sexual harassment	100.0%
Discrimination at workplace	100.0%
Wages	100.0%
Others – please specify	NA

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

No such risk or concern has been observed during the assessment.

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

(This principle emphasises the importance of environmental stewardship. Companies should minimise their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

Essential Indicators

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

Parameter	FY 2025-26 (in Giga Joules)	FY 2024-25 (in Giga Joules)
From renewable sources		
Total electricity consumption (A)	1,141.7	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C.)	0	0
Total energy consumed from renewable sources (A+B+C)	**1,141.7**	**0**
From non-renewable sources		
Total electricity consumption (D)	23,727.7	25,380
Total fuel consumption (E)	3,626.0	2,716.4
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	**27,353.7**	**28,096.4**
Total energy consumed (A+B+C+D+E+F)	**28,495.4**	**28,096.4**
Energy intensity per rupee of turnover [Total energy consumed (in GJ) / Revenue from operations (in rupees in Lacs)]	0.6	0.8
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total energy consumed (in GJ)/ Revenue from operations in rupees in Lacs adjusted for PPP]	11.7	15.7
Energy intensity in terms of physical output [Total energy consumed (in GJ) / Number of units produced in Lacs]	8.3	9.3
Energy 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?		No
If yes, name of the external agency.	NA	

Note:

The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2026, which is 20.34.

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? (Yes/No)

No

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

NA

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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	0	0
(ii) Groundwater	43,423.0	43,192.1
(iii) Third party water	30,882.0	25,658.8
(iv) Seawater / desalinated water	0	0
(v) Others – Recycled water*	34,782.0	30,158.0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv)	**74,305.0**	**68,850.9**
Total volume of water consumption (in kilolitres)	**66,704.0**	**57,412.9****
Water intensity per rupee of turnover [Total water consumption (in KL) / Revenue from operations (in rupees in Lacs)]	1.3	1.6
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total water consumption (in KL) / Revenue from operations in rupees in Lacs adjusted for PPP]	27.4	32.1
Water intensity in terms of physical output [Total water consumption (in KL) / Number of units produced in Lacs]	19.3	19.0
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? (Yes/No)		No
If yes, name of the external agency.	NA	

* Recycled water is equivalent to 46.81% of our total water withdrawal for FY 2025-26 and 43.80% of our total water withdrawal for FY 2024-25.

** Numbers for FY 2024-25 have been updated to align with the correct calculation methodology used in FY 2025-26.

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	0	0
With treatment – please specify level of treatment	0	3,025
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties*		
No treatment	3,355	7,333
With treatment – please specify level of treatment	4,246	1,080
(v) Others		
No treatment	0	0
With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**7,601**	**11,438**
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		No
If yes, name of the external agency.	NA	

*Water consumption at office locations is discharged into community sewage and, after treatment at the plant, wastewater is sent to the CETP for further treatment.

5. Has the entity implemented a mechanism for Zero Liquid Discharge?

Yes

If yes, provide details of its coverage and implementation.

Zero Liquid Discharge is implemented in multiple units to treat wastewater, meet environmental laws, and eliminate liquid waste discharge through effective treatment processes. At certain units, wastewater generated is treated through Effluent Treatment Plants (ETPs) followed by Reverse Osmosis (RO) systems, wherein the RO permeate is reused within the process, while the RO reject is sent to the Common Effluent Treatment Plant (CETP) for further treatment and disposal. In other units, treated wastewater is reused within the process and for maintenance of greenbelt areas, in line with the conditions stipulated under the Consent to Operate (CTO).

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	mg/Nm^3	44.8	29.6
SOx	mg/Nm^3	74.5	46.9
Particulate matter (PM)	mg/Nm^3	189.0	137.0
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – carbon monoxide	mg/Nm^3	408.8	149.7
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)			Yes
If yes, name of the external agency.	CITRO LABS Private Limited ECO GREEN SOLUTION SYSTEMS PVT LTD EVAPO TECH NAL LABS LLP Idma Laboratories Limited		

Note – Numbers for FY 2024-25 have been updated to align with the correct calculation methodology used in 2025-26.

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_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	499.5	485.2
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	4,679.6	5,125.3
Total Scope 1 and Scope 2 emissions per rupee of turnover [Total Scope 1 and Scope 2 GHG emissions (in $MTCO_2e$) / Revenue from operations (in rupees in Lacs)]		0.1	0.2
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total Scope 1 and Scope 2 GHG emissions (in $MTCO_2e$) / Revenue from operations in rupees in Lacs adjusted for PPP]		2.1	3.1
Total Scope 1 and Scope 2 emission intensity in terms of physical output [Total Scope 1 and Scope 2 GHG emissions (in $MTCO_2e$) / Number of units produced in Lacs]		1.5	1.9
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)			No
If yes, name of the external agency.	NA		

Note- Source of emission factors used- EPA's GHG Emission Factors Hub, CEA's CDM- CO_2 Baseline Database User Guide Version 21 has been used for the purpose of GHG Emissions calculations.

Note- The Company has successfully mitigated 225.16 TCO_2e through Renewable energy usage in FY 2025-26.

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8. **Does the entity have any project related to reducing Green House Gas emission? (Yes/ No)**

   Yes

   If Yes, then provide details.

   Energy-efficient equipment and lights reduce energy consumption, resulting in a direct decrease in greenhouse gas emissions by lowering electricity demand. The Million Tree Plantation Project serves as a carbon sink, absorbing CO2 and other greenhouse gases from the atmosphere, thus contributing to a long-term reduction in emissions. Use of CNG-based transportation for employee commutes at one of the plant locations to reduce fuel-related emissions. Additionally, the Company promotes use of biodegradable packaging materials and recycling of raw materials to support resource efficiency and reduce environmental impact.

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)	4.2	7.8
E-waste (B)	0.08	0.4
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	35.6	22.9
Process waste	0	0.6
Discarded containers	7.0	6.6
ETP sludge	25.3	11.0
Chemical sludge	0.3	1.0
Used acid	0.6	0.2
Spent bath	0	1.5
Waste oil	0.1	0.1
Used oil	1.7	1.8
Plating metal sludge	0.01	0.02
Cotton waste	0.05	0.05
Filter dust	0.5	0.001
Other Non-hazardous waste generated (H). **Please specify, if any.** (Break-up by composition i.e. by materials relevant to the sector)	863.5	800.0
Metal scrap	681.2	711.5
Paper scrap	16.7	2.7
Wood scrap	19.6	12.8
Brass scrap	60.1	7.0
Cardboard	85.9	66.0
Total (A+B + C + D + E + F + G + H)	903.4	831.1
Waste intensity per rupee of turnover [Total waste generated (in MT) / Revenue from operations (in rupees in Lacs)]	0.02	0.02
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [Total waste generated (in MT) / Revenue from operations in rupees in Lacs adjusted for PPP]	0.4	0.5
Waste intensity in terms of physical output [Total waste generated (in MT) / Number of units produced in Lacs]	0.3	0.3
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	FY 2025-26	FY 2024-25
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	**FY 2025-26**	**FY 2024-25**
(i) Recycled	37.6	14.1
(ii) Re-used	0	0
(iii) Other recovery operations	0	0.1
Total	**37.6**	**14.2**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	**FY 2025-26**	**FY 2024-25**
(i) Incineration	61.8	62.3
(ii) Landfilling	26.5	1
(iii) Other disposal operations	779.6	753.4
Total	**867.9**	**816.7**
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)		No
If yes, name of the external agency.	NA	

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.

At our organisation, we follow comprehensive waste management protocols in full compliance with relevant laws and regulatory frameworks. This includes systematic segregation, secure handling, safe storage, and the environmentally responsible disposal of waste through authorised vendors. Our practices align with industry standards and aim to ensure efficient waste management while upholding our commitment to environmental sustainability. Key Waste Management Initiatives:

- Formulation of Standard Operating Procedures (SOPs) for managing hazardous waste
- Establishment of dedicated storage facilities for both hazardous and non-hazardous waste
- Implementation of reuse, recycling, reprocessing, recovery, treatment, and disposal methods in accordance with state pollution control board regulations
- Disposal of hazardous waste through pollution control board-approved recyclers
- Operation of efficient treatment plants to ensure wastewater is treated before being discharged to centralised effluent treatment plants (CETPs)

This structured approach reflects our dedication to minimising environmental impact and maintaining responsible waste-handling practices.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
The Company does not have any operations/offices in/around ecologically sensitive areas.				

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The Company has not undertaken an Environmental Impact Assessment of any project during 2025-26.					

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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/NA).

Yes

If not, provide details of all such non-compliances, in the following format:

Specify the law/regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA			

Leadership Indicators

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, N2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	1406.7	1225.1
Total Scope 3 emissions per rupee of turnover [Total Scope 3 emissions (in $MTCo_2e$) / Revenue from operations (in rupees in Lacs)]		0.03	0.03
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)			No
If yes, name of the external agency.	NA		

Note:

Scope 3 emissions include emissions from the following categories.

Category – 3 – Fuels and Energy-related Activities (Not Included in Scope 1 & Scope 2)

Category – 5 – Waste Generated in Operations

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative	Corrective action taken, if any
Scrap Waste Yard Development	Waste scrap yards were developed with proper segregation mechanisms for different categories of waste to ensure systematic storage and handling.	Improved waste management practices and waste minimisation through effective segregation and storage.	SOPs were developed for segregation, handling, and storage of different types of waste to strengthen waste management practices.

5. Does the entity have a business continuity and disaster management plan? (Yes/No)

Yes

Give details in 100 words/ web link.

The Company has established On-site Emergency Plans (ONSEP) and Off-site Emergency Plans (OFSEP) to ensure preparedness and effective response during emergency situations. An Emergency Preparedness Plan is in place to support business continuity and operational recovery during events such as natural disasters, power failures, and other unforeseen disruptions. The plan includes risk assessments, evacuation procedures, communication protocols, first aid measures, and clearly defined roles and responsibilities during emergencies. Employees are regularly trained on safety procedures, and periodic mock drills and plan reviews are conducted to maintain preparedness and effectiveness.

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PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

Essential Indicators

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

   9

   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.**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/ International)
1	Confederation of Indian Industry (CII)	National
2	All India Federation of Horological Industries	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	Electronic Industries Association of India	National
5	Indo-French Chamber of Commerce & Industry (IFCCI)	National
6	Swiss-Indian Chamber of Commerce	National
7	Parwanoo Industries Association (PIA)	State
8	Peenya Industries Association	State
9	Karnataka Employers Association	State

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

Name of authority	Brief of the case	Corrective action taken
NA	NA	NA

*No such adverse orders from any regulatory authority have been received in FY 2025-26.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

(This principle emphasises the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalised groups. They should also contribute to the development of local communities and support social and economic empowerment.)

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

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

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA						

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

KDDL has implemented a whistle-blower mechanism for community grievances, offering a way to report concerns. Grievances can be submitted via email to whistleblower@kddl.com or by contacting the designated representative at our manufacturing facilities.

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

Particular	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	13.9%	21.9%
Directly from within India	41.9%	36.7%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Particular	FY 2025-26	FY 2024-25
Rural	20.2%	22.6%
Semi-urban	31.2%	29.1%
Urban	20.6%	20.4%
Metropolitan	28.0%	27.9%
(Place to be categorised as per RBI Classification System - rural / semi-urban / urban/metropolitan)		

Note:
The number for FY 2024-25 has been restated based on the updated calculation methodology adopted in FY 2025-26.

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
NA	NA

Note- The Company has not undertaken a Social Impact Assessment (SIA) for any project in FY 2025-26.

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	Million Tree	-	-
2.	Organ Donation	-	100%
3.	Medical assistance to poor patients	-	100%
4.	Vocational Training	100	100%
5.	Indian Culture- Art and Music	-	100%
6.	Aftercare and Livelihood Program	19	100%

Note –

1. Million Tree Project – KDDL and Ethos have planted a cumulative 161,342 trees during FY 2025-26 and 5,38,049 trees to date through strategic partnerships with SayTrees Environmental Trust and SankalpTaru Foundation. Through these partnerships, the Company continues to scale its afforestation efforts and contribute meaningfully to climate action and environmental sustainability.
2. Due to the nature of the CSR projects, the number of beneficiaries cannot be determined for the Million Tree Project, Organ Donation project, Promoting Healthcare- Medical assistance to poor patients and Promotion of Indian Culture.

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

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

Essential Indicators

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

   At KDDL, we value consumer feedback and view it as essential to our continuous improvement and long-term success. To ensure effective engagement, we have put in place multiple channels through which customers can share their feedback or raise concerns. These include:

   - Clearly defined Standard Operating Procedures (SOPs) for customer engagement
   - Email-based communication for queries and feedback
   - A Corrective and Preventive Action (CAPA) system
   - A structured Excel-based register to track customer complaints and suggestions, as applicable
   - Issuance of quality alerts that detail issues, root causes, and corrective actions, which are communicated transparently to customers

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

Particular	As a percentage to total turnover
Environmental and social parameters relevant to the product	0.0%
Safe and responsible usage	0.0%
Recycling and/or safe disposal	0.0%

3. **Number of consumer complaints in respect of the following:**

Particular	FY 2025-26		Remark	FY 2024-25		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber-security	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Other	0	0	Nil	0	0	Nil

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

Particular	Number	Reason for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)**

   Yes

   If available, provide a web link of the policy

   KDDL's IT policy incorporates robust safeguards to address cybersecurity threats and data privacy risks. These measures are designed to protect sensitive information and mitigate vulnerabilities across the organisation. The policy is accessible on the Company's internal intranet, and data privacy terms are made publicly available on the official website. https://www.kddl.com/terms/

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.**

   No such instances have occurred, requiring corrective action.

7. **Provide the following information relating to data breaches**

   a. **Number of instances of data breaches along-with impact**

      0

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

      0.0%

   c. **Impact, if any, of the data breaches**

      No such instances have been reported during FY 2025-26.

Leadership Indicator

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

   https://www.kddl.com/

ANNEXURE VI

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO THE PROVISIONS OF SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014:

A. CONSERVATION OF ENERGY:

a) **Steps taken for conservation:** KDDL Limited remains committed to the continuous enhancement of energy performance and the conservation of energy across all its operations. A few significant measures taken are:

i) Periodical and preventive maintenance of electric equipments and ensured optimum utilization of electric energy

ii) Phased balancing of heating and lighting load.

iii) Increase in power factor by installing capacitor at the individual machines.

b) **Steps taken for utilising alternate sources of energy:-**

Cost of power is negligible in total cost of production.

c) **Capital investment on energy conservation equipments:-**

Further energy conservation is planned through replacement of and modification of inefficient equipments and by providing automatic controls to reduce idle running of equipments.

B. TECHNOLOGY ABSORPTION:

Efforts made for technology absorption

1. Research and Development (R&D):

a) Specific areas on which R&D carried on by the Company: Research and Development has been carried out for quality improvement, new product developments and productivity improvement.

b) Benefits derived as a result of the above R&D: Increase in overall efficiency, productivity and quality of outgoing product and a wider range of watch components along with incremental business from customers.

c) Future plan of action: Further improvement in production processes, to develop new dial finishes, new types of index, development of tools and components and reduction of costs would continue.

d) Expenditure on R&D: No separate account is being maintained by the company for the expenditure incurred on R&D. However, the Company is incurring recurring expenditure towards development activities.

2. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

Efforts, in brief, made towards technology absorption, adaptation and innovation: The Company is constantly engaged in in-house R&D and is in constant touch with the new technologies.

Benefits derived as a result of the above efforts: Due to continuous developmental efforts, the Company has been able to produce much more complicated dials which were being imported until now.

3. **i) Technology imported: None after 1995.**

ii) Year of Import: N.A.

iii) Has technology been fully absorbed?: Yes.

iv) If not absorbed, area where this has not taken place, reasons thereof and future plans of action: N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

	(Rs. in millions) 2025-26
Foreign Exchange Earnings	3,371.37
Foreign Exchange Outgo	657.75

ANNEXURE VII

PARTICULARS OF EMPLOYEES

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S.No.	Requirements of Rule 5(1)	Details
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Yashovardhan Saboo# 89.6:1 Mr. Sanjeev Masown# 41.4:1 #Excluding the additional incentive for excess operational profit compared to budget of Rs. 43.12 Lacs and Rs. 33.06 lacs respectively
(ii)	The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name / As per Payout / As per Terms: Mr. Yashovardhan Saboo: 17.5% / 8.0% Mr. Sanjeev Masown: (4.4%) / 8.5% Mr. Brahm Prakash: 4.9% / 8.9% The difference in Terms of appointment and actual payout is due to variable component, which is linked to performance of individual and company against the agreed parameter.
(iii)	The percentage increase in the median remuneration of employees in the financial year;	6%
(iv)	The number of permanent employees on the rolls of company;	1,511 employee as on 31st March, 2026
(v)	Average percentiles increase already made in the salaries of employees other than the key 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 Salary increase of non-managerial employees is 9.0% The average salary increase of managerial employees is 11.9% There are no exceptional circumstances in the increase in managerial remuneration.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year is as per the Remuneration Policy of the Company.

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

KDDL's philosophy on Corporate Governance is to create and conduct sustainable growing business with highest standards of integrity, transparency, and accountability to maximise stakeholders' value while duly complying with all applicable laws and regulations. Corporate governance is more than merely a compliance requirement, it is a core enabler of long-term value creation. KDDL firmly believes that Corporate Governance is critical to success of its business and its governance practices are reflected in its strategy, plan, culture, policies, and relationship with stakeholders.

II. BOARD OF DIRECTORS

(a) Composition and attendance in meetings

The Board of Directors of the Company has an optimum combination of executive and non-executive directors. The Board of Directors presently comprises of 8 eight members including 2 (two) Whole-Time directors, i.e., the Chairman–cum-Managing Director and the Whole Time Director-cum-Chief Financial Officer. The composition of the Board is in conformity with regulation 17 of Securities & Exchange Board of India(Listing Obligations and Disclosure Requirement) Regulations, 2015 [SEBI(LODR) Regulations].

During the financial year ended on 31st March, 2026, seven (7) Board Meetings were held and the gap between two meetings did not exceed one twenty days. The dates on which the Board Meetings were held are as follows:

19th May, 2025	1st July, 2025	14th August, 2025	15th September, 2025
10th November, 2025	15th December, 2025	11th February, 2026	

The following table gives the composition and category of the Directors, their attendance at the Board meetings held during the year, at the last Annual General meeting and number of equity shares held by non-executive directors:

Name of the Director	Designation	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM held on 15th September, 2025	Number of Shares/ Convertible instruments held by non-Executive Directors
Mr. Yashovardhan Saboo	Chairman & Managing Director	Promoter-Executive	7	Yes	-
Mrs. Anuradha Saboo	Director	Promoter Group-Non Executive	6	Yes	8,61,368
Mr. Anurag Maheshwari**	Director	Independent-Non Executive	6	Yes	-
Mr. Chitranjan Agarwal*	Director	Independent-Non Executive	6	Yes	9,329
Mr. Hanspeter Pieth***	Director	Non Executive	1	NA	-
Mr. Jai Vardhan Saboo	Director	Promoter Group- Non Executive	4	No	25,940
Mr. Nagarajan Subramanian#	Director	Independent-Non Executive	7	Yes	40
Mrs. Neelima Tripathi	Director	Independent-Non Executive	6	Yes	-
Mr. Praveen Gupta$	Director	Independent-Non Executive	3	NA	-
Mr. Sanjeev Kumar Masown	Whole time Director	Executive	7	Yes	-
Mr. Sanjiv Sachar	Director	Independent-Non Executive	7	Yes	1,521

*Appointed w.e.f 19th May, 2025

**Appointed w.e.f 30th May, 2025

***Appointed w.e.f 1st February, 2026 and ceased to be Director on 22nd June, 2026

#Ceased to be Director on 27th July, 2026

$Ceased to be Director on 23rd August, 2025

Except Mr. Yashovardhan Saboo, Mrs. Anuradha Saboo and Mr. Jai Vardhan Saboo, none among other directors have any inter-se relationships.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

In addition to their roles on our Board, the Directors bring valuable experience and expertise from their positions on other Boards and Committees. These external roles not only broaden their perspectives but also enable them to leverage best practices, networks, and insights that benefit the Company. An overview of the other directorships held by the members of the Board on the basis of disclosure dated 1st April, 2026 is given below:

Name of the Director	No. of Directorship in other Public Limited Companies	No. of Committee positions held in other public companies$		Other Indian Equity Listed entities in which they hold Directorship and category
		Chairman	Member	
Mr. Yashovardhan Saboo	3	-	1	Ethos Limited- Executive Director, Chairperson related to Promoter
Mrs. Anuradha Saboo	-	-	-	-
Mr. Anurag Maheshwari**	-	1	-	
Mr. Chitranjan Agarwal*	-	-	-	-
Mr. Hanspeter Pieth***	-	-	-	-
Mr. Jai Vardhan Saboo	-	-	-	-
Mr. Nagarajan Subramanian#	1	-	-	-
Mrs. Neelima Tripathi	-	-	-	-
Mr. Sanjeev Kumar Masown	2	-	-	-
Mr. Sanjiv Sachar	1	1	1	Info Edge (India) Limited - Non Executive Independent Director

$Committee positions includes only the membership of Audit Committee, and Stakeholder's Relationship Committee as per SEBI(LODR) Regulations,2015)

*Appointed w.e.f 19th May, 2025

**Appointed w.e.f 30th May, 2025

***Appointed w.e.f 1st February, 2026 and ceased to be Director on 22nd June, 2026

#Ceased to be Director on 27th July, 2026

(b) Independent Directors

The Independent Directors of the Company have been appointed in terms of the requirements of Companies Act, 2013 ('the Act'), the SEBI (LODR) Regulation and the Nomination and Remuneration policy of the Company. Independent Directors have confirmed that they meet the criteria of independence as defined under Regulation 16(1) (b) of the SEBI (LODR) Regulations and Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the provision of the Act. In terms of Regulation 25(8) of the SEBI (LODR) Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Board is of the opinion that the Independent Directors fulfil the independence criteria specified in the Act and the SEBI (LODR) Regulations and that they are independent of the management. In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Data bank maintained with the Indian Institute of Corporate Affairs.

(c) Independent Directors' meeting

As per the requirement of the Companies Act, 2013 and Regulation 25(3) of SEBI (LODR) Regulations, the Independent Directors (Mr. Sanjiv Sachar, Mr. Chitranjan Agarwal, Mr. Anurag Maheshwari, Mrs. Neelima Tripathi and Mr. Nagarajan Subramanian) of the Company met on 30th March, 2026 and discussed, reviewed the performance of Non-Independent Directors, the Board of Directors as a whole, Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management & the Board and shown their satisfaction on the same.

(d) Skills/Expertise/Competencies of the Board of Directors

The following is the list of core skills/competencies identified by the Board of Director as required in the context of the Company's business and that the said skills are available with the Board Members.

Strong management and leadership experience	Strong management and leadership experience including in areas of business development, strategic planning, and risk management, technology, manufacturing, banking, investments and finance, international business. Demonstrated strengths in developing talent, planning succession and driving change and long-term growth.
Diversity	Diversity of thought, experience, knowledge, perspective, gender and culture. Varied mix of strategic perspectives, and geographical focus with knowledge and understanding of key relevant markets and industry.
Functional and managerial experience	Knowledge and skills in accounting and finance, business Judgment, general management practices and processes, industry knowledge, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.
Personal values	Personal characteristics matching the Company's values, such as integrity, accountability, and high performance standards.
Corporate governance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates.

(e) Details of Familiarisation programme for Independent Directors

Details of Familiarisation programme imparted to Independent Directors are available on the website of the Company i.e. https://www.kddl.com/wp-content/uploads/PDF/Familiarization%20Programme.pdf

III. COMMITTEES OF BOARD

Presently, the Board has five committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee:

A. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the SEBI (LODR) Regulations and the provisions of Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are based on the role of the Audit Committee, as mentioned in Section 177 of the Companies Act, 2013, Regulation 18 of the SEBI (LODR) Regulations and as determined by the Board which inter alia, includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
    b) Changes, if any, in accounting policies and practices and reasons for the same.
    c) Major accounting entries involving estimates based on the exercise of judgment by management
    d) Significant adjustments made in the financial statements arising out of audit findings e) Compliance with listing and other legal requirements relating to financial statements.
    f) Disclosure of any related party transactions
    g) Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through and issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary; 11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Reviewing compliance with the Insider Trading Regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively;
23. Reviewing the information as specified in the para B of Part (C) of the Schedule II of the SEBI (LODR) Regulations;
24. To review and approve all transactions/ agreements with related parties.
25. Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee met seven times during FY 2025-26. The Audit Committee meetings were held on following dates:

19th May, 2025	1st July, 2025	14th August, 2025	15th September, 2025
10th November, 2025	15th December, 2025	11th February, 2026	

The composition of the Committee and attendance of the members at the meetings held during the financial year 2025-26 is given hereunder:

Name of the Director	Category	Designation	No. of Meetings attended out of 7 meetings
Mr. Sanjiv Sachar	Independent Non Executive	Chairman	7
Mr. Praveen Gupta*	Independent Non Executive	Member	3
Nagarajan Subramanian	Independent Non Executive	Member	7
Mr. Yashovardhan Saboo	Executive	Member	7
Mr. Chitranjan Agarwal**	Independent Non Executive	Member	5

*Ceased to be Director w.e.f 23rd August, 2025

**Appointed as Member w.e.f 7th July, 2025

The Audit Committee invites such Executives as it considers appropriate to be present at its meetings. The Chief Financial Officer and Company Secretary attended all the meetings. The Statutory Auditors are invited to the meetings in which Quarterly/Annual Accounts are considered. The Internal Auditors are also invited to the meetings in which Internal Audit Reports are discussed. The Company Secretary acts as the Secretary of the Committee.

B. NOMINATION AND REMUNERATION COMMITTEE

The Company has Nomination, Remuneration Committee (NRC Committee) in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015. Terms of references of the Committee is in accordance with the Companies Act, 2013 and SEBI Regulations inter-alia includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

1 A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. use the services of an external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates.

2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

The composition of the Committee, details of meetings held and attendance of the members during the financial year 2025- 26 is given hereunder:

Name of the Director	Category	Position held in the Committee	Attendance at NRC Committee Meeting held during 2025-26				Total No. of Meetings Attended
			19th May, 2025	14th June, 2025	11th December, 2025	5th February, 2026	
Mr. Sanjiv Sachar	Independent Non Executive	Chairman	Y	Y	Y	Y	4
Mr. Praveen Gupta*	Independent Non Executive	Member	Y	Y	NA	NA	2
Mr. Yashovardhan Saboo	Executive	Member	Y	Y	Y	Y	4
Mrs. Neelima Tripathi	Independent Non Executive	Member	Y	Y	Y	Y	4
Mr. Anurag Maheshwari**	Independent Non Executive	Member	NA	NA	Y	Y	2

*Ceased to be Director w.e.f 23rd August, 2025

**Appointed as Member w.e.f 24th August, 2025

The Company Secretary of the Company acts as Secretary to the Committee. Requisite quorum was present at the meetings.

Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors which are as under-

- Director has sufficient skill, experience, time and resources to undertake his/her duties.
- Director's contributions and suggestions at Board / Committee meetings are of high quality.
- Director proactively contribute in development of strategy and risk management of the Company.
- Director's performance and behaviour promotes mutual trust and respect within the Board / Committee.
- Director is effective and successful in managing relationships with fellow Board members and senior management.
- Director understand governance, regulatory, financial, fiduciary and ethical requirements of the Board / Committee.

- Director actively updates himself/herself with the latest developments in relevant areas of the business environment.
- Director has sufficient understanding of the organisation and the sector in which it operates.
- Director demonstrates a high level of integrity and confidentiality; and identifying, disclosing and managing conflicts of interest.
- Director works together constructively as a team.
- Director devotes significant time to determining the emerging issues that could affect the organisation in future.
- Director has good understanding of the Company's key drivers of performance.
- Director is able to focus more on strategic direction rather than day to day management.
- Director has complied with Code of Conduct of the Company.
- Director has complied with the Insider Trading Policy of the Company.
- Director has maintained confidentiality of all information obtained by them.
- Director has provided timely declaration to the company as required by Section 149 of The Companies Act, 2013.
- Director has intimated the Company immediately if there are any issues relating to independence.
- Director has not abused their position for gaining any personal benefit for themselves or any person related.

Remuneration of Non-Executive Directors

There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the financial year 2025-26 except receipt of sitting fees from the Company for attending the meetings of the Board and Committees thereof and deposits and / or interest thereon, received from the director, if any, the details of which are given in the financial statements.

Criteria of making payments to Non-Executive Directors

The remuneration of Non-Executive Directors shall be finalised considering the following:

a) They will be entitled to receive remuneration by way of sitting fees for attending meetings of the Board or its Committees at rates within the limits prescribed under the Companies Act, 2013 and rules made thereunder.

b) Non Executive Directors do not participate in Board discussions which relate to their own remuneration.

c) They receive reimbursement of reasonable expenses incurred in attending the Board, Committee and other adhoc meetings.

d) Remuneration is paid subject to deduction of Income Tax at source and payment of applicable Service Tax.

During the year under review, the Non Executive Directors of the Company were paid sitting fees as under (including fees paid for Committee meetings) :

Name of the Director	Sitting Fees paid (Amt. in Rs.)
Mr. Praveen Gupta	2,97,000
Mr. Sanjiv Sachar	7,07,000
Mr. Chitranjan Agarwal	4,52,000
Mr. Jai Vardhan Saboo	1,50,000
Mr. Anurag Maheshwari	2,70,000
Mrs. Neelima Tripathi	3,00,000
Mrs. Anuradha Saboo	2,04,500
Mr. Nagarajan Subramanian	5,27,000
Mr. Hanspeter Pieth	37,500
Total	**29,45,000**

Remuneration of the Executive Directors

a) The remuneration to Executive Directors (including Chairman, Vice Chairman, Managing Director, Whole Time Director) shall be mutually agreed between the Company and the respective Director, within the overall limits prescribed under the Companies Act, 2013 and rules made thereunder. The remuneration shall consist of fixed and variable (incentive) elements of pay. The variable elements shall be linked to performance parameters and quantitative and qualitative assessment. It is provided that the variable shall generally not to be below 20% of the total remuneration; exceptions, if any shall need specific approval of the Nomination & Remuneration Committee (NRC).

b) The remuneration shall be subject to the approval of Members of the Company in General Meeting, if required.

c) In determining the remuneration of Chairman, Vice Chairman, Managing Director (including the fixed increment and performance bonus) the NRC shall consider the following:

- That the relationship of remuneration and performance benchmarks is clear;
- There is a fair balance between fixed and variable (incentive) pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- The responsibility required to be shouldered by the above said Directors.
- Industry benchmarks and the current trends;
- The Company's performance vis-à-vis the annual budget achievement and individual performance vis- à-vis the KRAs / KPIs.

d) Executive Directors are not entitled to sitting fees for attending meeting of directors The Company has not granted any Stock Options to its Directors or Employees during Financial Year 2025-26.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee ("SRC") has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). The composition and terms of reference of the SRC are in conformity with the aforesaid provisions.

The terms of reference of the SRC inter-alia includes:

(i) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(ii) Review of measures taken for effective exercise of voting rights by shareholders.

(iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The composition of the Committee, details of meetings held and attendance of the members during the financial year 2025-26 is given hereunder:

Name	Category	Position held in the Committee	Attendance at the meeting held on 20th March, 2026
Mr. Nagarajan Subramanian	Independent Non-Executive Director	Chairman	Yes
Mr. Yashovardhan Saboo	Executive Director	Member	Yes
Mr. Sanjeev Kumar Masown	Executive Director	Member	Yes

The Company Secretary is authorised to approve and authenticate requests relating to transfer/transmission of shares, issue of duplicate share certificates and other related matters. Requests for dematerialisation of shares are processed and confirmed by M/s MAS Services Limited, the Registrar and Share Transfer Agent ("RTA") of the Company.

The requisite quorum was present at the meeting of the Stakeholders' Relationship Committee. The Company Secretary acts as the Secretary to the Committee.

Compliance Officer

Mr. Brahm Prakash Kumar, Company Secretary, is the Compliance Officer in accordance with Regulation 6 of the Listing Regulations and Regulation 9(3) of SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations").

Details of Complaints received and resolved during the year:

Complaints pending as on 1st April, 2025	0
During the period from 1st April, 2025 to 31st March, 2026	4
Complaints disposed off during the year ended 31st March, 2026	4
Complaints unresolved to the satisfaction of shareholders as on 31st March, 2026	0

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with the provisions of Section 135 of the Companies Act, 2013. The CSR Committee comprises one Independent Director, one Executive Director, one Non-Executive Director and one other member serving as Chairman Emeritus. The terms of reference of the CSR Committee are as follows:

(a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII

(b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

(c) monitor the Corporate Social Responsibility Policy of the Company from time to time. The Board adopted CSR Policy as formulated and recommended by the Committee.

The same is displayed on the website of the Company at https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf.

The Annual Report on CSR activities for 2025-26 forms a part of the Board's Report.

The composition of the Committee, the meetings held during the financial year 2025-26, and the attendance of the members at such meetings are given hereunder:

Name	Category	Position held in the Committee	Attendance at the meetings held on	
			19th May, 2025	1st November, 2025
Mr. R. K.Saboo	Member	Chairman	Yes	Yes
Mr. Yashovardhan Saboo	Executive Director	Member	Yes	Yes
Mrs. Anuradha Saboo	Non-Executive Director	Member	Yes	Yes
Mr. Praveen Gupta*	Independent Non-Executive	Member	Yes	NA
Mr. Nagarajan Subramanian**	Independent Non-Executive	Member	NA	Yes

*Ceased to be Member on 23rd August, 2025

**Appointed as Member w.e.f 24th August, 2025

Requisite quorum was present at the meeting. The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility (CSR) Committee.

E. RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("RMC") has been constituted in accordance with the provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). The RMC comprises two Independent Directors and two Executive Directors.

The role of the committee shall, inter alia, include the following:

(1) To formulate a detailed risk management policy which shall include:

  (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

  (b) Measures for risk mitigation including systems and processes for internal control of identified risks.

  (c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

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

The same is displayed on the website of the Company at https://www.kddl.com/wp-content/uploads/PDF/policies/RCM-19-12-2022.pdf

The composition of the RMC of the Board of Directors of the Company along with the details of the meetings held during the financials year 2025-26 and attendance of the members of the Committee is detailed below:

Name	Category	Position held in the Committee	Attendance at the meetings held on	
			14th August, 2025	9th March, 2026
Mr. Yashovardhan Saboo	Executive Director	Chairman	Yes	Yes
Mr. Chitranjan Agarwal**	Independent Non Executive	Member	NA	Yes
Mr. Praveen Gupta*	Independent Non Executive	Member	Yes	NA
Mr. Sanjeev Kumar Masown	Executive Director	Member	Yes	Yes
Mr. Sanjiv Sachar	Independent Non Executive	Member	Yes	Yes

*Ceased to be Member on 23rd August, 2025

**Appointed as Member w.e.f 24th August, 2025

The gap between two Risk Management Committee Meetings did not exceed 210 days. Requisite quorum was present at meetings. The Company Secretary of the Company acts as Secretary to the Risk Management Committee.

IV. SHAREHOLDERS INFORMATION

General Body Meetings

(i) Details of location, date and time where last three Annual General Meetings were held along with the special resolutions passed, are given as below:

Financial year	Details of Location	Date	Time	Special resolutions passed
2024-25	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	15th September, 2025	03:00 p.m	a) Approval for Incentive Payout to Mr. Yashovardhan Saboo (DIN – 00012158), Chairman and Managing Director of the Company for the financial year 2024-25. b) Approval for Incentive Payout to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year 2024-25.
2023-24	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	27th September, 2024	12:00 p.m	a) Approval for Incentive Payout to Mr. Yashovardhan Saboo (DIN – 00012158), Chairman and Managing Director of the Company for the financial year 2023-24. b) Approval for Incentive Payout to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year 2023-24. c) Approval for increase in overall Borrowing Limits of the Company under Section 180(1)(a) of the Companies Act, 2013
2022-23	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM")	29th September, 2023	12.00 P.M.	a) Amendment in Articles of Association of the Company. b) Approval for Incentive Payout to Mr. Yashovardhan Saboo (DIN – 00012158), Chairman and Managing Director of the Company for the financial year 2022-23. c) Approval for Incentive Payout to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year 2022-23.

REPORT ON CORPORATE GOVERNANCE (CONTD.)

(ii) Details of location, date and time where General Meetings were held during the financial year 2025-26 along with the special resolution passed are given below: Nil

(iii) During the financial year under review, the following Special Resolution were passed through postal ballot:

a) To appoint Mr. Chitranjan Agarwal (DIN: 00095715) as an Independent Director of the Company.

b) To appoint Mr. Anurag Maheshwari (DIN: 02872318) as an Independent Director of the Company.

c) Approval of the appointment of Mr. Hanspeter Pieth (DIN: 11423774) as Non-Executive Director of the Company and holding an Office or place of profit in the Company.

(d) Re-appointment of Mr. Yashovardhan Saboo (DIN – 00012158) as Chairman and Managing Director of the Company and approval of remuneration.

There is no any special resolution proposed to be conducted through postal ballot

V. MEANS OF COMMUNICATION

Quarterly Results	Quarterly Results are submitted to the Stock Exchanges and are also are displayed on the Company's website i.e www.kddl.com.
Newspapers in which quarterly results are published	Financial Express (English)/Jansatta (Hindi)
Any website where results or official news are displayed	Yes, www.kddl.com
Whether it also displays official news releases	The financial results and other relevant information including news release are displayed on the website of the Company
The presentations made to institutional investors or to the analysts	Yes

VI. GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting

Date & Time: Tuesday, 15th September, 2026 at 03:00 p.m. (IST) Venue: Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")

(b) Financial Year Financial year: 1st April, 2025 to 31st March, 2026

(c) Record Date: Tuesday, 8th September, 2026

(d) Dividend Payment Date: Within 30 days from the declaration.

(e) Name of Stock Exchanges at which the securities are listed and Scrip Code:

(i) BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001

Scrip Code: 532054

(ii) National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051

Scrip Code: KDDL

(f) Listing Fees to the Stock Exchanges: The Company has paid listing fees in respect of financial year 2025-26 to BSE Limited and National Stock Exchange of India Limited.

(g) Registrar and Share Transfer Agent (RTA):

MAS Services Limited

T-34, 2nd Floor, Okhla Industrial Area Phase- II, New Delhi- 110 020

Ph: +91 11 2638 7281/82/83

Fax: +91 11 2638 7384

Email: investor@masserv.com Visit: www.masserv.com

(h) Share Transfer System:

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from 1st April, 2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialised form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialised so as to be able to freely transfer them.

(i) Dematerialisation of shares and liquidity

The Company has set up requisite facilities for dematerialisation of its equity shares in accordance with the provisions of Depository Act, 1996 with National

Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreements with both the depositories. International Securities Identification Number (ISIN) for equity shares is INE291D01011. The status of dematerialisation as on 31st March, 2026 is as under:

Mode	No. of Shares	% (Percentage)
Physical Form	75,492	0.61
Dematerialisation Form (CDSL)	21,47,406	17.46
Dematerialisation Form (NSDL)	1,00,76,382	81.93
Total	**1,22,99,280**	**100.00**

(j) Credit Rating

There is no change in the credit rating.

(k) Unclaimed dividend

Pursuant to the provisions of section 124 of the Companies Act, 2013 and rules made thereunder, the amount of dividend which remains unclaimed for a period of seven years from the date of transfer to unclaimed/unpaid dividend account would be transferred to the "Investor Education and Protection Fund" and the shareholders would not be able to make any claims to the amount of dividend so transferred to the Fund. The unclaimed dividend for the years till 2017-18 has already been transferred to the fund. As such, shareholders who have not yet encashed their dividend warrants are requested in their own interest to write to the Company immediately for claiming outstanding dividends declared by the Company. The schedule for transfer of dividend for the following years remaining unclaimed for seven years from the date of declaration and which are required to be transferred by the Company to the said account is tabled below:

Year	Dividend No.	Dividend unclaimed (Rs.) as on 31st March, 2026	Date of declaration	Due date for transfer
2018-19	26	3,92,570	11th September, 2019	17th October, 2026
2019-20 (Interim Dividend)	27	3,82,630	2nd March, 2020	8th April, 2027
2020-21	28	1,51,577	28th September, 2021	3rd November, 2028
2021-22	29	2,62,032	27th September, 2022	2nd November, 2029
2022-23 (Interim Dividend)	30	1,90,782	9th March, 2023	14th April, 2030
2022-23	31	1,69,186	29th September, 2023	4th November, 2030
2023-24 (Interim Dividend)	32	30,42,638	25th January, 2024	1st March, 2031
2023-24	33	4,04,638	27th September, 2024	2nd November, 2031
2024-25	34	8,93,499	15th September, 2025	21st October, 2032
2025-26	35	23,57,033	10th November, 2025	16th December, 2032

l) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments issued by the Company during the year.

m) Commodity price risk or foreign exchange risk and hedging activities:

With a significant share of revenue linked to exports, the Company remains exposed to fluctuations in foreign exchange rates, particularly the Swiss Franc and US Dollar. Currency movements may influence revenue realisation and margins. The Company manages currency exposure through a combination of natural hedging, currency alignment between imports and exports, and appropriate financial strategies. This approach supports stability in earnings and financial performance.

n) Address for correspondence

For any grievances/complaints, shareholders may write to the Company at the following address:

Mr. Brahm Prakash Kumar

Company Secretary and Compliance Officer KDDL Limited

Corporate Office: 'Kamla Centre', SCO 88-89 Sector 8-C, Chandigarh- 160 009

Tel: 0172-2544378,Fax: 0172- 2548302

Website: www.kddl.com

Email: investor.complaints@kddl.com

o) Plant/Business Locations

Dial Units	1.	Plot No. 3, Sector III, Parwanoo- 173 220, Himachal Pradesh
	2.	Haibatpur Road, Saddomajra, Near Gulmohar City, Derabassi- 140 507, Punjab
	3.	Village Dhana, Bagbania, PO Manpura, Tehsil: Baddi, District: Solan- 173 205, Himachal Pradesh
Hands Units	1.	Plot No. 296-297, 5th Main, 4th Phase, Peenya Industrial Area, Bengaluru- 560 058, Karnataka
	2.	408, 11th Cross, 4th Main, 4th Phase, Peenya Industrial Area, Bengaluru- 560 058, Karnataka
Packaging Unit	1.	Plot No. 9, Sector V, Parwanoo- 173 220, Himachal Pradesh
	2	Plot No. 219, Industrial Area- 1st Phase, Panchkula- 134 113, Haryana
EIGEN Unit	1.	Unit No. 55-A, Hunachur Village, Jala Hobli, Yelahanka Taluk, Bengaluru North, Near Kiadb Aerospace Park, Bengaluru- 562 149, Karnataka
Bracelet Unit	1.	Plot No. 29-A7, Dobbaspet Industrial Area, Phase-4, Honnenahalli Village, Sompura Hobli, Nelamangala Taluk, Bengaluru- 562 111, Karnataka

p) All details relating to financial and commercial transactions where Directors may have pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters. In matters other than those with pecuniary interests, the Directors are considered to be interested to the extent of their shareholding in the Company and following is the status of their shareholding as on 31st March, 2026:

Sr. No.	Name of the Directors	Designation	Number of Equity Shares held as on 31st March, 2026
1)	Mr. Yashovardhan Saboo	Chairman & Managing Director	18,02,173
2)	Mrs. Anuradha Saboo	Director	8,61,368
3)	Mr. Anurag Maheshwari	Director	Nil
4)	Mr. Chitranjan Agarwal	Director	9,329
5)	Mr. Hanspeter Pieth*	Director	Nil
6)	Mr. Jai Vardhan Saboo	Director	25,940
7)	Mr. Nagarajan Subramanian**	Director	40
8)	Mrs. Neelima Tripathi	Director	Nil
9)	Mr. Sanjeev Kumar Masown	Whole time Director	Nil
10)	Mr. Sanjiv Sachar	Director	1,521

*Ceased to be Director on 22nd June, 2026

**Ceased to be Director on 27th July, 2026

SUBSIDIARY COMPANIES

The financials of the subsidiary companies viz Ethos Limited, Mahen Distribution Limited, Pylania S.A, Estima AG, Silvercity Brands AG, Kamla International Holdings S.A, Kamla Business Services Limited, Artisan Watch Products Private Limited & Cognition Digital LLP have been duly reviewed by the audit committee and Board of Directors of the Company. KDDL Board also reviews all significant transactions, if any, entered into by the subsidiary companies. The Company has formulated a policy for determining the material subsidiaries and the details of such policy is available on the website of the Company at web link i.e https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL-Policy-for-determiningMaterial-Subsidiaries.pdf

Distribution of shareholding as on 31st March, 2026:

No. of Shareholders	% of Total	Shareholding (Nominal Value Rs 10 each)	No. of Shares	Amount in Rs.	% of Total
40,408	97.662	1 – 5,000	12,08,109	1,20,81,090	9.822
435	1.051	5,001 – 10,000	3,18,425	31,84,250	2.588
240	0.580	10,001 – 20,000	3,52,804	35,28,040	2.868
90	0.217	20,001 – 30,000	2,16,370	21,63,700	1.759
40	0.096	30,001 – 40,000	1,39,237	13,92,370	1.132
25	0.060	40,001 – 50,000	1,14,308	11,43,080	0.929

No. of Shareholders	% of Total	Shareholding (Nominal Value Rs 10 each)	No. of Shares	Amount in Rs.	% of Total
62	0.149	50,001 – 1,00,000	4,57,954	45,79,540	3.723
75	0.181	1,00,001 and above	94,92,073	9,49,20,730	77.175
41,375	**100.00**	**TOTAL**	**1,22,99,280**	**12,29,92,800**	**100.00**

Shareholding Pattern as on 31st March, 2026:

Category	Number of Shares	% of shareholding
Promoters and Promoter Group		
Indian	58,78,276	47.79
Foreign	3,24,150	2.64
Sub-total (1)	**62,02,426**	**50.43**
Public		
Alternate Investment Funds	2,30,945	1.88
Foreign Portfolio Investors including FIIs	10,03,796	8.16
Central Government/President of India	15,697	0.13
Individuals	41,69,115	33.90
Directors and their relatives (excluding independent directors and nominee directors	3	0.00
Key Managerial Personnel	2,261	0.02
Non-Resident Indians	2,31,746	1.88
Bodies Corporate	3,43,179	2.79
IEPF	87,470	0.71
Others	12,642	0.10
Sub-total (2)	**60,96,854**	**49.57**
Grand-total (1+2)	**1,22,99,280**	**100.00**

VII. OTHER DISCLOSURES

(i) During the financial year 2025-26, there were no material significant related party transactions that may have potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Balance Sheet.

(ii) During the financial year 2024-25, upon completion of the tenure of the Independent Directors and their consequent cessation from the Board of Directors and from their roles as Chairperson/members of the Audit Committee and Stakeholder Relationship Committee on 6th August, 2024, the Board of Directors reconstituted the Committees on 14th August, 2024. No meetings of the Committee were held during the intervening period. Subsequently, the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) each imposed a fine of Rs. 32,000 (excluding GST) for the each deviation. The Company had submitted its clarification along with waiver application with both the Exchanges, which is currently under review with NSE. BSE has waived the fine vide its email dated 11th February, 2026.

During the review period, BSE Limited vide its email dated 20th March, 2026 has intimated levy of SOP Fine for delayed submission of the unaudited quarterly results for the quarter ended 30th June, 2017. The Company has filed a waiver application for the same, which is under process.

(iii) The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism for Directors and employees. No person has been denied access to the Audit Committee. The said policy has also been disclosed on the website of the Company under the web link: https://www.kddl.com/wp-content/uploads/PDF/Whisle%20Blower%20Policy.pdf

(iv) The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 during the financial year under review. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- The financial statements of the Company are with unmodified audit opinion.
- The Internal Auditor of the Company directly reports the Audit Committee.

(v) The Company has framed a policy for determining Material Subsidiary and the same is available on the Company's website under the web link: https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL-Policy-for-determiningMaterial-Subsidiaries.pdf

(vi) The Company has framed Related Party Transaction Policy and the same is available on the Company's website under the web link: https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL_Related_Party_Transactions_Policy.pdf

(vii) During the financial year 2025-26, the Company did not engage in commodity hedging activities.

(viii) The Board confirm that all Independent Directors of the Company fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and are independent of the management.

(ix) During the financial year 2025-26, the Board has accepted all the recommendations of its Committees.

(x) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part, is provided in the consolidated financial statements which form part of this report.

(xi) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year- Nil

b. number of complaints disposed of during the financial year- Nil

c. number of complaints pending as on end of the financial year- Nil

(xii) Disclosure with respect to demat suspense account/ unclaimed suspense account: Not applicable.

(xiii) During the year under review, the Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(xiv) There has been no instance of non-compliance of any requirement of Corporate Governance Report sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.

(xv) The Company has obtained a certificate from M/s. A. Arora & Co., Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

(xvi) The Compliance Certificate on the financial statements for the financial year ended 31st March, 2026 is enclosed at the end of this report.

(xvii) Corporate Governance Certificate: As required by Part-E of Schedule V read with Regulation 34(3) of the SEBI (LODR) Regulations, 2015, the certificate on Corporate Governance is enclosed at the end of this report.

(xviii) Code for the Board of Directors and Senior Management Personnel: The Company has laid down a code of conduct for the members of the Board and senior management personnel of the Company. The code of conduct has been posted on the Company's website, i.e. https://www.kddl.com/wp-content/uploads/PDF/corporate/Code%20of%20Conduct25072022..pdf. All the members of the Board and senior management personnel have affirmed their compliance with the said code of conduct for the financial year ended 31st March, 2026.

(xix) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A): Not Applicable.

(xx) The detail of loans and advances in the nature of loan made to the entities in which directors are interested, as per Schedule V of SEBI (LODR) Regulations, are provided in the notes to the financial statements.

(xxi) Name of the Material Subsidiary: Ethos Limited; Date and Place of incorporation – 5th November, 2007; Parwanoo (Himachal Pradesh)

Name of the Statutory Auditors –

M/s Walker Chandiok & Co. LLP

Chartered Accountants

(ICAI Firm registration no. 001076N/N500013)

Office address: 21st Floor, DLF Square Jacaranda Marg, DLF Phase II, Gurugram- 122 002 Haryana, India

Date of appointment – 27th September, 2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
KDDL Limited
Plot No. 3, Sector III,
Parwanoo, Himachal Pradesh.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KDDL Limited having CIN: L33302HP1981PLC008123 and having registered office at Plot No. 3, Sector III, Parwanoo, Himachal Pradesh (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the company
1.	Mr. Yashovardhan Saboo	00012158	25.03.1981
2.	Mr. Jai VardhanSaboo	00025499	12.12.2016
3.	Mr. Sanjiv Sachar	02013812	07.03.2017
4.	Mr. Sanjeev Kumar Masown	03542390	30.05.2016
5.	Mr. Nagarajan Subramanian*	02406548	28.07.2022
6.	Mrs. Neelima Tripathi	07588695	28.07.2022
7.	Mrs. Anuradha Saboo	01812641	12.08.2023
8.	Mr. Chitranjan Agarwal	00095715	19.05.2025
9.	Mr. Anurag Maheshwari	02872318	30.05.2025
10.	Mr.Hanspeter Pieth**	11423774	01.02.2026
11.	Mr. Praveen Gupta#	01885287	08.11.2014

**Ceased to be a director of the company w.e.f. 27.07.2026.*

***Ceased to be a director of the company w.e.f. 22.06.2026.*

#Ceased to be a director of the company w.e.f. 23.08.2025.

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

or **A. Arora & Co.**,
Company Secretaries

Ajay K. Arora
(Proprietor)
M No. 2191
C P No. 993
Peer Review Cert No. 2120/2022
Date:04.08.2026
Place: Chandigarh
UDIN:F002191H001091983

COMPLIANCE CERTIFICATE

The Board of Directors

KDDL Limited,

Plot No. 3, Sector – III, Parwanoo, Distt: Solan, (H.P – 173220)

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2026 and that to the best of their knowledge and belief:

   (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the financial year 2025-26 which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit committee that:

   1. There are no significant changes in internal control over financial reporting during the year;

   2. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3. There are no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yashovardhan Saboo
Chairman & Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 035423900

Place: Chandigarh
Date: 19th May, 2026

CERTIFICATE ON CORPORATE GOVERNANCE UNDER SEBI (LODR) REGULATIONS, 2015

To

The Members of KDDL Limited

I have examined compliance by KDDL Limited (the Company) with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) relating to Corporate Governance requirements for the year ended 31st March, 2026.

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

The examination is neither an audit nor an expression of opinion on the financial statements of the Company or the Corporate Governance Report of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Practicing Company Secretaries

MAHESH KHURANA
Membership No.: ACS.8633;
CP No.: 23104
UDIN: A008633H001094465
Date: 4th August, 2026
Place: Chandigarh

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

In accordance with regulation 34(3) read with clause D of Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, I hereby confirm that, all Directors and the Senior Management personnel of the Company have affirmed compliance with KDDL's respective Code of Conduct, for the financial year ended 31st March, 2026.

Date: 4th August, 2026
Place: Chandigarh

For **KDDL Limited**

Yashovardhan Saboo
Chairman & Managing Director
DIN: 00012158

INDEPENDENT AUDITOR'S REPORT

To the Members of **KDDL Limited**

Report on the Audit of the Standalone Financial Statements

OPINION

1. We have audited the accompanying standalone financial statements of KDDL Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31st March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of investments, loans and other balances receivable from its subsidiaries	
Refer note 2.2(b) for material accounting policy information and note 5, 46(a) and 46(b) in notes forming part of standalone financial statements in relation to investments, loans and other balances receivable from its subsidiaries. As at 31st March 2026, the Company has investments in subsidiaries of Rs. 3,869.16 lacs, net of provision for impairment of Rs. 1,957.48 lacs aggregates to Rs. 5,826.64 lacs. Such investments together constitutes 9.32% of the total assets of the Company. At each period end, the management reviews whether any impairment indicators exist in the carrying amount of investments, in accordance with the requirements of Ind AS 36, "Impairment of Assets" ('Ind AS 36'), and Ind AS 109, "Financial instruments" ('Ind AS 109'), as applicable. As at 31st March 2026, the net carrying amount of investment in 2 subsidiaries was higher than their net worth, which has been identified as an impairment indicator by the management.	Our audit procedures in relation to impairment assessment of the carrying values of investments in and loans given to subsidiary included, but were not limited to the following: • Obtained an understanding of the management's process for identification of impairment indicators for investments and significant increase in credit risk of loans, and evaluated the design and tested the operating effectiveness of key internal financial controls relating to such process; • Evaluated the Company's accounting policies with respect to impairment assessment and assessed its compliance with the requirements of Ind AS 36 and Ind AS 109; • Obtained the management's assessment on impairment indicators around the recoverability of investment in and loan given to subsidiary and tested the mathematical accuracy of the underlying calculations and traced such information to source financial information relating to subsidiary companies; • For cases where impairment indicators presents, obtained the impairment assessment working from the management and tested the arithmetical accuracy of valuation model and traced the future cash flow projections used for determining recoverable; • Assessed the professional competence, objectivity and capabilities of the valuation expert used by the management for determining recoverable amount;

Key audit matter	How our audit addressed the key audit matter
Accordingly, management has performed impairment test by determining the recoverable amount of aforesaid balances from such subsidiaries using the Discounted Cash Flow ('DCF') valuation model, which requires significant estimation and judgement around assumptions used such as projections of future cash flows, growth rates and discount rates applied etc. Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in either additional impairment or reversals of impairment taken in prior years. Considering the materiality and significance of the amount involved and significant estimates and judgement involved in assumptions used for the computation of the recoverable amount, we have determined this matter to be a key audit matter for the current year audit.	• Involved auditor's valuation expert to assess the appropriateness of the valuation methodology and reasonableness of key assumptions used by management's valuation experts to determine recoverable amount; • Evaluated and challenged the forecasted cash flows of subsidiaries based on our knowledge of the business and the markets in which they operate and assessed the comparability of the forecasts with historical information; • Performed sensitivity analysis of the key assumptions, including the discount rate applied in determining the recoverable value to evaluate the possible variation on the current recoverable amount; • Reviewed the regularity of repayment of principal and payments of interest as per terms of the agreement relating to loans given to the subsidiary company; and • Evaluated the appropriateness and adequacy of disclosures given in the standalone financial statements in accordance with applicable accounting standards.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report, is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

12. 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.

13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS (OTHER MATTER PARAGRAPHS)

15. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

b) Except for the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 from being appointed as a director in terms of section 164(2) of the Act;

f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(b) above on reporting under section 143(3)(b) of the Act and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31st March 2026 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion;

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company, as detailed in note 36 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31st March 2026;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2026;

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2026;

   iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45(5) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 45(6) to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   v. a. The final dividend paid by the Company during the year ended 31st March 2026 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

   b. The interim dividend declared and paid by the Company during the year ended 31st March 2026 and until the date of this audit report is in compliance with section 123 of the Act.

c. As stated in Note 35(ii) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31st March 2026 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As stated in Note 50 to the standalone financial statements and based on our examination which included test checks, except for instances/matters mentioned below, the Company, in respect of financial year commencing on 1st April 2025, 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 been 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 other than the consequential impact of the exception given below. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 26504774LDAPQL7398

Place: Pune
Date: 19th May 2026

ANNEXURE I REFERRED TO IN PARAGRAPH 16 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KDDL LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work in progress, investment property and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work in progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work in progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties including investment properties held by the Company (other than properties where the Company is a lessee), disclosed in Note 3 and 41 to the standalone financial statements, are held in the name of the Company. For properties where the Company is a lessee, the lease arrangements have been duly executed in favour of the Company except in following cases:

Description of property	Right- of-Use Asset Value (Rs.)	Location	Details of Lessor	Period held	Reason for non-execution of lease agreement
Land	5,67,000	Parwanoo, Himachal Pradesh	M/s Himanchal Fine Blanks Limited	12-13 years	Company is in process of completing formalities for transferring the title deed in its own name. Currently, the lease agreement is in the name of M/s Himanchal Fine Blanks Limited which got amalgamated with the Company in January 2013.

(d) The Company has not revalued its property, plant and equipment including right-of-use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. 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 as compared to book records. In respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.

(b) As disclosed in Note 17 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit/review.

(iii) The Company has not provided security or granted any advances in the nature of loans to companies, firms and limited liability partnerships during the year. Further, the Company has made investments in, provided guarantee and granted unsecured loans to other parties during the year, in respect of which:

(a) The Company has provided loans to others during the year as per details given below:

(Rs in lacs)

Particulars	Loans
Aggregate amount provided during the year (Rs.): - Others (Employees)	28.05
Balance outstanding as at balance sheet date (Rs.): - Others (Employees)	27.70

ANNEXURE I (CONTD.)

(b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not given any security or granted any advances in the nature of loans during the year.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular.

(d) There is no overdue amount in respect of loans granted to such other parties.

(e) The Company has not granted any loans or advances in the nature of loans which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.

(f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India ('the RBI'), the provisions of sections 73 to 76 or other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted or amounts which have been considered as deemed deposit. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal, in this regard.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act only in respect of specified products of the Company. For such products, we have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under the aforesaid section, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of the dues	Gross Amount (Rs. in lacs)	Amount paid under Protest (Rs. in lacs)	Period to which the amount relates*	Forum where dispute is pending
Income Tax Act, 1961	Disallowance u/s 43B	45.77	-	2023-24	Commissioner of Income-Tax (Appeals)
Income Tax Act, 1961	Disallowance u/s 43B	2.91	-	2019-20	Commissioner of Income-Tax (Appeals)
Income Tax Act, 1961	Disallowance u/s 43B	39.38	-	2018-19	Assessing Officer
Goods and Service Tax, 2017	Goods and Service tax	21.12	-	2022-23	Additional / Joint Commissioner of CGST, Shimla Commissionerate, Shimla

*Note: All the period mentioned above are financial year except for Income Tax Act, 1961 which are in Assessment years.

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, 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, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

ANNEXURE I (CONTD.)

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, 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 realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 26504774LDAPQL7398

Place: Pune
Date: 19th May 2026

ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KDDL LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')

1. In conjunction with our audit of the standalone financial statements of KDDL Limited ('the Company') as at and for the year ended 31st March 2026, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI') ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements .

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

6. A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

7. 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

ANNEXURE II (CONTD.)

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 controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31st March 2026, 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 issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 26504774LDAPQL7398

Place: Pune
Date: 19th May 2026

STANDALONE BALANCE SHEET

AS AT 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Note	As at 31st March 2026	As at 31st March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	14,871.44	13,347.00
Capital work-in-progress	3	390.93	1,232.29
Right-of-use assets	41	3,133.97	3,712.23
Investment property	41	158.67	177.71
Intangible assets	4	83.13	52.36
Intangible asset under development	4	17.01	-
Financial assets			
- Investments	5	18,661.44	16,482.53
- Loans	6	214.65	1,579.73
- Other financial assets	6A	330.11	204.41
Income tax assets (net)	7	401.11	399.13
Deferred tax assets (net)	20	21.51	-
Other non-current assets	8	866.76	546.13
Total non-current assets		**39,150.73**	**37,733.52**
Current assets			
Inventories	9	7,721.80	5,645.41
Financial assets			
- Trade receivables	10	10,328.31	6,763.01
- Cash and cash equivalents	11	1,377.23	245.29
- Other bank balances	12	112.61	866.47
- Loans	6	92.99	47.45
- Other financial assets	13	1,900.05	1,130.61
Other current assets	14	1,818.00	1,963.74
Total current assets		**23,350.99**	**16,661.98**
Total assets		**62,501.72**	**54,395.50**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,238.64	1,238.64
Other equity	16	37,153.55	31,900.60
Total equity		**38,392.19**	**33,139.24**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	17	6,202.15	6,262.50
- Lease liabilities	41	2,279.96	2,791.77
- Other financial liabilities	18	199.60	241.91
Deferred tax liabilities (net)	20	-	9.75
Total non-current liabilities		**8,681.71**	**9,305.93**
Current liabilities			
Financial liabilities			
- Borrowings	17	4,795.12	3,325.34
- Lease liabilities	41	777.58	705.45
- Trade payables	21		
- total outstanding dues of micro enterprises and small enterprises		428.31	209.44
- total outstanding dues of creditors other than micro enterprises and small enterprises		3,758.93	2,359.59
- Other financial liabilities	18	2,678.55	2,201.95
Other current liabilities	22	1,716.16	1,828.65
Provisions	19	759.29	827.26
Current tax liabilities (net)	23	513.88	492.65
Total current liabilities		**15,427.82**	**11,950.33**
Total liabilities		**24,109.53**	**21,256.26**
Total equity and liabilities		**62,501.72**	**54,395.50**
Material accounting policy information	2		
Notes to the standalone financial statements	3-54		

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place: Pune
Date: 19th May 2026

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 19th May 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Note	Year ended 31st March 2026	Year ended 31st March 2025
Revenue from operations	24	49,580.43	36,956.83
Other income	25	2,825.89	1,406.62
Total income		**52,406.32**	**38,363.45**
EXPENSES			
Cost of raw materials consumed	26	13,668.04	10,251.16
Changes in inventories of finished goods, work-in-progress and scrap	27	(955.24)	(805.85)
Employee benefits expenses	28	12,015.43	9,804.55
Finance costs	29	1,426.66	1,089.97
Depreciation and amortisation expense	30	2,423.55	1,875.71
Other expenses	31	14,181.70	10,268.06
Total expenses		**42,760.14**	**32,483.60**
Profit before income tax		**9,646.18**	**5,879.85**
Income tax expense:	32		
- Current tax		2,044.18	1,512.35
- Deferred tax (credit)		(41.73)	(19.41)
- Tax related to earlier years		(15.92)	(536.56)
Total income tax expense		**1,986.53**	**956.38**
Profit for the year		**7,659.65**	**4,923.47**
Other comprehensive income / (loss)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit (liability) / asset		71.03	(99.27)
Income tax on remeasurement of defined benefit asset / (liability)		(17.88)	24.98
Other comprehensive income / (loss) for the year (net of income tax)		**53.15**	**(74.29)**
Total comprehensive income for the year		**7,712.80**	**4,849.18**
Earnings per share [nominal value of share Rs. 10 (previous year Rs. 10)]			
Basic (Rs.)	33	62.28	39.68
Diluted (Rs.)		62.28	39.68

Material accounting policy information	2
Notes to the standalone financial statements	3-54

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place: Pune
Date: 19th May 2026

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 19th May 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

A. EQUITY SHARE CAPITAL

	Note	Number of shares	Amount
Balance as at 1st April 2024	**15**	**1,25,37,117**	**1,253.71**
Share Capital bought back during the year		(2,37,837)	(23.78)
Balance as at 31st March 2025	**15**	**1,22,99,280**	**1229.93**
Issue of share capital during the year		-	-
Balance as at 31st March 2026		**1,22,99,280**	**1,229.93**

In earlier years, the company had forfeited 1,74,280 equity shares, on which an amount of Rs. 5 per equity share had been received, aggregating to Rs. 8.71.

B. OTHER EQUITY

	Reserves and surplus					Total
	Securities premium	General reserve	Retained earnings	Capital Redemption Reserve	Capital reserve (on amalgamation)	
Balance as at 1st April 2024	**9,698.73**	**2,776.20**	**25,650.61**	**19.99**	**300.00**	**38,445.53**
Total comprehensive income for the year ended 31st March 2025						
Profit for the year	-	-	4,923.47	-	-	4,923.47
Other comprehensive loss for the year (net of income tax)*	-	-	(74.29)	-	-	(74.29)
Total comprehensive income for the year	**-**	**-**	**4,849.18**	**-**	**-**	**4,849.18**
Buy back of equity shares	(8,776.19)	-	(23.78)	23.78	-	(8,776.19)
Expenses for buy back of equity shares (Net of tax)	-	-	(71.94)	-	-	(71.94)
Dividend (Refer to Note 35)	-	-	(501.48)	-	-	(501.48)
Tax on buy back of equity shares	-	-	(2,044.50)	-	-	(2,044.50)
Balance as at 31st March 2025	**922.54**	**2,776.20**	**27,858.09**	**43.77**	**300.00**	**31,900.60**
Total comprehensive income for the year ended 31st March 2026						
Profit for the year	-	-	7,659.65	-	-	7,659.65
Other comprehensive income for the year (net of income tax)*	-	-	53.15	-	-	53.15
Total comprehensive income for the year	**-**	**-**	**7,712.80**	**-**	**-**	**7,712.80**
Buy back of equity shares	-	-	-	-	-	-
Expenses for buy back of equity shares (Net of tax)	-	-	-	-	-	-
Dividend (Refer to Note 35)	-	-	(2,459.85)	-	-	(2,459.85)
Tax on buy back of equity shares	-	-	-	-	-	-
Balance as at 31st March 2026	**922.54**	**2,776.20**	**33,111.04**	**43.77**	**300.00**	**37,153.55**

*Other comprehensive income / (loss) is related to re-measurement of (loss) / gain on defined benefit plans in retained earnings.

Note : For description of the purposes of each reserve within equity, refer note 16 of the standalone financial statements.

Material accounting policy information	2
Notes to the standalone financial statements	3-54

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place: Pune
Date: 19th May 2026

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 19th May 2026

STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2026	Year ended 31st March 2025
Cash flow from operating activities		
Profit before income tax	9,646.18	5,879.85
Adjustments for:		
Depreciation and amortisation expense	2,423.55	1,875.71
Liabilities / provision no longer required written back	(4.59)	(29.35)
Net (gain) / loss on sale of property, plant and equipment and intangible assets	(2.35)	0.28
Interest income	(198.85)	(515.63)
Dividend income	(1,802.06)	(0.35)
Interest expense	1,388.91	1,047.01
Unrealised foreign exchange gain	(129.97)	(115.35)
Property, plant and equipment written off	8.33	27.92
Bad debts/ advances/deposits written off	0.04	-
Profit from sale of non current investment	(121.46)	-
Net change in fair value of financial assets (at FVTPL)	(0.53)	(0.70)
Change in fair value of derivative contracts	55.92	34.08
Operating cash generated before working capital changes	**11,263.12**	**8,203.47**
Changes in working capital:		
(Increase) in loans	(303.34)	(126.51)
(Increase) in other non-current and other current financial assets	(1,005.40)	(116.76)
Decrease / (increase) in other assets	189.27	(1,139.75)
(Increase) in inventories	(2,076.39)	(1,075.45)
(Increase) in trade receivables	(3,421.74)	(1,546.97)
(Decrease) / increase in provisions	(14.82)	107.87
Increase in trade payables	1,609.19	253.85
Increase / (decrease) in other financial liabilities	481.16	(102.88)
(Decrease) in other current liabilities	(113.70)	(1,314.94)
Cash generated from operating activities	**6,607.35**	**3,141.93**
Income tax (paid), net	(1,998.54)	(1,616.97)
Net cash generated from operating activities (A)	**4,608.81**	**1,524.96**
Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets (including capital work-in-progress, capital advances and capital creditors)	(2,686.28)	(2,466.76)
Proceeds from sale of property, plant and equipment	32.95	11.35
Proceeds from sale of investments	165.00	-
Payment for purchase of non current investments in subsidiaries	(599.04)	(2,723.12)
Movement in other bank balances	786.36	(275.60)
Interest received	253.19	555.85
Dividend received	1,802.06	0.35
Net cash used in investing activities (B)	**(245.76)**	**(4,897.93)**

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2026	Year ended 31st March 2025
Cash flow from financing activities		
Buy back of equity shares	-	(8,799.97)
Expenses for buy back of equity shares (net of tax)	-	(71.94)
Tax paid on buy back of equity shares	-	(2,044.50)
Proceeds from non-current borrowings	1,033.55	4,227.80
Repayment of non-current borrowings	(495.39)	(1,424.63)
Repayments of / proceeds from current borrowings (net)	871.27	15.42
Principal portion of lease payments	(771.34)	(351.09)
Interest portion of lease payments	(407.27)	(265.52)
Interest expense paid	(1,002.08)	(770.92)
Dividend paid	(2,459.85)	(501.50)
Net cash used in financing activities (C)	**(3,231.11)**	**(9,986.85)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**1,131.94**	**(13,359.82)**
Cash and cash equivalents at the beginning of the year	**245.29**	**13,605.11**
Cash and cash equivalents at the end of the year	**1,377.23**	**245.29**

Notes:

1. Components of cash and cash equivalents:

Balances with banks in current accounts	1,030.20	174.81
Balances with banks in cash credit accounts	340.97	46.59
Deposits with original maturity of less than three months	-	16.48
Cash on hand	6.06	7.41
	1,377.23	**245.29**

2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2.2 (s).

3. Refer note 17 for reconciliation of movements of liabilities to cash flows arising from financing activities.

Material accounting policy information 2

Notes to the standalone financial statements 3-54

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place: Pune
Date: 19th May 2026

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 19th May 2026

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

1. CORPORATE INFORMATION

KDDL Limited ('the Company'), is a public limited company domiciled in India and was incorporated in January 1981 under the provisions of the Companies Act applicable in India. The Company is listed on BSE Limited and National Stock Exchange (NSE) of India Limited in India. The registered office of the Company is located at Plot No.3, Sector III, Parwanoo, Himachal Pradesh, India – 173220. The Corporate Identification Number (CIN) of the Company is L33302HP1981PLC008123.

The Company is primarily engaged in the business of manufacturing dials, watch hands and precision components. Currently, the Company has its manufacturing facilities, at Parwanoo (Himachal Pradesh) and Derabassi (Punjab) – dial manufacturing, Bengaluru (Karnataka) – hands, steel bracelets and precision components manufacturing.

The standalone Ind AS financial statements were approved for issue in accordance with a resolution of the directors on 19th May 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

These standalone Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone Ind AS financial statements are presented in Rs. and all values are rounded to the nearest Lacs (Rs. 00,000), except when otherwise indicated.

The standalone Ind AS financial statements provide comparative information in respect of the previous year.

Basis of measurement

The standalone Ind AS financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value as required under relevant Ind AS.

- Certain financial assets and liabilities are measured at fair value (Refer accounting policy regarding financial instruments in Note o)
- Defined benefit plans- plan assets are measured at fair value

2.2 Summary of material accounting policy information

a. Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b. Investment in subsidiaries, associate and joint venture

A subsidiary is an entity that is controlled by another entity.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries, associates and joint ventures are accounted at cost less impairment.

Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

c. Property, plant and equipment (PPE)

Recognition and measurement

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

(All amounts are in Indian Rupees Lacs, except for share data)

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located, if the recognition criteria is met. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost of acquisition or construction which includes capitalised finance costs less accumulated depreciation and accumulated impairment loss, if any.

Recognition criteria

The cost of an item of property, plant and equipment is recognised as an asset if and only if,

(a) It is probable that future economic benefits associated with the item will flow to the entity, and

(b) The cost of the item can be measured reliably.

Capital work-in-progress comprises the cost of property, plant and equipment that are not ready for their intended use at the reporting date, net of accumulated impairment loss, if any. Advances paid towards acquisition of PPE outstanding at each balance sheet date, are shown under other non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised.

Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

Depreciation on items of PPE is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with related amendments. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Buildings – factory	30 Years	30 Years
Roads	10 Years	10 Years
Plant and equipment*	15 Years	3- 15 Years
Furniture and fittings	10 Years	10 Years
Office equipment	5 Years	5 Years
Computers	3 Years	3 Years
Vehicles	8 Years	5- 8 Years

Depreciation on improvements carried out on buildings taken on lease is provided over the period of the lease or useful life of assets, whichever is lower. Refer lease policy at point 'n' below for period of leases.

* The Company, based on technical assessment made by technical expert and management estimate, depreciates tools included in plant and equipment over estimated useful lives of 3 and 15 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising on derecognition of the asset is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

d. Intangible assets

Acquired Intangible

Intangible assets that are acquired by the Company are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expense in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Technical know-how 4 Years
- Software 6 Years

Amortisation method, useful life and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Derecognition

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible asset under development that are acquired by the Company comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

e. Inventories

Inventories are valued at the lower of cost and net realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Traded Goods	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Scrap	Net realisable value

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

f. **Retirement and other employee benefits**

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., salaries and wages and bonus etc., if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards employee provident fund and employee state insurance scheme (ESI) to Government administered scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Certain employees of the Company are also participants in the superannuation plan ("the Plan"), a defined contribution plan. The Company makes contributions to Life Insurance Corporation of India (LIC). Contribution made by the Company to the plan during the year is charged to Statement of Profit and Loss. The social security costs, paid for the overseas employees, are in the nature of defined contribution schemes as per the laws of that country.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the Life Insurance Corporation of India (LIC). The Company's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability i.e. Gratuity, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). Remeasurements are not reclassified to profit or loss in subsequent periods. The Company determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then- net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Compensated absences

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensate absences is measured on the basis of an annual independent actuarial valuation using the projected unit cost credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise. The Company presents the

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leave liability as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

g. Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the time of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future losses are not provided for.

h. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognised when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

i. Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

j. Revenue from contract with customer

Revenue from contracts with customers is recognised when the control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangement because it typically controls goods or services before transferring them to the customers.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts if any. Also, in determining the transaction price for the sale of products, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

The Company disaggregates revenue from contracts with customers by geography.

Sale of services

The Company offers services in fixed term contracts and short term arrangement. Revenue from service is recognised when obligation is performed or services are rendered.

Export benefits

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Contract balances

Trade Receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section of Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

k. Recognition of interest income or expense

Interest income or expense is accrued on a time basis and recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

l. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m. Taxes

Income tax comprises current and deferred tax. It is recognised in Profit or Loss except to the extent that it relates to a business combination or an item recognised directly in equity or in other comprehensive income.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current income tax assets and liabilities are measured at the amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can

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be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the standalone financial statements and in other management reports.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax liabilities and assets and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authorities.

Sales/value added taxes/GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

n. Leases

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Plant and equipment	3- 5 Years
Building	1- 10 Years
Leasehold land	99 Years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets. Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the

lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Investment property

Investment property comprises of the sub lease portion of the right-of-use asset which is initially measured at cost. Subsequent to initial recognition, investment property is stated at cost less depreciation less impairment loss, if any. The cost includes an equivalent amount as reduced from the right-of-use asset at the time of commencement of the lease. The Company depreciates the investment property over the period of sub lease term.

o. Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets (except trade receivables) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected

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life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such adoption is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable adoption to present in other comprehensive income subsequent changes in the fair value. The Company makes such adoption on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The presumption under Ind As 109 with reference to significant increases in credit risk since initial recognition (when financial assets are more than 30 days past due), has been rebutted and is not applicable to the Company, as the Company is able to collect a significant portion of its receivables that exceed the due date.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Company in accordance with the contract and the cash flow that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtors do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedure for recovery of amounts due.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss (FVTPL)
- Financial liabilities at amortised cost (loans and borrowings)

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Company uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

p. Impairment of non-financial assets

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine if there is indication of any impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash flows are Companied together into cash generating units (CGUs). Each CGU represents the smallest Company of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of as CGU (or an individual asset) is the higher of its value in use and fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

q. Operating Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

r. Cash and cash equivalents

Cash and cash equivalents in the balance sheet include cash at banks and on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

s. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

t. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

u. Cash dividend

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

v. Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

w. Foreign currencies

The standalone Ind AS financial statements are presented in Rs., which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash.

Transactions and balances

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The standalone financial statements are presented in Rs. Functional currency is the currency of the primary economic environment in which the Company operates and is normally the currency in which the Company primarily generates and expends cash.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., Standalone financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Company's net investment of a foreign

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operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

x. Measurement of Fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these standalone financial statements is included in the respective notes.

2.3 Changes in accounting policies and disclosures

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Company applied following amendments for the first-time during the current year which are effective from 1st April 2025:

a) Lack of exchangeability – Amendments to Ind AS 21

MCA via notification dated 7th May 2025, announced amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates, to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments do not have a material impact on the Company's Standalone Financial Statements.

b) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

MCA via notification dated 13th August 2025 announced amendments to Ind AS 1, Presentation of Financial Statements, which elaborate on guidance set out in Ind AS 1 by:

- clarifying that the right to defer settlement of a liability for at least 12 months after the reporting period; a) must have substance, and b) must exist at the end of the reporting period;

- stating that management's expectations around whether the settlement of a liability would be deferred or not, does not impact the classification of the liability;
- including requirements for liabilities that can be settled using an entity's own instruments; and
- stating that at the reporting date, the entity does not consider covenants that will need to be complied with in the future when considering the classification of the debt as current or non-current

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments do not have a material impact on the Company's Standalone Financial Statements.

c) Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS 107

MCA via notification dated 13th August 2025 announced amendments to Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures which introduced disclosure requirements with the objective to enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cashflows and exposure to liquidity risk.

The amendments do not have a material impact on the Company's Standalone Financial Statements.

d) International Tax Reform - Pillar Two Model Rules - Amendments to Ind AS 12

MCA via notification dated 13th August 2025 announced amendments to Ind AS 12, Income Taxes, which includes:

- a temporary exception to the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules; and
- additional disclosure requirements targeted at a reporting entity's exposure to income taxes in periods in which the Pillar Two Model legislation is enacted or substantively enacted but not yet in effect.

The amendments do not have a material impact on the Company's Standalone Financial Statements

New standards and amendments to existing Standards which are issued but are not yet effective and have not been early adopted by the Company

a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

Paragraph 74 of Ind AS 1 currently effective for the year ended 31st March 2026 requires the entity not to classify the liability as current, if there is a breach of a material covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, however, the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

MCA vide notification dated 13th August 2025, has introduced amendment under Paragraph 74 of Ind AS 1 which requires the entity to classify the liability as current under the aforementioned situation because, at the end of the reporting period, it does not have the right to defer its settlement for at least twelve months after that date. Such amendment has been made effective for annual reporting periods beginning on or after 1st April 2026 retrospectively in accordance with Ind AS 8.

This amendment is not expected to have a material impact on the Company's Standalone Financial Statements.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

a) Determining the lease term of contracts with renewal and termination options – Company as lessee

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.

Leases – Estimating the incremental borrowing rate: The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

b) Defined benefit plans

The present value of the gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates for the respective countries.

c) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

d) Useful life of Property, plant and equipment and intangibles

The management estimates the useful life and residual value of property, plant and equipment and other intangible assets. These assumptions are reviewed at each reporting date.

e) Contingencies

Refer 36 Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources;

f) Impairment of financial assets

Refer note 2.2(b) and 2.2(o) for the policy to estimate the impairment of financial assets.

g) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

Refer note 2.2(p) for the policy to estimate the impairment of non-financial assets.

h) Leases – Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.5 Climate – related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the standalone financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are Useful life of property, plant and equipment and Impairment of non-financial assets.

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(All amounts are in Indian Rupees Lacs, except for share data)

3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

Gross carrying amount

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Furniture and fittings	Office equipment*	Vehicles	Total	Capital work-in-progress
Balance as at 1st April 2024	**78.60**	**4,754.19**	**128.28**	**10,083.13**	**519.77**	**466.70**	**850.86**	**16,881.55**	**3,432.35**
Additions [refer to note (c), (d) and (f) below]	-	212.56	387.57	3,264.54	309.39	250.96	61.22	4,486.24	2,159.24
Disposals	-	-	(0.52)	(108.08)	(3.32)	(24.75)	(33.91)	(170.58)	(4359.30)#
Balance as at 31st March 2025	**78.60**	**4,966.75**	**515.33**	**13,239.59**	**825.84**	**692.91**	**878.17**	**21,197.21**	**1,232.29**
Additions	841.62	310.92	51.65	1,410.49	76.83	145.69	193.10	3,030.29	535.96
Disposals	-	-	(75.78)	(25.80)	(2.14)	(14.48)	(73.07)	(191.28)	(1377.32)#
Balance as at 31st March 2026	**920.22**	**5,277.67**	**491.20**	**14,624.27**	**900.53**	**824.12**	**998.20**	**24,036.22**	**390.93**
Accumulated depreciation									
Balance as at 1st April 2024	**-**	**887.55**	**111.18**	**4,900.84**	**245.06**	**319.45**	**239.61**	**6,703.66**	**-**
Depreciation for the year	-	169.09	29.54	801.76	47.54	88.93	140.68	1,277.54	-
Disposals	-	-	-	(88.14)	(2.03)	(15.00)	(25.86)	(131.03)	-
Balance as at 31st March 2025	**-**	**1,056.64**	**140.72**	**5,614.46**	**290.57**	**393.38**	**354.43**	**7,850.16**	**-**
Depreciation for the year	-	177.66	46.07	904.54	66.99	127.91	143.75	1,466.91	-
Disposals	-	-	(69.17)	(17.92)	(1.82)	(13.36)	(50.08)	(152.35)	-
Balance as at 31st March 2026	**-**	**1,234.30**	**117.62**	**6,501.08**	**355.74**	**507.93**	**448.10**	**9,164.72**	**-**
Carrying amounts (net)									
At 31st March 2025	**78.60**	**3,910.11**	**374.61**	**7,625.13**	**535.27**	**299.53**	**523.74**	**13,347.00**	**1,232.29**
At 31st March 2026	**920.22**	**4,043.37**	**373.58**	**8,123.19**	**544.79**	**316.19**	**550.10**	**14,871.44**	**390.93**

#Represents capital work in progress capitalised during the current year and previous year.

*Including block of computers

Notes:

a. Refer to Note 17 for information on property, plant and equipment that are pledged as security by the Company.

b. Refer to Note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

c. The Company had capitalised its bracelet factory w.e.f. 30th September 2024 for Rs 2,313.88 including Rs 1,282.92 and Rs. 987.77 towards pre-operating expenses and trial run cost, respectively and net of Rs 1,221.15 towards development and tooling cost of the test models and trial runs amount received from one of the customer.

d. The Company had capitalised its packaging factory at Panchkula, Haryana w.e.f. 1st October 2024 for Rs. 664.40 including Rs. 139.19 towards pre-operating expenses and trial run cost.

e. The title deeds of the immovable properties are held in the name of the Company.

f. The Company has capitalised the following expenses / (income) to the cost of property, plant and equipment/capital work-in-progress (CWIP) during the trial run / construction period. Consequently, expenses and income disclosed under the respective notes are net of amounts capitalised by the Company.

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	31st March 2026	31st March 2025
Raw Materials Consumed	-	384.92
Salaries and Wages	-	709.78
Contributions to provident and other funds	-	83.88
Staff welfare expenses	-	63.08
Stores and spares consumed	-	153.18
Power, fuel, water and electricity charges	-	66.43
Contractual labour expenses	-	175.94
Insurance	-	5.61
Rent	-	461.40
Rates and Taxes	-	10.01
Repair and Maintenance- Building	-	7.46
Repair and Maintenance- Others	-	79.74
Legal and professional fees	-	89.05
Travelling and conveyance	-	119.43
Bank Charges	-	7.60
Printing and stationery	-	8.40
Communication expenses	-	10.93
Security service charges	-	38.63
Miscellaneous expenses	-	37.13
	-	**2,512.60**
Less : Sales made during the year	-	(727.08)
	-	**1,785.52**

Capital work in progress (CWIP) Ageing Schedule

As at 31st March 2026	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	245.15	21.86	5.36	6.17	278.54
Material purchased for inhouse development of tools	70.16	19.96	4.68	17.59	112.39
Projects temporarily suspended	-	-	-	-	-
Total	**315.31**	**41.82**	**10.04**	**23.76**	**390.93**

As at 31st March 2025	**Amount in CWIP for a period of**				
	<1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	1,135.23	-	-	7.58	1,142.81
Material purchased for inhouse development of tools	51.40	13.78	4.28	20.02	89.48
Projects temporarily suspended	-	-	-	-	-
Total	**1,186.63**	**13.78**	**4.28**	**27.60**	**1,232.29**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025-26 and 2024-25.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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4 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

Gross carrying amount

	Technical know-how	Softwares	Total	Intangible asset under development
Balance as at 1st April 2024	**23.03**	**184.70**	**207.73**	**0.90**
Additions	-	44.04	44.04	0.90
Disposals	-	(4.45)	(4.45)	(1.80)#
Balance as at 31st March 2025	**23.03**	**224.29**	**247.32**	**-**
Additions	19.97	38.48	58.45	17.01
Disposals	-	(30.05)	(30.05)	-
Balance as at 31st March 2026	**43.00**	**232.72**	**275.72**	**17.01**
Accumulated amortisation				
Balance as at 1st April 2024	**23.03**	**163.75**	**186.78**	**-**
Amortisation for the year	-	12.63	12.63	-
Disposals	-	(4.45)	(4.45)	-
Balance as at 31st March 2025	**23.03**	**171.93**	**194.96**	**-**
Amortisation for the year	3.34	24.34	27.68	-
Disposals	-	(30.05)	(30.05)	-
Balance as at 31st March 2026	**26.37**	**166.22**	**192.59**	**-**
Carrying amounts (net)				
At 31st March 2025	**-**	**52.36**	**52.36**	**-**
At 31st March 2026	**16.63**	**66.50**	**83.13**	**17.01**

#Represents intangible asset under development capitalized during the current year and previous year.

Intangible assets under development (IAUD) Ageing Schedule

As at 31st March 2026	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	17.01	-	-	-	17.01
Projects temporarily suspended	-	-	-	-	-
Total	**17.01**	**-**	**-**	**-**	**17.01**

As at 31st March 2025	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025-26 and 2024-25.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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5 INVESTMENTS

	Note	As at 31st March 2026	As at 31st March 2025
Non-current investments			
Quoted investments			
Investment in equity shares (at cost)			
Subsidiary companies (at cost):			
- Ethos Limited 1,15,24,935 (31st March 2025: 1,15,13,877) equity shares of Rs. 10 each fully paid up	49(a)	11,919.31	11,720.27
Unquoted investments			
Investment in equity shares (at cost)			
Subsidiary companies (at cost):			
- Pylania SA, Switzerland 20,000 (31st March 2025: 20,000) equity shares of Swiss Franc (CHF) 100 each fully paid up		2,259.40	2,259.40
- Mahen Distribution Limited 6,005,700 (31st March 2025: 6,005,700) equity shares of Rs 10 each fully paid up	46(c)	936.00	936.00
- Kamla International Holdings SA, Switzerland 27,000 (31st March 2025: 26,000) equity shares of Swiss Franc (CHF) 100 each fully paid up		3,567.24	1,944.36
- Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited) 999,930 (31st March 2025: 999,930) equity shares of Rs. 10 each fully paid up		62.84	62.84
- Silvercity Brands AG 1,500,000 (31st March 2025: 1,500,000) equity shares of Swiss Franc (CHF) 1 each fully paid up	49(b)	1,466.45	1,466.45
- Artisan Watch Products Private Limited 4,000,000 (31st March 2025: Nil) equity shares of Rs. 10 each fully paid up		400.00	-
		20,611.24	**18,389.32**
Other Companies (Fair value through profit or loss):			
- Karolview Developers Private Limited- Nil (31st March 2025: 500,000) equity shares of Rs. 10 each fully paid up	(a)	-	43.54
- Shivalik Waste Management Limited 17,500 (31st March 2025: 17,500) equity shares of Rs. 10 each fully paid up		7.68	7.15
		7.68	**50.69**
		20,618.92	**18,440.01**
Impairment in value of investments			
Subsidiary companies:			
- Pylania SA, Switzerland	46(a)	85.67	85.67
- Kamla International Holdings SA, Switzerland	46(a)	1,871.81	1,871.81
		1,957.48	**1,957.48**
Total non-current investments		**18,661.44**	**16,482.53**
Aggregate book value of quoted investments		11,919.31	11,720.27
Aggregate Market value of quoted investments		2,51,623.91	2,86,079.54
Aggregate value of unquoted investments		6,742.13	4,762.26
Aggregate amount of impairment in value of investments		1,957.48	1,957.48

Notes:

(a) During the year, the Company has disposed of its investment in Karolview Developers Private Limited comprising 5,00,000 equity shares. The said shares have been sold at a price of Rs. 33 per equity share. The resultant gain on sale of investment has been duly recognised in the Statement of Profit and Loss in accordance with the applicable accounting standards.

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6 LOANS

(Unsecured and considered good)

	Non-Current	
	As at 31st March 2026	As at 31st March 2025
Loan to related party (refer to note 38 and 46(c))	-	1,344.70
Loan to employees		
- to related party (refer to note 38)	123.92	142.43
- to others	90.73	92.60
	214.65	**1,579.73**

	Current	
	As at 31st March 2026	As at 31st March 2025
Loan to employees		
- to related party (refer to note 38)	18.51	17.90
- to others	74.48	29.55
	92.99	**47.45**

6A OTHER FINANCIAL ASSETS

(Unsecured and considered good)

	Non-Current	
	As at 31st March 2026	As at 31st March 2025
Security deposits (carried at amortised cost)	330.11	204.41
	330.11	**204.41**

7 INCOME TAX ASSET (NET)

	As at 31st March 2026	As at 31st March 2025
Advance income tax (net of provision)	401.11	399.13
	401.11	**399.13**

8 OTHER NON-CURRENT ASSETS

(Unsecured and considered good)

	As at 31st March 2026	As at 31st March 2025
Capital advances	839.48	475.32
Prepaid expenses	27.28	70.81
	866.76	**546.13**

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9 INVENTORIES^

	As at 31st March 2026	As at 31st March 2025
Raw materials*#	4,037.07	3,051.69
Work-in-progress	2,536.25	1,626.54
Finished goods	319.32	323.35
Stores and spares	779.60	643.83
Scrap	49.56	-
	7,721.80	**5,645.41**

*Includes goods-in-transit- raw materials amounting to Rs. 21.24 (Previous year: Rs. Nil)

#After adjusting provision for inventory made during the year amounting to Rs. 149.83 (Previous year: Rs. 79.85)

^ Refer to Note 17 for information on inventory that are pledged as security by the Company.

10 TRADE RECEIVABLES#

(Unsecured, considered good, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
Trade receivables from related parties (refer to note 38)	1,242.22	304.49
Trade receivables from others	9,087.09	6,459.52
Less : Allowance for expected credit loss	(1.00)	(1.00)
	10,328.31	**6,763.01**

Break-up of security details

	As at 31st March 2026	As at 31st March 2025
Trade receivable considered good- unsecured	10,328.31	6,763.01
Trade receivables which have significant increase in credit risk	-	-
Trade receivable- credit impaired	1.00	1.00
Total	**10,329.31**	**6,764.01**
Allowance for expected credit loss	(1.00)	(1.00)
Total trade receivables	**10,328.31**	**6,763.01**

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

Trade receivables as on 31st March, 2024 - Rs. 5,150.55

Trade receivables ageing schedule

As at 31st March 2026	Outstanding for following periods from due date of payment						
	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	Total
Undisputed Trade Receivable- considered good	171.50	9,992.66	163.83	0.32	-	-	10,328.31
Undisputed Trade Receivable- which have significant increase in credit risk		-	-	-	-	1.00	1.00
Undisputed Trade Receivable- credit impaired		-	-	-	-	-	-
Total	**171.50**	**9,992.66**	**163.83**	**0.32**	**-**	**1.00**	**10,329.31**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

As at 31st March 2025	Outstanding for following periods from due date of payment						
	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	Total
Undisputed Trade Receivable-considered good	5,487.42	1,245.81	29.27	0.51	-	-	6,763.01
Undisputed Trade Receivable-which have significant increase in credit risk		-	-	-	-	1.00	1.00
Undisputed Trade Receivable-credit impaired		-	-	-	-	-	-
Total	**5,487.42**	**1,245.81**	**29.27**	**0.51**	**-**	**1.00**	**6,764.01**

#The Company's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in Note 34B.

11 CASH AND CASH EQUIVALENTS

	As at 31st March 2026	As at 31st March 2025
Balances with banks		
- in current accounts	1,030.20	174.81
- in cash credit accounts	340.97	46.59
Deposits with original maturity of less than three months	-	16.48
Cash on hand	6.06	7.41
	1,377.23	**245.29**

There are no other repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period.

12 OTHER BANK BALANCES

	Note	As at 31st March 2026	As at 31st March 2025
Deposit accounts with original maturity more than 3 months and maturing within 12 months from the reporting date	(a)	25.80	812.16
Balance in unclaimed dividend accounts		86.81	54.31
		112.61	**866.47**

Note:

(a) These deposits represent restricted bank deposits amounting to Rs. Nil (31st March 2025: Rs. 346.70) on account of deposits pledged as security for deposits from shareholders, bank guarantee and margin money.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

13 OTHER FINANCIAL ASSETS

(Unsecured and considered good)

Carried at amortised cost unless otherwise stated

	Note	As at 31st March 2026	As at 31st March 2025
Interest receivable from related party (refer to note 38)		-	24.87
Interest accrued but not due on deposits		19.83	49.30
Derivatives Financial instruments (Fair Value through statement of Profit and Loss)		-	55.92
Recoverable from related parties (refer to note 38)		236.60	112.04
Recoverable from / balance with government authorities		546.44	496.64
Deposit accounts (having remaining maturing less than 12 months)	(a)	270.00	-
Recoverable from others		528.30	2.96
Security deposits		298.88	388.88
		1,900.05	**1,130.61**

Note:

(a) These deposits represent restricted bank deposits amounting to Rs. 270.00 (31st March 2025: Rs. Nil) on account of deposits pledged as security for deposits from shareholders, bank guarantee and margin money.

14 OTHER CURRENT ASSETS

(Unsecured and considered good)

	As at 31st March 2026	As at 31st March 2025
Recoverable from / balance with government authorities	632.74	316.71
Advances for supply of goods and services (refer to note 38)	889.94	1,210.23
Advances to employees		
-to related parties (refer to note 38)	5.35	17.86
-to others	141.64	122.21
Prepaid expenses	148.33	296.73
	1,818.00	**1,963.74**

15 EQUITY SHARE CAPITAL

(i) Details of share capital

	As at 31st March 2026		As at 31st March 2025	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 10 each	2,80,00,000	2,800.00	2,80,00,000	2,800.00
	2,80,00,000	**2,800.00**	**2,80,00,000**	**2,800.00**
Issued				
Equity shares of Rs. 10 each	1,27,11,397	1,271.14	1,27,11,397	1,271.14
	1,27,11,397	**1,271.14**	**1,27,11,397**	**1,271.14**
Subscribed and paid up capital				
Equity shares of Rs. 10 each fully paid up	1,22,99,280	1,229.93	1,22,99,280	1,229.93
Forfeited equity shares of Rs.10 each	1,74,280	8.71	1,74,280	8.71
	1,24,73,560	**1,238.64**	**1,24,73,560**	**1,238.64**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

(ii) Rights, preferences and restrictions attached to shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iii) Reconciliation of the shares outstanding at beginning and at the end of the year

Particulars	As at 31st March 2026		As at 31st March 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	1,22,99,280	1,229.93	1,25,37,117	1,253.71
Add: shares issued during the year	-	-	-	-
Less: Shares extinguished on buy back during the year (Refer to Note 48)	-	-	2,37,837	23.78
Balance at the end of the year	**1,22,99,280**	**1,229.93**	**1,22,99,280**	**1,229.93**

(iv) Details of Equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

	As at 31st March 2026		As at 31st March 2025	
	Number of shares	% of equity shares held	Number of shares	% of equity shares held
Yashovardhan Saboo	18,02,173	14.65%	22,02,173	17.90%
Rajendra Kumar Saboo (RKS JS Family Trust)	13,92,098	11.32%	13,92,098	11.32%
Pranav Shankar Saboo	8,00,000	6.50%	-	-
Anuradha Saboo	8,61,368	7.00%	12,61,368	10.26%

(v) Bonus shares, shares buyback and issue of shares for consideration other than in cash (during five years immediately preceding 31st March 2026)

During the five years immediately preceding 31st March 2026, no bonus shares have been issued. During the previous year ended 31st March 2025, Company had bought back 2,37,837 equity shares for an aggregate amount of Rs. 8,799.97 being 1.90% of the total paid up equity share capital at average price of Rs. 3,700 per equity share. The equity shares bought back were extinguished on 23rd September 2024. Also during the year ended 31st March 2023, the Company bought back 1,99,947 equity shares for an aggregate amount of Rs. 2,099.99 being 1.57% of the total paid up equity share capital at average price of Rs. 1,050 per equity share, bought back for these equity shares were extinguished on 14th February 2023.

Further, no shares have been issued for consideration other than cash except during the year ended 31st March 2020, 16,500 equity shares of Rs. 10 each was issued under employee stock option plans for which only exercise price had been received in cash.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

(vi) Equity shares of Rs. 10 each fully paid up held by

Promotors Shareholdings		As at 31st March 2026			As at 31st March 2025		
S. No.	Promoter's Name	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
1	Rajendra Kumar Saboo (HUF)	-	-	-	-	-	(0.62%)
2	Rajendra Kumar Saboo	1,564	0.01%	-	1,564	0.01%	0.00%
3	Yashovardhan Saboo	18,02,173	14.65%	(3.25%)	22,02,173	17.90%	0.24%
4	Usha Devi Saboo	99	0.00%	-	99	0.00%	0.00%
5	Anuradha Saboo	8,61,368	7.00%	(3.25%)	12,61,368	10.26%	6.54%
6	Satvika Saboo	1,65,979	1.35%	-	1,65,979	1.35%	0.00%
7	Pranav Shankar Saboo	8,00,000	6.50%	6.50%	-	-	(6.51%)
8	Vardhan Properties and Investment Private Limited	37,518	0.31%	-	37,518	0.31%	0.00%
9	Dream Digital Technology Private Limited	28,925	0.24%	-	28,925	0.24%	0.00%
10	Saboo Ventures LLP	64,817	0.53%	-	64,817	0.53%	0.00%
11	Usha Devi Saboo (UDS JS Family Trust)	1,66,853	1.36%	-	1,66,853	1.36%	0.00%
12	Rajendra Kumar Saboo (RKS JS Family Trust)	13,92,098	11.32%	-	13,92,098	11.32%	0.02%
13	Swades Capital LLC	3,24,150	2.64%	-	3,24,150	2.64%	0.05%
14	Rajendra Kumar Saboo (ASP Saboo Family Trust)	5,05,001	4.11%	-	5,05,001	4.11%	0.08%
15	Jai Vardhan Saboo	25,940	0.21%	-	25,940	0.21%	0.21%
16	Veena Kanoria	25,941	0.21%	-	25,941	0.21%	0.21%
	Total	**62,02,426**	**50.43%**		**62,02,426**	**50.43%**	

Percentage in '0' is below rounding off threshold adopted by the company

16 OTHER EQUITY

(i) Securities premium

Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders. This will be utilised in accordance with the applicable provisions of the Companies Act, 2013.

(ii) General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the Statement of Profit and Loss.

(iii) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Remeasurements of defined benefit obligation comprises actuarial gains and losses and return on plan assets (excluding interest income).

(iv) Capital Reserve (on amalgamation)

Capital Reserve has been created pursuant to the scheme of amalgamation with Satva Jewellery and Design Limited approved by the Hon'ble National Company Law Tribunal.

(v) Capital Redemption Reserve

The Company had bought back 2,37,837 equity shares during the previous year ended 31st March 2025. Accordingly, Section 69 of Companies Act, 2013 require to create capital redemption reserve equal to nominal value of shares bought back where the Company purchases its own shares out of free reserves or security premium account. Therefore, the Company had transferred the amount equal to nominal value to capital redemption reserve out of its free reserves. Also the Company had bought back 1,99,947 equity shares during the year ended 31st March 2023.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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(All amounts are in Indian Rupees Lacs, except for share data)

17 BORROWINGS

	Note	As at 31st March 2026	As at 31st March 2025
(i) Non-current borrowings			
Term loans			
- From banks (secured)	(a)	146.37	229.01
- From others (secured)	(b)	3,336.54	3,670.11
		3,482.91	**3,899.12**
Deposits from shareholders and directors			
Related parties (unsecured) (refer to note 38)	(c)		
- From Directors		107.22	128.62
- From other related parties		1,563.86	916.04
From shareholders other than related parties (unsecured)	(c)	3,255.55	2,927.60
		4,926.63	**3,972.26**
Total non-current borrowings (including current maturities)		**8,409.54**	**7,871.38**
Less : Current maturities of non-current borrowings (refer to note 17(ii))		2,207.39	1,608.88
		6,202.15	**6,262.50**

Notes:

(a) - Vehicle loans from banks amounting to Rs. 146.37 (31st March 2025: Rs. 229.01) carrying interest rate in the range of 6.90% to 8.75% (previous year 6.90% to 9.50%) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of those loans. The loans are to be repaid with in a period of 1- 4 years as per the respective repayment schedule in equal monthly installments.

(b) - Term loan from Bajaj Finance Limited amounting to Rs. 329.87 (31st March 2025: Rs. 660.64) carrying interest rate of 8.25% (previous year 9.25%) is secured by way of extension of charge on exclusive basis over leasehold Land & building and Plant & machinery at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 5th January 2023 with one year of moratorium from the drawdown. The last instalment would be paid on 5th February 2027.

- Term loan from Bajaj Finance Limited amounting to Rs. 2,948.89 (31st March 2025: Rs. 3,000.00) carrying interest rate of 8.25% (previous year 8.90%) is secured by way of extension of charge on exclusive basis over leasehold Land & building and Plant & machinery at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 72 instalments as per the repayment schedule commencing from 5th March 2025. The last instalment would be paid on 5th February 2031.

- Vehicle loans from Toyota Financial Services India Limited amounting to Rs. Nil (31st March 2025: Rs. 9.47) carrying interest rate of 7.43% (previous year 7.43%) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of the loan. The last instalment was repaid on 20th January 2026.

- Vehicle loans from Mercedes-Benz Financial Services India Private Limited amounting to Rs. 57.78 (31st March 2025: Rs. Nil) carrying interest rate of 7.66% (previous year Nil) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of the loan. The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 20th February 2026. The last instalment would be paid on 20th January 2030.

(All amounts are in Indian Rupees Lacs, except for share data)

(c) - Deposits from shareholders and directors amounting to Rs. 4,926.63 (31st March 2025: Rs. 3,972.26) carrying interest rates in the range of 8.00% to 9.75% (previous year 9.00% to 10.25%) per annum, are repayable within maturity periods ranging from 1 year to 3 years respective dates of deposit.

		Note	As at 31st March 2026	As at 31st March 2025
(ii)	**Current borrowings**			
	Loans repayable on demand			
	- From banks	(a)	1,508.49	127.57
	Liability against utilisation of bill discounting facility			
	- From bank (secured)	(b)	625.84	994.47
	Deposit from shareholders and directors (unsecured)			
	Related parties (unsecured) (refer to note 38)			
	- From Directors	(c)	166.80	362.30
	- From other related parties	(c)	136.75	167.46
	From shareholders other than related parties (unsecured)	(c)	149.85	64.66
	Current maturities of non-current borrowings [refer to note 17(i)]		2,207.39	1,608.88
			4,795.12	**3,325.34**

Notes:

(a) - Working capital borrowings from banks amounting to Rs. 508.49 (31st March 2025: Rs. 127.57) carrying interest rate varying from 7.90% to 8.50% (previous year 8.50% to 9.75%) per annum are secured by hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other current assets of the Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Company and immovable property situated at Haibatpur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).

- Working capital borrowings amounting to Rs.1,000.00 (31st March 2025: Rs. Nil) from Shinhan Bank carrying interest at the rate of 7.05% per annum for meeting its working capital requirements. The loan is unsecured in nature subject to the terms and conditions, including repayment and security obligations, as specified in the sanction letter and loan agreement executed with the bank.

(b) - Liability against utilisation of bill discounting facility from bank amounting to Rs. 625.84 (31st March 2025: Rs. 994.47) carrying interest rate of 8.20% to 8.28% (previous year: 8.20% to 8.28%) per annum is secured by hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other current assets of the Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Company and immovable property situated at Haibatpur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).

(c) - Deposits from shareholders and directors amounting to Rs. 453.40 (31st March 2025: Rs. 594.42) carrying interest rates in the range of 8.00% to 9.75% (previous year 8.00% to 9.00%) per annum, are repayable within maturity period of 1 Year from the respective dates of deposit.

(d) - The Company has filed quarterly statements of current assets with the banks in agreement with the books of accounts.

		As at 31st March 2026	As at 31st March 2025
(iii)	**Reconciliation of movements of liabilities to cash flows arising from financing activities**		
	Balance as at the beginning of the year (including current and non-current borrowings)	**9,587.84**	**6,769.25**
	Proceeds from non-current borrowings	1,033.55	4,227.80
	Repayment of non-current borrowings*	(495.39)	(1,424.63)
	Repayments of/proceeds from current borrowings (net)	871.27	15.42
	Balance as at the end of the year (including current and non-current borrowings)	**10,997.27**	**9,587.84**

*Repayment of non-current borrowings includes current maturities of non-current borrowings, disclosed under current borrowings in earlier year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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(All amounts are in Indian Rupees Lacs, except for share data)

18 OTHER FINANCIAL LIABILITIES

	Non-Current	
	As at 31st March 2026	As at 31st March 2025
Interest accrued but not due (refer to note 38)	198.54	240.85
Security Deposits	1.06	1.06
	199.60	**241.91**

	Current	
	As at 31st March 2026	As at 31st March 2025
Interest accrued but not due (refer to note 38)	174.92	154.27
Unpaid dividends*	86.82	54.31
Capital creditors	94.10	151.82
Employee related payables (refer to note 38)	2,322.71	1,841.55
	2,678.55	**2,201.95**

*not due for deposit to investor education and protection fund

19 PROVISIONS

	Current	
	As at 31st March 2026	As at 31st March 2025
Provisions for employee benefits		
Liability for gratuity (refer to note 37 and 47)	116.98	209.05
Liability for compensated absences	642.31	618.21
	759.29	**827.26**

20 DEFERRED TAX (ASSETS) / LIABILITIES (NET)

	As at 31st March 2026	As at 31st March 2025
Deferred tax liabilities on		
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	718.92	683.50
- Right of use assets	687.41	841.17
- MTM Gain on foreign exchange contracts	-	14.07
Deferred tax liabilities (A)	**1,406.33**	**1,538.74**
Deferred tax assets on		
- Expected credit loss allowance	0.25	0.25
- Impairment in Value of investments	492.66	492.66
- Provision for employee benefits	161.65	155.59
- Lease liabilities	773.28	880.49
Deferred tax assets (B)	**1,427.84**	**1,528.99**
Net deferred tax (assets) / liabilities (A - B)	**(21.51)**	**9.75**

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(All amounts are in Indian Rupees Lacs, except for share data)

(b) Movement in temporary differences:

2024-2025	**As at 1st April 2024**	**Recognised in Statement of Profit and Loss / other comprehensive income**	**As at 31st March 2025**
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	625.67	57.83	683.50
- MTM Gain/(loss) on foreign exchange contracts	22.65	(8.58)	14.07
- Expected credit loss allowance	(0.25)	-	(0.25)
- Impairment in Value of investments	-	(492.66)	(492.66)
- Provision for employee benefits	(131.70)	(23.89)	(155.59)
- Right of use assets	116.46	724.71	841.17
- Lease liabilities	(127.12)	(753.37)	(880.49)
	505.71	**(495.96)**	**9.75**

2025-2026	**As at 1st April 2025**	**Recognised in Statement of Profit and Loss / other comprehensive income**	**As at 31st March 2026**
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	683.50	35.42	718.92
- MTM Gain/(loss) on foreign exchange contracts	14.07	(14.07)	-
- Expected credit loss allowance	(0.25)	-	(0.25)
- Impairment in Value of investments	(492.66)	-	(492.66)
- Provision for employee benefits	(155.59)	(6.07)	(161.66)
- Right of use assets	841.17	(153.75)	687.42
- Lease liabilities	(880.49)	107.21	(773.28)
	9.75	**(31.26)**	**(21.51)**

21 TRADE PAYABLES

	As at 31st March 2026	**As at 31st March 2025**
Dues of Micro Enterprises and Small Enterprises (refer to note below)	428.31	209.44
Trade payables to related parties (refer to note 38)	216.61	141.48
Other trade payables	3,542.32	2,218.11
	3,758.93	**2,359.59**
	4,187.24	**2,569.03**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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Trade payables ageing schedule

As at 31st March 2026	Outstanding for following periods from due date of payment					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	387.01	41.30	-	-	-	**428.31**
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,174.40	2,240.56	341.58	1.00	1.39	**3,758.93**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	**-**
Total	**1,561.41**	**2,281.86**	**341.58**	**1.00**	**1.39**	**4,187.24**

As at 31st March 2025	Outstanding for following periods from due date of payment					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises		209.44	-	-	-	**209.44**
Total outstanding dues of creditors other than micro enterprises and small enterprises	970.86	1,347.38	27.44	0.27	13.64	**2,359.59**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	**-**
Total	**970.86**	**1,556.82**	**27.44**	**0.27**	**13.64**	**2,569.03**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26th August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Company as under :

Particulars		As at 31st March 2026	As at 31st March 2025
(a)	The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year		
	- Principal	428.31	209.44
	- Interest	9.15	7.94
(b)	The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed date during each accounting year;	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during each accounting year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006;	9.15	7.94
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	9.15	7.94
(e)	The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	9.15	7.94

(All amounts are in Indian Rupees Lacs, except for share data)

22 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2026	As at 31st March 2025
Revenue received in advance (refer to Note 51)	1,406.20	1,515.50
Interest payable others	9.15	7.94
Statutory dues	300.81	305.21
	1,716.16	**1,828.65**

23 CURRENT TAX LIABILITIES (NET)

Particulars	As at 31st March 2026	As at 31st March 2025
Provision for income tax (net of advance tax)	513.88	492.65
	513.88	**492.65**

24 REVENUE FROM OPERATIONS

	Year ended 31st March 2026	Year ended 31st March 2025
Sale of products	45,518.61	33,859.33
Sale of services	1,519.06	1,171.79
Other operating revenues		
Export incentives	506.88	482.24
Scrap sales	2,035.88	1,443.47
	49,580.43	**36,956.83**

Revenue disaggregation as per industry vertical and geography has been included in segment information (refer to note 39)

a. Revenue from contracts with customers disaggregated based on nature of products and services

	Year ended 31st March 2026	Year ended 31st March 2025
Revenue from sale of products		
- Precision and watch components	43,201.53	32,168.32
- Others	2,317.08	1,691.01
	1,519.06	1,171.79
Sale of services	2,035.88	1,443.47
Other operating revenue	**49,073.55**	**36,474.59**
Set out below is the revenue from contracts with customers and reconciliation to Statement of profit and loss		
Total revenue from contracts with customers	49,073.55	36,474.59
Add: Items not included in disaggregated revenue:		
- Export Incentives	506.88	482.24
Revenue from operations as per the statement of profit and loss	**49,580.43**	**36,956.83**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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b. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers :

	Year ended 31st March 2026	Year ended 31st March 2025
Contract Assets -		
Trade receivables (refer to note 10)	10,328.31	6,763.01
Contract Liability -		
Revenue received in advance (refer to note 22)	1,406.20	1,515.50
Movement of Revenue received in advance as below :		
Balance at the beginning of the year	**1,515.50**	**2,838.79**
Revenue recognised / other adjustments during the year	(1,515.50)	(2,838.79)
Advance received during the year	1,406.20	1,515.50
Balance at the end of the year	**1,406.20**	**1,515.50**

In respect of advances received from customers, the Company expect revenue to be recognised over the period of next 2 years from the reporting year.

25 OTHER INCOME

	Year ended 31st March 2026	Year ended 31st March 2025
Interest income		
Fixed deposits with banks	30.76	388.66
Interest income from related parties (refer to note 38)	123.20	108.28
Interest income from others	44.89	18.69
Dividend income (refer to note 38 and 52)	1,802.06	0.35
Rental income (refer to note 38)	60.66	47.85
Liabilities/ provision no longer required written back	4.59	29.35
Exchange gain on foreign exchange fluctuations (net)	619.77	803.16
Net gain on sale of property, plant and equipment and intangible assets	2.35	-
Net change in fair value of financial assets (at FVTPL)	0.53	0.70
Profit from sale of non current investments	121.46	-
Miscellaneous income (refer to note 38)	15.62	9.58
	2,825.89	**1,406.62**

26 COST OF RAW MATERIALS CONSUMED

	Year ended 31st March 2026	Year ended 31st March 2025
Inventory of raw materials at the beginning of the year	3,051.69	2,854.10
Purchases of raw materials	14,653.42	10,448.75
	17,705.11	**13,302.85**
Inventory of raw materials at the end of the year	4,037.07	3,051.69
	13,668.04	**10,251.16**

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27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP

	Year ended 31st March 2026	Year ended 31st March 2025
Opening stock		
Work-in-progress	1,626.54	1,062.61
Finished goods	323.35	70.72
Scrap	-	10.71
	1,949.89	**1,144.04**
Less:		
Closing stock		
Work-in-progress	2,536.25	1,626.54
Finished goods	319.32	323.35
Scrap	49.56	-
	2,905.13	1,949.89
	(955.24)	**(805.85)**

28 EMPLOYEE BENEFITS EXPENSES

	Year ended 31st March 2026	Year ended 31st March 2025
Salaries and wages	10,496.59	8,532.22
Contributions to provident and other funds (refer to note 37)	883.31	696.89
Staff welfare expenses	635.53	575.44
	12,015.43	**9,804.55**

29 FINANCE COSTS

	Year ended 31st March 2026	Year ended 31st March 2025
Interest expense on financial liabilities measured at amortised cost	981.64	781.49
Interest on lease liabilities (refer to note 41)	407.27	265.52
Other borrowing costs	37.75	42.96
	1,426.66	**1,089.97**

30 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation on property, plant and equipment (refer to note 3)	1,466.91	1,277.54
Amortisation of other intangible asset (refer to note 4)	27.68	12.63
Depreciation of Right-of-use assets (refer to note 41)	909.92	560.13
Depreciation of investment property (refer to note 41)	19.04	25.41
	2,423.55	**1,875.71**

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31 OTHER EXPENSES

	Year ended 31st March 2026	Year ended 31st March 2025
Stores and spares consumed	2,295.95	1,757.92
Power, fuel, water and electricity charges	764.25	639.37
Contractual labour expenses (refer to note 38)	2,144.87	1,749.25
Insurance	134.79	72.52
Rent [refer to note 3(f) and 41]	73.82	22.95
Rates and taxes	64.36	54.41
Repair and maintenance		
- Plant and machinery	383.18	315.61
- Buildings	165.55	111.54
- Others	499.66	423.94
Legal and professional fees [refer to note (a) below]	596.32	541.05
Travelling and conveyance	876.76	647.42
Job charges (refer to note 38)	3,822.13	2,365.75
Bank Charges	53.64	44.72
Printing and stationery	57.56	47.15
Communication expenses	71.35	61.51
Commission	367.92	321.30
Events and exhibitions	348.54	220.91
Property, plant and equipment written off	8.33	27.92
Net loss on sale of property, plant and equipment	-	0.28
Donation	5.25	4.62
Bad debts/ advances / deposits written off	0.04	-
Security service charges	187.90	150.96
Corporate social responsibility expenditure [refer to note (b) below and note 38]	153.45	132.14
Freight & forwarding	670.28	282.25
Miscellaneous expenses	435.80	272.57
	14,181.70	**10,268.06**

Note (a) : Auditors' remuneration (excluding taxes as applicable)

	Year ended 31st March 2026	Year ended 31st March 2025
As Auditor		
- Statutory audit	21.60	20.00
- Limited review of quarterly results	15.80	13.00
In other capacity		
- Certification work	6.25	5.30
- Reimbursement of expenses	8.72	5.00
	52.37	**43.30**

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Note (b) : Detail of corporate social responsibility expenditure

	Year ended 31st March 2026	Year ended 31st March 2025
a. Gross amount required to be spent by the Company during the year	153.45	132.14
b. Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above [(refer to note c below and note 38)]	153.45	132.14
	153.45	**132.14**
c. Details related to spent / unspent obligations:		
(i) Contribution		
- Supporting health activities	36.00	14.00
- Ensuring environmental sustainability	70.43	42.00
- Promotion of education	2.50	17.50
- Others*	74.24	28.92
(ii) Unspent amount in relation to:		
- Ongoing project	(29.72)	29.72
- Other than ongoing project	-	-
	153.45	**132.14**
d. Opening Balance of prespent / (unspent) amount	(29.72)	15.51
Additions during the year	183.17	86.91
Utilised during the year (including excess provided of previous year)	153.45	132.14
Closing Balance of pre-spent / (unspent) amount	**-**	**(29.72)**

*Rs. 15.51 had been set-off and claimed as CSR expenses from the excess amount spent during the previous years.

Notes:

(a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 ("the Act"), in compliance with second proviso to sub section 5 of Section 135 of the Act.

(b) During the previous year, Rs. 29.72 were unspent in respect of ongoing projects, which was required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of Companies Act and subsequent to the year ended 31st March 2025, the Company had deposited Rs. 29.72 in specified bank account on 29th April 2025, which are utilised during the current financial year for CSR activities.

32 INCOME TAX EXPENSE

A. Amounts recognised in statement of profit and loss

	Year ended 31st March 2026	Year ended 31st March 2025
Current tax		
Current year	2,044.18	1,512.35
Changes in estimates related to prior years	(26.39)	(60.01)
	2,017.79	**1,452.34**
Deferred tax		
Attributable to–		
Origination and reversal of temporary differences	(41.73)	(19.41)
Changes in estimates related to prior years	10.47	(476.55)
	(31.26)	**(495.96)**
	1,986.53	**956.38**

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B. Reconciliation of effective tax rate

	Year ended 31st March 2026	Year ended 31st March 2025
Profit before tax	**9,646.18**	**5,879.85**
Tax at the Indian tax rate of 25.168% (previous year 25.168%)*	2,427.75	1,479.84
Effect of expense / (income) that are not deductible in determining taxable profit	(425.30)	37.30
Deferred taxes recognised on impairment of the investments	(15.92)	(536.56)
Others	-	(24.20)
Income tax expenses recognised in statement of profit and loss	**1,986.53**	**956.38**

*The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (Previous year 25.168%) payable by corporate entities in India on taxable profits under the Indian tax law.

C. Income tax recognised in other comprehensive income

	Year ended 31st March 2026	Year ended 31st March 2025
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit (liability) / asset	71.03	(99.27)
	71.03	**(99.27)**
Bifurcation of the income tax recognised in other comprehensive income		
Items that will not be reclassified to profit or loss		
Income tax on remeasurement of defined benefit (liability)/ asset	(17.88)	24.98
	(17.88)	**24.98**

33 EARNINGS PER SHARE

		Year ended 31st March 2026	Year ended 31st March 2025
A.	**Basic earnings per share**		
i.	Profit for basic earning per share of Rs. 10 each		
	Profit for the year	7,659.65	4,923.47
ii.	Weighted average number of equity shares for (basic)		
	Balance at the beginning of the year	1,22,99,280	1,25,37,117
	Effect of equity buyback	-	(1,30,322)
		1,22,99,280	**1,24,06,795**
	Basic earnings per share (face value of Rs 10 each)	**62.28**	**39.68**
B.	**Diluted earnings per share**		
i.	Profit for diluted earning per share of Rs. 10 each		
	Profit for the year	7,659.65	4,923.47
ii.	Weighted average number of equity shares for (diluted)		
	Balance at the beginning of the year	1,22,99,280	1,25,37,117
	Effect of equity buyback	-	(1,30,322)
		1,22,99,280	**1,24,06,795**
	Diluted earnings per share (face value of Rs. 10 each)	**62.28**	**39.68**

(All amounts are in Indian Rupees Lacs, except for share data)

34 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities including their level in the fair value hierarchy:

	Note	Level of hierarchy	As at 31st March 2026			As at 31st March 2025		
			FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets								
Non-current								
Non-derivative financial assets								
Investments:								
Investment in equity shares- other companies (refer to note viii below)	(i)	3	7.68	-	-	50.69	-	-
Loans	(ii)		-	-	214.65	-	-	1,579.73
Other financial assets	(ii)		-	-	330.11	-	-	204.41
Current								
Non-derivative financial assets								
Trade receivables	(iii)		-	-	10,328.31	-	-	6,763.01
Cash and cash equivalents	(iii)		-	-	1,377.23	-	-	245.29
Other bank balances	(iii)		-	-	112.61	-	-	866.47
Loans	(iii)		-	-	92.99	-	-	47.45
Other financial assets	(iii)		-	-	1,900.05	-	-	1,074.69
Derivative financial assets								
Forward contracts	(v)	2	-	-	-	55.92	-	-
Total financial assets			**7.68**	**-**	**14,355.95**	**106.61**	**-**	**10,781.05**
Financial liabilities								
Non-current								
Non-derivative financial liabilities								
Borrowings	(iv)		-	-	6,202.15	-	-	6,262.50
Other financial liabilities	(ii)		**-**	**-**	**199.60**	**-**	-	241.91
Current								
Non-derivative financial liabilities								
Borrowings	(iii)		-	-	4,795.12	-	-	3,325.34
Trade payables	(iii)		-	-	4,187.24	-	-	2,569.03
Other financial liabilities	(iii)		-	-	2,678.55	-	-	2,201.95
Derivative financial liabilities								
Forward contracts	(v)		-	-	-	-	-	-
Total financial liabilities			**-**	**-**	**18,062.66**	**-**	**-**	**14,600.72**

(i) The fair value in respect of the unquoted equity investments has been determined using discounted cash flow method and Market comparison technique based on market multiples derived from quoted prices of companies comparable to the investee. The significant unobservable inputs used are expected cash flows, estimated EBITDA of the investee.

(ii) Fair value of non-current financial assets and non- current financial liabilities has not been disclosed as there is no significant differences between carrying value and fair value.

(iii) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

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(iv) The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

(v) The fair value of derivative financial instrument has been determined using valuation techniques with market observable input. The model incorporate various input include the credit quality of counter-parties and foreign exchange forward rate.

(vi) There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31st March 2026 and 31st March 2025.

(vii) Investment in equity instruments of subsidiaries as at 31st March 2026 amount to Rs. 18,653.75 (net of impairment) (31st March 2025 : Rs. 16,431.84) carried at cost in accordance with IND AS 27 (Separate financial statement).

(viii) The change in amount is on account of fair value gain of Rs. 0.53.

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values :-

Particulars	Investments
Balance at 1st April 2024	**49.98**
Addition during the year	-
Transfer out from Level 3	-
Net change in fair value (unrealised)	0.71
Foreign exchange gain/loss	-
Balance at 31st March 2025	**50.69**
Addition during the year	-
Transfer out from Level 3	(43.54)
Net change in fair value (unrealised)	0.53
Foreign exchange gain/loss	-
Balance at 31st March 2026	**7.68**

B. Financial risk management

(i) Risk Management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to effect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain discipline and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to audit committee.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (ii))
- liquidity risk (see (iii))
- market risk (see (iv))

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure and arises principally from the Company's receivable from customers and loans.

The maximum exposure credit risk arising from financial guarantees contracts as per the reporting date is Rs. 1,046.16 , representing the guaranteed amount outstanding.

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	As at 31st March 2026	As at 31st March 2025
Non-derivative financial assets		
Investments	7.68	50.69
Trade receivables	10,328.31	6,763.01
Loans	307.64	1,627.18
Other financial assets	2,230.16	1,279.10
Derivative financial asset		
Forward contracts	-	55.92
	12,873.79	**9,775.90**

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties. The Company enters into derivative contracts with bank and financial institutions having high credit ratings.

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

	As at 31st March 2026	As at 31st March 2025
Within India	1,832.67	1,739.80
Outside India	8,495.64	5,023.21
	10,328.31	**6,763.01**

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

	As at 31st March 2026	As at 31st March 2025
Revenue from top customer	7,623.80	5,103.28
Revenue from top five customers	24,522.80	18,355.92

The Company based on internal assessment which is driven by the historical experience / current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

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The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

Particulars	Gross Carrying amount	Loss allowance	Carrying amount
31st March 2026			
Less than 6 Months	10,164.16	-	10,164.16
More than 6 Months	165.15	1.00	164.15
	10,329.31	**1.00**	**10,328.31**
31st March 2025			
Less than 6 Months	6,733.23	-	6,733.23
More than 6 Months	30.78	1.00	29.78
	6,764.01	**1.00**	**6,763.01**

The movement in the allowance for impairment in respect of trade receivables is as follows

	As at 31st March 2026	As at 31st March 2025
Balance as at the beginning of the year	1.00	1.00
Impairment allowance created	-	-
Impairment loss reversed	-	-
Balance as at the end of the year	**1.00**	**1.00**

Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Investments mainly include investments made by the Company in its subsidiary companies and associates. The loans primarily represents security deposits given and loans given to employees and related parties. The management believes these to be high quality assets with negligible credit risk. The management believes the parties to which these deposits and loans have been given have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for expected credit loss has been provided on these financial assets. Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

(iii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalents and other bank balances anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximise liquidity and supplement cash requirements as necessary. As at 31st March 2026, the Company has available Rs. 2,554.04 (31st March 2025: Rs. 3,188.65) in form of undrawn committed borrowing limits.

(All amounts are in Indian Rupees Lacs, except for share data)

The following table provides details regarding the contractual maturities of significant financial liabilities on an undiscounted basis:

	Less than 1 Year	1 to 2 Years	2 to 5 Years	Total	Carrying Amount
31st March 2026					
Non-derivative financial liabilities					
Borrowings	4,796.22	2,371.08	3,832.19	10,999.49	10,997.27
Trade payables	4,187.24	-	-	4,187.24	4,187.24
Other financial liabilities	2,678.55	198.54	1.06	2,878.15	2,878.15
Lease liabilities	777.58	695.61	1,584.35	3,057.54	3,057.54
Corporate guarantee given	1,046.16	-	-	1,046.16	1,046.16
	13,485.75	**3,265.23**	**5,417.60**	**22,168.58**	**22,166.36**
31st March 2025					
Non-derivative financial liabilities					
Borrowings	3,304.44	2,201.40	3,522.11	9,027.95	9,587.83
Trade payables	2,569.03	-	-	2,569.03	2,569.03
Other financial liabilities	2,201.95	240.85	1.06	2,443.86	2,443.86
Lease liabilities	705.45	758.63	2,033.14	3,497.22	3,497.22
Corporate guarantee given	1,741.92	-	-	1,741.92	1,741.92
	10,522.79	**3,200.88**	**5,556.31**	**19,279.98**	**19,839.86**

(iv) Market Risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

Exposure to interest rate risk

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

	As at 31st March 2026	As at 31st March 2025
Fixed rate borrowings	9,488.78	9,460.27
Floating rate borrowings	1,508.49	127.57
Total borrowings (gross of transaction cost)	**10,997.27**	**9,587.84**

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Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss / other equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant

	Profit or Loss/Other Equity	
	Strengthening	Weakening
For the year ended 31st March 2026		
Interest rate (0.5% movement)	7.54	(7.54)
For the year ended 31st March 2025		
Interest rate (0.5% movement)	0.64	(0.64)

(ii) Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Unhedged foreign currency exposure

The following table provides details of the Company's exposure to currency risk:

Assets	As at 31st March 2026		As at 31st March 2025	
	Amount (Rs)	Amount in foreign currency	Amount (Rs)	Amount in foreign currency
Loans				
CHF	-	-	1,344.70	14.00
Trade receivables				
HKD	0.25	0.02	1.14	0.10
USD	4,010.76	44.67	2,688.73	31.54
EUR	711.87	6.83	443.80	4.84
CHF	3,637.62	32.01	1,889.54	19.67
GBP	113.43	0.94	-	-
Other financial assets				
CHF	111.54	1.12	129.88	1.37
Bank balances in foreign currency				
CHF	284.24	2.35	66.15	0.69
USD	746.80	8.33	0.06	0.00
Total (A)	**9,616.51**		**6,564.00**	

(All amounts are in Indian Rupees Lacs, except for share data)

Liabilities	As at 31st March 2026		As at 31st March 2025	
	Amount (Rs)	Amount in foreign currency	Amount (Rs)	Amount in foreign currency
Trade payables				
HKD	174.13	14.67	72.34	6.64
USD	154.83	1.66	54.68	0.64
EUR	63.32	0.59	3.92	0.04
CHF	282.14	2.40	142.98	1.49
GBP	0.33	0.00	-	-
Commission payable in foreign currency				
CHF	464.47	6.36	384.48	5.67
EUR	27.58	0.30	18.87	0.22
USD	18.30	0.28	16.81	0.26
Total (B)	**1,185.10**		**694.08**	
Net exposure in respect of recognised assets and liabilities (A-B)	**8,431.41**		**5,869.92**	

Forward contracts outstanding as at the end of the year

	As at 31st March 2026		As at 31st March 2025	
	Amount (Rs)	Amount in foreign currency	Amount (Rs)	Amount in foreign currency
Exports				
CHF	-	-	1,056.55	11.00

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31st March 2026 and 31st March 2025 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March 2026				
HKD (1% movement)	(1.74)	1.74	(1.30)	1.30
USD (1% movement)	45.84	(45.84)	34.31	(34.31)
EUR (1% movement)	6.21	(6.21)	4.65	(4.65)
CHF (1% movement)	32.87	(32.87)	24.60	(24.60)
GBP (1% movement)	1.13	(1.13)	0.85	(0.85)
JPY (1% movement)	-	-	-	-
31st March 2025				
HKD (1% movement)	(0.71)	0.71	(0.53)	0.53
USD (1% movement)	26.17	(26.17)	19.59	(19.59)
EUR (1% movement)	4.21	(4.21)	3.15	(3.15)
CHF (1% movement)	29.03	(29.03)	21.72	(21.72)
GBP (1% movement)	-	-	-	-
JPY (1% movement)	-	-	-	-

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(ii) Other Price risk

The Company is mainly exposed to the other price risk due to its investments in companies other than subsidiary companies (Fair value through profit or loss). At 31st March 2026, the investments in such companies amount to Rs. 7.68 (31st March 2025: Rs. 7.15). These are exposed to price risk. A 1% increase / (decrease) in prices would increase / (decrease) the equity and profit or loss by the amounts shown below :-

Particulars	Profit or Loss /Equity	
	Increase	(Decrease)
31st March 2026		
Impact on Profit or loss	0.08	(0.08)
31st March 2025		
Impact on Profit or loss	0.07	(0.07)

35 CAPITAL MANAGEMENT

(i) Risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities excluding deferred tax liabilities, provisions and other current liabilities, less cash and cash equivalents and other bank balances. Total equity comprises all components of equity as shown in balance sheet.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

The Company's adjusted net debt to total equity ratio was as follows:

	As at 31st March 2026	As at 31st March 2025
Total liabilities excluding deferred tax liabilities, provisions and other current liabilities	21,634.08	18,590.60
Less: cash and cash equivalents and other bank balances	1,489.84	1,111.76
Adjusted net debt	**20,144.24**	**17,478.84**
Total equity	**38,392.19**	**33,139.24**
Net debt to total equity ratio	**0.52**	**0.53**

The decrease in the Debt-Equity Ratio is primarily attributable to improved profitability during the year, resulting in higher retained earnings and a consequent strengthening of the Company's net worth. This has led to an improved capital structure with a relatively lower proportion of debt in comparison to equity.

(ii) Dividend

	As at 31st March 2026	As at 31st March 2025
Equity shares		
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31st March 2025 of Rs. 5.00 (31st March 2024 of Rs. 4.00) per fully paid equity shares*	614.96	501.48
Interim dividend for the year ended 31st March 2026 of Rs. 15.00 (31st March 2025 of Rs. Nil) per fully paid equity shares	1,844.89	-

*Final dividend has been paid on the number of shares issued by the Company till the date of annual general meeting after approval of the shareholders.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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Proposed dividend on Equity shares:#

	31st March 2026	31st March 2025
Proposed dividend for the year ended on 31st March 2026: Rs. 8.00 (31st March 2025 of Rs. 5.00) per equity share	983.94	614.96

#Proposed dividend on equity shares are subject to approval at the annual general meeting and is not recognised as a liability as at 31st March.

36 CONTINGENT LIABILITIES AND COMMITMENTS:

(to the extent not provided for)

		As at 31st March 2026	As at 31st March 2025
(i)	**Claims against the Company not acknowledged as debts, under dispute**		
	- Demand raised by Punjab State Electricity Board for payment of penalty for usage of additional power against sanctioned load. Amount paid under protest Rs. 2.96 (31st March 2025: Rs. 2.96)	3.73	3.73
	- Demand raised for Income tax (assessment year 2018-19, 2019-20 and 2023-24)	88.06	104.00
	- Demand raised for Goods and Service Tax	21.12	21.12
	- Claims against the Company filed by employees not acknowledged as debt (to the extent ascertainable)	34.09	34.09
		147.00	**162.94**
	It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of our pending resolution of the respective proceedings as it is determined only on receipt of judgements/decisions pending with various authorities.		
(ii)	**Commitments**		
	- Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	1,248.72	453.07
		1,248.72	**453.07**

(iii) In addition, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

37 EMPLOYEE BENEFITS

A. Liabilities relating to employee benefits

	Current	
	As at 31st March 2026	As at 31st March 2025
Liability for gratuity	116.98	209.05
Liability for compensated absences	642.31	618.21
	759.29	**827.26**

	Current	
	As at 31st March 2026	As at 31st March 2025
Advance payment for gratuity	-	-
	-	**-**

For details about the related employee benefit expenses, refer to Note 28.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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B. Defined Benefit Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed at least five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn salary for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Remeasurement gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The Company made annual contributions to the LIC of India of an amount advised by the LIC. Changes in market factors might affect the return on such fund which is futuristic. Due to impracticability of getting asset/portfolio wise breakup of such fund from insurer, the same has not been disclosed.

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India.

(i) Funding

Gratuity is a funded benefit plan for qualifying employees. 100% of the plan assets are managed by LIC. The assets managed are highly liquid in nature and the Company does not expect any significant liquidity risks.

	Particulars	As at 31st March 2026	As at 31st March 2025
(ii)	**Reconciliation of present value of defined benefit obligation**		
	Present value of obligation at the beginning of the year	1,507.49	1,335.57
	Current Service cost	111.28	103.93
	Interest cost	105.37	96.43
	Benefits paid	(87.87)	(130.09)
	Past Service Cost including curtailment gains / losses (refer note 47)	62.29	-
	Actuarial (gains) losses recognised in other comprehensive income		
	- Change in financial assumptions	(106.97)	29.48
	- Experience adjustments	44.27	72.17
	Present value of obligation at the end of the year	**1,635.86**	**1,507.49**

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	Particulars	As at 31st March 2026	As at 31st March 2025
(iii)	**Reconciliation of the present value of plan assets**		
	Plan assets at the beginning of the year, at fair value	1,298.44	1,238.72
	Return on plan assets recognised in other comprehensive income	8.33	2.38
	Contributions	209.22	98.00
	Benefits paid	(87.87)	(130.09)
	Interest income	90.76	89.43
	Plan assets at the end of the year, at fair value	**1,518.88**	**1,298.44**
(iv)	**Amount recognised in the balance sheet**		
	Present value of the defined benefit obligations at the end of the year	1,635.86	1,507.49
	Fair value of plan assets at the end of the year	1,518.88	1,298.44
	Net (asset)/ liability recognised in the balance sheet	**116.98**	**209.05**

(v) Plan assets

Plan assets comprise of the following:

Particulars	As at 31st March 2026	As at 31st March 2025
Policy of insurance	1,518.88	1,298.44
	1,518.88	**1,298.44**

(vi) Amount recognised in the Statement of Profit and Loss

	Particulars	As at 31st March 2026	As at 31st March 2025
	Total service cost	173.57	103.93
	Interest cost (net)	14.61	7.00
	Amount recognised in the Statement of profit and loss	**188.18**	**110.93**
(vii)	**Remeasurements recognised in other comprehensive income**		
	Actuarial gain/loss on the defined benefit obligation	(62.70)	101.65
	Return on plan assets (excluding interest income)	(8.33)	(2.38)
	Amount recognised in other comprehensive income	**(71.03)**	**99.27**

(viii) Actuarial assumptions

a) **Economic assumptions:** The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31st March 2026	As at 31st March 2025
Discount rate (per annum)	7.78%	6.99%
Expected rate of return on plan assets (per annum)	7.78%	6.99%
Salary increase (per annum)	4.00%	4.00%
Expected average remaining working lives of employees (years)	20.77	20.50

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b) Demographic assumptions:

Particulars	As at 31st March 2026	As at 31st March 2025
Retirement age	58 years	58 years
Mortality	Indian assured lives mortality (2012-14) Ultimate	Indian assured lives mortality (2012-14) Ultimate
Attrition rate		
Upto 30 years	3%	3%
31 to 44 years	2%	2%
45 and above	1%	1%

(ix) Sensitivity analysis on defined benefit obligation on account of change in significant assumptions:

Particulars	As at 31st March 2026		As at 31st March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(62.28)	66.85	(63.22)	68.13
Future salary growth (0.5% movement)	68.63	(64.36)	69.12	(64.58)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year. Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

(x) Expected future benefit payments

Particulars	As at 31st March 2026	As at 31st March 2025
The expected maturity analysis of undiscounted defined benefit liability is as follows:		
Within 1 year	165.25	128.32
1-2 years	85.60	85.60
2-5 years	365.42	301.58
Over 5 years	1,019.60	992.01

(xi) Weighted average duration and expected employers contribution for next year of the defined benefit plan

Particulars	As at 31st March 2026	As at 31st March 2025
Weighted average duration (in years)	16.27	16.15
Expected Employers contribution for the next year	140.67	131.88

(All amounts are in Indian Rupees Lacs, except for share data)

C. Defined Contribution Plan

The Company makes contribution towards employees' provident fund, superannuation fund and employees' state insurance plan scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The expense recognised towards contribution of these plans is as follows:

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Provident fund (including social security for overseas employees)	582.24	501.39
Superannuation fund	5.74	5.02
Employees' state insurance scheme	25.60	26.25
Pension fund	81.55	83.43
	695.13	**616.09**

38 RELATED PARTIES:

a) Related parties and nature of relationship where control exists:

Name of party	Description of relationship
Pylania SA	Subsidiary
Kamla International Holdings SA	Subsidiary
Ethos Limited	Subsidiary
Mahen Distribution Limited	Subsidiary
Estima AG	Subsidiary of Pylania SA and Kamla International Holdings SA
Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	Subsidiary
Artisan Watch Products Private Limited	Subsidiary (w.e.f. 3rd April 2025)
Cognition Digital LLP	Subsidiary of Ethos Limited
Pasadena Retail Private Limited	Joint Venture of Ethos Limited
Silvercity Brands AG	Subsidiary (w.e.f. 1st March 2024)
Favre Leuba	Subsidiary of Silvercity Brands AG (w.e.f. 26th September 2023)
Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)	Subsidiary of Ethos Limited (w.e.f. 2nd February 2024)
Ficus Trading LLC	Subsidiary of Ethos Limited (w.e.f. 16th April 2025)
Micron Watch Services Private Limited	Subsidiary of Ethos Limited (w.e.f. 22nd August 2025)

(b) Key managerial personnel (KMP) of the Company, their close family members and related entities

(i) Names of KMP	Names of their close family members (refer note 1 below)
- Mr. Yashovardhan Saboo (Chairman and Managing Director)	Mr. R.K. Saboo (father), Mrs. Usha Devi Saboo (mother), Mrs. Anuradha Saboo (spouse)
	Mr. Pranav Shankar Saboo (Son), Mrs. Malvika Singh (son's spouse)
	Ms. Satvika Saboo Suri (daughter)
- Mr. Sanjeev Kumar Masown (Whole time director cum Chief financial officer)	Mrs. Neeraj Masown (spouse), Mr. Lal Chand Masown (father), Ms. Muskan Masown (daughter)
- Mr. Brahm Prakash Kumar (Company Secretary)	

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(ii) Entities over which the KMP or their relative is able to exercise significant influence / control

- Vardhan Properties & Investments Limited
- VBL Innovations Private Limited
- Dream Digital Technology Private Limited
- Artisan Watch Products Private Limited (from 19th March 2025 to 2nd April 2025)
- KDDL Ethos Foundation
- Saboo Ventures LLP
- Saboo Housing Projects LLP
- Shri R.K. Saboo a/c Tara Chand Mahendra Kumar HUF
- Shri Yasho Vardhan Saboo a/c Yasho Vardhan HUF
- Veena Kanoria Family Trust
- RKS JS Family Trust
- UDS JS Family Trust
- ASP Saboo Family Trust

(iii) Non-executive Directors	Names of their close family members (refer note 1 below)		
- Mr. Anil Khanna (upto 5th August 2024)	Mrs. Alka Khanna (spouse)	Ms. Salonee Khanna (daughter)	Mr. Saahil Khanna (son)
- Mrs. Ranjana Agarwal (upto 5th August 2024)			
- Mrs. Anuradha Saboo			
- Mr. Praveen Gupta (upto 23rd August 2025)			
- Mr. Jai Vardhan Saboo			
- Mr. Sanjiv Sachar			
- Mrs. Neelima Tripathi			
- Mr. Nagarajan Subramanian			
- Mr. Chitranjan Agarwal (from 19th May 2025)			
- Mr. Anurag Maheshwari (from 30th May 2025)			
- Mr. Hanspeter Pieth (from 1st February 2026)			

Note:

1. With respect to the key managerial personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year.

c) Related party transactions

Year ended 31st March 2026

	Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
1 Purchase of Raw Material and components					
Estima AG	9.67	-	-	-	-
Artisan Watch Products Private Limited	19.04	-	-	-	-
2 Sale of goods and services					
Pylania SA	1,588.47	-	-	-	-
Estima AG	1,234.57	-	-	-	-
Ethos Limited	2.16	-	-	-	-

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		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
	Silvercity Brands AG	13.58	-	-	-	-
	Artisan Watch Products Private Limited	27.13	-	-	-	-
3	**Sale of property, plant and equipment**					
	Estima AG	13.93	-	-	-	-
	Artisan Watch Products Private Limited	93.23	-	-	-	-
4	**Guarantee income**					
	Pylania SA	3.38	-	-	-	-
5	**Job work charges paid**					
	Pylania SA	16.47	-	-	-	-
	Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	249.38	-	-	-	-
6	**Payment of lease liabilities**					
	Mr. Yashovardhan Saboo	-	-	20.23	-	-
	Mrs. Anuradha Saboo	-	-	33.72	-	-
	Pylania SA	27.42	-	-	-	-
	Estima AG	23.59	-	-	-	-
	Saboo Housing Projects LLP	-	-	-	8.74	-
7	**Compensation to key managerial personnel***					
	Short-term employee benefits					
	Mr. Yashovardhan Saboo	-	-	332.11	-	-
	Mr. Sanjeev Kumar Masown	-	-	143.53	-	-
	Mr. Brahm Prakash Kumar	-	-	39.52	-	-
8	**Interest income**					
	Kamla International Holdings SA	114.72	-	-	-	-
	Mr. Sanjeev Kumar Masown	-	-	8.47	-	-
9	**Interest paid/ accrued**					
	Mr. Sanjeev Kumar Masown	-	-	11.46	-	-
	Mr. Yashovardhan Saboo	-	-	13.61	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	29.67
	Mrs. Neeraj Masown	-	-	-	-	13.28
	Mr. Lal Chand Masown	-	-	-	-	1.75
	Mr. Praveen Gupta	-	-	1.24	-	-
	Mrs. Anuradha Saboo	-	-	7.14	-	-
	ASP Saboo Family Trust	-	-	-	1.19	-
	Mr. R.K. Saboo	-	-	-	-	13.53
	RKS JS Family Trust	-	-	-	23.98	-
	UDS JS Family Trust	-	-	-	0.52	-
	Veena Kanoria Family Trust	-	-	-	23.40	-
	Saboo Ventures LLP				10.84	
	Mr. Brahm Prakash Kumar	-	-	6.17	-	-
	Ms. Muskan Masown	-	-	-	-	2.36

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
10	**Deposits from shareholders accepted/renew**					
	Mrs. Usha Devi Saboo	-	-	-	-	108.00
	Mr. Yashovardhan Saboo	-	-	108.30	-	-
	Mrs. Anuradha Saboo	-	-	58.50	-	-
	Mr. Praveen Gupta	-	-	30.00	-	-
	Mr. Sanjeev Kumar Masown	-	-	37.29	-	-
	Mrs. Neeraj Masown	-	-	-	-	53.80
	Mr. Lal Chand Masown	-	-	-	-	19.75
	ASP Saboo Family Trust	-	-	-	34.00	-
	RKS JS Family Trust	-	-	-	268.00	-
	UDS JS Family Trust	-	-	-	25.00	-
	Saboo Ventures LLP				300.00	
	Mr. Brahm Prakash Kumar	-	-	45.90	-	-
11	**Deposits from shareholders repaid**					
	Mrs. Anuradha Saboo	-	-	162.30	-	-
	Mr. Yashovardhan Saboo	-	-	200.00	-	-
	Mr. Sanjeev Kumar Masown	-	-	28.69	-	-
	Mr. R.K. Saboo	-	-	-	-	40.00
	Mr. Lal Chand Masown	-	-	-	-	18.25
	Mrs. Neeraj Masown	-	-	-	-	22.20
	Mrs. Usha Devi Saboo	-	-	-	-	100.00
	Mr. Brahm Prakash Kumar	-	-	36.89	-	-
12	**Rent received**					
	Ethos Limited	27.10	-	-	-	-
	Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	14.64	-	-	-	-
	Cognition Digital LLP	0.60	-	-	-	-
	Artisan Watch Products Private Limited	17.12				
	Mahen Distribution Limited	0.60	-	-	-	-
	Vardhan Properties and Investment Limited	-	-	-	0.60	-
13	**Repayment of Loan given by the Company**					
	Mr. Sanjeev Kumar Masown	-	-	20.00	-	-
14	**Reimbursement of expenses paid by the Company**					
	Pylania SA	110.77	-	-	-	-
	Mahen Distribution Limited	4.97	-	-	-	-
15	**Reimbursement of expenses received by the Company**					
	Ethos Limited	4.89	-	-	-	-
	Pylania SA	4.79	-	-	-	-
	Artisan Watch Products Private Limited	35.74	-	-	-	-

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(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
	VBL Innovations Private Limited	-	-	-	25.03	-
	Silvercity Brands AG	43.61	-	-	-	-
16	**Investments made (Refer to Note 5)**					
	Ethos Limited	199.04	-	-	-	-
	Artisan Watch Products Private Limited	400.00	-	-	-	-
	Kamla International Holdings AG	1,622.88	-	-	-	-
17	**CSR contribution made**					
	KDDL Ethos Foundation	-	-	-	64.46	-
18	**Dividend paid**					
	Mr. Yashovardhan Saboo	-	-	380.43	-	-
	Mr. Sanjiv Sachar	-	-	0.30	-	-
	Mrs. Anuradha Saboo	-	-	172.27	-	-
	Mr. Nagarajan Subramanian	-	-	0.01	-	-
	Mr. Jai Vardhan Saboo	-	-	5.19	-	-
	Mr. Chitranjan Agarwal	-	-	1.87	-	-
	Mr. Brahm Prakash Kumar	-	-	0.45	-	-
	Mr. R.K. Saboo	-	-	-	-	379.73
	Mrs. Usha Devi Saboo	-	-	-	-	33.39
	Mr. Pranav S Saboo	-	-	-	-	140.00
	Ms. Satvika Saboo Suri	-	-	-	-	29.02
	Vardhan Properties and Investment Limited	-	-	-	7.50	-
	Dream Digital Technology Private Limited	-	-	-	5.79	-
	Saboo Ventures LLP	-	-	-	12.96	-
	Mr. Lal Chand Masown	-	-	-	-	0.00
	Mrs. Neeraj Masown	-	-	-	-	0.00
	Ms. Muskan Masown	-	-	-	-	0.00
19	**Director sitting fee**					
	Mr. Praveen Gupta	-	-	2.97	-	-
	Mr. Sanjiv Sachar	-	-	7.07	-	-
	Mr. Jai Vardhan Saboo	-	-	1.50	-	-
	Mrs. Neelima Tripathi	-	-	3.00	-	-
	Mrs. Anuradha Saboo	-	-	2.05	-	-
	Mr. Nagarajan Subramanian	-	-	5.27	-	-
	Mr. Chitranjan Agarwal	-	-	4.52	-	-
	Mr. Anurag Maheshwari	-	-	2.70	-	-
	Mr. Hanspeter Pieth	-	-	0.38	-	-
20	**Events and exhibition**					
	Ethos Limited	20.45	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
21	**Employee benefit expense**					
	Mr. R.K. Saboo	-	-	-	-	30.00
	Ms. Muskan Masown	-	-	-	-	5.76
22	**Dividend Received**					
	Mahen Distribution Limited	1,801.71	-	-	-	-
23	**Contractual labour expenses**					
	Mahen Distribution Limited	4.56	-	-	-	-

*(Excluding provision for leave encashment and gratuity as they are determined on an actuarial basis for the Company as a whole)

Year ended 31st March 2025

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
1	**Purchase of raw material and components**					
	Estima AG	20.51	-	-	-	-
	Pylania SA	50.51	-	-	-	-
	Ethos Limited	3.71				
2	**Sale of goods and services**					
	Pylania SA	855.91	-	-	-	-
	Estima AG	806.59	-	-	-	-
	Ethos Limited	3.65	-	-	-	-
	Silvercity Brands AG	32.06	-	-	-	-
3	**Service Charges Paid**					
	Ethos Limited	0.21	-	-	-	-
4	**Purchase of property, plant and equipment**					
	Ethos Limited	61.27	-	-	-	-
5	**Sale of property, plant and equipment**					
	Ethos Limited	1.59				
	Mr. Yashovardhan Saboo	-	-	2.31	-	-
6	**Guarantee income**					
	Pylania SA	8.55	-	-	-	-
7	**Job work charges paid**					
	Pylania SA	24.60	-	-	-	-
	Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	215.65	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
8	**Payment of lease liabilities**					
	Mr. Yashovardhan Saboo	-	-	19.51	-	-
	Mrs. Anuradha Saboo	-	-	32.53	-	-
	Pylania SA	21.30	-	-	-	-
	Estima AG	10.78	-	-	-	-
	Saboo Housing Projects LLP	-	-	-	7.91	-
9	**Compensation to key managerial personnel***					
	Short-term employee benefits					
	Mr. Yashovardhan Saboo	-	-	270.60	-	-
	Mr. Sanjeev Kumar Masown	-	-	135.72	-	-
	Mr. Brahm Prakash Kumar	-	-	43.40	-	-
10	**Interest income**					
	Kamla International Holdings SA	99.77	-	-	-	-
	Mr. Sanjeev Kumar Masown	-	-	8.51	-	-
11	**Interest paid/ accrued**					
	Mr. Sanjeev Kumar Masown	-	-	8.75	-	-
	Mr. Yashovardhan Saboo	-	-	12.43	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	15.66
	Mrs. Neeraj Masown	-	-	-	-	11.25
	Mr. Lal Chand Masown	-	-	-	-	1.61
	Mr. Anil Khanna	-	-	6.12	-	-
	Mrs. Alka Khanna	-	-	-	-	0.76
	Mr. Praveen Gupta	-	-	2.93	-	-
	Mrs. Anuradha Saboo	-	-	18.08	-	-
	Mrs. Ranjana Agarwal	-	-	25.73	-	-
	Ms. Salonee Khanna	-	-	-	-	0.23
	Mr. Saahil Khanna	-	-	-	-	0.18
	ASP Saboo Family Trust	-	-	-	0.54	-
	Mr. R.K. Saboo	-	-	-	-	13.40
	RKS JS Family Trust	-	-	-	14.21	-
	UDS JS Family Trust	-	-	-	0.46	-
	Veena Kanoria Family Trust	-	-	-	23.26	-
	Mr. Brahm Prakash Kumar	-	-	5.49	-	-
	Ms. Muskan Masown	-	-	-	-	2.17

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
12	**Deposits from shareholders accepted/renew**					
	Mrs. Usha Devi Saboo	-	-	-	-	268.00
	Mr. Yashovardhan Saboo	-	-	200.00	-	-
	Mrs. Anuradha Saboo	-	-	262.30	-	-
	Mrs. Ranjana Agarwal	-	-	164.90	-	-
	Mr. Praveen Gupta	-	-	30.00	-	-
	Mr. Sanjeev Kumar Masown	-	-	20.00	-	-
	Mrs. Neeraj Masown	-	-	-	-	28.55
	Mr. Lal Chand Masown	-	-	-	-	18.25
	ASP Saboo Family Trust	-	-	-	5.60	-
	Mr. R.K. Saboo	-	-	-	-	160.00
	RKS JS Family Trust	-	-	-	146.60	-
	UDS JS Family Trust	-	-	-	5.00	-
	Veena Kanoria Family Trust	-	-	-	100.00	-
	Mr. Brahm Prakash Kumar	-	-	9.21	-	-
13	**Deposits from shareholders repaid**					
	Mrs. Anuradha Saboo	-	-	250.00	-	-
	Mr. R.K. Saboo	-	-	-	-	120.00
	Mr. Lal Chand Masown	-	-	-	-	16.88
	Mrs. Neeraj Masown	-	-	-	-	23.19
	Mrs. Ranjana Agarwal	-	-	125.00	-	-
	Mr. Praveen Gupta	-	-	30.00	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	92.00
	RKS JS Family Trust	-	-	-	146.60	-
	ASP Saboo Family Trust	-	-	-	5.18	-
	UDS JS Family Trust	-	-	-	5.00	-
	Veena Kanoria Family Trust	-	-	-	100.00	-
	Mr. Brahm Prakash Kumar	-	-	8.50	-	-
14	**Rent received**					
	Ethos Limited	31.41	-	-	-	-
	Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	14.64	-	-	-	-
	Cognition Digital LLP	0.60	-	-	-	-
	Mahen Distribution Limited	0.60	-	-	-	-
	Vardhan Properties and Investment Limited	-	-	-	0.60	-

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
15	**Loans and advances given by the Company**					
	Mr. Sanjeev Kumar Masown	-	-	100.00	-	-
16	**Repayment of Loan given by the Company**					
	Mr. Sanjeev Kumar Masown	-	-	20.00	-	-
17	**Reimbursement of expenses paid by the Company**					
	Pylania SA	99.07	-	-	-	-
	Estima AG	3.32	-	-	-	-
	Mahen Distribution Limited	4.01	-	-	-	-
	Ethos Limited	4.75	-	-	-	-
18	**Reimbursement of expenses received by the Company**					
	Ethos Limited	36.63	-	-	-	-
	Pylania SA	29.76	-	-	-	-
	Artisan Watch Products Private Limited	-	-	-	5.09	-
	Silvercity Brands AG	68.15	-	-	-	-
19	**Investments made (Refer to Note 5)**					
	Pylania SA	1,978.16	-	-	-	-
	Silvercity Brands AG	725.51				
20	**CSR contribution made**					
	KDDL Ethos Foundation	-	-	-	13.41	-
21	**Dividend paid**					
	Mr. Yashovardhan Saboo	-	-	88.59	-	-
	Mr. Sanjiv Sachar	-	-	0.06	-	-
	Mrs. Anuradha Saboo	-	-	18.66	-	-
	Mr. Nagarajan Subramanian	-	-	0.00	-	-
	Mr. Brahm Prakash Kumar	-	-	0.09	-	-
	Mr. R.K. Saboo	-	-	-	-	80.04
	Mrs. Usha Devi Saboo	-	-	-	-	6.80
	Mr. Pranav S Saboo	-	-	-	-	32.67
	Ms. Satvika Saboo Suri	-	-	-	-	6.76
	Vardhan Properties and Investment Limited	-	-	-	1.53	-
	Dream Digital Technology Private Limited	-	-	-	1.18	-
	Saboo Ventures LLP	-	-	-	2.64	-
	Mr. Lal Chand Masown	-	-	-	-	0.00
	Mrs. Neeraj Masown	-	-	-	-	0.00
	Ms. Muskan Masown	-	-	-	-	0.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
22	**Director sitting fee**					
	Mr. Anil Khanna	-	-	1.80	-	-
	Mrs. Ranjana Agarwal	-	-	1.28	-	-
	Mr. Praveen Gupta	-	-	6.83	-	-
	Mr. Sanjiv Sachar	-	-	8.50	-	-
	Mr. Jai Vardhan Saboo	-	-	2.00	-	-
	Mrs. Neelima Tripathi	-	-	3.00	-	-
	Mrs. Anuradha Saboo	-	-	3.00	-	-
	Mr. Nagarajan Subramanian	-	-	4.65	-	-
23	**Events and exhibition**					
	Ethos Limited	6.29	-	-	-	-
24	**Employee benefit expense**					
	Mr. R.K. Saboo	-	-	-	-	30.00
25	**Contractual labour expenses**					
	Mahen Distribution Limited	67.34	-	-	-	-

*(Excluding provision for leave encashment and gratuity as they are determined on an actuarial basis for the company as a whole)

d) Balances due from/to the related parties

As at 31st March 2026

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
1	**Loans**					
	Mr. Sanjeev Kumar Masown	-	-	142.43	-	-
2	**Other current assets**					
	Mr. Yashovardhan Saboo	-	-	4.28	-	-
3	**Trade receivables**					
	Pylania SA	559.88	-	-	-	-
	Estima AG	653.78	-	-	-	-
	Ethos Limited	26.17	-	-	-	-
	Silvercity Brand AG	2.19	-	-	-	-
	Artisan Watch Products Private Limited	0.21				
4	**Other financial assets**					
	Pylania SA	0.89	-	-	-	-
	Estima AG	63.85	-	-	-	-
	Silvercity Brand AG	46.80	-	-	-	-

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
	Artisan Watch Products Private Limited	105.40	-	-	-	-
	VBL Innovations Private Limited	-	-	-	19.66	-
	Mrs. Anuradha Saboo	-	-	1.07	-	-
5	**Payables**					
	Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	22.97	-	-	-	-
	Mahen Distribution Limited	1.76	-	-	-	-
	Estima AG	32.34	-	-	-	-
	Pylania SA	157.30	-	-	-	-
	Artisan Watch Products Private Limited	2.24	-	-	-	-
	Mr. Sanjiv Sachar	-	-	0.14	-	-
	Ms. Neelima Tripathi	-	-	0.14	-	-
	Mr. Nagarajan Subramanian	-	-	0.14	-	-
	Mr. Chitranjan Agarwal	-	-	0.14	-	-
	Mr. Anurag Maheshwari	-	-	0.14	-	-
	Mr. Hanspeter Pieth	-	-	0.38	-	-
6	**Guarantees given**					
	Pylania SA	1,046.16	-	-	-	-
7	**Deposits from shareholders and directors**					
	Mr. Sanjeev Kumar Masown	-	-	107.22	-	-
	Mr. Yashovardhan Saboo	-	-	108.30	-	-
	Mr. Lal Chand Masown	-	-	-	-	19.75
	Mrs. Neeraj Masown	-	-	-	-	139.33
	Mrs. Anuradha Saboo	-	-	58.50	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	316.00
	ASP Saboo Family Trust	-	-	-	39.60	-
	Mr. R.K. Saboo	-	-	-	-	120.00
	RKS JS Family Trust	-	-	-	414.60	-
	UDS JS Family Trust	-	-	-	30.00	-
	Ms. Muskan Masown	-	-	-	-	20.72
	Veena Kanoria Family Trust	-	-	-	240.00	-
	Saboo Ventures LLP	-	-	-	300.00	-
	Mr. Brahm Prakash Kumar	-	-	60.61	-	-
8	**Interest accrued but not due**					
	Mr. Sanjeev Kumar Masown	-	-	17.23	-	-
	Mr. Yashovardhan Saboo	-	-	7.42	-	-
	Mr. Lal Chand Masown	-	-	-	-	0.65
	Mrs. Neeraj Masown	-	-	-	-	21.15

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
	Mrs. Anuradha Saboo	-	-	3.68	-	-
	Ms. Muskan Masown	-	-	-	-	5.42
	Mr. Brahm Prakash Kumar	-	-	5.55	-	-
9	**Employee related payables**					
	Mr. Yashovardhan Saboo	-	-	25.66	-	-
	Mr. Sanjeev Kumar Masown	-	-	11.92	-	-
	Mr. R.K. Saboo	-	-	-	-	2.15
	Ms. Muskan Masown	-	-	-	-	0.75
	Mr. Brahm Prakash Kumar	-	-	3.09	-	-

As at 31st March 2025

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
1	**Loans**					
	Mr. Sanjeev Kumar Masown	-	-	160.33	-	-
	Kamla International Holdings SA	1,344.70	-	-	-	-
2	**Other current assets**					
	Mr. Yashovardhan Saboo	-	-	13.39	-	-
	Mr. Sanjeev Kumar Masown	-	-	4.47	-	-
3	**Trade receivables**					
	Pylania SA	154.30	-	-	-	-
	Estima AG	143.40	-	-	-	-
	Ethos Limited	2.40	-	-	-	-
	Silvercity Brand AG	4.39	-	-	-	-
4	**Other financial assets**					
	Pylania SA	38.30	-	-	-	-
	Kamla International Holdings SA	24.87	-	-	-	-
	Estima AG	63.85	-	-	-	-
	Silvercity Brand AG	2.86	-	-	-	-
	Artisan Watch Products Private Limited	-	-	-	5.09	-
	Mrs. Anuradha Saboo	-	-	1.94	-	-
5	**Payables**					
	Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	26.89	-	-	-	-

(All amounts are in Indian Rupees Lacs, except for share data)

		Subsidiaries	Associates	Key Management Personnel (KMP)	Entities over which the KMP or their relative is able to exercise significant influence / control	Other related parties
	Estima AG	8.90	-	-	-	-
	Pylania SA	105.70	-	-	-	-
6	**Guarantees given**					
	Pylania SA	1,741.92	-	-	-	-
7	**Deposits from shareholders and directors**					
	Mr. Sanjeev Kumar Masown	-	-	98.62	-	-
	Mr. Yashovardhan Saboo	-	-	200.00	-	-
	Mr. Praveen Gupta	-	-	30.00	-	-
	Mr. Lal Chand Masown	-	-	-	-	18.25
	Mrs. Neeraj Masown	-	-	-	-	107.73
	Mrs. Anuradha Saboo	-	-	162.30	-	-
	Mrs. Usha Devi Saboo	-	-	-	-	308.00
	ASP Saboo Family Trust	-	-	-	5.60	-
	Mr. R.K. Saboo	-	-	-	-	160.00
	RKS JS Family Trust	-	-	-	146.60	-
	UDS JS Family Trust	-	-	-	5.00	-
	Ms. Muskan Masown	-	-	-	-	20.72
	Veena Kanoria Family Trust	-	-	-	240.00	-
	Mr. Brahm Prakash Kumar	-	-	51.60	-	-
8	**Interest accrued but not due**					
	Mr. Sanjeev Kumar Masown	-	-	15.38	-	-
	Mr. Yashovardhan Saboo	-	-	12.43	-	-
	Mr. R.K. Saboo	-	-	-	-	1.89
	Mr. Lal Chand Masown	-	-	-	-	2.17
	Mrs. Neeraj Masown	-	-	-	-	21.30
	Mrs. Anuradha Saboo	-	-	28.84	-	-
	ASP Saboo Family Trust	-	-	-	0.48	-
	RKS JS Family Trust	-	-	-	4.34	-
	Mrs. Usha Devi Saboo	-	-	-	-	6.85
	Ms. Muskan Masown	-	-	-	-	3.05
	Mr. Brahm Prakash Kumar	-	-	10.31	-	-
9	**Employee related payables**					
	Mr. Yashovardhan Saboo	-	-	8.17	-	-
	Mr. Sanjeev Kumar Masown	-	-	8.15	-	-
	Mr. R.K. Saboo	-	-	-	-	2.12
	Mr. Brahm Prakash Kumar	-	-	2.33	-	-

e) Terms and conditions of transactions with related parties

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at the year end are unsecured and settlement occurs in cash.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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39 OPERATING SEGMENTS

(a) Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chairman and Managing Director to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which are the Company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Company's Chairman and Managing Director reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Company's reportable segments:

Reportable segments	Operations
Precision and watch components	Manufacturing and distribution of dials, watch hands, bracelets and precision components
Others	Manufacturing and distribution of packaging boxes

(b) Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's Chairman and Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Year ended 31st March 2026	Precision and watch components	Others	Total
Segment revenue:			
- External revenues	47,259.22	2,321.21	49,580.43
Total segment revenue	**47,259.22**	**2,321.21**	**49,580.43**
Segment profit before income tax	**11,247.74**	**(208.09)**	**11,039.65**
Segment profit before income tax includes:			
- Interest expense	1,395.94	30.72	1,426.66
- Depreciation and amortisation	2,075.93	99.13	2,175.06
- Cost of raw materials consumed	12,861.65	806.39	13,668.04
Segment assets	**37,360.28**	**2,128.40**	**39,488.68**
Segment assets include:			
- Addition to non current assets*	2,151.45	270.71	2,422.16
Segment liabilities	**8,556.89**	**461.14**	**9,018.03**

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CIN: L33302HP1981PLC008123
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Year ended 31st March 2025	Precision and watch components	Others	Total
Segment revenue:			
- External revenues	35,264.66	1,692.17	36,956.83
Total segment revenue	**35,264.66**	**1,692.17**	**36,956.83**
Segment profit before income tax	**8,063.22**	**19.06**	**8,082.28**
Segment profit before income tax includes:			
- Interest expense	1,050.27	39.69	1,089.96
- Depreciation and amortisation	1,586.50	52.39	1,638.89
- Cost of raw materials consumed	9,614.49	636.67	10,251.16
Segment assets	**30,929.31**	**1,591.77**	**32,521.08**
Segment assets include:			
- Addition to non current assets*	1,837.97	569.34	2,407.31
Segment liabilities	**6,705.97**	**253.65**	**6,959.62**

*It consists of non current assets other than financial instruments, deferred tax assets and net defined benefit assets

(c) Reconciliations of information on reportable segments to Ind AS measures

		Year ended 31st March 2026	Year ended 31st March 2025
i.	**Revenues**		
	Total revenue for reportable segments	49,580.43	36,956.83
	Total revenue	**49,580.43**	**36,956.83**
ii.	**Profit before income tax**		
	Total profit before tax for reportable segments	11,039.65	8,082.28
	Finance Cost	(1,426.66)	(1,089.96)
	Unallocated amounts:		
	Corporate (expenses)/income	33.19	(1,112.47)
	Total profit before tax	**9,646.18**	**5,879.85**

		As at 31st March 2026	As at 31st March 2025
iii.	**Assets**		
	Total assets for reportable segments	39,488.68	32,521.08
	Unallocated amounts		
	- Investments	18,661.44	16,482.53
	- Others	4,351.60	5,391.89
	Total assets	**62,501.72**	**54,395.50**
iv.	**Liabilities**		
	Total liabilities for reportable segments	9,018.03	6,959.62
	Unallocated amounts	15,091.50	14,296.64
	Total liabilities	**24,109.53**	**21,256.26**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

v. Other material items

	Reportable segment total	Adjustments	Consolidated total
Year ended 31st March 2026			
Finance cost	-	1,426.66	1,426.66
Depreciation and amortisation expense	2,175.06	248.49	2,423.55
Capital expenditure during the year	2,422.15	206.40	2,628.55
Year ended 31st March 2025			
Finance cost	-	1,089.96	1,089.96
Depreciation and amortisation expense	1,638.89	236.82	1,875.71
Capital expenditure during the year	2,407.31	99.65	2,506.96

(d) Information about geographical segment

Revenue by geographical markets	Year ended 31st March 2026	Year ended 31st March 2025
India	**15,866.74**	**12,998.74**
Outside India		
Switzerland	17,646.72	12,972.71
Germany	2,304.91	1,266.59
Czech Republic	1,210.27	1,153.94
France	437.00	370.16
USA	7,579.54	6,007.39
United Kingdom	1,550.64	1,361.16
Portugal	-	169.84
China	514.35	217.22
Taiwan	1,695.94	-
Other Countries	774.32	439.08
Total outside India	**33,713.69**	**23,958.09**
Total	**49,580.43**	**36,956.83**

*In presenting the geographical information, segment revenue has been based on the geographic location of the customers.

(e) Major customer

Revenue from three customers of the Company's Precision and watch components segment is Rs. 20,649.00 (Year ended 31st March 2025: Rs. 14,680.56) which individually constitute more than 10% of the Company's total revenue.

Revenue from	Year ended 31st March 2026	Year ended 31st March 2025
Customer 1	7,623.80	5,103.28
Customer 2	7,057.07	4,819.40
Customer 3	5,968.13	4,757.87

(All amounts are in Indian Rupees Lacs, except for share data)

40 The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

41 COMPANY AS A LESSEE

The Company has lease contracts for various items of plant and equipment, building and land used in its operations. Leases of plant and equipment generally have lease terms between 3-5 years, while buildings generally have lease terms between 1-10 years, while leasehold land has lease term of 99 years. The Company obligations under its leases are secured by the lessor's title to the leased assets.

The Company has certain leases with lease terms of 12 months or less and certain leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Plant and equipment	Building	Leasehold land*	Total
As at 1st April 2024	**266.88**	**183.23**	**529.34**	**979.44**
Additions	2,144.85	1,148.07	-	3,292.92
Depreciation expense	(400.51)	(153.34)	(6.28)	(560.13)
As at 31st March 2025	**2,011.22**	**1,177.96**	**523.06**	**3,712.23**

Particulars	Plant and equipment	Building	Leasehold land*	Total
As at 1st April 2025	**2,011.22**	**1,177.96**	**523.06**	**3,712.23**
Additions	-	331.66	-	331.66
Depreciation expense	(566.96)	(336.68)	(6.28)	(909.92)
As at 31st March 2026	**1,444.26**	**1,172.94**	**516.78**	**3,133.97**

*Includes leasehold land of Rs. 5.67 (31st March 2025: Rs. 5.67) situated at Parwanoo for which the Company is in the process of completing formalities for transferring the title deed in its own name.

The carrying amounts of lease liabilities and the movements during the year:

Particulars	Total
As at 1st April 2024	**444.17**
Additions	3,292.92
Accretion of interest	265.52
Payments	(505.39)
As at 31st March 2025	**3,497.22**

Particulars	Total
As at 1st April 2025	**3,497.22**
Additions	331.66
Accretion of interest	407.27
Payments	(1,178.61)
As at 31st March 2026	**3,057.54**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	31st March 2026	31st March 2025
Current	777.58	705.45
Non-current	2,279.96	2,791.77
	3,057.54	3,497.22

The details regarding the maturity analysis of lease liabilities as at 31st March 2026 and 31st March 2025 on an undiscounted basis is disclosed in Note 34.

Considering the lease term of the leases, the effective interest rate for lease liabilities is 11.98%.

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.

The following are the amounts recognised in profit and loss for the year ended 31st March 2025 and 31st March 2026:

For the year ended 31st March 2025

Particulars	Plant and equipment	Building	Land	Investment property	Total
Depreciation expense of right-of-use assets and investment property	400.51	153.34	6.28	25.41	585.54
Interest expense on lease liabilities	158.39	107.13	-	-	265.52
Expense relating to short-term leases (included in other expenses)	-	22.95	-	-	22.95
Total amount recognised in profit and loss	**558.90**	**283.42**	**6.28**	**25.41**	**874.01**

For the year ended 31st March 2026

Particulars	Plant and equipment	Building	Land	Investment property	Total
Depreciation expense of right-of-use assets and investment property	566.96	336.68	6.28	19.04	928.96
Interest expense on lease liabilities	170.77	236.50	-	-	407.27
Expense relating to short-term leases (included in other expenses)	-	73.82	-	-	73.82
Total amount recognised in profit and loss	**737.73**	**647.00**	**6.28**	**19.04**	**1,410.05**

The Company had total cash outflows for leases of Rs. 1252.43 in 31st March 2026 (Rs. 999.30 in 31st March 2025). (Excluding rent expenses capitalised during the year Rs. Nil (Rs. 461.40 in 31st March 2025).

Company as a lessor

The Company has entered into operating lease on its investment property portfolio consisting of building. This lease has term of 120 months. The lease include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Company on this property during the year is Rs. 27.08 (31st March 2025: Rs. 31.36). The Investment property comprises of the sub lease portion of the right-of-use asset and therefore, the fair value of the investment property cannot be measured reliably.

There are no material direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period.

The fair value of the Investment property as at 31st March 2026 is approximately equal to carrying amount considering the value of the investment property has been determined based on the market rentals.

The carrying amounts of investment property recognised and the movements during the year:

Particulars	Total
As at 1st April 2024	12.72
Additions	190.40
Depreciation expense	(25.41)
As at 31st March 2025	**177.71**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Total
As at 1st April 2025	177.71
Additions	-
Depreciation expense	(19.04)
As at 31st March 2026	**158.67**

The following table provides details regarding the contractual maturities of significant financial assets on an undiscounted basis:

	Less than 1 Year	1 to 2 Years	2 to 5 Years	More than 5 Years	Total	Carrying Amount
31st March 2026						
Non-derivative financial assets						
Investment property	28.72	30.48	102.80	137.12	299.12	158.67
	28.72	**30.48**	**102.80**	**137.12**	**299.12**	**158.67**
31st March 2025						
Non-derivative financial assets						
Investment property	27.08	28.72	97.00	173.40	326.20	177.71
	27.08	**28.72**	**97.00**	**173.40**	**326.20**	**177.71**

42 DISCLOSURES PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:

		As at 31st March 2026	As at 31st March 2025
a)	**Investment***		
	Investment in subsidiary: Pylania SA		
	Balance as at the year end	2,173.73	2,173.73
	Maximum amount outstanding at any time during the year	2,173.73	2,173.73
	Investment in subsidiary: Ethos Limited		
	Balance as at the year end	11,919.31	11,720.27
	Maximum amount outstanding at any time during the year	11,919.31	11,720.27
	Investment in subsidiary: Mahen Distribution Limited		
	Balance as at the year end	936.00	936.00
	Maximum amount outstanding at any time during the year	936.00	936.00
	Investment in subsidiary: Kamla International Holdings SA		
	Balance as at the year end	1,695.43	72.55
	Maximum amount outstanding at any time during the year	1,695.43	72.55
	Investment in subsidiary: Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)		
	Balance as at the year end	62.84	62.84
	Maximum amount outstanding at any time during the year	62.84	62.84
	Investment in subsidiary: Silvercity Brands AG		
	Balance as at the year end	1,466.45	1,466.45
	Maximum amount outstanding at any time during the year	1,466.45	1,466.45

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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(All amounts are in Indian Rupees Lacs, except for share data)

		As at 31st March 2026	As at 31st March 2025
	Investment in subsidiary: Artisan Watch Products Private Limited		
	Balance as at the year end	400.00	-
	Maximum amount outstanding at any time during the year	400.00	-
	Investment in Company: Karolview Developers Private Limited		
	Balance as at the year end	-	43.54
	Maximum amount outstanding at any time during the year	43.54	43.55
	Investment in Company: Shivalik Waste Management Limited		
	Balance as at the year end	7.68	7.15
	Maximum amount outstanding at any time during the year	7.68	7.15
b)	The Company has given loan to a Subsidiary Company, loan outstanding as at year end is given in below mentioned table along with purpose of the loan as required u/s 186(4) of the Companies Act, 2013.		
	Loans given for general corporate purpose		
	Kamla International Holdings SA (previous year 7.50 % per annum)	-	1,344.70
	Loans given to Director for purchase / construction of property		
	Mr. Sanjeev Kumar Masown (5.00% per annum)	142.43	160.33
c)	**Guarantees given**		
	Guarantees given to subsidiaries:		
	Balance as at the year end		
	Pylania SA	1,046.16	1,741.92
	(Corporate guarantee provided by the company for the term loans availed by Pylania SA will be used to assist Pylania SA for its working capital requirement and day to day business activities. The terms of such guarantees is one year)		

*Investments are net off provision for impairment losses recognised in the Financial Statement.

43 LIST OF SUBSIDIARIES WITH OWNERSHIP % AND PLACE OF BUSINESS:

	Principal place of business	Method used to account for the investment	Proportion of ownership as at 31st March 2026	Proportion of ownership as at 31st March 2025
Subsidiaries				
Ethos Limited*	India	At cost	43.07%	47.03%
Mahen Distribution Limited	India	At cost	100.00%	100.00%
Kamla International Holdings SA	Switzerland	At cost	100.00%	100.00%
Pylania SA	Switzerland	At cost	100.00%	100.00%
Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	India	At cost	99.99%	99.99%
Silvercity Brands AG	Switzerland	At cost	20.78%	25.00%
Artisan Watch Products Private Limited	India	At cost	80.00%	0.00%

*As of the current reporting period, the Company holds 43.07% equity stake in Ethos Limited. Also, Mahen Distribution Private Limited, a wholly owned subsidiary company, holds equity stake in Ethos Limited of 7.05%. Accordingly, the effective share holding in Ethos limited is 50.12% and it has been classified as subsidiary at standalone level.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

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(All amounts are in Indian Rupees Lacs, except for share data)

44 RATIO ANALYSIS

Ratios	Numerator	Denominator	As at 31st March 2026	As at 31st March 2025	% Change	Remarks
Current Ratio	Current Assets	Current Liabilities	1.51	1.39	8.56%	
Debt Equity Ratio	Total Debt includes lease liabilities	Shareholder's Equity	0.37	0.39	(7.29%)	
Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	4.27	2.75	55.23%	The increase during the year is mainly driven by improved operating profitability, resulting in higher earnings available for debt servicing. This reflects the Company's enhanced capacity to meet its debt obligations.
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	21.42%	13.52%	58.44%	The increase is primarily driven by improved operational profitability and also supported by higher dividend income and gains on disposal of certain non-current investments; however, such gains are non-recurring in nature.
Inventory Turnover Ratio	Cost of goods sold	Average Total Inventory	1.90	1.85	2.86%	
Trade Receivable turnover Ratio	Net credit sales = Gross credit sales - sales return-export incentives	Average Trade Receivable	5.74	6.12	(6.22%)	
Trade Payable turnover Ratio	Net credit purchases = Gross credit purchases-purchase return	Average Trade Payables	4.34	4.27	1.58%	
Net Capital Turnover Ratio	Net credit sales = Gross credit sales - sales return-export incentives	Working capital = Current assets – Current liabilities	6.19	7.74	(19.99%)	
Net Profit Ratio	Net Profit After Tax	Net credit sales = Gross credit sales - sales return-export incentives	15.61%	13.50%	15.63%	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

Ratios	Numerator	Denominator	As at 31st March 2026	As at 31st March 2025	% Change	Remarks
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	21.11%	15.08%	40.05%	The increase in net worth during the year has contributed to strengthening the capital base, thereby supporting the overall return on capital employed.
Return on Investment	Income on Investment	Average Investment	10.95%	0.00%	N.A.	Supported by higher dividend income from investments and gains on sale of certain non-current investments. Such income and gains are subject to variability and may not be indicative of sustainable returns.

45 OTHER STATUTORY INFORMATION

1. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
2. The Company does not have any transactions with companies struck off.
3. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
4. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
5. The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) except disclosed in Note 46(c) 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;
6. 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,
7. The Company does not have 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.

46 a) During the earlier years, impairment indicators were identified in relation to investment made in equity shares of a foreign subsidiary of the Company, Kamla International Holdings SA and Pylania SA. the Company was carrying investment of Rs. 2,225.60 in said subsidiaries. An impairment assessment had been carried out by comparing the carrying value of the investment in subsidiaries to its recoverable amount to determine whether an impairment provision was required to be recognised. Based on the above assessment, the Company had recognised impairment allowance in value of investment aggregating to Rs. 1,957.48. During the current year, the management has estimated the recoverable amount of its investment in such subsidiaries using the 'Discounted Cash Flow valuation model and as per such assessment done by the management, no further adjustments are required to the carrying value of the investments given to such subsidiaries as at 31st March 2026.

(All amounts are in Indian Rupees Lacs, except for share data)

b) The estimate of value in use was determined using a pre-tax discount rate ranging from 6.00% to 19.90% (31st March 2025 : from 7.20% to 21.30%) and a terminal value growth rate ranging from 0.50% to 4.50%.

c) During the year ended 31st March 2026, the Company subscribed to and acquired 1,000 equity shares of Kamla International Holdings SA having a face value of CHF 100 each, at an issue price of CHF 1,400 per share (including securities premium of CHF 1,300 per share) aggregating to CHF 14,00,000 (equivalent to Rs. 1,622.88). The aforesaid investment was made pursuant to the conversion of an outstanding loan amounting to CHF 14,00,000 recoverable from the said entity into equity shares. Accordingly, the loan receivable from the said entity stands converted into equity investment, thereby resulting in a change in the nature of the Company's exposure from recoverable loan to long-term investment.

47 On 21st November 2025, the Government of India has 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 consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central rules and FAQs to enable assessment of the financial impact due to changes in regulations.

The Company has assessed the incremental impact of these changes amounting to Rs 62.29 towards gratuity for the year ended 31st March 2026, on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India.

The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Codes and would provide the appropriate accounting effect on the basis of such developments as needed.

48 During the previous year, Company had concluded the buy back of 2,37,837 equity shares for an aggregate amount of Rs. 8,799.97 being 1.90% of the total paid up equity share capital at average price of Rs. 3,700 per equity share as approved by the Board of Directors in meeting held on 9th July 2024. The equity shares bought back were extinguished on 23rd September 2024.Capital redemption reserve was created to the extent of share capital extinguished (Rs. 23.78). The excess cost of buyback of Rs. 8,848.14 (including Rs. 71.95 (net of tax) towards transaction cost of buy back) over par value of shares were offered from securities premium (Rs. 8,776.19) and retained earnings (Rs. 71.95) and corresponding tax on buyback of Rs. 2,044.50 were offset from retained earnings.

49 a) During the year ended 31st March 2026, the Company invested an aggregate amount of Rs. 199.04 towards the acquisition of 11,058 Rights Equity Shares of Ethos Limited having a face value of Rs. 10 each, at an issue price of Rs. 1,800 per share (including securities premium of Rs. 1,790 per share). The aforesaid investment was made pursuant to the rights issue offered by Ethos Limited. Consequent to the above acquisition, the Company's aggregate shareholding, held directly and indirectly, in Ethos Limited stands at 50.12% as at 31st March 2026.

b) During the year ended 31st March 2026, the Company made an investment aggregating to Rs. 400.00 in Artisan Watch Products Private Limited towards the acquisition of 40,00,000 equity shares of face value Rs. 10 each, fully paid-up. Pursuant to the aforesaid acquisition, the Company holds 80% of the equity share capital of Artisan Watch Products Private Limited and consequently exercises control over the said entity. Accordingly, the entity has been classified as a subsidiary of the Company in accordance with the provisions of the Companies Act, 2013.

50 The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same was enabled at the application level. During the year ended 31st March 2026, the Company has not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes Further, there are no instances of audit trail feature being tampered with, other than the consequential impact of the exception given above. Furthermore, except for matters mentioned above, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

51 During the previous year, the Company had capitalised its bracelet factory w.e.f. 30th September 2024 for Rs. 2,313.88, including Rs. 1,282.92 and Rs. 987.77 towards pre-operating expenses and trial run costs, respectively, and net of Rs. 1,221.15 towards development and tooling costs of the test models and trial runs amount received from one of the customers. Also, the Company had received an advance of Rs. 1,413.00 from a major customer, which was decided to be adjusted against future sales to that customer. During the current year, no such capitalisation has been undertaken. In addition, the advance received has started to be adjusted against sales, and the outstanding balance of such advances as at the reporting date is Rs. 1,243.44.

52 During the current year, the subsidiary company i.e. Mahen Distribution Limited, declared an interim dividend of Rs. 30 per equity share, aggregating to Rs. 1,801.71. Pursuant to the declaration and subsequent receipt of the dividend, the Company has recognised the said amount under “Other Income” in the Statement of Profit and Loss.

53 During the previous year, the Company had purchased 12,450 (62.25%) equity shares of its subsidiary Pylania SA amounting to CHF 19,92,000 (equivalent to Rs. 1,978.16) from another subsidiary Company, Kamla International Holding SA. The Company after completion of this transaction is directly holding 100% shareholding in Pylania SA earlier 62.25% of shareholding was held by Kamla International Holding SA.

54 During the previous year, Company had capitalised its packaging facility at Panchkula, Haryana, for Rs. 664.40 (including Rs. 139.19 for trial run and pre-operating cost) concluded on 1st October 2024.

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place: Pune
Date: 19th May 2026

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 19th May 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of **KDDL Limited**

Report on the Audit of the Consolidated Financial Statements

OPINION

1. We have audited the accompanying consolidated financial statements of KDDL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and joint venture, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31st March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and joint venture, as at 31st March 2026, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

EMPHASIS OF MATTER

4. In relation to the matter described in Note 48 to the accompanying consolidated financial Statement, the following Emphasis of Matter paragraph is reported by another audit firm in their audit report dated 04 May 2026 on the financial results of Estima AG, a step down subsidiary of the Holding Company, which is reproduced by us as under:

   We draw attention to the fact, that tangible assets meet specific needs for Estima AG and might not be of the same value for a third party.

KEY AUDIT MATTER

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

6. We have determined the matter described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
1. Existence and valuation of inventories – Ethos Limited	
• Refer note 2.3(f) to the accompanying consolidated financial statements for material accounting policy information on inventories and Note 12 for details of inventories as at 31st March 2026. • The total value of inventories as at 31st March 2026 amount to Rs. 68,062 lacs, representing 86% of the total inventories of the Group. The inventories primarily comprise of luxury watches, which are stored across various retail outlets and third-party locations situated nationwide and valued at cost and net realisable value ('NRV''), whichever is lower, in accordance with the principles of Ind AS 2, "Inventories" ('Ind AS 2'). • The Group conducts periodic physical verification as part of its physical verification plan. However, given the multiple locations, high value of such watches, there is an inherent risk of loss, including theft, which requires significant attention and audit efforts to obtain comfort on existence of such inventories. • While assessing the provision for slow-moving or obsolete inventory management applies significant judgements and estimates, such as age of the products, past sales trend, future sales volumes of such brands, potential brand discontinuance, changing consumer demands and fashion trends. • Owing to significance of carrying amount of inventories and significant management judgement and estimates involved, existence and valuation of inventories has been considered as a key audit matter during the current year audit.	Our audit procedures in relation to the existence and valuation of inventories included, but was not limited to, the following: • Obtained an understanding of the management's process of physical verification and safeguarding of inventories, identifying slow-moving or obsolete inventory and NRV assessment and evaluated the appropriateness of related accounting policy for provision and valuation of inventories as per Ind AS 2; • Evaluated the design and tested the operating effectiveness of management's key internal controls, including general and specific information technology controls over physical verification and valuation of inventories; • On a sample basis, inspected management's inventory counts records and further observed physical verification conducted by the management and performed independent test counts including testing the roll-forward/roll-backward workings where required for locations selected based on materiality and risk considerations; • Obtained ageing of inventories and tested the ageing, on sample basis; • Understood, assessed and challenged the assumptions and reliability of information used by the management while estimating inventory provision by comparing carrying value of inventories with sales price during the year or subsequent to year end, past sale trend, analysis of inventory items by category and age and inquiries with key members of finance and procurement/brand team to understand plans for discontinuance, to ensure such judgements and assumptions are appropriate and supportable and are in line with our understanding of the business and industry conditions; and • Evaluated the adequacy and appropriateness of the disclosures made in the consolidated financial statements in accordance with applicable accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including joint venture in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and

other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its joint venture company covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and joint venture are responsible for assessing the ability of the Group and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and joint venture.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and joint venture to cease to continue as a going concern;
    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and joint venture, to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

16. We did not audit the annual financial statements of 10 subsidiaries included in the Statement whose financial information reflects total assets of Rs. 58,544 lacs as at 31st March 2026, total revenues of Rs. 10,811 lacs, total net loss after tax of Rs. 2,333 lacs, total comprehensive income of Rs. 6 lacs, and net cash outflows of Rs. 11,187 lacs for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 20 lacs for the year ended 31st March 2026, in respect of a joint venture, whose annual financial statements have not been audited by us. These annual financial statements have been audited by other auditors whose audit reports have been furnished to us by the management, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its joint venture is based solely on the audit report of such other auditors.

Further, of these subsidiaries, 5 subsidiaries are located outside India, whose annual financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries, and which have been audited by other auditors under generally accepted auditing standard applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. The accompanying consolidated financial statements include the financial statements of a subsidiary, which have not been audited, and whose financial statements reflect total assets of Rs. 17 lacs as at 31st March 2026, total revenues of Rs. Nil and net cash outflows amounting to Rs. 0.42 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements has been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

18. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiaries and a joint venture, we report that the Holding Company and one subsidiary, incorporated

in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to three subsidiaries and a joint venture incorporated in India whose financial statements have been audited under the Act, since such company is not public company as defined under section 2(71) of the Act.

19. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

20. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of a subsidiaries and a joint venture incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    b) Except for the matters stated in paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

    c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and a joint venture, covered under the Act, none of the directors of the Holding Company, its subsidiaries and a joint venture, are disqualified as on 31st March 2026 from being appointed as a director in terms of section 164(2) of the Act.

    f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 20(b) above on reporting under section 143(3)(b) of the Act and paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries and joint venture covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and

    h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act:

        i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture as at 31st March 2026, as detailed in Note 40 to the consolidated financial statements;

        ii. The Holding Company, its subsidiaries and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2026;

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries and joint venture covered under the Act, during the year ended 31st March 2026;

        iv. a. The respective managements of the Holding Company and its subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in Note 56 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries and joint venture to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiaries and joint venture ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company and its subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the Note 56 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries and joint venture shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries and joint venture, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. a) The final dividend paid by the Holding Company during the year ended 31st March 2026 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b) The interim dividend declared and paid by the Holding Company during the year ended 31st March 2026 and until the date of this audit report is in compliance with section 123 of the Act.

c) As stated in Note 37(ii) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31st March 2026 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As stated in Note 49 to the consolidated financial statements and based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and joint venture of the Holding Company which are companies incorporated in India and audited under the Act, except for instances/matters mentioned below, the Holding Company and its subsidiaries and joint venture, in respect of financial year commencing on 1 April 2025, have used an accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditors of the above referred subsidiaries and joint venture did not come across any instance of audit trail feature being tampered with other than the consequential impact of the exception given below. Furthermore, except for instances/ matters mentioned below the audit trail has been preserved by the Holding Company and its subsidiaries and joint venture as per the statutory requirements for record retention.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Holding Company.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 26504774RWOEVP9748

Place: Pune
Date: 19th May 2026

ANNEXURE 1

LIST OF ENTITIES INCLUDED IN THE STATEMENT

(I) Subsidiaries:

1. Ethos Limited
2. Mahen Distribution Limited
3. Cognition Digital LLP
4. Kamla International Holdings SA
5. Pylania SA
6. Estima AG
7. Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)
8. Ethos Lifestyle Private Limited (Formerly known as RF Brands Private Limited)
9. Ficus Trading LLC
10. Micron Watch Services Private Limited (w.e.f. 22nd August 2025)
11. Silvercity Brands AG
12. Favre Leuba GmBH
13. Artisan Watch Products Private Limited

(II) Joint Venture:

1. Pasadena Retail Private Limited

ANNEXURE II

INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')

1. In conjunction with our audit of the consolidated financial statements of KDDL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and joint venture as at and for the year ended 31st March 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies, and joint venture company, which are companies covered under the Act, as at that date.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS

2. The respective Board of Directors of the Holding Company, its subsidiary companies, and joint venture company, which are companies covered under the Act, are 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 (ICAI) ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's 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.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

3. The audit of internal financial controls with reference to consolidated financial statements of 4 subsidiaries and a joint venture, which are companies covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13th June 2017 read with corrigendum dated 14th July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely

ANNEXURE II (CONTD.)

detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiaries companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31st March 2026, based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

OTHER MATTER

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to 5 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of Rs. 28,342 lacs and net assets of Rs. 28,040 Lacs as at 31st March 2026, total revenues of Rs. 806 lacs and net cash outflows amounting to Rs. 11,339 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of Rs. 24.49 Lacs for the year ended 31st March 2026, in respect of 1 joint venture company, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, and joint venture company have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies and joint venture company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, and joint venture company is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Rohit Arora
Partner
Membership No.: 504774
UDIN: 26504774RWOEVP9748

Place: Pune
Date: 19th May 2026

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Note	As at 31st March 2026	As at 31st March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	37,476.91	26,975.55
Capital work-in-progress	3	2,193.25	4,680.21
Intangible assets	4	3,390.71	3,016.80
Intangible assets under development	4	462.77	127.48
Right-of-use assets	44	31,473.48	30,125.62
Investment properties	3(a)	158.67	177.71
Equity accounted investees	5	363.88	388.37
Financial assets			
- Investments	6	268.69	253.88
- Loans	7	215.00	236.46
- Other financial assets	8	14,301.70	2,968.44
Income tax asset (net)	9	843.25	584.11
Deferred tax assets (net)	10	2,079.02	1,861.88
Other non-current assets	11	1,718.92	1,800.92
Total non-current assets		**94,946.25**	**73,197.43**
Current assets			
Inventories	12	79,276.66	65,786.27
Financial assets			
- Trade receivables	13	11,697.10	8,818.81
- Cash and cash equivalents	14	20,854.75	19,474.15
- Other bank balances	15	52,649.25	32,215.91
- Loans	7	98.86	58.54
- Other financial assets	8	4,448.90	2,263.64
Other current assets	16	11,508.37	7,195.13
Total current assets		**1,80,533.89**	**1,35,812.45**
Total assets		**2,75,480.14**	**2,09,009.88**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,238.64	1,238.64
Other equity	18	1,06,783.98	90,261.62
Equity attributable to owners of the Company		**1,08,022.62**	**91,500.26**
Non-controlling interest	38	83,762.69	49,549.70
Total equity		**1,91,785.31**	**1,41,049.96**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	19	7,390.60	7,287.32
- Lease liabilities	44	28,692.66	27,482.32
- Other financial liabilities	20	199.60	241.91
Provisions	21	516.32	288.30
Deferred tax liabilities (net)	10	-	9.75
Total non-current liabilities		**36,799.18**	**35,309.60**
Current liabilities			
Financial liabilities			
- Borrowings	19	8,257.14	5,597.12
- Lease liabilities	44	6,842.17	4,969.23
- Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises		761.77	465.73
- total outstanding dues of creditors other than micro enterprises and small enterprises		18,423.87	11,008.63
- Other financial liabilities	20	5,672.33	4,850.17
Other current liabilities	23	5,006.35	3,847.04
Provisions	21	1,404.93	1,304.53
Current tax liabilities (net)	24	527.09	607.87
Total current liabilities		**46,895.65**	**32,650.32**
Total liabilities		**83,694.83**	**67,959.92**
Total equity and liabilities		**2,75,480.14**	**2,09,009.88**
Material accounting policy information	2		
Notes to the consolidated financial statements	3-59		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place: Pune
Date: 19th May 2026

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 19th May 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amount are in Indian rupees lacs, except for share data)

Particulars	Note	Year ended 31st March 2026	Year ended 31st March 2025
Revenue from operations	25	2,15,343.10	1,64,787.68
Other income	26	5,434.48	4,669.23
Total income (I)		**2,20,777.58**	**1,69,456.91**
EXPENSES			
Cost of raw materials consumed	27	14,426.34	10,700.83
Purchases of stock-in-trade	28	1,25,358.60	1,03,360.20
Changes in inventories of finished goods, work-in-progress, stock-in-trade and scrap	29	(12,152.30)	(16,516.76)
Employee benefits expenses	30	27,097.84	20,265.07
Finance costs	31	4,239.90	3,141.74
Depreciation and amortisation expense	32	12,240.96	8,611.43
Other expenses	33	29,731.50	20,951.40
Total expenses (II)		**2,00,942.84**	**1,50,513.91**
Profit before share of equity accounted investees, exceptional items and income tax (III= I-II)		**19,834.74**	**18,943.00**
Share of profit / (loss) of equity accounted investees (net of income tax, if any) (IV)	5	(24.49)	7.13
Profit before exceptional items and income tax (V= III+IV)		**19,810.25**	**18,950.13**
Exceptional Items (VI)	52	244.42	-
Profit before income tax (VII= V-VI)		**19,565.83**	**18,950.13**
Income tax expense:	34		
- Current tax		6,126.48	5,272.75
- Deferred tax credit		(66.35)	(16.76)
- Tax related to earlier years		(12.01)	(533.76)
Total income tax expense (VIII)		**6,048.12**	**4,722.23**
Profit for the year (IX = VII - VIII)		**13,517.71**	**14,227.90**
Other comprehensive income / (loss)			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit (liability) / asset		102.50	(99.27)
Income tax on remeasurement of defined benefit (liability) / asset		(25.73)	24.98
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		1,796.58	441.57
Income tax on exchange differences on translation of foreign operations		(450.47)	(111.08)
Other comprehensive income for the year (net of income tax)		**1,422.88**	**256.20**
Total comprehensive income for the year (net of income tax)		**14,940.59**	**14,484.10**
Profit attributable to:			
Owners of the Company		8,810.42	9,460.86
Non-controlling interest		4,707.29	4,767.04
Profit for the year		**13,517.71**	**14,227.90**
Other comprehensive income / (loss) attributable to:			
Owners of the Company		1,320.72	247.12
Non-controlling interest		102.16	9.08
Other comprehensive income for the year		**1,422.88**	**256.20**
Total comprehensive income attributable to:			
Owners of the Company		10,131.14	9,707.98
Non-controlling interest		4,809.45	4,776.12
Total comprehensive income for the year		**14,940.59**	**14,484.10**
Earnings per share [nominal value of share Rs. 10 (previous year Rs. 10)]			
Basic (Rs.)	35	71.63	76.26
Diluted (Rs.)		71.63	76.26
Material accounting policy information	2		
Notes to the consolidated financial statements	3-59		

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place: Pune
Date: 19th May 2026

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 19th May 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

A. EQUITY SHARE CAPITAL

	Note	Number of shares	Amount
Balance as at 1st April 2024	**17**	**1,25,37,117**	**1,253.71**
Share capital bought back during the year		(2,37,837)	(23.78)
Balance as at 31st March 2025	**17**	**1,22,99,280**	**1,229.93**
Changes in equity share capital during the year		-	-
Balance as at 31st March 2026		**1,22,99,280**	**1,229.93**

In earlier years, the company had forfeited 1,74,280 equity shares, on which an amount of Rs. 5 per equity share had been received, aggregating to Rs.8.71

B. OTHER EQUITY

	Reserves and surplus						Other comprehensive income	Adjustment in other equity	Total other equity attributable to owners of the Company	Attributable to Non-controlling interest	Total
	Capital reserve	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Capital Redemption Reserve	Exchange differences on translation of foreign operations	Changes in proportion of non controlling interest*			
Balance as at 31st March 2024	**368.20**	**62,038.11**	**2,776.20**	**-**	**12,889.45**	**19.99**	**(92.82)**	**(5,866.06)**	**72,133.10**	**41,034.48**	**1,13,167.58**
Total comprehensive income for the year ended 31st March 2025											
Profit for the year	-	-	-	-	9,460.86	-	-	-	9,460.86	4,767.04	14,227.90
Other comprehensive income for the year (net of income tax)*	-	-	-	-	(83.37)	-	330.49	-	247.12	9.08	256.20
	-	**-**	**-**	**-**	**9,377.49**	**-**	**330.49**	**-**	**9,707.98**	**4,776.12**	**14,484.10**
Proceeds from sale of shares of subsidiary (net of tax)	-	23,445.00	-	-	-	-	-	-	23,445.00	-	23,445.00
Issue of equity share for cash in subsidiary companies		-	-	-	-	-	-	191.74	191.74	-	191.74
Share issue expense	-	(82.97)	-	-	-	-	-	-	(82.97)	-	(82.97)
Buy back of equity shares		(8,776.19)	-	-	(23.78)	23.78	-	-	(8,776.19)	-	(8,776.19)
Expenses for buy back of equity shares (Net of tax)	-	-	-	-	(71.95)	-	-	-	(71.95)	-	(71.95)
Tax on buy back of equity shares	-	-	-	-	(2,044.50)	-	-	-	(2,044.50)	-	(2,044.50)
Dividend	-	-	-	-	(501.48)	-	-	-	(501.48)	-	(501.48)
	-	**14,585.84**	**-**	**-**	**(2,641.71)**	**23.78**	**-**	**191.74**	**12,159.65**	**-**	**12,159.65**
Changes in ownership interests in subsidiaries that do not result in loss of control											
Acquisition of non-controlling interests**	-	-	-	-	-	-	-	(3,739.11)	(3,739.11)	3,739.11	-
Total changes in ownership interests in subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,739.11)**	**(3,739.11)**	**3,739.11**	**-**
Balance as at 31st March 2025	**368.20**	**76,623.94**	**2,776.20**	**-**	**19,625.24**	**43.77**	**237.67**	**(9,413.43)**	**90,261.62**	**49,549.70**	**1,39,811.32**
Total comprehensive income for the year ended 31st March 2026											
Profit for the year	-	-	-	-	8,810.42	-	-	-	8,810.42	4,707.29	13,517.71
Other comprehensive income for the year (net of income tax)*	-	-	-	-	(25.41)	-	1,346.13	-	1,320.72	102.16	1,422.88
	-	**-**	**-**	**-**	**8,785.01**	**-**	**1,346.13**	**-**	**10,131.14**	**4,809.45**	**14,940.59**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTD.)

	Reserves and surplus						Other comprehensive income	Adjustment in other equity	Total other equity attributable to owners of the Company	Attributable to Non-controlling interest	Total
	Capital reserve	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Capital Redemption Reserve	Exchange differences on translation of foreign operations	Changes in proportion of non controlling interest*			
Issue of equity share for cash in subsidiary companies (including premium)	-	38,718.62	-	-	-	-	-	-	38,718.62	-	38,718.62
Share issue expense	-	(914.49)	-	-	-	-	-	-	(914.49)	-	(914.49)
Income tax on exchange differences on translation of foreign operations	-	-	-	-	450.47	-	-	-	450.47	-	450.47
Dividend	-	-	-	-	(2,459.84)	-	-	-	(2,459.84)	-	(2,459.84)
	-	**37,804.13**	**-**	**-**	**(2,009.37)**	**-**	**-**	**-**	**35,794.76**	**-**	**35,794.76**
Changes in ownership interests in subsidiaries that do not result in loss of control											
*Acquisition of non-controlling interests***	-	-	-	-	-	-	-	(29,403.54)	(29,403.54)	29,403.54	-
Total changes in ownership interests in subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(29,403.54)**	**(29,403.54)**	**29,403.54**	**-**
Balance as at 31st March 2026	**368.20**	**1,14,428.08**	**2,776.20**	**-**	**26,400.88**	**43.77**	**1,583.80**	**(38,816.97)**	**1,06,783.98**	**83,762.69**	**1,90,546.68**

*Other comprehensive income / (loss) is related to re-measurement of (loss) / gain on defined benefit plans in retained earnings.

**Adjustment to carrying amounts of the controlling and non-controlling interests to reflect the changes in their relative interests in the subsidiaries on account of changes in proportion of the equity held by non-controlling interests.

Note : For description of the purposes of each reserve within equity, refer note 18 of the consolidated financial statements.

Material accounting policy information 2

Notes to the consolidated financial statements 3-59

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place: Pune
Date: 19th May 2026

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 19th May 2026

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Cash flow from operating activities		
Profit before income tax	19,565.83	18,950.13
Adjustments for :		
Depreciation and amortisation expense	12,240.96	8,611.43
Property, plant and equipment written off	82.09	49.18
Loss on sale of property, plant and equipment (net)	34.02	54.51
Bad debts / advances / deposits written off	133.70	132.83
Interest expense	4,139.76	3,095.18
Interest income*	(4,464.22)	(3,759.90)
Dividend income	(0.35)	(0.35)
Share of (profit) / loss of equity accounted investees (net of income tax, if any)	24.49	(7.13)
Liabilities / provision no longer required written back	(342.22)	(105.17)
Profit from sale of non current investments	(121.46)	-
Gain on termination of lease contracts	(69.80)	(112.28)
Unrealised foreign exchange gain	(114.63)	(129.85)
Change in fair value of derivative contracts	35.73	47.51
Net change in fair value of financial assets (at FVTPL)	(13.35)	(43.23)
Effect of exchange rates on translation of operating cash flows	1,796.58	441.57
Operating cash flow before working capital changes	**32,927.13**	**27,224.42**
Changes in working capital:		
(Increase) in loans	(18.86)	(34.51)
(Increase) in other financial assets	(1,856.36)	(342.95)
(Increase) in other current and non current assets	(4,260.34)	(1,763.82)
(Increase) in inventories	(13,493.59)	(16,803.90)
(Increase) in trade receivables	(3,011.99)	(1,888.20)
Increase in provisions	430.92	161.27
Increase / (decrease) in trade payables	8,168.13	(694.69)
Increase / (decrease) in other financial liabilities	987.13	(51.21)
Increase / (decrease) in other current liabilities	1,155.62	(798.40)
Cash generated from operating activities	**21,027.79**	**5,008.02**
Income tax (paid), net	(6,640.66)	(5,433.95)
Net cash generated from / (used in) operating activities (A)	**14,387.13**	**(425.93)**
Cash flow from investing activities		
Acquisition of property, plant and equipment (including capital work-in-progress, intangible assets, Intangible assets under development, capital advances and capital creditors)	(14,774.95)	(13,970.49)
Proceeds from sale of property, plant and equipment	314.87	198.28
Proceeds from sale of shares of subsidiary (net of tax)	-	23,445.00
Investment in equity accounted investees	-	(0.00)
Proceeds from sale of non-current investments (net)	120.00	-
Fixed deposit placed (net)	(30,426.06)	(2,484.90)
Interest received	2,791.55	3,730.61
Dividend received	0.35	0.35
Net cash (used in)/ generated from investing activities (B)	**(41,974.24)**	**10,918.85**
Cash flow from financing activities		
Proceeds from issue of equity share capital (including premium) in subsidiaries	38,718.62	-
Share issue expense	(914.49)	(82.97)
Buy Back of equity shares	-	(8,799.97)
Expense on buy back of equity shares (net of tax)	-	(71.95)
Tax paid on buy back of equity shares	-	(2,044.50)
Proceeds from non-current borrowings	1,210.28	4,253.02
Repayment of non-current borrowings	(508.50)	(1,448.46)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Proceeds from / repayments of current borrowings (net)	2,061.52	(372.04)
Principal portion of lease payments	(4,972.82)	(2,716.37)
Interest portion of lease payments	(3,039.44)	(2,103.80)
Interest paid	(1,127.62)	(1,027.28)
Dividend paid on equity shares	(2,459.84)	(501.50)
Net cash generated from / (used in) financing activities (C)	**28,967.71**	**(14,915.82)**
Net increase in cash and cash equivalents (A+B+C)	**1,380.60**	**(4,422.91)**
Cash and cash equivalents at the beginning of the year	**19,474.15**	**23,897.06**
Cash and cash equivalents at the end of the year	**20,854.75**	**19,474.15**
Components of cash and cash equivalents:		
Balances with banks		
- in current accounts	11,930.77	7,219.35
- in cash credit accounts	340.97	46.59
Deposits with original maturity of less than three months	79.00	11,526.48
Cheques, drafts on hand	-	23.71
Cash on hand	271.26	273.96
Mutual Fund receivables	7,826.62	100.67
Credit cards receivable	406.13	283.39
	20,854.75	**19,474.15**

*includes interest income from other financial assets at amortised cost

2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2(t).
3. Refer to note 19 for reconciliation of movements of liabilities to cash flows arising from financing activities.

Material accounting policy information 2

Notes to the consolidated financial statements 3-59

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date

For and on behalf of the Board of Directors of **KDDL Limited**

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Rohit Arora
Partner
Membership No. 504774

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Pune
Date: 19th May 2026

Place: Chandigarh
Date: 19th May 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2026

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

1. CORPORATE INFORMATION

KDDL Limited ('the Company' or 'the Parent Company'), is a public limited company domiciled in India and was incorporated in January 1981 under the provisions of the Companies Act applicable in India. The Company is listed on BSE Limited and National Stock Exchange (NSE) of India Limited in India. The registered office of the Company is located at Plot No.3, Sector III, Parwanoo, Himachal Pradesh, India – 173220. The Corporate Identification Number (CIN) of the Company is L33302HP1981PLC008123.

These consolidated Ind AS financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in a joint venture. The Group is primarily engaged in the business of manufacturing dials, watch hands and precision components and retail trading of premium and luxury watches, accessories and other luxury items and rendering of related after sale services. Currently, the Group has its manufacturing facilities, at Parwanoo (Himachal Pradesh) and Derabassi (Punjab) – dial manufacturing, Bengaluru (Karnataka) – hands, steel bracelets and precision components manufacturing and retail stores of watches across the country.

The consolidated Ind AS financial statements were approved for issue in accordance with a resolution of the directors on 19th May 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated Ind AS financial statements are presented in Rs. and all values are rounded to the nearest Lacs (Rs. 00,000), except when otherwise indicated.

The consolidated Ind AS financial statements provide comparative information in respect of the previous year.

Basis of measurement

The consolidated Ind AS financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value as required under relevant Ind AS.

- Certain financial assets and liabilities are measured at fair value (Refer accounting policy regarding financial instruments in Note p)
- Defined benefit plans- plan assets are measured at fair value

2.2 Summary of Material accounting policy information

a. Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b. Basis of consolidation

The consolidated Ind AS financial statements comprises the financial statement of the Group, and the entities controlled by the Group including its subsidiaries as at 31st March 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The consolidated Ind AS financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated Ind AS financial statements to ensure conformity with the Group's accounting policies.

The details of the consolidated entities are as follows:

S. No.	Name	Notes	Country of incorporation	31st March 2026 Percentage of Ownership	31st March 2025 Percentage of Ownership
1	Pylania SA		Switzerland	100.00%	100.00%
2	Kamla International Holdings SA		Switzerland	100.00%	100.00%
3	Ethos Limited	(a)	India	50.12%	50.12%
4	Mahen Distribution Limited		India	100.00%	100.00%
5	Cognition Digital LLP*	(b)	India	99.99%	99.99%
6	Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)		India	100.00%	100.00%
7	Estima AG	(c)	Switzerland	100.00%	100.00%
8	Pasadena Retail Private Limited	(d)	India	50.00%	50.00%
9	Silvercity Brands AG	(e)	Switzerland	93.07%	92.63%
10	Favre Leuba GmBH	(f)	Switzerland	93.07%	92.63%
11	Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)	(g)	India	37.61%	50.12%
12	Artisan Watch Products Private Limited		India	80.00%	-
13	Micron Watch Services Private Limited	(h)	India	25.11%	-
14	Ficus Trading LLC	(i)	Dubai	50.12%	-

Notes:

(a) Includes 7.04% (31st March 2025: 3.09%) held through Mahen Distribution Limited

(b) Includes 99.99% (31st March 2025: 99.99%) held through Ethos Limited.

(c) Includes 100.00% (31st March 2025: 100.00%) held through Kamla International Holdings SA and Pylania SA

(d) Includes 50.00% (31st March 2025: 50.00%) held through Ethos Limited.

(e) Includes 72.30% (31st March 2025: 70.51%) held through Ethos Limited and Mahen Distribution Limited.

(f) Includes 93.07% (31st March 2025: 92.63%) held through Silvercity Brands AG.

(g) Includes 37.61% (31st March 2025: 50.12%) held through Ethos Limited.

(h) Includes 25.11% held through Ethos Limited.

(i) Includes 50.12% held through Ethos Limited.

*The percentage of holding denotes the share of profits in LLP.

Consolidation procedure

(i) Business Combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated Ind AS financial statements from the date on which control commences until the date on which control ceases.

(iii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Statement of Profit and Loss.

(v) Equity accounted investees

The Group's interests in equity accounted investees comprise interests in its joint venture.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated Ind AS financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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(vii) Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Statement of Profit and Loss.

(viii) Foreign operations

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements, branches) including goodwill and fair value adjustments arising on acquisition, are translated into Indian Rupees, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian Rupees at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Such exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

c. Property, plant and equipment (PPE)

Recognition and measurement

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost of acquisition or construction which includes capitalised finance costs less accumulated depreciation and accumulated impairment loss, if any.

Recognition criteria

The cost of an item of property, plant and equipment is recognised as an asset if and only if,

(a) It is probable that future economic benefits associated with the item will flow to the entity, and

(b) The cost of the item can be measured reliably.

Capital work-in-progress comprises the cost of Property, plant and equipment that are not ready for their intended use at the reporting date net of accumulated impairment loss, if any. Advances paid towards acquisition of PPE outstanding at each Balance sheet date, are shown under other non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised.

(All amounts are in Indian Rupees Lacs, except for share data)

Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

Depreciation on items of PPE of the Group's Indian entities is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with related amendments. The estimated useful lives of items of property, plant and equipment for the current and comparative period are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Buildings – factory	30 Years	30 Years
Roads	10 Years	10 Years
Plant and equipment*	15 Years	3- 15 Years
Furniture and fittings**	10 Years	3- 10 Years
Office equipment	5 Years	5 Years
Computers	3 Years	3 Years
Vehicles***	8 Years	5- 8 Years

Depreciation on improvements carried out on buildings taken on lease is provided over the period of the lease or useful life of assets, whichever is lower. Refer lease policy under section (p) of leases.

* The Parent Company, based on technical assessment made by technical expert and management estimate, depreciates tools included in plant and equipment over estimated useful lives of 3 and 15 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

** In one of the subsidiary company i.e. Ethos Limited, furniture & fixture being in the nature of display furniture at stores are being depreciated over the estimated life of three years from the date of capitalisation on the basis of internal evaluation by the management basis which the management believes that this useful life best represents the period over which these asset will be used.

***The Parent Company based on new car policy which includes vehicle with option of sale to employee in Vehicles over estimated useful lives of 5 and 8 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on the property, plant and equipment of the Group's foreign subsidiary Pylania SA has been provided on straight-line method based on the estimated useful life of assets using the rates stated as follows:

Particulars	Rate
Buildings – Factory	1.5% to 8.5%
Plant and machinery	10% to 15%
Office equipment	8.5% to 15%
Motor vehicles	48%

Depreciation on the property, plant and equipment of the Group's foreign subsidiary Estima AG has been provided on straight-line method based on the estimated useful life of assets using the rates stated as follows:

Particulars	Rate
Buildings – Factory	3.33%
Plant and machinery	6.67%
Furniture	10.00%
Office equipment	10.00%

Particulars	Rate
Motor vehicles	33.33%
Tools	33.33%

The depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising on derecognition of the asset is measured as the

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difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

d. Intangible assets

Acquired Intangible

Intangible assets that are acquired by the Group are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expense in Statement of Profit and Loss.

The estimated useful lives are as follows:

-	Technical know-how	4 Years
-	Software	6 Years
-	Brand	20 Years

Amortisation method, useful life and residual values are reviewed at the end of each financial year and adjusted if appropriate.

Derecognition

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible asset under development that are acquired by the Group comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset

The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

e. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates investment property over 20 years from the date of original purchase.

Though the Group measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. Transfers are made to (or from) investment properties only when there is a change in use.

Transfers between investment property and owner-occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

f. Inventories

Inventories are valued at the lower of cost and net realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Traded Goods	Net realisable value or cost whichever is lower
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Scrap	Net realisable value

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

In subsidiaries i.e. Ethos Limited and Ethos Lifestyle Private Limited, Inventories is valued at cost or net realisable value, whichever is lower. Cost is determined using the specific identification method and included all costs incurred in bringing the inventories to their present location and condition, including non-recoverable duties and taxes. Net realisable value represented the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The comparison between cost and net realisable value was performed on an item-by-item basis. During the year ended 31st March 2025, the Company had changed its method of inventory valuation from the weighted average cost method to the specific identification method with effect from 1st June 2024, to ensure consistency with the system implementation date relating to inventory tracking and valuation. Accordingly, inventories purchased on or after this date were valued on an item-by-item basis. This change was made considering the nature of the Company's business in high-value luxury goods with unique identifiers, where the specific identification method provided more reliable and relevant information. Based on management's assessment, the aforesaid change in accounting policy did not have a material impact on the financial statements for the year ended 31st March 2025 and was also not material for the previous year.

g. Retirement and other employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., salaries and wages, and bonus etc., if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards employee provident fund and employee state insurance scheme ('ESI') to Government administered scheme which is a defined contribution plan. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Certain employees of the Parent Company are also participants in the superannuation plan ("the Plan"), a defined contribution plan. The Group makes contributions to Life Insurance Corporation of India (LIC). Contribution made by the Group to the plan during the year is charged to Statement of Profit and Loss. The social security costs, paid for the overseas employees by the Parent Company and paid by the overseas subsidiary, are in the nature of defined contribution schemes as per the laws of that country.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the Life

Insurance Corporation of India ('LIC'). The Group's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability i.e. Gratuity, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). Remeasurements are not reclassified to profit or loss in subsequent periods. The Group determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then- net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit or Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Compensated absences

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensate absences is measured on the basis of an annual independent actuarial valuation using the projected unit cost credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise. The Group presents the leave liability as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

h. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the time of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future losses are not provided for.

i. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognised when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

j. Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

k. Revenue from contract with customer

Revenue from contracts with customers is recognised when the control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangement because it typically controls goods or services before transferring them to the customers.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts if any. Also, in determining the transaction price for the sale of products, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

The Group disaggregates revenue from contracts with customers by geography.

Sale of services

The Group offers services in fixed term contracts and short term arrangement. Revenue from service is recognised when obligation is performed or services are rendered.

The Group earns revenue primarily from manufacturing of watches dials, watch hands and precision components, retail trading of premium and luxury watches, accessories and other luxury items and rendering related after sale services.

Right of return assets

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer. The Group's refund liabilities arise from customers' right of return. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Customer loyalty programmes

For customer loyalty programmes, the fair value of the consideration received or receivable in respect of initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognised as revenue when the award credits are redeemed and the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the award credits will be redeemed.

Export benefits

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Contract balances

Trade Receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section of Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

I. Recognition of interest income or expense

Interest income or expense is accrued on a time basis and recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

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m. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

n. Taxes

Income tax comprises current and deferred tax. It is recognised in Profit or Loss except to the extent that it relates to a business combination or an item recognised directly in equity or in other comprehensive income.

Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current income tax assets and liabilities are measured at the amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences and, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the consolidated Ind AS financial statements and in other management reports.

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax liabilities and assets and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authorities.

Sales/value added taxes/GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

o. Leases

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset	Estimated useful life of Asset
Plant and equipment	3- 5 Years
Building	1- 10 Years
Leasehold land	99 Years
Stores	2 – 10 Years
Furniture	4 – 10 Years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (r) Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Short term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

p. Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets (except trade receivables) are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVPL. In addition, at initial recognition, the Group may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such adoption is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable adoption to present in other comprehensive income subsequent changes in the fair value. The Group makes such adoption on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

Impairment of financial assets

The Group recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Group in accordance with the contract and the cash flow that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtors

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do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss (FVPL)
- Financial liabilities at amortised cost (loans and borrowings)

A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Group uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

q. Impairment of non-financial assets

The Group's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine if there is indication of any impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash flows are grouped together into cash generating units (CGUs). Each CGU represents the smallest Group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of as CGU (or an individual asset) is the higher of its value in use and fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

r. Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

s. Cash and cash equivalents

Cash and cash equivalents in the balance sheet include cash at banks and on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

u. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

v. Cash dividend

The Parent Company recognises a liability to pay dividend to equity holders of the Parent Company when the distribution is authorised and the distribution is no longer at the discretion of the Parent Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

w. Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split. For the purpose of calculating diluted

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earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

x. Foreign currencies

The consolidated Ind AS financial statements are presented in Rs., which is also the Parent Company's functional currency. Functional currency is the currency of the primary economic environment in which the Group operates and is normally the currency in which the Group primarily generates and expends cash.

Transactions and balances

Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The consolidated financial statements are presented in Rs. Functional currency is the currency of the primary economic environment in which the Company operates and is normally the currency in which the Company primarily generates and expends cash.

Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

y. Measurement of Fair value

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these consolidated Ind AS financial statements is included in the respective notes.

2.3 Application of new standards and amendments.

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Group applied following amendments for the first-time during the current year which are effective from 1st April 2025:

a) Lack of exchangeability – Amendments to Ind AS 21

MCA via notification dated 7th May 2025, announced amendments to Ind AS 21, The Effects of Changes in Foreign Exchange Rates, to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments do not have a material impact on the Group's Consolidated Financial Statements.

b) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to Ind AS 1

MCA via notification dated 13th August 2025 announced amendments to Ind AS 1, Presentation of Financial Statements, which elaborate on guidance set out in Ind AS 1 by:

- clarifying that the right to defer settlement of a liability for at least 12 months after the reporting period; a) must have substance, and b) must exist at the end of the reporting period;
- stating that management's expectations around whether the settlement of a liability would be deferred or not, does not impact the classification of the liability;
- including requirements for liabilities that can be settled using an entity's own instruments; and
- stating that at the reporting date, the entity does not consider covenants that will need to be complied with in the future when considering the classification of the debt as current or non-current

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments do not have a material impact on the Group's Consolidated Financial Statements.

c) Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS 107

MCA via notification dated 13th August 2025 announced amendments to Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures which introduced disclosure requirements with the objective to enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cashflows and exposure to liquidity risk.

The amendments do not have a material impact on the Group's Consolidated Financial Statements.

d) International Tax Reform - Pillar Two Model Rules - Amendments to Ind AS 12

MCA via notification dated 13th August 2025 announced amendments to Ind AS 12, Income Taxes, which includes:

- a temporary exception to the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules; and
- additional disclosure requirements targeted at a reporting entity's exposure to income taxes in periods in which the Pillar Two Model legislation is enacted or substantively enacted but not yet in effect.

The amendments do not have a material impact on the Group's Consolidated Financial Statements

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New standards and amendments to existing Standards which are issued but are not yet effective and have not been early adopted by the Group

a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

Paragraph 74 of Ind AS 1 currently effective for the year ended 31st March 2026 requires the entity not to classify the liability as current, if there is a breach of a material covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, however, the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

MCA vide notification dated 13th August 2025, has introduced amendment under Paragraph 74 of Ind AS 1 which requires the entity to classify the liability as current under the aforementioned situation because, at the end of the reporting period, it does not have the right to defer its settlement for at least twelve months after that date. Such amendment has been made effective for annual reporting periods beginning on or after 1st April 2026 retrospectively in accordance with Ind AS 8.

This amendment is not expected to have a material impact on the Group's Consolidated Financial Statements.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

a) Determining the lease term of contracts with renewal and termination options – Group as lessee

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 Group 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 Group. Such changes are reflected in the assumptions when they occur.

Leases – Estimating the incremental borrowing rate: The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

b) Defined benefit plans

The present value of the gratuity is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates for the respective countries.

c) **Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

d) **Useful life of Property, plant and equipment and intangibles**

The management estimates the useful life and residual value of property, plant and equipment and other intangible assets. These assumptions are reviewed at each reporting date.

e) **Contingencies**

Refer note 40 for Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.

f) **Impairment of financial assets**

Refer note 2.2(q) for the policy to estimate the impairment of financial assets.

g) **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

Refer note 2.2(r) for the policy to estimate the impairment of non-financial assets.

h) **Leases – Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

i) **Provision for slow and obsolete inventory**

Ethos Limited, a subsidiary of the Parent Company is in business of retail trading of premium and luxury watches, accessories and other luxury items and rendering of related after sale services and consists of inventory of watches at various stores of the subsidiary company. The subsidiary company on a periodic basis and at each reporting date assess the inventory age listing to identify slow-moving allowance and obsolete inventories and then estimates the amount of inventory provision. In doing so, it estimates the net relisable value of aged inventory based on current selling price of such/similar aged inventory and likely sales volume based discount offered and past sales trend. Also, the subsidiary company reviews catalogues of various brands to verify whether all inventory items are appearing in them.

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2.5 Climate – related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the consolidated financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are Useful life of property, plant and equipment and Impairment of non-financial assets.

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3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRES

Gross carrying amount

	Freehold land	Leasehold land	Buildings	Leasehold improvements	Plant and equipment	Furniture and fittings	Office equipment*	Vehicles	Total	Capital work in progress
Balance as at 1st April 2024	**731.84**	**-**	**6,321.31**	**4,361.89**	**12,198.19**	**4,661.17**	**1,354.79**	**1,749.83**	**31,379.02**	**4,163.97**
Additions (Refer to note (d) below)	-	-	212.56	2,395.04	3,779.62	2,437.73	776.30	1,296.76	10,898.01	9,832.41
Disposals/Capitalisation during the year	-	-	-	(485.19)	(108.08)	(219.07)	(119.74)	(437.79)	(1,369.87)	(9,317.80)#
Exchange differences on translation	35.64	-	86.10	-	94.51	21.56	6.02	1.97	245.80	1.63
Balance as at 31st March 2025	**767.48**	**-**	**6,619.97**	**6,271.74**	**15,964.24**	**6,901.39**	**2,017.37**	**2,610.77**	**41,152.96**	**4,680.21**
Additions (Refer to note (d) below)	841.62	-	1,052.07	5,726.41	1,972.02	4,191.30	823.35	639.47	15,246.23	10,853.08
Disposals / Capitalisation during the year	-	-	-	(511.67)	(107.08)	(175.15)	(79.54)	(269.01)	(1,142.46)	(13,422.13)#
Exchange differences on translation	144.80	-	349.75	-	436.13	96.10	31.02	7.99	1,065.78	82.09
Balance as at 31st March 2026	**1,753.90**	**-**	**8,021.79**	**11,486.48**	**18,265.31**	**11,013.64**	**2,792.20**	**2,989.22**	**56,322.52**	**2,193.25**
Accumulated Depreciation										
Balance as at 1st April 2024	**-**	**-**	**1,069.14**	**2,081.36**	**5,847.08**	**1,578.71**	**789.48**	**353.70**	**11,719.43**	**-**
Depreciation for the year	-	-	222.51	816.19	974.81	683.00	334.31	292.00	3,322.82	-
Disposals	-	-	-	(484.67)	(88.14)	(185.58)	(71.32)	(110.68)	(940.39)	-
Exchange differences on translation	-	-	13.20	-	47.58	8.78	4.27	1.69	75.52	-
Balance as at 31st March 2025	**-**	**-**	**1,304.85**	**2,412.88**	**6,781.33**	**2,084.91**	**1,056.74**	**536.71**	**14,177.41**	**-**
Depreciation for the year	-	-	250.56	1,392.69	1,270.71	1,197.50	472.51	406.93	4,990.90	-
Disposals	-	-	-	(407.73)	(95.13)	(52.84)	(34.45)	(109.54)	(699.69)	-
Exchange differences on translation	-	-	67.39	-	228.97	49.00	24.22	7.42	377.00	-
Balance as at 31st March 2026	**-**	**-**	**1,622.80**	**3,397.84**	**8,185.88**	**3,278.57**	**1,519.02**	**841.52**	**18,845.62**	**-**
Carrying amount (net)										
At 31st March 2025	**767.48**	**-**	**5,315.12**	**3,858.86**	**9,182.91**	**4,816.48**	**960.63**	**2,074.06**	**26,975.55**	**4,680.21**
At 31st March 2026	**1,753.90**	**-**	**6,398.99**	**8,088.64**	**10,079.43**	**7,735.07**	**1,273.18**	**2,147.70**	**37,476.91**	**2,193.25**

Notes:

a. Refer to note 19 for information on property, plant and equipment are pledged as security by the group.

b. Refer to note 40(ii) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

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c. The title deeds of the immovable properties are held in the name of the Company.

d. The Group has capitalized the following expenses / (income) to the cost of property, plant and equipment/capital work-in-progress (CWIP) during the trial run / construction period. Consequently, expenses and income disclosed under the respective notes are net of amounts capitalized by the group.

	Year ended 31st March 2026	Year ended 31st March 2025
Raw materials consumed	-	384.92
Salaries and wages	301.70	1,012.88
Contributions to provident and other funds	-	83.88
Staff welfare expenses	-	63.08
Stores and spares consumed	-	153.18
Power, fuel and water charges	16.50	75.92
Contractual labour expenses	-	175.94
Insurance	-	5.61
Rent	26.69	588.34
Rates and Taxes	52.51	27.83
Repair and Maintenance- Building	-	7.46
Repair and Maintenance- Others	85.59	149.74
Legal and professional fees	9.59	145.83
Travelling and conveyance	-	119.43
Bank charges	-	7.60
Printing and stationery	-	8.40
Communication expenses	-	10.93
Security service charges	-	38.63
Interest on lease liability	568.24	686.82
Depreciation on ROU	831.08	768.70
Miscellaneous expenses	-	37.13
	1,891.90	**4,552.25**
Less : Sales made during the year	-	(727.08)
Expenses capitalized by the Group	**1,891.90**	**3,825.17**

#Represents capital work in progress capitalized during the current year and previous year.

*Including block of computers.

Capital work in progress (CWIP) Ageing Schedule

As at 31st March 2026	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	1,970.17	99.16	5.36	6.17	2,080.86
Material purchased for inhouse development of tools	70.16	19.96	4.68	17.59	112.39
Projects temporarily suspended	-	-	-	-	-
Total	**2,040.33**	**119.12**	**10.04**	**23.76**	**2,193.25**

As at 31st March 2025	**Amount in CWIP for a period of**				
	<1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	4,561.48	21.68	-	7.58	4,590.74
Material purchased for inhouse development of tools	51.40	13.78	4.28	20.01	89.47
Projects temporarily suspended	-	-	-	-	-
Total	**4,612.88**	**35.46**	**4.28**	**27.59**	**4,680.21**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025-26 and 2024-25.

(All amounts are in Indian Rupees Lacs, except for share data)

3 (A) INVESTMENT PROPERTIES

Cost

	Building	Total
Opening balance at 1st April 2024	**-**	**-**
Additions	190.40	190.40
Exchange differences on translation	-	-
Balance transfer from Property, plant and equipment	-	-
Disposal	-	-
Closing balance at 31st March 2025	**190.40**	**190.40**
Additions	-	-
Exchange differences on translation	-	-
Balance transfer from Property, plant and equipment	-	-
Disposals	-	-
Closing balance at 31st March 2026	**190.40**	**190.40**

Depreciation and impairment

	Building	Total
Opening balance at 1st April 2024	**-**	**-**
Exchange differences on translation	0.00	0.00
Depreciation for the year	25.41	25.41
Disposals	(12.72)	(12.72)
Closing balance at 31st March 2025	**12.69**	**12.69**
Exchange differences on translation	0.00	0.00
Depreciation for the year	19.04	19.04
Disposals	-	-
Closing balance at 31st March 2026	**31.73**	**31.73**

Carrying amount (net)

At 31st March 2025	**177.71**	**177.71**
At 31st March 2026	**158.67**	**158.67**

Note:

(a) The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

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(All amounts are in Indian Rupees Lacs, except for share data)

4 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

Gross carrying amount

	Technical know-how	Softwares	Brands	Total	Intangible Assets under development
Balance as at 1st April 2024	**73.83**	**294.85**	**1,360.52**	**1,729.20**	**512.48**
Additions	-	366.87	1,421.31	1,788.18	1,509.39
Disposals	-	(96.18)	-	(96.18)	(1,894.39)#
Balance as at 31st March 2025	**73.83**	**565.54**	**2,781.83**	**3,421.20**	**127.48**
Additions	19.97	267.50	568.43	855.90	379.84
Disposals	-	(30.05)	(9.98)	(40.03)	(44.55)#
Balance as at 31st March 2026	**93.80**	**802.99**	**3,340.28**	**4,237.07**	**462.77**
Accumulated amortisation					
Balance as at 1st April 2024	**61.72**	**196.92**	**58.57**	**317.20**	**-**
Amortisation for the year	6.92	66.65	108.99	182.56	-
Disposals	-	(95.37)	-	(95.37)	-
Balance as at 31st March 2025	**68.64**	**168.20**	**167.56**	**404.40**	**-**
Amortisation for the year	3.34	101.99	366.69	472.02	-
Disposals	-	(30.06)	-	(30.06)	-
Balance as at 31st March 2026	**71.98**	**240.13**	**534.25**	**846.36**	**-**
Carrying amount (net)					
At 31st March 2025	**5.19**	**397.34**	**2,614.27**	**3,016.80**	**127.48**
At 31st March 2026	**21.82**	**562.86**	**2806.03**	**3,390.71**	**462.77**

#Represents intangible asset under development capitalized during the current year and previous year.

Intangible assets under development (IAUD) Ageing Schedule

As at 31st March 2026	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	365.30	97.47	-	-	462.77
Total	**365.30**	**97.47**	**-**	**-**	**462.77**

As at 31st March 2025	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	127.48	-	-	-	127.48
Total	**127.48**	**-**	**-**	**-**	**127.48**

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2025-26 and 2024-25.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

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(All amounts are in Indian Rupees Lacs, except for share data)

5 EQUITY ACCOUNTED INVESTEES

	As at 31st March 2026	As at 31st March 2025
Non-current investments		
Unquoted investments (fully paid up)		
Investment in equity shares (at cost)		
of Joint venture:		
- Pasadena Retail Private Limited, 27,50,000 (31st March 2025: 27,50,000) equity shares of Rs. 10 each fully paid up	275.00	275.00
- Share of profit in Joint Venture	88.88	113.37
	363.88	**388.37**

	Note	As at 31st March 2026	As at 31st March 2025
Interest in joint venture	(a)	363.88	388.37
		363.88	**388.37**

(a) The following table summarizes the financial information and the carrying amount of the Group's interest in joint venture:

Name of joint venture	Principal activity	Principal place of business	Percentage ownership interest As at 31st March 2026	Percentage ownership interest As at 31st March 2025
Pasadena Retail Private Limited	**Trading of luxury watches**	**India**	**50%**	**50%**
Current assets [including cash and cash equivalents of Rs. 0.93 (31st March 2025: Rs. 25.57)]			1,304.50	1,236.37
Non-current assets [including deferred tax assets of Rs.43.79 (31st March 2025: Rs.27.51)]			638.35	874.21
Current liabilities [including current tax liabilities of Rs.Nil (31st March 2025: Rs.Nil)]			844.71	747.17
Non-current liabilities			370.38	586.67
Net assets			**727.76**	**776.74**
Group's share of net assets (50%)			363.88	388.37
Carrying amount of the Company's interest in joint venture			**363.88**	**388.37**

	Year ended 31st March 2026	Year ended 31st March 2025
Revenue from operations	1,263.73	1,309.92
Other income	4.28	4.87
Purchases of stock-in-trade	(992.49)	(1,399.07)
Changes in inventories of stock-in-trade	72.51	463.12
Depreciation and amortisation expense	(137.73)	(163.58)
Finance costs	(90.88)	(74.92)
Other expenses	(184.72)	(120.94)
Profit before tax for the year	**(65.30)**	**19.40**
Tax Expenses		
- Current income tax (charge)	-	(28.77)
- Tax Provision for earlier Years	0.05	-
- Deferred tax credit / (charge)	16.28	23.62

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(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31st March 2026	Year ended 31st March 2025
Other comprehensive income	-	-
Total comprehensive income	**(48.97)**	**14.25**
Group's share of profit (50%)	(24.49)	7.13
Group's share of other comprehensive income (50%)	-	-
Group's share of total comprehensive income	**(24.49)**	**7.13**

6 INVESTMENTS

	Note	As at 31st March 2026	As at 31st March 2025
Non-current investments			
Unquoted investments (fully paid up)			
Other Companies (Fair value through Profit or Loss):			
- Karolview Developers Private Limited Nil (31st March 2025: 5,00,000) equity shares of Rs.10 each fully paid up	(a)	-	43.54
- Shivalik Waste Management Limited 17,500 (31st March 2025: 17,500) equity shares of Rs. 10 each fully paid up		7.68	7.15
- Haute-Rive Watches SA 8,19,672 (31st March 2025: 8,19,672) equity shares of CHF 0.01 each fully paid up		190.27	177.45
- Czapek & Cie SA 100 (31st March 2025: 100) equity shares of CHF 280 each fully paid up		25.74	25.74
Unquoted investments in mutual funds			
- Investment in mutual funds		45.00	-
		268.69	**253.88**
Aggregate amount of unquoted investments		268.69	253.88

(a) During the year, the Parent Company has disposed of its investment in Karolview Developers Private Limited comprising 5,00,000 equity shares. The said shares have been sold at a price of Rs. 33.00 per equity share. The resultant gain on sale of investment has been duly recognised in the Statement of Profit and Loss in accordance with the applicable accounting standards.

7 LOANS* (AT AMORTISED COST)

(Unsecured and considered good)

	Non-Current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Loan to employees				
- to related parties (refer to note 42)	123.92	142.43	18.51	17.90
- to others	91.08	94.03	80.35	40.64
	215.00	**236.46**	**98.86**	**58.54**

*The Group's exposure to credit and currency risk, and loss allowances related to other non current financial assets are disclosed in note 36.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

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(All amounts are in Indian Rupees Lacs, except for share data)

8 OTHER FINANCIAL ASSETS

(Unsecured and considered good)

(Carried at amortised cost unless otherwise stated)

	Non-Current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Deposit accounts (having remaining maturing more than 12 months)*	10,195.43	170.21	-	-
Deposit accounts (having remaining maturing less than 12 months)*	-	-	270.00	-
Derivatives financial instruments (Fair value through Profit or Loss)	-	-	6.76	42.49
Interest accrued but not due on deposits**	50.62	0.37	2,073.01	691.05
Recoverable from related parties (refer to note 42)	-	-	75.91	34.63
Recoverable from / balance with government authorities	-	-	607.71	496.64
Right to return assets	-	-	25.56	1.77
Security deposits	4,055.65	2,797.86	861.02	996.34
Recoverable from others	-	-	538.89	5.72
Interest receivable from related parties	-	-	0.40	-
Less: Allowance for bad and doubtful advances recoverable				
- Security Deposit	-	-	(10.36)	(5.00)
	14,301.70	**2,968.44**	**4,448.90**	**2,263.64**

*These deposits include restricted bank deposits amounting to Rs. 387.41 (31st March 2025 : Rs. Nil) on account of deposits pledged as security for bank guarantees.

**a) Includes interest on unutilised proceeds from Initial Public Offer (IPO) received amounting to Rs. Nil (31st March 2025: Rs. 1.34) which have been temporarily invested in deposits with scheduled banks. (Refer to note 54)

b) Interest on unutilised proceeds from Qualified institutional placement (QIP) received amounting to Rs. Nil (31st March 2025: Rs. 245.20) which have been temporarily invested in deposits with scheduled banks and kept in current account with scheduled bank and monitoring agency bank account. (Refer to note 47)

c) Interest on unutilised proceeds from rights issue received amounting to Rs. 1,228.01 which have been temporarily invested in deposits with scheduled banks and kept in current account with scheduled bank and monitoring agency bank account. (Refer to note 57).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

9 INCOME TAX ASSET (NET)

	As at 31st March 2026	As at 31st March 2025
Advance income-tax (net of provision)	843.25	584.11
	843.25	**584.11**

10 DEFERRED TAX ASSETS / (LIABILITIES) (NET)

	As at 31st March 2026	As at 31st March 2025
Deferred tax assets on		
- Expected credit loss allowance	55.08	31.72
- Provision for employee benefits	476.17	381.03
- Impairment in value of investments	492.66	492.66
- Provision- other expense	240.76	85.59
- Intercompany profit elimination	227.30	752.30
- Lease liabilities	8,885.76	7,824.71
- Exchange differences on translation of foreign operations	461.05	121.66
- Others#	30.06	18.09
Deferred tax assets (A)	**10,868.84**	**9,707.76**
Deferred tax liabilities on		
- Excess depreciation as per Income Tax Act, 1961 over depreciation as per books (net)	1,075.49	502.32
- Income taxable on receipt basis under Income tax Act	2.06	7.27
- Gain on investments carried at fair value through profit and loss	19.50	16.28
- MTM gain on foreign exchange contracts	-	14.07
- Right of use assets	7,460.95	7,228.73
- Gain on investments accounted for using equity method	231.82	86.96
Deferred tax liability (B)	**8,789.82**	**7,855.63**
Net deferred tax assets / (liabilities) (A - B)	**2,079.02**	**1,852.13**
Aggregate of net deferred tax assets jurisdictions	2,079.02	1,861.88
Aggregate of net deferred tax liabilities jurisdictions	-	(9.75)
Net deferred tax assets / (liabilities)	**2,079.02**	**1,852.13**

#Include primarily deposits amortisation and interest income thereon as per Ind AS 109.

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2024-2025	As at 1st April 2024	Recognised in profit or loss during the year	Recognised in other comprehensive income	As at 31st March 2025
- Excess depreciation as per Income Tax Act, 1961 over depreciation as per books	(451.02)	(51.30)	-	(502.32)
- Income taxable on receipt basis under Income tax Act	(7.27)	-	-	(7.27)
- Gain on investments carried at fair value through profit and loss	(5.58)	(10.70)	-	(16.28)
- MTM Gain on foreign exchange contracts	(22.65)	8.58	-	(14.07)
- Expected credit allowance	5.33	26.39	-	31.72
- Intercompany profit elimination	919.79	(167.49)	-	752.30
- Provision for employee benefits	334.25	71.76	(24.98)	381.03
- Impairment in value of investments	-	492.66	-	492.66
- Provision- other expense	34.85	50.74	-	85.59
- Lease liabilities	3,598.01	4,226.70	-	7,824.71
- Right of use assets	(3,090.52)	(4,138.21)	-	(7,228.73)
- Exchange differences on translation of foreign operations	11.02	(0.44)	111.08	121.66
- Gain on investments accounted for using equity method	(16.96)	(70.00)	-	(86.96)
- Others#	9.17	8.92	-	18.09
	1,318.42	**447.61**	**86.10**	**1,852.13**

#Include primarily deposits amortisation and interest income thereon as per Ind AS 109.

2025-2026	As at 1st April 2025	Recognised in profit or loss during the year	Recognised in other comprehensive income	As at 31st March 2026
- Excess depreciation as per Income Tax Act, 1961 over depreciation as per books	(502.32)	(573.17)	-	(1,075.49)
- Income taxable on receipt basis under Income tax Act	(7.27)	5.21	-	(2.06)
- Gain on investments carried at fair value through profit and loss	(16.28)	(3.22)	-	(19.50)
- MTM Gain on foreign exchange contracts	(14.07)	14.07	-	-
- Expected credit allowance	31.72	23.36	-	55.08
- Intercompany profit elimination	752.30	(525.00)	-	227.30
- Provision for employee benefits	381.03	69.41	25.73	476.17
- Impairment in Value of investments	492.66	-		492.66
- Provision- other expense	85.59	155.17	-	240.76
- Lease liabilities	7,824.71	1,061.05	-	8,885.76
- Right of use assets	(7,228.73)	(232.22)	-	(7,460.95)
- Exchange Differences on translation of foreign operations	121.66	(111.08)	450.47	461.05
- Gain on investments accounted for using equity method	(86.96)	(144.86)	-	(231.82)
- Others#	18.09	11.97	-	30.06
	1,852.13	**(249.31)**	**476.20**	**2,079.02**

#Include primarily deposits amortisation and interest income thereon as per Ind AS 109.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

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11 OTHER NON-CURRENT ASSETS

(Unsecured and considered good)

	As at 31st March 2026	As at 31st March 2025
Capital advances	1,642.58	1,671.68
Prepaid expenses	76.34	79.76
Recoverable from / balance with government authorities	-	49.48
	1,718.92	**1,800.92**

12 INVENTORIES**

	As at 31st March 2026	As at 31st March 2025
Raw materials*#	4,143.88	3,148.85
Work-in-progress	2,662.85	1,657.80
Finished goods	362.59	364.46
Stock in trade*^	71,266.19	59,971.33
Stores and spares	791.59	643.83
Scrap	49.56	-
	79,276.66	**65,786.27**

	As at 31st March 2026	As at 31st March 2025
*Includes goods-in-transit:		
- Raw materials	21.24	-
- Stock in trade	333.49	97.66
#Provision for inventory		
- Raw materials	149.83	79.85
^The write down of inventories as at year end amounted to:		
- Stock in trade	283.07	135.21

**Refer to Note 19 for information on inventory that are pledged as security by the Company.

The cost of inventories for one of the subsidiary Company i.e. Ethos Limited, is based on the specific identification, and includes expenditure incurred in acquiring the inventories less duties and taxes those are recoverable from government authorities, and other costs incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

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13 TRADE RECEIVABLES

(Unsecured, considered good, unless otherwise stated)

	As at 31st March 2026	As at 31st March 2025
Trade receivables from related parties (refer to note 42)	78.14	102.00
Trade receivables from others	11,713.86	8,736.20
Less : Allowance for expected credit loss	(94.90)	(19.39)
	11,697.10	**8,818.81**
Break-up of security details		
Trade receivable considered good- Unsecured	11,697.10	8,818.81
Trade receivable- credit impaired	1.00	1.00
Trade Receivables which have significant increase in Credit Risk	93.90	18.39
	11,792.00	**8,838.20**
Impairment Allowance (allowance for doubtful debts)	(94.90)	(19.39)
Less : Allowance for expected credit loss	**11,697.10**	**8,818.81**

Trade receivables are non-interest bearing and generally on terms of 0 to 120 days.

Trade receivables as on 31st March 2024- Rs. 7,063.44

Trade receivables ageing schedule

As at 31st March 2026	Outstanding for following periods from due date of transactions					
	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	Total
Undisputed Trade Receivable- considered good	11,415.84	236.13	40.11	0.19	4.83	11,697.10
Undisputed Trade Receivable- which have significant increase in credit risk	93.90	-	-	-	-	93.90
Undisputed Trade Receivable- credit impaired	-	-	-	-	1.00	1.00
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Total	**11,509.74**	**236.13**	**40.11**	**0.19**	**5.83**	**11,792.00**
Less : Allowance for expected credit loss	(93.90)	-	-	-	(1.00)	(94.90)
Total	**11,415.84**	**236.13**	**40.11**	**0.19**	**4.83**	**11,697.10**

As at 31st March 2025	Outstanding for following periods from due date of transactions					
	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	Total
Undisputed Trade Receivable- considered good	8,776.97	29.74	0.70	10.29	1.11	8,818.81
Undisputed Trade Receivable- which have significant increase in credit risk	18.39	-	-	-	-	18.39
Undisputed Trade Receivable- credit impaired	-	-	-	-	1.00	1.00
Disputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	-
Total	**8,795.36**	**29.74**	**0.70**	**10.29**	**2.11**	**8,838.20**
Less : Allowance for expected credit loss	(18.39)	-	-	-	(1.00)	(19.39)
Total	**8,776.97**	**29.74**	**0.70**	**10.29**	**1.11**	**8,818.81**

#The group's exposure to credit and currency risk and loss allowances related to trade receivable are disclosed in Note 36 (B).

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(All amounts are in Indian Rupees Lacs, except for share data)

14 CASH AND CASH EQUIVALENTS

	As at 31st March 2026	As at 31st March 2025
Balances with banks	11,930.77	7,219.35
- in current accounts*	340.97	46.59
- in cash credit accounts	-	23.71
Cheques, drafts on hand	271.26	273.96
Cash on hand		
Others	79.00	11,526.48
- Fixed Deposits with original maturity of less than 3 months**	7,826.62	100.67
- Mutual Funds	406.13	283.39
- Credit cards receivable	**20,854.75**	**19,474.15**

There are no other repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period.

*Balance as on 31st March 2026 includes Rs. Nil (31st March 2025: Rs. 79.72) balance of unutilised Initial Public Offer (IPO) procced with monitoring agency bank account. (Refer to note 54).

Balance as on 31st March 2026 includes Rs. Nil (31st March 2025: Rs. 3.67) balance of unutilised Qualified Institutional Placement (QIP) procced with monitoring agency bank account. (Refer to note 47).

Balance as on 31st March 2026 includes Rs. 10.53 as balance of unutilised rights issue procced with monitoring agency bank account. (Refer to note 57).

**These deposits include restricted bank deposits amounting to Rs. Nil (31st March, 2025 : Rs. 900.00) on account of deposits pledged as security for bank guarantees, security for cash credit facilities and earmarked against deposits from shareholders.

15 OTHER BANK BALANCES

	Note	As at 31st March 2026	As at 31st March 2025
Deposit accounts with original maturity more than 3 months and maturing within 12 months from the reporting date	(a)	52,562.44	32,161.60
Balance in unclaimed dividend accounts		86.81	54.31
		52,649.25	**32,215.91**

Note:

(a) Deposits include restricted bank deposits amounting to Rs. 338.55 (31st March 2025: Rs. 2,992.51) on account of deposits pledged as security for deposits from shareholders, bank guarantee and margin money and balance of qualified institutional placement (QIP) proceeds of Rs. Nil (31st March 2025: Rs. 8,500.00) which has been utilised as stated in the preliminary placement document for QIP and was temporarily invested in deposits with scheduled bank as on 31st March 2025. Net unutilised proceeds from QIP as on 31st March 2026 is Rs. Nil and have been fully utilised during the year ended 31st March 2026. Also, Fixed deposits include balance of rights issue proceeds of Rs. 30,001.00 which will be utilised as stated in the prospectus of Rights issue. Net unutilised proceeds from rights issue as on 31st March 2026 have been temporarily invested in deposits with scheduled bank. (Refer note no. 57).

16 OTHER CURRENT ASSETS

(Unsecured, considered good, unless otherwise stated)

		As at 31st March 2026		As at 31st March 2025
Recoverable from / balance with government authorities		5,690.09		3,996.86
Duty Credit Scrips		0.69		4.57
Advances for supply of goods and services (refer to note 42 for related party disclosure)	2,989.97		2,359.85	
Advances for supply of goods and services- Credit impaired	4.49		4.49	

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		As at 31st March 2026		As at 31st March 2025
	2994.46		2364.34	
Less: Impairment Allowance for advance of supply of goods and services- credit impaired	(4.49)	2,989.97	(4.49)	2,359.85
Advances to employees (refer to note 42 for related party disclosure)		240.04		235.33
Advances to related parties		60.49		40.81
Share application Money^ (refer to note 42)		2,025.54		-
Other advances#		97.43		55.19
Deposit under protest		1.25		83.29
Prepaid expenses		402.87		419.23
		11,508.37		**7,195.13**

#mainly includes amount recoverable from insurance company.

^Share application money amounting to Rs. 2,025.54 has been advanced for the acquisition of 1,89,480 equity shares of Ethos Lifestyle Private Limited at a price of Rs 1,069 per equity share from an individual belonging to the promoter group.

17 EQUITY SHARE CAPITAL

(i) Details of share capital

	As at 31st March 2026		As at 31st March 2025	
	Number of shares	Amount	Number of shares	Amount
Authorized				
Equity shares of Rs. 10 each.	2,80,00,000	2,800.00	2,80,00,000	2,800.00
	2,80,00,000	**2,800.00**	**2,80,00,000**	**2,800.00**
Issued				
Equity shares of Rs. 10 each	1,27,11,397	1,271.14	1,27,11,397	1,271.14
	1,27,11,397	**1,271.14**	**1,27,11,397**	**1,271.14**
Subscribed and paid up capital				
Equity shares of Rs. 10 each fully paid up	1,22,99,280	1,229.93	1,22,99,280	1,229.93
Forfeited equity shares of Rs.10 each	1,74,280	8.71	1,74,280	8.71
	1,24,73,560	**1,238.64**	**1,24,73,560**	**1,238.64**

(ii) Rights, preferences and restrictions attached to shares

The Parent Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Parent Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Parent Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Parent Company, the holders of equity shares will be entitled to receive the residual assets of the Parent Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iii) Reconciliation of the shares outstanding at beginning and at the end of the year

Particulars	As at 31st March 2026		As at 31st March 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	1,22,99,280	1,229.93	1,25,37,117	1,253.71
Add: shares issued during the year	-	-	-	-
Less: Shares extinguished on buy back during the year (Refer to note 50)	-	-	2,37,837	23.78
Balance at the end of the year	**1,22,99,280**	**1,229.93**	**1,22,99,280**	**1,229.93**

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(iv) Details of Equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

	As at 31st March 2026		As at 31st March 2025	
	Number of shares	% of equity shares held	Number of shares	% of equity shares held
Yashovardhan Saboo	18,02,173	14.65%	22,02,173	17.90%
Rajendra Kumar Saboo (RKS JS Family Trust)	13,92,098	11.32%	13,92,098	11.32%
Pranav Shankar Saboo	8,00,000	6.50%	-	-
Anuradha Saboo	8,61,368	7.00%	12,61,368	10.26%

(v) Equity shares of Rs. 10 each fully paid up held by

Promotors Shareholdings		As at 31st March 2026			As at 31st March 2025		
S. No.	Promoter's Name	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
1	Rajendra Kumar Saboo (HUF)	-	-	-	-	-	(0.62%)
2	Rajendra Kumar Saboo	1,564	0.01%	-	1,564	0.01%	0.00%
3	Yashovardhan Saboo	18,02,173	14.65%	(3.25%)	22,02,173	17.90%	0.24%
4	Usha Devi Saboo	99	0.00%	-	99	0.00%	0.00%
5	Anuradha Saboo	8,61,368	7.00%	(3.25%)	12,61,368	10.26%	6.54%
6	Satvika Saboo	1,65,979	1.35%	-	1,65,979	1.35%	0.00%
7	Pranav Shankar Saboo	8,00,000	6.50%	6.50%	-	-	(6.51%)
8	Vardhan Properties and Investment Private Limited	37,518	0.31%	-	37,518	0.31%	0.00%
9	Dream Digital Technology Private Limited	28,925	0.24%	-	28,925	0.24%	0.00%
10	Saboo Ventures LLP	64,817	0.53%	-	64,817	0.53%	0.00%
11	Usha Devi Saboo (UDS JS Family Trust)	1,66,853	1.36%	-	1,66,853	1.36%	0.00%
12	Rajendra Kumar Saboo (RKS JS Family Trust)	13,92,098	11.32%	-	13,92,098	11.32%	0.02%
13	Swades Capital LLC	3,24,150	2.64%	-	3,24,150	2.64%	0.05%
14	Rajendra Kumar Saboo (ASP Saboo Family Trust)	5,05,001	4.11%	-	5,05,001	4.11%	0.08%
15	Jai Vardhan Saboo	25,940	0.21%	-	25,940	0.21%	0.21%
16	Veena Kanoria	25,941	0.21%	-	25,941	0.21%	0.21%
		62,02,426	**50.43%**		**62,02,426**	**50.43%**	

Percentage in '0' is below rounding off threshold adopted by the group

(vi) Bonus shares, shares buyback and issue of shares for consideration other than cash (during five years immediately preceding 31st March 2026)

During the five years immediately preceding 31st March 2026, no bonus shares have been issued. During the previous year ended 31st March 2025, the Parent Company bought back 2,37,837 equity shares for an aggregate amount of Rs. 8,799.97 being 1.90% of the total paid up equity share capital at average price of Rs. 3,700 per equity share. The equity shares bought back were extinguished on 23rd September 2024. Also during the year ended 31st March 2023, the Parent Company bought back 1,99,947 equity shares for an aggregate amount of Rs. 2,099.99 being 1.57% of the total paid up equity share capital at average price of Rs. 1,050 per equity share, bought back for these equity shares were extinguished on 14th February 2023.

Further, no shares have been issued for consideration other than cash except during the year ended 31st March 2020, 16,500 equity shares of Rs. 10 each was issued under employee stock option plans for which only exercise price had been received in cash.

18 OTHER EQUITY

(also refer to statement of changes in equity)

Nature and purpose of reserves

(i) Capital reserve

Reserve created under the scheme of arrangement and Business combination. This will be utilised in accordance with the provisions of Companies Act, 2013.

(ii) Securities premium

Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders. This will be utilized in accordance with the applicable provisions of the Companies Act, 2013.

(iii) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, however, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

(iv) Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Remeasurements of defined benefit obligation comprises actuarial gains and losses and return on plan assets (excluding interest income).

(v) Capital Redemption Reserve

The Parent Company had bought back 2,37,837 equity shares during the previous year ended 31st March 2025. Accordingly, Section 69 of Companies Act, 2013 require to create capital redemption reserve equal to nominal value of shares bought back where the company purchases its own shares out of free reserves or security premium account. Therefore, the Company had transferred the amount equal to nominal value to capital redemption reserve out of its free reserves. Also the Parent Company had bought back 1,99,947 equity shares during the year ended 31st March 2023.

(vi) Exchange differences on translation of foreign operations

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

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19 BORROWINGS

		Note	As at 31st March 2026	As at 31st March 2025
(i)	**Non-current borrowings**			
	Term-loans			
	From banks (secured)	(a)	734.54	738.08
	From others (secured)	(b)	3,939.01	4,175.39
			4,673.55	**4,913.47**
	Deposits from shareholders / directors			
	Related parties (unsecured) (refer to note 42)			
	- From Directors	(c)	107.22	128.62
	- From other related parties	(c)	1,563.86	916.04
	From shareholders other than related parties (unsecured)	(c)	3,255.55	3,105.79
			4,926.63	**4,150.45**
	Other loans			
	- From others (unsecured)	(d)	527.17	448.38
			527.17	**448.38**
	Total non-current borrowings (including current maturities)		**10,127.35**	**9,512.30**
	Less : Current maturities of non-current borrowings (refer to note 19(i))		2,736.75	2,224.98
			7,390.60	**7,287.32**

(a) Vehicle loans from banks amounting to Rs. 146.37 (31st March 2025: Rs. 229.01) carrying interest rate in the range of 6.90% to 8.75% (previous year 6.90% to 9.50%) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of those loans. The loans are to be repaid with in a period of 1 - 4 years as per the respective repayment schedule in equal monthly installments.

Term loan from Credit Suisse taken by subsidiary, Estima AG amounting to Rs. 588.17 (31st March 2025: Rs. 509.07) carrying 5% interest rate is secured against mortgage of property. The loan is to be repaid in 108 quarterly installments of Rs. 4.76 each.

(b) Term loan from Bajaj Finance Limited amounting to Rs. 329.87 (31st March 2025: Rs. 660.64) carrying interest rate of 8.25% (previous year 9.25%) is secured by way of extension of charge on exclusive basis over leasehold Land & building and plant & machinery at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 5th January 2023 with one year of moratorium from the drawdown. The last instalment would be paid on 5th February 2027.

Term loan from Bajaj Finance Limited amounting to Rs. 2,948.89 (31st March 2025: Rs. 3000.00) carrying interest rate of 8.25% (previous year 8.90%) is secured by way of extension of charge on exclusive basis over leasehold Land & building and Plant & machinery at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 72 instalments as per the repayment schedule commencing from 5th March 2025 . The last instalment would be paid on 5th February 2031.

Vehicle loans from Toyota Financial Services India Limited amounting to Rs. Nil (31st March 2025: Rs. 9.47) carrying interest rate in range of 7.43% (previous year 7.43%) per annum is secured against hypothecation of specific vehicle purchased out of the proceeds of the loan. The last instalment was repaid on 20th January 2026.

Vehicle loans from Mercedes-Benz Financial Services India Private Limited amounting to Rs. 57.78 (31st March 2025: Rs. Nil) carrying interest rate of 7.66% (previous year Nil) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of the loan. The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 20th February 2026. The last instalment would be paid on 20th January 2030.

Term loan from RC Tritec taken by subsidiary Estima AG, amounting to Rs. 471.94 (31st March 2025 : Rs. 389.96) carrying interest rate of 5.00% is secured by hypothecation of machinery and equipment of the plant. The loan has been subsequently paid on 21st May 2026.

Secured Loan from independent sources taken by subsidiary Pylania SA, amounting to Rs. 117.98 (31st March 2025: Rs. 97.49) carrying interest rate of 5.00% is secured by hypothecation of machinery and equipment of the plant.

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Vehicle loan from others amounting to Rs.12.55 (31st March 2025: 17.83) is secured against hypothecation of the specified vehicle purchased from proceeds of the said loan. The rate of interest on vehicle loan is 8.88% per annum (previous year 8.88%). The above loan is repayable in monthly instalments within a period of next one to three years as per repayment schedule.

(c) Deposits from shareholders and directors amounting to Rs. 4,926.63 (31st March 2025: Rs. 3,972.26) carrying interest rates in the range of 8.00% to 9.75% (previous year 9.00% to 10.25%) per annum, repayable within maturity periods ranging from 1 year to 3 years from the respective dates of deposit.

Deposits from shareholders taken by subsidiary Ethos Limited, amounting to Rs. Nil (31st March 2025: Rs. 178.19) carrying interest rates in the range of Nil (previous year 10.25% to 10.75%) per annum.

(d) Unsecured bridged loan from Government loan taken by subsidiary Estima AG, amounting to Rs. 62.03 (31st March 2025 : Rs. 64.05) carries nil interest rate.

Unsecured loan from Phillip Losser taken by subsidiary Estima AG, amounting to Rs. 465.14 (31st March 2025 : Rs. 384.33) carries nil interest rate.

	Note	As at 31st March 2026	As at 31st March 2025
(ii) Current borrowings			
Loans repayable on demand			
- From banks	(a)	4,441.15	1,783.26
Liability against bill discounted facility			
- From bank (secured)	(b)	625.84	994.46
Deposits from shareholders / directors			
Related parties (unsecured) (refer to note 42)			
- From Directors	(c)	166.80	362.30
- From other related parties	(c)	136.75	167.46
From shareholders other than related parties (unsecured)	(c)	149.85	64.66
Current maturities of non-current borrowings [refer to note 19(i)]		2,736.75	2,224.98
		8,257.14	**5,597.12**

Notes:

(a) Working capital borrowings from banks amounting to Rs. 508.49 (31st March 2025: Rs. 127.57) carrying interest rate varying from 7.90% to 8.50% (previous year 8.50% to 9.75%) per annum are secured by hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other current assets of the Holding Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Holding Company and immovable property situated at Haibatpur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).

Working capital borrowings amounting to Rs.1,000.00 (31st March 2025: Rs. Nil) from Shinhan Bank carrying interest at the rate of 7.05% per annum for meeting its working capital requirements. The loan is unsecured in nature subject to the terms and conditions, including repayment and security obligations, as specified in the sanction letter and loan agreement executed with the bank.

The cash credit and overdraft facilities taken by subsidiary company, Estima AG amounting to Rs. 166.15 (31st March 2025: Rs. 166.91) from Credit suissee bank are repayable on demand and are secured by first parri passu charge by way of hypothecation on entire current assets of the subsidiary company. The rate of interest as on 31st March 2026 is 5.00% (previous year 5.00%) per annum.

Loan from SBI Bank taken by subsidiary Pylania SA, amounting to Rs. 1,022.91 (31st March 2025 : Rs. 1,488.78) carrying interest rate in the range of 2.25% to 2.95% (previous year 2.25% to 2.95%) per annum is secured by standby letter of credit provided by holding company.

Working capital loan from ICICI Bank taken by subsidiary Pylania SA, amounting to Rs. 1,743.60 (31st March 2025 : Rs. Nil) carrying interest rate in the range of 2.35% to 2.50% per annum.

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(b) Liability against utilisation of bill discounting facility from bank amounting to Rs. 625.84 (31st March 2025: Rs. 994.46) carrying interest rate of 8.20% to 8.28% (previous year 8.20% to 8.28%) per annum is hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other assets of the Parent Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Holding Company and immovable property situated at Haibatpur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).

(c) Deposits from shareholders / directors taken by the Holding Company amounting to Rs. 453.40 (31st March 2025: Rs. 594.42) carry interest rates in the range of 8.00% to 9.75% (previous year 8.00% to 9.00%) per annum, repayable within maturity period of 1 year from the respective dates of deposit.

The Group's Indian entities have filed quarterly statements of current assets with the banks in agreement with the books of accounts.

	Year ended 31st March 2026	Year ended 31st March 2025
(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities		
Balance as at the beginning of the year (including current and non-current borrowings)*	**12,884.44**	**10,451.91**
Proceeds from non-current borrowings*	1,210.28	4,253.02
Repayment of non-current borrowings*	(508.50)	(1,448.46)
Repayments of / proceeds from current borrowings (net)	2,061.52	(372.03)
Balance as at the end of the year (including current and non-current borrowings)	**15,647.74**	**12,884.44**

*Non-current borrowings include current maturities of non-current borrowings

20 OTHER FINANCIAL LIABILITIES

Particulars	Non-Current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Interest accrued but not due (refer to note 42)	198.54	240.85	174.92	205.91
Unpaid dividends#	-	-	86.82	54.31
Capital creditors	-	-	551.20	760.00
Employee related payables (refer to note 42)	-	-	4,811.33	3,826.45
Security deposits	1.06	1.06	-	-
Refund liabilities	-	-	48.06	3.50
	199.60	**241.91**	**5,672.33**	**4,850.17**

#not due for deposit to investor education and protection fund

21 PROVISIONS

Particulars	Non-Current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Provisions for employee benefits (refer to note 41)				
Liability for gratuity	516.32	288.30	193.60	254.92
Liability for compensated absences	-	-	1,211.33	1,049.61
	516.32	**288.30**	**1,404.93**	**1,304.53**

(All amounts are in Indian Rupees Lacs, except for share data)

22 TRADE PAYABLES

	As at 31st March 2026	As at 31st March 2025
Dues of Micro Enterprises and Small Enterprises (refer to note below)	761.77	465.73
Trade payables to related parties (refer to note 42)	46.80	14.95
Other trade payables	18,377.07	10,993.68
	18,423.87	11,008.63
	19,185.64	**11,474.36**

Trade Payable Ageing Schedule

As at 31st March 2026	Outstanding for following periods from the date of transaction*					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	625.29	131.35	5.14	-	-	**761.78**
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,130.06	10,502.86	512.73	40.83	13.76	**18,200.24**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	223.62	**223.62**
Total	**7,755.35**	**10,634.21**	**517.87**	**40.83**	**237.38**	**19,185.64**

As at 31st March 2025	Outstanding for following periods from the date of transaction*					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	235.15	230.48	0.10	-	-	**465.73**
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,880.50	8,598.56	116.55	81.80	13.68	**10,691.09**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	16.36	4.11	297.07	**317.54**
Total	**2,115.65**	**8,829.04**	**133.01**	**85.91**	**310.75**	**11,474.36**

*Note: Disputed dues of creditors mentioned above includes certain balances which are not paid on account of pending reconciliation with vendor. Payment for these balances will be released after final reconciliation with vendors.

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26th August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Group as under :

Particulars	As at 31st March 2026	As at 31st March 2025
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year		
- Principal	747.01	454.26
- Interest	14.76	11.47
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed date during each accounting year;	-	-

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Particulars	As at 31st March 2026	As at 31st March 2025
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during each accounting year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006;	9.15	7.94
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	18.29	11.47
(e) The amount of further interest due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	9.15	7.94

*The Group's exposure to currency and liquidity risk related to trade payables is disclosed in note 36B.

23 OTHER CURRENT LIABILITIES

	As at 31st March 2026	As at 31st March 2025
Revenue received in advance (refer to note 51 (a))	3,002.01	2,545.15
Statutory dues	1,232.20	711.75
Deferred revenue	753.22	574.91
Interest payable	18.92	15.23
	5,006.35	**3,847.04**

Below is the movement of Deferred revenue:-

	As at 31st March 2026	As at 31st March 2025
Balance as at the beginning of the year	**574.91**	**564.30**
Add: Loyalty points created during the year	958.05	1,779.94
Less: Loyalty points redeemed/expired during the year	(779.74)	(1,769.33)
Balance as at the end of the year	**753.22**	**574.91**

24 CURRENT TAX LIABILITIES (NET)

	As at 31st March 2026	As at 31st March 2025
Provision for income tax (net of advance tax)	527.09	607.87
	527.09	**607.87**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

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(All amounts are in Indian Rupees Lacs, except for share data)

25 REVENUE FROM OPERATIONS

	Year ended 31st March 2026	Year ended 31st March 2025
Sale of products	2,09,687.60	1,60,763.03
Sale of services	3,112.74	2,098.94
Other operating revenue		
Export incentives	506.88	482.24
Scrap sales	2,035.88	1,443.47
	2,15,343.10	**1,64,787.68**

Notes:

a) Revenue disaggregation as per industry vertical and geography has been included in segment information (refer to note 43).

b) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price is as follows:

	Year ended 31st March 2026	Year ended 31st March 2025
Revenue as per contracted price	2,15,521.41	1,64,798.29
Less: (Creation) / Redemption of loyalty points	(178.31)	(10.61)
Revenue recognised	**2,15,343.10**	**1,64,787.68**

Revenue from contract with the customers differ from the revenue as per contracted price due to factors such as loyalty points. The timing of revenue recognition for sale of products is when goods are transferred at a point of time. Customers are entitled to loyalty points on purchase of products which results in allocation of a portion of the transaction price to the loyalty points. Revenue is recognised when the points are redeemed. The Loyalty points can be redeemed within 15 months from the date of creation. The performance obligation in relation to sale of services is satisfied upon completion of service.

c) Revenue from contracts with customers disaggregated based on nature of products and services

	Year ended 31st March 2026	Year ended 31st March 2025
Revenue from sale of products		
- Precision and watch components	45,983.86	34,323.80
- Watch and watch accessories	1,61,387.10	1,24,747.07
- Others	2,316.64	1,692.16
Sale of services	3,112.74	2,098.94
Other operating revenue	2,035.88	1,443.47
	2,14,836.22	**1,64,305.44**
Set out below is the revenue from contracts with customers and reconciliation to Statement of profit and loss		
Total revenue from contracts with customers	2,14,836.22	1,64,305.44
Add: Items not included in disaggregated revenue:		
- Export Incentives	506.88	482.24
Revenue from operations as per the statement of profit and loss	**2,15,343.10**	**1,64,787.68**

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d) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	Year ended 31st March 2026	Year ended 31st March 2025
Contract Assets -		
Trade receivables (refer to note 13)	11,697.10	8,818.81
Contract Liabilities -		
Revenue received in advance (refer to note 23)	3,002.01	2,545.15
Deferred revenue (refer to note No. 23)	753.22	574.91
Movement of Revenue received in advance as below :		
Balance at the beginning of the year	**2,545.15**	**3,491.03**
Revenue recognised / other adjustments during the year	(2,545.15)	(3,491.03)
Advance received during the year	3,002.01	2,545.15
Balance at the end of the year	**3,002.01**	**2,545.15**

In respect of advances received from customers, the company expect revenue to be recognised over the period of next 2 years from the reporting year.

26 OTHER INCOME

	Year ended 31st March 2026	Year ended 31st March 2025
Interest income		
Fixed deposits with banks*	3,838.42	3,487.51
Interest income from related parties* (refer to note 42)	8.47	8.51
Interest income from others*	617.33	263.88
Dividend income	0.35	0.35
Rental income	29.43	10.79
Liabilities / provision no longer required written back	342.22	105.17
Exchange gain on foreign exchange fluctuations (net)	302.06	624.87
Net change in fair value of financial assets (at FVTPL)	13.35	43.23
Profit from sale of non current investments (refer to note 6 (a))	121.46	-
Miscellaneous income#	161.39	124.92
	5,434.48	**4,669.23**

*on financial assets at amortised cost

#mainly includes gain on early termination of lease liabilities.

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27 COST OF RAW MATERIALS CONSUMED

	Year ended 31st March 2026	Year ended 31st March 2025
Inventory of raw materials at the beginning of the year	3,148.85	3,005.32
Purchases of raw materials	15,421.37	10,844.36
	18,570.22	**13,849.68**
Less: Inventory of raw materials at the end of the year	4,143.88	3,148.85
	14,426.34	**10,700.83**

28 PURCHASE OF STOCK-IN-TRADE

	Year ended 31st March 2026	Year ended 31st March 2025
Purchase of stock-in-trade	1,25,358.60	1,03,360.20
	1,25,358.60	**1,03,360.20**

29 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS, STOCK-IN-TRADE AND SCRAP

	Year ended 31st March 2026	Year ended 31st March 2025
Opening stock		
Work-in-progress	1,657.80	1,255.13
Finished goods	364.46	107.63
Stock-in-trade	59,971.33	44,031.76
Scrap	-	10.71
	61,993.59	**45,405.23**
Less:		
Closing stock		
Work-in-progress	2,662.85	1,657.80
Finished goods	362.59	364.46
Stock-in-trade	71,266.19	59,971.33
Scrap	49.56	-
	74,341.19	**61,993.59**
Adjustment for fluctuation in exchange rate	195.30	71.60
	(12,152.30)	**(16,516.76)**

30 EMPLOYEE BENEFITS EXPENSES

	Year ended 31st March 2026	Year ended 31st March 2025
Salaries, wages and bonus	24,605.63	18,343.47
Contributions to provident and other funds (refer to note 41)	1,389.09	1,069.23
Staff welfare expenses	1,103.12	852.37
	27,097.84	**20,265.07**

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31 FINANCE COSTS

	Year ended 31st March 2026	Year ended 31st March 2025
Interest expense on financial liabilities measured at amortised cost	1,092.51	984.87
Interest on delay in deposit of income tax	7.81	6.51
Interest on lease liabilities (refer to note 44)	3,039.44	2,103.80
Other borrowing costs	100.14	46.56
	4,239.90	**3,141.74**

32 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended 31st March 2026	Year ended 31st March 2025
Depreciation on property, plant and equipment (refer to note 3)	4,990.90	3,322.82
Depreciation on investment property (refer to note 3(A))	19.04	25.41
Amortisation of intangible asset (refer to note 4)	472.02	182.56
Depreciation of Right-of-use assets (refer to note 44)	6,759.00	5,080.64
	12,240.96	**8,611.43**

33 OTHER EXPENSES

	Year ended 31st March 2026	Year ended 31st March 2025
Stores and spares consumed	2,299.27	1,761.30
Power, fuel and water charges	1,373.97	1,106.07
Contractual labour expenses	2,233.81	1,743.03
Insurance	378.15	242.40
Rent [(net of reimbursements of Rs. 1.20 (31st March 2025: Rs. 1.20)] [refer to note 44]	1,026.16	671.52
Rates and taxes	262.18	222.02
Repair and maintenance		
- Plant and machinery	422.01	405.38
- Buildings	166.82	112.92
- Others	2,309.65	1,475.42
Legal and professional fees	1,885.73	1,435.54
Travelling and conveyance	2,078.24	2,088.33
Job charges	3,556.28	2,125.50
Printing and stationery	100.80	82.72
Communication expenses	760.51	608.39
Commission	461.24	321.30
Events and exhibitions	265.08	180.51
Publicity and advertisement	4,625.11	2,854.93
Property, plant and equipment written off	82.09	49.18
Donation	5.25	4.87

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	Year ended 31st March 2026	Year ended 31st March 2025
Advances / deposits / bad debts written off	133.70	132.83
Loss on sale of property plant and equipment	34.02	54.51
Bank charges	1,177.77	851.79
Security service charges	191.21	154.10
Cost of service rendered	1,064.55	592.82
Corporate social responsibility expenditure (refer to note (a) below)	373.45	279.55
Miscellaneous expenses	2,464.45	1,394.47
	29,731.50	**20,951.40**

Note (a): Detail of corporate social responsibility expenditure

	Year ended 31st March 2026	Year ended 31st March 2025
a. Amount required to be spent by the Company during the year	373.45	278.12
b. Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above (refer to note (c) below)	373.45	279.55
	373.45	**279.55**
c. Details related to spent / unspent obligations:		
(i) Contribution		
- Supporting health activities	36.00	14.00
- Ensuring environmental sustainability	290.43	189.41
- Promotion of education	2.50	17.50
- Others*	74.24	28.92
(ii) Unspent amount in relation to:		
- Ongoing project**	(29.72)	29.72
- Other than ongoing project	-	-
	373.45	**279.55**

	Year ended 31st March 2026	Year ended 31st March 2025
Excess CSR expenditure incurred by the Holding Company and eligible to be set-off against the CSR spending mandate of succeeding three financial years.	-	1.43
	-	**1.43**

*Rs. 15.51 had been set-off and claimed as CSR expenses from the excess amount spent during the previous years.

**During the previous year, Rs. 29.72 were unspent in respect of ongoing projects, which was required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of Companies Act and subsequent to the year ended 31st March 2025, the Company had deposited Rs. 29.72 in specified bank account on 29th April 2025, which are utilised during the current financial year for CSR activities.

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34 INCOME TAX EXPENSE

A. Amounts recognised in statement of profit and loss

	Year ended 31st March 2026	Year ended 31st March 2025
Current tax		
Current year	6,126.48	5,272.75
Changes in estimates related to prior years	170.95	(10.56)
	6,297.43	**5,262.19**
Deferred tax		
Attributable to–		
Origination and reversal of temporary differences	(66.35)	(16.76)
Changes in estimates related to prior years	(182.96)	(523.20)
	(249.31)	**(539.96)**
Tax expense for the year	**6,048.12**	**4,722.23**

B. Reconciliation of effective tax rate

	Year ended 31st March 2026	Year ended 31st March 2025
Profit before share of equity accounted investees and income tax	**19,834.74**	**18,943.00**
Income tax expense at tax rates applicable to individual entities	5,340.45	5,045.68
Tax expense of foreign subsidiaries as per the laws in their country	44.67	51.31
Effect of expenses that are not deductible in determining taxable profit	96.23	60.36
Effect of (profit)/loss that are exempt from tax	(16.52)	-
Loss/income in subsidiaries (including consolidation adjustments) on which deferred tax has not been recognised	595.29	98.64
Deferred taxes recognised on impairment of the investments recognised in earlier years*	(12.01)	(533.76)
Income tax expenses recognised in statement of profit and loss	**6,048.12**	**4,722.23**

*Recognised based upon the losses claimed in the earlier years.

C. Income tax recognised in other comprehensive income

	Year ended 31st March 2026	Year ended 31st March 2025
Arising on income and expenses recognised in other comprehensive income		
Remeasurement of defined benefit liability (asset)	(25.73)	24.98
Exchange differences on translation of foreign operations	(450.47)	(111.08)
	(476.20)	**(86.10)**
Bifurcation of the income tax recognised in other comprehensive income into		
Items that will not be reclassified to profit or loss	(25.73)	24.98
Items that will be reclassified to profit or loss	(450.47)	(111.08)
	(476.20)	**(86.10)**

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35 EARNINGS PER SHARE

		Year ended 31st March 2026	Year ended 31st March 2025
A.	**Basic earnings per share**		
i.	Profit for basic earning per share of Rs. 10 each		
	Profit attributable to owners of the Company	8,810.42	9,460.86
ii.	Weighted average number of equity shares (for basic)		
	Balance at the beginning of the year	1,22,99,280	1,25,37,117
	Effect of equity buyback	-	(1,30,322)
		1,22,99,280	**1,24,06,795**
	Basic earnings per share (face value of Rs. 10 each)	**71.63**	**76.26**
B.	**Diluted earnings per share**		
i.	Profit for diluted earning per share of Rs. 10 each		
	Profit attributable to owners of the Company	8,810.42	9,460.86
ii.	Weighted average number of equity shares (for diluted)		
	Balance at the beginning of the year	1,22,99,280	1,25,37,117
	Effect of equity buyback	-	(1,30,322)
		1,22,99,280	**1,24,06,795**
	Diluted earnings per share (face value of Rs. 10 each)	**71.63**	**76.26**

36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities including their level in the fair value hierarchy:

	Note	Level of hierarchy	As at 31st March 2026			As at 31st March 2025		
			FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets								
Non-current								
Non-derivative financial assets								
Investment in equity shares- other companies	(i)	3	268.69	-	-	253.88	-	-
Loans	(ii)		-	-	215.00	-	-	236.46
Other financial assets	(ii)		-	-	14,301.70	-	-	2,968.44
Current								
Non-derivative financial assets								
Trade receivables	(iii)		-	-	11,697.10	-	-	8,818.81
Cash and cash equivalents	(iii)		-	-	20,854.75	-	-	19,474.15
Other bank balances	(iii)		-	-	52,649.25	-	-	32,215.91
Loans	(iii)		-	-	98.86	-	-	58.54
Other financial assets	(iii)		-	-	4,442.14	-	-	2,221.15
Derivative financial assets								
Forward contracts	(iv)	2	6.76	-	-	42.49	-	-
Total financial assets			**275.45**	**-**	**1,04,258.80**	**296.37**	**-**	**65,993.46**

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	Note	Level of hierarchy	As at 31st March 2026			As at 31st March 2025		
			FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial liabilities								
Non-current								
Non-derivative financial liabilities								
Borrowings	(v)		-	-	7,390.60	-	-	7,287.32
Other financial liabilities	(iii)		-	-	199.60	-	-	241.91
Current								
Non-derivative financial liabilities								
Borrowings	(v)		-	-	8,257.14	-	-	5,597.12
Trade payables	(iii)		-	-	19,185.64	-	-	11,474.36
Other financial liabilities	(iii)		-	-	5,672.33	-	-	4,850.17
Total financial liabilities			**-**	**-**	**40,705.31**	**-**	**-**	**29,450.88**

Notes:

(i) The fair value in respect of the unquoted equity investments has been determined using discounted cash flow method and Market comparison technique based on market multiples derived from quoted prices of companies comparable to the investee. The significant unobservable inputs used are expected cash flows, estimated EBITDA of the investee.

(ii) Fair value of non-current financial assets and non-current financial liabilities has not been disclosed as there is no significant differences between carrying value and fair value.

(iii) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(iv) The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs include the credit quality of counter-parties and foreign exchange forward rates.

(v) The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

(vi) There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31st March 2026 and 31st March 2025.

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values :-

Particulars	Investments
Balance at 1st April 2024	**210.64**
Addition during the year	-
Transfer out from Level 3	-
Net change in fair value (unrealised)	0.71
Foreign exchange gain/loss	42.53
Balance at 31st March 2025	**253.88**
Addition during the year	45.00
Transfer out from Level 3	(43.54)
Net change in fair value (unrealised)	0.53
Foreign exchange gain/loss	12.82
Balance at 31st March 2026	**268.69**

B. Financial risk management

(i) Risk management framework

The Parent Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to effect changes in market conditions and Group's activities. The Group, through its training and management standards and procedures, aims to maintain discipline and constructive control environment in which all employees understand their roles and obligations.

(All amounts are in Indian Rupees Lacs, except for share data)

The Group's audit committee oversees how management monitors compliance with Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to audit committee.

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see (ii))
- liquidity risk (see (iii))
- market risk (see (iv))
- product price risk (see (v))

(ii) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure and arises principally from the Group and its JV's receivable from customers and loans. The maximum exposure to credit risk arising from financial guarantees contracts as per the reporting date is Rs. 394.34, representing the guaranteed amount outstanding.

Particulars	As at 31st March 2026	As at 31st March 2025
Non-derivative financial assets		
Investments	268.69	253.88
Trade receivables	11,697.10	8,818.81
Loans	313.86	295.00
Other financial assets	18,743.84	5,189.59
Derivative financial assets		
Forward contracts	6.76	42.49
	31,030.25	**14,599.77**

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties. The Group enters into derivative contracts with bank and financial institutions having high credit ratings.

The Group's exposure to credit risk for trade receivables by geographic region is as follows:

	As at 31st March 2026	As at 31st March 2025
Within India	3,410.72	3,564.46
Outside India	8,286.38	5,254.35
	11,697.10	**8,818.81**

The Group based on internal assessment which is driven by the historical experience / current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

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The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

Particulars	Gross carrying amount	Loss allowance	Carrying amount
31st March 2026			
Less than 6 Months	11,509.75	93.90	11,415.85
More than 6 Months	282.25	1.00	281.25
	11,792.00	**94.90**	**11,697.10**
31st March 2025			
Less than 6 Months	8,795.36	18.39	8,776.97
More than 6 Months	42.84	1.00	41.84
	8,838.20	**19.39**	**8,818.81**

The movement in the allowance for impairment in respect of trade receivables is as follows:

	As at 31st March 2026	As at 31st March 2025
Balance as at the beginning of the year	**19.39**	**16.68**
Provision created during the year	87.45	18.39
Provision utilised / reversed during the year	(11.94)	(15.68)
Balance as at the end of the year	**94.90**	**19.39**

The movement in the allowance for bad and doubtful advances/recoverable and deposit under protest are as follows: (Refer Note 16)

	As at 31st March 2026	As at 31st March 2025
Balance as at the beginning of the year	**104.17**	**4.49**
Provision created during the year	-	99.68
Provision utilised/reversed during the year	(83.00)	-
Balance as at the end of the year	**21.17**	**104.17**

Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The loans primarily represents security deposits given and loans given to employees. The Group also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary. The management believes these to be high quality assets with negligible credit risk. The management believes the parties to which these deposits and loans have been given have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for expected credit loss has been provided on these financial assets. Credit risk on cash and cash equivalents and bank deposits is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

Cash and cash equivalents

The Group holds cash and cash equivalents of Rs. 20,854.75 at 31st March 2026 (31st March 2025: Rs. 19,474.15). The cash and cash equivalents are mainly held with scheduled banks.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Group's reputation.

(All amounts are in Indian Rupees Lacs, except for share data)

The Group believes that its liquidity position, including total cash and cash equivalents and other bank balances anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Group believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

The following table provides details regarding the contractual maturities of significant financial liabilities on an undiscounted basis:

	Less than 1 Year	1 to 5 Years	More than 5 Years	Total	Carrying amount
31st March 2026					
Non-derivative financial liabilities					
Borrowings	8,259.13	7,392.05	-	15,651.18	15,647.74
Trade payables	19,185.64	-	-	19,185.64	19,185.64
Other financial liabilities	5,672.33	199.60	-	5,871.93	5,871.93
Lease liabilities	9,820.04	27,799.99	8,000.57	45,620.60	35,534.83
Corporate guarantee given	394.34	-	-	394.34	394.34
	43,331.48	**35,391.64**	**8,000.57**	**86,723.69**	**76,634.48**
31st March 2025					
Non-derivative financial liabilities					
Borrowings	5,630.66	6,749.57	-	12,380.23	12,884.44
Trade payables	11,474.36	-	-	11,474.36	11,474.36
Other financial liabilities	4,850.17	241.91	-	5,092.08	5,092.08
Lease liabilities	7,586.45	26,138.13	8,984.51	42,709.09	32,451.55
Corporate guarantee given	271.34	-	-	271.34	271.34
	29,812.98	**33,129.61**	**8,984.51**	**71,927.10**	**62,173.77**

(iv) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

Exposure to interest rate risk

The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and CHF with a mix of fixed and floating rates of interest. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

	As at 31st March 2026	As at 31st March 2025
Fixed rate borrowings	11,206.59	11,101.18
Floating rate borrowings	4,441.15	1,783.26
Total borrowings	**15,647.74**	**12,884.44**

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Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss / other equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or Loss / Other equity	
	Strengthening	**Weakening**
For the year ended 31st March 2026		
Interest rate (0.50% movement)	22.21	(22.21)
For the year ended 31st March 2025		
Interest rate (0.50% movement)	8.92	(8.92)

b. Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating, investing and financing activities.

Unhedged foreign currency exposure

The following table provides details of the Group's exposure to currency risk (Mainly Companies incorporated in India):

Assets	**As at 31st March 2026**		**As at 31st March 2025**	
	Amount (Rs.)	**Amount in foreign currency**	**Amount (Rs.)**	**Amount in foreign currency**
Trade receivables				
HKD	0.25	0.02	1.14	0.10
USD	4,010.76	44.67	2,688.73	31.54
EUR	711.87	6.83	443.80	4.84
CHF	2,421.78	21.19	1,587.45	16.53
GBP	113.43	0.94	-	-
Other financial assets				
CHF	111.54	1.12	105.01	1.11
Bank balances in foreign currency				
Bank balances in foreign currency				
CHF	465.93	3.91	175.45	1.83
USD	746.80	8.33	2.02	0.02
SGD	-	-	0.27	0.00
Total (A)	**8,582.36**		**5,003.87**	

Liabilities	**As at 31st March 2026**		**As at 31st March 2025**	
	Amount (Rs.)	**Amount in foreign currency**	**Amount (Rs.)**	**Amount in foreign currency**
Trade payables	174.13	14.67	72.34	6.64
HKD	1,378.31	14.76	634.59	7.44
USD	180.07	1.68	(131.35)	(1.43)
EUR	1,681.65	14.43	935.29	9.74
CHF	8.24	0.33	(12.11)	(0.52)
AED	(8.78)	(0.07)	(2.07)	(0.02)
GBP				
Commission payable in foreign currency				
CHF	464.47	6.36	384.48	5.67
EUR	27.58	0.30	18.87	0.22
USD	18.30	0.28	16.81	0.26

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Liabilities	As at 31st March 2026		As at 31st March 2025	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
Total (B)	**3,923.97**		**1,916.85**	
Net exposure in respect of recognised assets and liabilities (A-B)	**4,658.39**		**3,087.02**	

Forward contracts outstanding as at the end of the year

	As at 31st March 2026		As at 31st March 2025	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
Exports				
CHF	2,173.14	18.37	2,087.00	21.50

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31st March 2026 and 31st March 2025 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31st March 2026				
HKD (1% movement)	1.74	(1.74)	1.30	(1.30)
USD (1% movement)	(33.61)	33.61	(25.15)	25.15
EUR (1% movement)	(5.04)	5.04	(3.77)	3.77
CHF (1% movement)	(8.53)	8.53	(6.38)	6.38
GBP (1% movement)	(1.22)	1.22	(0.91)	0.91
AED (1% movement)	0.08	(0.08)	0.06	(0.06)
31st March 2025				
HKD (1% movement)	0.71	(0.71)	0.53	(0.53)
USD (1% movement)	(20.39)	20.39	(15.26)	15.26
EUR (1% movement)	(5.56)	5.56	(4.16)	4.16
CHF (1% movement)	(5.48)	5.48	(4.10)	4.10
GBP (1% movement)	(0.02)	0.02	(0.02)	0.02
SGD (1% movement)	(0.00)	0.00	(0.00)	0.00
AED (1% movement)	(0.12)	0.12	(0.09)	0.09

HKD: Hong Kong Dollar, USD: US Dollar, EUR: Euro, CHF: Swiss Franc, GBP: Pound Sterling, SGD: Singapore Dollar, AED: Emirati Dirham.

c. **Other Price Risk**

The Group is mainly exposed to the other price risk due to its investments in companies (Fair value through profit or loss). At 31st March 2026, the investments in such companies amount to Rs. 268.69 (31st March 2025: Rs. 253.88). These are exposed to price risk. A 1% increase / (decrease) in prices would increase / (decrease) the equity and profit or loss by the amounts shown below :-

Particulars	Profit or Loss / equity	
	Increase	(Decrease)
31st March 2026		
Impact on Profit / loss	2.69	(2.69)
31st March 2025		
Impact on Profit / loss	2.54	(2.54)

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(v) Product price risk

In a potentially inflationary economy, the Group expects periodical price increases across its retail product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/retail sales volumes. Since the Group operates in luxury category, the demand is reasonably inelastic to changes in price. However, the Group continually monitor and compares prices of its products in other developed markets as its customers tend to compare prices across markets. In the event that prices deviate significantly unfavourably from the markets, the Group negotiates with its principals for change of prices. The Group also manages the risk by offering judicious product discounts to retail customers to sustain volumes. The Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps the Group protect itself from significant product margin losses.

37 CAPITAL MANAGEMENT

(i) Risk management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Group monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents and other bank balances. Total equity comprises all components of equity as shown in balance sheet.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

The Group's adjusted net debt to total equity ratio is as follows:

	As at 31st March 2026	As at 31st March 2025
Total liabilities excluding deferred tax liabilities, provisions, other current liabilities and current tax liabilities	76,240.14	61,902.43
Less: cash and cash equivalents and other bank balances	73,504.00	51,690.06
Adjusted net debt	**2,736.14**	**10,212.37**
Total equity	**1,91,785.31**	**1,41,049.96**
Net debt to total equity ratio	**0.01**	**0.07**

(ii) Dividends (including corporate dividend tax)

	31st March 2026	31st March 2025
Equity shares		
Dividends on equity shares declared and paid:		
Final dividend for the year ended 31st March 2025 of Rs. 5.00 (31st March 2024 of Rs. 4.00) per fully paid equity shares*	614.96	501.48
Interim dividend for the year ended 31st March 2026 of Rs. 15.00 (31st March 2025 of Rs. Nil) per fully paid equity shares	1,844.89	-

*Final dividend has been paid on the number of shares issued by the Company till the date of annual general meeting after approval of the shareholders.

Proposed dividend on Equity shares:#

Proposed dividend for the year ended on 31st March 2026: Rs. 8.00 (31st March 2025 of Rs. 5.00) per equity share	983.94	614.96

#Proposed dividend on equity shares subject are subject to approval at the annual general meeting and are not recognised as liability as at 31st March 2026

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38 NON-CONTROLLING INTEREST (NCI)

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations:

As at 31st March 2026

Particulars	Ethos Limited	Cognition Digital LLP	Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)	Ficus Trading LLC	Micron Watch Service Private Limited	Silvercity Brands AG	Favre Leuba GmBH	Artisan Watch Products Private Limited
Non-current assets	59,019.00	448.41	12,574.63	8.35	-	3,878.88	-	383.22
Current assets	1,40,630.49	415.02	7,864.82	99.33	10.00	6,555.09	17.42	240.39
Non-current liabilities	25,850.50	20.64	907.69	-	-	-	-	6.22
Current liabilities	25,652.17	106.88	888.05	5.91	0.65	1,230.12	-	120.01
Net Assets	**1,48,146.82**	**735.91**	**18,643.71**	**101.77**	**9.35**	**9,203.85**	**17.42**	**497.38**
Elimination adjustments	1,199.17	-	-	-	-	-	18.39	-
	1,46,947.65	735.91	18,643.71	101.77	9.35	9,203.85	(0.97)	497.38
Net assets attributable to NCI	**73,303.05**	**367.10**	**9,300.31**	**50.77**	**4.67**	**637.39**	**(0.07)**	**99.48**
Revenue	1,58,392.80	551.80	2,022.68	256.72	-	3,649.71	-	-
Profit / (loss) for the year	8,972.83	66.05	550.49	25.17	(0.65)	(1,268.53)	(2.50)	(2.60)
OCI	24.09	(0.46)	(0.01)	6.74	-	-	-	-
Total comprehensive income	**8,996.92**	**65.59**	**550.48**	**31.91**	**(0.65)**	**(1,268.53)**	**(2.50)**	**(2.60)**
Profit / (loss) allocated to NCI	4,476.04	32.95	274.61	12.56	(0.32)	(87.85)	(0.17)	(0.52)
OCI allocated to NCI	102.16	-	-	-	-	-	-	-
Total comprehensive income / (expense) allocated to NCI	**4,578.20**	**32.95**	**274.61**	**12.56**	**(0.32)**	**(87.85)**	**(0.17)**	**(0.52)**
Cash flows from operating activities	10,247.63	164.03	(1,481.36)	29.23	-	(1,864.49)	(2.50)	11.29
Cash flows from investing activities	(37,140.04)	(141.30)	(10,270.53)	-	-	(734.32)	-	0.20
Cash flows from financing activities	32,824.81	(7.98)	17,255.57	69.87	10.00	2,027.92	3.35	117.98
Net increase / (decrease) in cash and cash equivalents	**5,932.40**	**14.75**	**5,503.68**	**99.10**	**10.00**	**(570.89)**	**0.85**	**129.47**

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Particulars	Ethos Limited	Cognition Digital LLP	Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)	Ficus Trading LLC	Micron Watch Service Private Limited	Silvercity Brands AG	Favre Leuba GmBH	Artisan Watch Products Private Limited
Non-current assets	51,330.81	241.80	1,387.53	-	-	3,150.50	-	-
Current assets	88,279.73	520.83	336.29	-	-	5,216.45	16.57	-
Non-current liabilities	23,830.37	20.74	946.36	-	-	-	-	-
Current liabilities	17,771.70	71.57	188.46	-	-	845.82	-	-
Net Assets	**98,008.47**	**670.32**	**589.00**	**-**	**-**	**7,521.13**	**16.57**	**-**
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-
Elimination adjustments	1,048.11	-	-	-	-	-	18.39	
	96,960.36	670.32	589.00	-	-	7,521.13	(1.82)	-
Net assets attributable to NCI	**48,367.22**	**334.39**	**293.82**	**-**	**-**	**554.41**	**(0.13)**	**-**
(including preference share capital and its arrears attributable to NCI)								
Revenue	1,24,652.54	510.17	-	-	-	1,227.26	-	-
Profit / (loss) for the year	9,551.12	88.67	(11.00)	-	-	(395.74)	(2.62)	-
OCI	(13.39)	(0.38)	-	-	-	-	-	-
Total comprehensive income	**9,537.73**	**88.29**	**(11.00)**	**-**	**-**	**(395.74)**	**(2.62)**	**-**
Profit / (loss) allocated to NCI	4,757.84	44.05	(5.49)	-	-	(29.17)	(0.19)	-
OCI allocated to NCI	9.08	-	-	-	-	-	-	-
Total comprehensive income / (expense) allocated to NCI	**4,766.92**	**44.05**	**(5.49)**	**-**	**-**	**(29.17)**	**(0.19)**	**-**
Cash flows from operating activities	(2,074.31)	95.71	(50.05)	-	-	1,459.65	(2.62)	-
Cash flows from investing activities	4,954.73	(82.20)	(213.93)	-	-	(1,320.66)	-	-
Cash flows from financing activities	(6,331.43)	(8.42)	500.00	-	-	1,719.16	0.98	-
Net (decrease) / increase in cash and cash equivalents	**(3,451.01)**	**5.09**	**236.02**	**-**	**-**	**1,858.15**	**(1.64)**	**-**

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39 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated Ind AS financial statements' of Division II of Schedule III

As at 31st March 2026

Name of the entity in the Group	Net Assets (Total assets -Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
KDDL Limited	19.78%	37,941.70	53.33%	7,209.19	3.74%	53.15	48.61%	7,262.34
Subsidiaries								
Indian								
Ethos Limited	77.25%	1,48,146.82	66.38%	8,972.83	1.69%	24.09	60.22%	8,996.92
Mahen Distribution Limited	22.83%	43,790.43	1.83%	247.16	116.94%	1,663.86	12.79%	1,911.02
Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	0.06%	118.68	0.24%	32.94	0.00%	-	0.22%	32.94
Cognition Digital LLP	0.38%	735.91	0.49%	66.05	(0.03%)	(0.46)	0.44%	65.59
Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited	9.72%	18,643.71	4.07%	550.49	0.00%	(0.01)	3.68%	550.48
Micron Watch Service Private Limited	0.00%	9.35	(0.00%)	(0.65)	0.00%	-	(0.00%)	(0.65)
Artisan Watch Products Private Limited	0.26%	497.38	(0.02%)	(2.60)	0.00%	-	(0.02%)	(2.60)
Foreign								
Kamla International Holdings SA	2.79%	5,345.99	(0.12%)	(16.65)	27.47%	390.92	2.51%	374.27
Pylania SA	1.63%	3,128.02	0.73%	98.67	13.05%	185.67	1.90%	284.34
Estima AG	0.61%	1,177.59	(8.00%)	(1,080.94)	(37.31%)	(530.85)	(10.79%)	(1,611.79)
Silvercity Brands AG	4.80%	9,203.85	(9.38%)	(1,268.53)	122.34%	1,740.76	3.16%	472.23
Favre Leuba GmBH	0.01%	17.42	(0.02%)	(2.50)	0.24%	3.35	0.01%	0.85
Ficus Trading LLC	0.05%	101.77	0.19%	25.17	0.47%	6.74	0.21%	31.91
Joint Venture								
Pasadena Retail Private Limited	0.19%	363.88	(0.18%)	(24.49)	-	-	(0.16%)	(24.49)
Elimination	(40.38%)	(77,437.19)	(9.53%)	(1,288.43)	(148.60%)	(2,114.34)	(22.78%)	(3,402.77)
Total	**100.00%**	**1,91,785.31**	**100.00%**	**13,517.71**	**100.00%**	**1,422.88**	**100.00%**	**14,940.59**

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As at 31st March 2025

Name of the entity in the Group	Net Assets (Total assets -Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
KDDL Limited	23.41%	33,023.43	33.79%	4,807.68	(29.00%)	(74.29)	32.68%	4,733.39
Subsidiaries								
Indian								
Ethos Limited	69.48%	98,008.47	67.13%	9,551.12	(5.23%)	(13.39)	65.85%	9,537.73
Mahen Distribution Limited	30.97%	43,681.12	6.13%	871.84	493.35%	1,263.95	14.75%	2,135.79
Kamla Business Services Limited (Formerly Kamla Tesio Dials Limited)	0.06%	85.75	0.35%	49.62	0.00%	-	0.34%	49.62
Cognition Digital LLP	0.48%	670.32	0.62%	88.67	(0.15%)	(0.38)	0.61%	88.29
Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited	0.42%	589.00	(0.08%)	(11.00)	0.00%	-	(0.08%)	(11.00)
Foreign								
Kamla International Holdings SA	2.37%	3,348.83	6.98%	993.78	98.16%	251.48	8.60%	1,245.26
Pylania SA	1.73%	2,445.34	1.15%	162.98	31.76%	81.36	1.69%	244.34
Estima AG	(2.83%)	(3,995.69)	(6.96%)	(989.99)	(63.18%)	(161.88)	(7.95%)	(1,151.87)
Silvercity Brands AG	5.33%	7,521.13	(2.78%)	(395.74)	112.52%	288.27	(0.74%)	(107.47)
Favre Leuba GmBH	0.00%	(1.82)	(0.02%)	(2.62)	0.31%	0.80	(0.01%)	(1.82)
Joint Venture								
Pasadena Retail Private Limited	0.28%	388.37	0.05%	7.13	0.00%	-	0.05%	7.13
Eliminations	(31.70%)	(44,714.29)	(6.36%)	(905.57)	(538.54%)	(1,379.72)	(15.78%)	(2,285.29)
Total	**100.00%**	**1,41,049.96**	**100.00%**	**14,227.90**	**100.00%**	**256.20**	**100.00%**	**14,484.10**

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40 CONTINGENT LIABILITIES AND COMMITMENTS:

(to the extent not provided for)

		As at 31st March 2026	As at 31st March 2025
(ia)	**Claims against the Group not acknowledged as debts, under dispute**		
	- Demand raised by Punjab State Electricity Board for payment of penalty for usage of additional power against sanctioned load. Amount paid under protest Rs. 2.96 (31st March 2025: Rs. 2.96).	3.73	3.73
	- Demand raised for Income tax	622.40	631.77
	- Custom duty matters	12.90	-
	- Excise Duty matters	65.77	65.77
	- Claims against the Company not acknowledged as debt (to the extent ascertainable)	34.09	34.09
		738.89	**735.36**

It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of our pending resolution of the respective proceedings as it is determined only on receipt of judgements/decisions pending with various authorities.

(ib)	- Value added tax / Central sales tax matters	9.63	-
(ic)	- Goods and Services Tax matters	1,888.06	1,767.52
		2,636.58	**2,502.88**
(ii)	**Commitments**		
	- Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	2,515.81	1,465.77
		2,515.81	**1,465.77**

(iii) In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management does not expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Group's results of operations or financial condition.

(iv) In accordance with Swiss law, contaminated land in Switzerland must be restored to its original condition. In an earlier year, the Group acquired 100% equity interest in Estima AG, Switzerland, which is situated on contaminated land. In accordance with the applicable legal requirements, the Group is planning to restore the site using currently available technology and materials. The rehabilitation is expected to be undertaken progressively over the next few years. Due to the long-term nature of the obligation, the principal uncertainty in estimating the provision relates to the actual costs that will be incurred.

During the year ended 31st March 2019, the Group recognised a provision of Rs. 858.60, representing an estimated restoration obligation of CHF 12,00,000. Based on the exchange rate prevailing as at 31st March 2026, the same obligation is equivalent to Rs. 1,394.88. This amount was adjusted against the fair value of the land acquired as part of the acquisition of Estima AG.

41 EMPLOYEE BENEFITS

A. Assets and liabilities relating to employee benefits

	Non-Current		Current	
	As at 31st March 2026	As at 31st March 2025	As at 31st March 2026	As at 31st March 2025
Liability for gratuity	516.32	288.30	193.60	254.92
Liability for compensated absences	-	-	1,211.33	1,049.61
	516.32	**288.30**	**1,404.93**	**1,304.53**

For details about the related employee benefit expenses, refer to note 30.

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B. Defined Benefit Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed at least five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn salary for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Remeasurement gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

The employees' gratuity fund scheme managed by Life Insurance Corporation of India in case of Parent Company and one of the indian subsidiary company is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Parent Company and its indian subsidiaries made annual contributions to the LIC of India of an amount advised by the LIC. Changes in market factors might affect the return on such fund which is futuristic. Due to impracticability of getting asset/portfolio wise breakup of such fund from the insurer, the same has not been disclosed.

The above defined benefit plan exposes the Group to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India (LIC).

(i) Funding

Gratuity is a funded benefit plan for qualifying employees. 100% of the plan assets are managed by LIC. The assets managed are highly liquid in nature and the Group does not expect any significant liquidity risks.

	Particulars	As at 31st March 2026	As at 31st March 2025
(ii)	**Reconciliation of present value of defined benefit obligation**		
	Present value of obligation at the beginning of the year	1,901.39	1,673.39
	Current service cost	250.27	180.45
	Interest cost	132.90	120.82
	Benefits paid	(141.09)	(193.35)
	Past Service Cost including curtailment gains / losses (refer to note 52)	244.42	-
	Actuarial (gains) / losses recognised in other comprehensive income		
	- Change in financial assumptions	(106.97)	29.48
	- Experience adjustments	13.35	90.59
	Present value of obligation at the end of the year	**2,294.27**	**1,901.38**

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	Particulars	As at 31st March 2026	As at 31st March 2025
(iii)	**Reconciliation of the present value of plan assets**		
	Plan assets at the beginning of the year, at fair value	1,358.16	1,267.36
	Return on plan assets recognised in other comprehensive income	8.86	2.33
	Contributions	210.22	130.00
	Benefits paid	(87.87)	(133.04)
	Interest income	94.98	91.51
	Plan assets at the end of the year, at fair value	**1,584.35**	**1,358.16**
(iv)	**Amount recognized in the balance sheet**		
	Present value of the defined benefit obligations at the end of the year	2,294.27	1,901.38
	Fair value of plan assets at the end of the year	(1,584.35)	(1,358.16)
	Net liability / (asset) recognized in the balance sheet	**709.92**	**543.22**

(v) Plan assets

Plan assets comprise of the following:

Particulars	As at 31st March 2026	As at 31st March 2025
Policy of insurance	1,584.37	1,358.17
	1,584.37	**1,358.17**

(vi) Amount recognized in the Statement of Profit and Loss

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Current service cost	250.27	180.46
Past service cost including curtailment gains/losses (refer to note 52)	244.42	-
Interest cost (net)	37.92	29.31
Amount recognized in the Statement of Profit and Loss	**532.61**	**209.77**

(vii) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Actuarial gain/loss on the defined benefit obligation	(93.62)	101.65
Return on plan assets excluding interest income	(8.86)	(2.38)
Amount recognized in other comprehensive income	**(102.50)**	**99.27**

(viii) Actuarial assumptions

a) **Economic assumptions:** The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31st March 2026	As at 31st March 2025
Discount rate	7.78%	6.99%
Expected rate of return on plan assets	7.78%	6.99%
Salary increase	4.00%	4.00%
Expected average remaining working lives of employees (years)	**20.77**	**20.50**

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b) Demographic assumptions:

Particulars	As at 31st March 2026	As at 31st March 2025
Retirement age	58 years	58 years
Mortality	Indian assured lives mortality (2012-14) Ultimate	Indian assured lives mortality (2012-14) Ultimate
Attrition rate		
Upto 30 years	3%	3%
31 to 44 years	2%	2%
45 and above	1%	1%

(ix) Sensitivity analysis on defined benefit obligation on account of change in significant assumptions:

Particulars	As at 31st March 2026		As at 31st March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(81.29)	87.00	(74.75)	80.35
Future salary growth (0.50% movement)	86.79	(81.81)	80.22	(75.17)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year. Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

(x) Expected future benefit payments

Particulars	As at 31st March 2026	As at 31st March 2025
The expected maturity analysis of undiscounted defined benefit liability is as follows:		
Within 1 year	256.37	188.72
1-2 year	126.62	110.14
2-5 years	527.68	397.54
5-10 years	1,383.62	1,205.01

(xi) Weighted average duration and expected employers contribution for next year of the defined benefit plan

Particulars	As at 31st March 2026	As at 31st March 2025
Weighted average duration (in years)	11.46	12.21
Expected Employers contribution for the next year	370.78	221.76

C. Defined contribution Plan

The Group makes contribution towards employees' provident fund, superannuation fund and employees' state insurance plan scheme. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The expense recognised towards contribution of these plans is as follows:

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Provident fund	930.38	773.47
Superannuation fund	5.74	5.02
Employees' state insurance scheme	25.60	26.25
Pension fund	81.55	83.43
	1,043.27	**888.17**

(All amounts are in Indian Rupees Lacs, except for share data)

42 RELATED PARTIES:

(i) Joint Venture

Pasadena Retail Private Limited

(ii) Key managerial personnel (KMP) of the Company, their close family members and related entities

(a) Names of KMP	**Names of their close family members (refer note 1 below)**
- Mr. Yashovardhan Saboo (Chairman and managing director)	Mr. R.K. Saboo (father), Mrs. Usha Devi Saboo (mother), Mrs. Anuradha Saboo (spouse) Mr. Pranav Shankar Saboo (Son), Mrs. Malvika Saboo (son's spouse) Mrs. Satvika Saboo Suri (daughter)
- Mr. Sanjeev Kumar Masown (Whole Time Director and Chief financial officer)	Mrs. Neeraj Masown (spouse), Mr. Lal Chand Masown (father), Ms. Muskan Masown (daughter)
- Mr. Brahm Prakash Kumar (Company Secretary)	
Entities over which the KMP or their relative is able to exercise significant influence / control	
- Vardhan Properties & Investments Limited	
- VBL Innovations Private Limited	
- Dream Digital Technology Private Limited	
- Artisan Watch Products Private Limited (from 19th March 2025 to 2nd April 2025)	
- KDDL Ethos Foundation	
- Saboo Ventures LLP	
- Saboo Housing Projects LLP	
- Shri R.K. Saboo a/c Tara Chand Mahendra Kumar HUF	
- Shri Yasho Vardhan Saboo a/c Yasho Vardhan HUF	
- Veena Kanoria Family Trust	
- RKS JS Family Trust	
- UDS JS Family Trust	
- ASP Saboo Family Trust	
- Saveeka Family Trust	
- Rival Soul International SARL	
- Haute-Rive Watches SA	

(b) Non-executive Directors	**Names of their close family members (refer note 1 below)**		
- Mr. Anil Khanna (upto 5th August 2024)	Mrs. Alka Khanna (spouse)	Mr. Saahil Khanna (son)	Ms. Salonee Khanna (daughter)
- Mrs. Ranjana Agarwal (upto 5th August 2024)			
- Mrs. Anuradha Saboo			
- Mr. Praveen Gupta (upto 23rd August 2025)			
- Mr. Jai Vardhan Saboo			
- Mr. Sanjiv Sachar			
- Mrs. Neelima Tripathi			
- Mr. Nagarajan Subramanian			
- Mr. Chitranjan Agarwal (from 19th May 2025)			
- Mr. Anurag Maheshwari (from 30th May 2025)			
- Mr. Hanspeter Pieth (from 1st February 2026)			

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Note:

1. With respect to the key managerial personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year.

c) Related party transactions

Year ended 31st March 2026

	Associates	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
1 Sale of goods and services					
Mr. Pranav Shankar Saboo	-	-	-	99.36	-
Mr. Jai Vardhan Saboo	-	-	-	449.13	-
Mrs. Satvika Saboo Suri	-	-	-	-	15.89
Mr. Yashovardhan Saboo	-	-	-	3.35	-
Dream Digital Technology Private Limited	-	-	27.69	-	-
Saboo Ventures LLP	-	-	1.72	-	-
2 Purchase of goods					**-**
Mr. Pranav Shankar Saboo	-	-	-	31.00	-
Mrs. Satvika Saboo Suri	-	-	-	-	18.50
VBL Innovations Private Limited	-	-	4.91	-	-
3 Payment of lease liabilities					
Mr. Yashovardhan Saboo	-	-	-	20.23	-
Mrs. Anuradha Saboo	-	-	-	33.72	-
Saboo Housing Projects LLP	-	-	22.36	-	-
4 Compensation to key managerial personnel*					
Short-term employee benefits					
Mr. Yashovardhan Saboo	-	-	-	591.32	-
Mr. Sanjeev Kumar Masown	-	-	-	143.53	-
Mr. Brahm Prakash Kumar	-	-	-	39.52	-
5 Interest income					
Mr. Sanjeev Kumar Masown	-	-	-	8.47	-
6 Interest paid / accrued					
Mr. R. K. Saboo	-	-	-	-	13.53
Mr. Sanjeev Kumar Masown	-	-	-	11.46	-
Mrs. Neeraj Masown	-	-	-	-	13.28
Mr. Lal Chand Masown	-	-	-	-	1.75
Mr. Yashovardhan Saboo	-	-	-	13.61	-
Mrs. Usha Devi Saboo	-	-	-	-	29.67
Mr. Praveen Gupta	-	-	-	1.24	-
ASP Saboo Family Trust	-	-	1.19	-	-
RKS JS Family Trust	-	-	23.98	-	-
UDS JS Family Trust	-	-	0.52	-	-
Mr. Brahm Prakash Kumar	-	-	-	6.17	-

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		Associates	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
	Mrs. Anuradha Saboo	-	-	-	7.14	-
	Ms. Muskan Masown	-	-	-	-	2.36
	Saboo Ventures LLP	-	-	10.84	-	-
	Veena Kanoria Family Trust	-	-	23.40	-	-
7	**Deposits accepted / renew**					
	Mr. Sanjeev Kumar Masown	-	-	-	37.29	-
	Mr. Praveen Gupta	-	-	-	30.00	-
	Mrs. Neeraj Masown	-	-	-	-	53.80
	Mr. Lal Chand Masown	-	-	-	-	19.75
	Mr. Yashovardhan Saboo	-	-	-	108.30	-
	Mrs. Usha Devi Saboo	-	-	-	-	108.00
	ASP Saboo Family Trust	-	-	34.00	-	-
	RKS JS Family Trust	-	-	268.00	-	-
	Mr. Brahm Prakash Kumar	-	-	-	45.90	-
	UDS JS Family Trust	-	-	25.00	-	-
	Mrs. Anuradha Saboo	-	-	-	58.50	-
	Saboo Ventures LLP	-	-	300.00	-	-
8	**Deposits repaid**					
	Mr. Yashovardhan Saboo	-	-	-	200.00	-
	Mr. Sanjeev Kumar Masown	-	-	-	28.69	-
	Mr. Lal Chand Masown	-	-	-	-	18.25
	Mr. R.K. Saboo	-	-	-	-	40.00
	Mrs. Neeraj Masown	-	-	-	-	22.20
	Mrs. Usha Saboo	-	-	-	-	100.00
	Mrs. Anuradha Saboo	-	-	-	162.30	-
	Mr. Brahm Prakash Kumar	-	-	-	36.89	-
9	**Reimbursement of expenses received by subsidiary Company**					
	Pasadena Retail Private Limited	-	73.92	-	-	-
	VBL Innovations Private Limited	-	-	25.03	-	-
10	**Rent received**					
	Vardhan Properties and Investment Limited	-	-	0.60	-	-
	Dream Digital Technology Private Limited	-	-	1.20	-	-
11	**Director fees**					
	Mr. Praveen Gupta	-	-	-	2.97	-
	Mr. Jai Vardhan Saboo	-	-	-	1.50	-
	Mr. Sanjiv Sachar	-	-	-	7.07	-
	Mrs. Neelima Tripathi	-	-	-	3.00	-
	Mrs. Anuradha Saboo	-	-	-	2.05	-

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		Associates	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
	Mr. Nagarajan Subramanian	-	-	-	5.27	-
	Mr. Chitranjan Agarwal	-	-	-	4.92	-
	Mr. Anurag Maheshwari	-	-	-	2.70	-
	Mr. Hanspeter Pieth	-	-	-	0.38	-
12	**Repayment of Loan given by the Company**					
	Mr. Sanjeev Kumar Masown	-	-	-	20.00	-
13	**Management consultancy fees paid**					
	Dream Digital Technology Private Limited	-	-	360.00	-	-
	Mr. Pranav Shankar Saboo	-	-	-	110.28	-
14	**CSR contribution made**					
	KDDL Ethos Foundation	-	-	64.46	-	-
15	**Employee benefit expense**					
	Mr. R. K. Saboo	-	-	-	-	30.00
	Ms. Muskan Masown	-	-	-	-	7.92
	Mr. Pranav Shankar Saboo	-	-	-	716.49	-
	Mrs. Anuradha Saboo	-	-	-	10.64	-
16	**Dividend paid**					
	Mr. R.K. Saboo	-	-	-	-	379.73
	Mr. Yashovardhan Saboo	-	-	-	380.43	-
	Mr. Jai Vardhan Saboo	-	-	-	5.19	-
	Mrs. Usha Devi Saboo	-	-	-	-	33.39
	Mrs. Anuradha Saboo	-	-	-	172.27	-
	Mr. Chitranjan Agarwal	-	-	-	1.87	-
	Mr. Pranav S Saboo	-	-	-	-	140.00
	Mrs. Satvika Saboo Suri	-	-	-	-	29.02
	Vardhan Properties and Investment Limited	-	-	7.50	-	-
	Dream Digital Technology Private Limited	-	-	5.79	-	-
	Saboo Ventures LLP	-	-	12.96	-	-
	Mr. Sanjiv Sachar	-	-	-	0.30	-
	Mr. Brahm Prakash Kumar	-	-	-	0.45	-
	Mr. Nagarajan Subramanian	-	-	-	0.01	-
	Mr. Lal Chand Masown	-	-	-	-	0.00
	Mrs. Neeraj Masown	-	-	-	-	0.00
	Ms. Muskan Masown	-	-	-	-	0.00
17	**Security premium received**					
	Mr. Yashovardhan Saboo	-	-	-	0.27	-
	Mrs. Anuradha Saboo	-	-	-	2.24	-

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(All amounts are in Indian Rupees Lacs, except for share data)

		Associates	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
	Mr. Jai Vardhan Saboo	-	-	-	94.74	-
	Mrs. Satvika Saboo Suri	-	-	-	-	3.94
	VBL Innovations Private Limited	-	-	9.99	-	-
	Saboo Ventures LLP	-	-	70.76	-	-
18	**Equity shares issued**					
	Mr. Yashovardhan Saboo	-	-	-	0.00	-
	Mrs. Anuradha Saboo	-	-	-	0.01	-
	Mr. Jai Vardhan Saboo	-	-	-	0.53	-
	Mrs. Satvika Saboo Suri	-	-	-	-	0.02
	VBL Innovations Private Limited	-	-	0.06	-	-
	Saboo Ventures LLP	-	-	0.40	-	-
19	**Share application money paid for investment**					
	Mr. Pranav S Saboo	-	-	-	2,025.54	-

*(Excluding provision for leave encashment, gratuity and bonus as they are determined on an actuarial basis for the company as a whole)

Year ended 31st March 2025

		Associates	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
1	**Sale of goods and services**					
	Mr. Pranav Shankar Saboo	-	-	-	21.64	-
	Mr. Jai Vardhan Saboo	-	-	-	217.28	-
	Mrs. Satvika Saboo Suri	-	-	-	-	6.69
	Mrs. Malvika Saboo	-	-	-	-	0.01
	Mr. Yashovardhan Saboo	-	-	-	56.52	-
	VBL Innovations Private Limited	-	-	0.37	-	-
	Saboo Ventures LLP	-	-	2.79	-	-
2	**Purchase of goods**					-
	Mr. Yashovardhan Saboo	-	-	-	33.82	-
	VBL Innovations Private Limited	-	-	16.31	-	-
3	**Payment of lease liabilities**					
	Mr. Yashovardhan Saboo	-	-	-	19.51	-
	Mrs. Anuradha Saboo	-	-	-	32.53	-
	Saboo Housing Projects LLP	-	-	21.14	-	-
4	**Sale of property, plant and equipment**					
	Mr. Yashovardhan Saboo	-	-	-	2.31	-
	Mr. Pranav Shankar Saboo	-	-	-	1.08	-
5	**Compensation to key managerial personnel***					
	Short-term employee benefits					
	Mr. Yashovardhan Saboo	-	-	-	521.29	-

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		Associates	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
	Mr. Sanjeev Kumar Masown	-	-	-	135.72	-
	Mr. Brahm Prakash Kumar	-	-	-	43.40	-
6	**Interest income**					
	Mr. Sanjeev Kumar Masown	-	-	-	8.51	-
7	**Interest paid/ accrued**					
	Mr. R. K. Saboo	-	-	-	-	13.40
	Mr. Sanjeev Kumar Masown	-	-	-	8.75	-
	Mrs. Neeraj Masown	-	-	-	-	11.25
	Mr. Lal Chand Masown	-	-	-	-	1.61
	Mr. Yashovardhan Saboo	-	-	-	12.43	-
	Mr. Anil Khanna	-	-	-	6.12	-
	Mrs. Alka Khanna	-	-	-	-	1.48
	Mrs. Ranjana Agarwal	-	-	-	25.73	-
	Mrs. Usha Devi Saboo	-	-	-	-	25.71
	Mr. Praveen Gupta	-	-	-	2.93	-
	Mr. Saahil Khanna	-	-	-	-	0.66
	Ms. Salonee Khanna	-	-	-	-	0.23
	ASP Saboo Family Trust	-	-	0.54	-	-
	RKS JS Family Trust	-	-	14.21	-	-
	UDS JS Family Trust	-	-	0.46	-	-
	Mr. Brahm Prakash Kumar	-	-	-	5.49	-
	Mrs. Anuradha Saboo	-	-	-	18.08	-
	Ms. Muskan Masown	-	-	-	-	2.17
	Veena Kanoria Family Trust	-	-	23.26	-	-
8	**Deposits accepted/renew**					
	Mrs. Ranjana Agarwal	-	-	-	164.90	-
	Mr. R. K. Saboo	-	-	-	-	160.00
	Mr. Sanjeev Kumar Masown	-	-	-	20.00	-
	Mr. Praveen Gupta	-	-	-	30.00	-
	Mrs. Neeraj Masown	-	-	-	-	28.55
	Mr. Lal Chand Masown	-	-	-	-	18.25
	Mr. Yashovardhan Saboo	-	-	-	200.00	-
	Mrs. Usha Devi Saboo	-	-	-	-	268.00
	ASP Saboo Family Trust	-	-	5.60	-	-
	RKS JS Family Trust	-	-	146.60	-	-
	Mr. Brahm Prakash Kumar	-	-	-	9.21	-
	UDS JS Family Trust	-	-	5.00	-	-
	Mrs. Anuradha Saboo	-	-	-	262.30	-
	Veena Kanoria Family Trust	-	-	100.00	-	-
9	**Deposits repaid**					
	Mrs. Ranjana Agarwal	-	-	-	125.00	-
	Mr. Lal Chand Masown	-	-	-	-	16.88
	Mr. Praveen Gupta	-	-	-	30.00	-
	Mr. R.K. Saboo	-	-	-	-	120.00
	Mrs. Neeraj Masown	-	-	-	-	23.19

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		Associates	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
	Mrs. Usha Saboo	-	-	-	-	92.00
	Mrs. Anuradha Saboo	-	-	-	250.00	-
	Mr. Brahm Prakash Kumar	-	-	-	8.50	-
	Veena Kanoria Family Trust	-	-	100.00	-	-
	UDS JS Family Trust	-	-	5.00	-	-
	ASP Saboo Family Trust	-	-	5.18	-	-
	RKS JS Family Trust	-	-	146.60	-	-
10	**Reimbursement of expenses received by subsidiary Company**					
	Pasadena Retail Private Limited	-	54.38	-	-	-
11	**Rent received**					
	Vardhan Properties and Investment Limited	-	-	0.60	-	-
	Dream Digital Technology Private Limited	-	-	1.20	-	-
12	**Director fees**					
	Mr. Anil Khanna	-	-	-	9.04	-
	Mr. Praveen Gupta	-	-	-	6.83	-
	Mr. Jai Vardhan Saboo	-	-	-	2.00	-
	Mrs. Ranjana Agarwal	-	-	-	1.28	-
	Mr. Sanjiv Sachar	-	-	-	8.50	-
	Mrs. Neelima Tripathi	-	-	-	3.00	-
	Mrs. Anuradha Saboo	-	-	-	3.00	-
	Mr. Nagarajan Subramanian	-	-	-	4.65	-
13	**Management consultancy fees paid**					
	Dream Digital Technology Private Limited	-	-	61.53	-	-
14	**CSR contribution made**					
	KDDL Ethos Foundation	-	-	13.41	-	-
15	**Employee benefit expense**					
	Mr. R. K. Saboo	-	-	-	-	30.00
	Mr. Pranav Shankar Saboo	-	-	-	677.77	-
	Mrs. Anuradha Saboo	-	-	-	10.08	-
16	**Dividend paid**					
	Mr. R.K. Saboo	-	-	-	-	80.04
	Mr. Yashovardhan Saboo	-	-	-	88.59	-
	Mrs. Usha Devi Saboo	-	-	-	-	6.80
	Mrs. Anuradha Saboo	-	-	-	18.66	-
	Mr. Pranav S Saboo	-	-	-	-	32.67
	Mrs. Satvika Saboo Suri	-	-	-	-	6.76
	Vardhan Properties and Investment Limited	-	-	1.53	-	-
	Dream Digital Technology Private Limited	-	-	1.18	-	-
	Saboo Ventures LLP	-	-	2.64	-	-
	Mr. Sanjiv Sachar	-	-	-	0.06	-
	Mr. Brahm Prakash Kumar	-	-	-	0.09	-

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(All amounts are in Indian Rupees Lacs, except for share data)

	Associates	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
Mr. Nagarajan Subramanian	-	-	-	0.00	-
Mr. Lal Chand Masown	-	-	-	-	0.00
Mrs. Neeraj Masown	-	-	-	-	0.00
Ms. Muskan Masown				-	0.00

*(Excluding provision for leave encashment, gratuity and bonus as they are determined on an actuarial basis for the company as a whole)

d) Amount outstanding

As at 31st March 2026

		Associate	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
1	**Loans and advances**					
	Mr. Sanjeev Kumar Masown	-	-	-	142.43	-
2	**Other current assets**					
	Mr. Yashovardhan Saboo	-	-	-	4.28	-
3	**Other financial assets**					
	VBL Innovations Private Limited	-	-	19.66	-	-
	Mrs. Anuradha Saboo	-	-	-	1.07	-
4	**Payables**					
	Mr Sanjiv Sachar	-	-	-	0.14	-
	Mrs. Neelima Tripathi	-	-	-	0.14	-
	Mr. Nagarajan Subramanian	-	-	-	0.14	-
	Mr. Chitranjan Agarwal	-	-	-	0.14	-
	Mr. Anurag Maheshwari	-	-	-	0.14	-
	Mr. Hanspeter Pieth	-	-	-	0.38	-
	Dream Digital Technology Private Limited	-	-	34.80	-	-
	Mr. Pranav Shankar Saboo	-	-	-	2,054.60	-
5	**Deposits**					
	Mr. Sanjeev Kumar Masown	-	-	-	107.22	-
	Mr. Lal Chand Masown	-	-	-	-	19.75
	Mrs. Neeraj Masown	-	-	-	-	139.33
	Mr. R. K. Saboo	-	-	-	-	120.00
	Mr. Yashovardhan Saboo	-	-	-	108.30	-
	Mrs. Usha Devi Saboo	-	-	-	-	316.00
	ASP Saboo Family Trust	-	-	39.60	-	-
	RKS JS Family Trust	-	-	414.60	-	-
	Ms. Muskan Masown	-	-	-	-	20.72
	UDS JS Family Trust	-	-	30.00	-	-
	Veena Kanoria Family Trust	-	-	240.00	-	-

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(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence / control	Key management personnel (KMP)	Other related parties
	Saboo Ventures LLP	-	-	300.00	-	-
	Mr. Brahm Prakash Kumar	-	-	-	60.61	-
	Mrs. Anuradha Saboo	-	-	-	58.50	-
6	**Interest accrued but not due**					
	Mr. Sanjeev Kumar Masown	-	-	-	17.23	-
	Mr. Lal Chand Masown	-	-	-	-	0.65
	Mr. Yashovardhan Saboo	-	-	-	7.42	-
	Mrs. Neeraj Masown	-	-	-	-	21.15
	Mr. Brahm Prakash Kumar	-	-	-	5.55	-
	Mrs. Anuradha Saboo	-	-	-	3.68	-
	Ms. Muskan Masown	-	-	-	-	5.42
7	**Employee related payables**					
	Mr. Yashovardhan Saboo	-	-	-	45.10	-
	Mr. Pranav Shankar Saboo	-	-	-	54.12	-
	Mrs. Anuradha Saboo	-	-	-	0.89	-
	Mr. Sanjeev Kumar Masown	-	-	-	11.92	-
	Mr. R.K. Saboo	-	-	-	-	2.15
	Ms. Muskan Masown	-	-	-	-	0.75
	Mr. Brahm Prakash Kumar	-	-	-	3.09	-
8	**Balance due from the related parties**					
	Pasadena Retail Private Limited	-	54.22	-	-	-
	Mr. Pranav Shankar Saboo	-	-	-	134.40	-
	Dream Digital Technology Private Limited	-	-	1.06	-	-
	Saboo Ventures LLP	-	-	1.56	-	-
9	**Lease liabilities**					
	Saboo Ventures LLP	-	-	1.04	-	-

As at 31st March 2025

		Associate	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence /control	Key management personnel (KMP)	Other related parties
1	**Loans and advances**					
	Mr. Sanjeev Kumar Masown	-	-	-	160.33	-
2	**Other current assets**					
	Mr. Yashovardhan Saboo	-	-	-	13.39	-
	Mr. Sanjeev Kumar Masown	-	-	-	4.47	-
3	**Other financial assets**					
	Artisan Watch Products Private Limited	-	-	5.09	-	-
	Mrs. Anuradha Saboo	-	-	-	1.94	-

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(All amounts are in Indian Rupees Lacs, except for share data)

		Associate	Joint venture	Entities over which the KMP or their relative is able to exercise significant influence /control	Key management personnel (KMP)	Other related parties
4	**Payables**					
	Mr. Yashovardhan Saboo	-	-	-	4.81	-
5	**Deposits**					
	Mr. Sanjeev Kumar Masown	-	-	-	98.62	-
	Mr. Lal Chand Masown	-	-	-	-	18.25
	Mrs. Neeraj Masown	-	-	-	-	107.73
	Mr. R. K. Saboo	-	-	-	-	160.00
	Mr. Yashovardhan Saboo	-	-	-	200.00	-
	Mrs. Usha Devi Saboo	-	-	-	-	308.00
	Mr. Praveen Gupta	-	-	-	30.00	-
	ASP Saboo Family Trust	-	-	5.60	-	-
	RKS JS Family Trust	-	-	146.60	-	-
	Ms. Muskan Masown	-	-	-	-	20.72
	UDS JS Family Trust	-	-	5.00	-	-
	Veena Kanoria Family Trust	-	-	240.00	-	-
	Mr. Brahm Prakash Kumar	-	-	-	51.60	-
	Mrs. Anuradha Saboo	-	-	-	162.30	-
6	**Interest accrued but not due**					
	Mr. Sanjeev Kumar Masown	-	-	-	15.38	-
	Mr. Lal Chand Masown	-	-	-	-	2.17
	Mr. R. K. Saboo	-	-	-	-	1.89
	Mr. Yashovardhan Saboo	-	-	-	12.43	-
	Mrs. Neeraj Masown	-	-	-	-	21.30
	Mrs. Usha Devi Saboo	-	-	-	-	6.85
	ASP Saboo Family Trust	-	-	0.48	-	-
	RKS JS Family Trust	-	-	4.34	-	-
	Mr. Brahm Prakash Kumar	-	-	-	10.31	-
	Mrs. Anuradha Saboo	-	-	-	28.84	-
	Ms. Muskan Masown	-	-	-	-	3.05
7	**Employee related payables**					
	Mr. Yashovardhan Saboo	-	-	-	8.17	-
	Mr. Sanjeev Kumar Masown	-	-	-	8.15	-
	Mr. R.K. Saboo	-	-	-	-	2.12
	Mr. Brahm Prakash Kumar	-	-	-	2.33	-
8	**Balance due from the related parties**					
	Pasadena Retail Private Limited	-	20.93	-	-	-
	Mr. Pranav Shankar Saboo	-	-	-	31.83	-
	Mr. Jai Vardhan Saboo	-	-	-	105.00	-
	Mr. Yashovardhan Saboo	-	-	-	8.59	-

e) Other transactions

1. Security being provided for loan taken from RC Tritec against personal guarantee of Chairman and Chief financial officer of the Group.

(All amounts are in Indian Rupees Lacs, except for share data)

f) Terms and conditions of transactions with related parties

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at the year end are unsecured and settlement occurs in cash.

43 OPERATING SEGMENTS

(a) Basis for segmentation

As per Ind AS 108, Operating Segments have been defined and presented based on the regular review by the Chief Operating Decision Maker to assess the performance of each segment and to make decision about allocation of resources. The accounting principles used in the preparation of the consolidated audited financial results are consistently applied to record revenue and expenditure in individual segments except for merging watch and accessories, marketing support and other services and luxury cars into one business segment by one of the subsidiary company i.e. watches, accessories and other luxury items and related services with effect from 1st April 2022. The new segment information namely revenue, results, segment assets and segment liabilities is derived by a simple arithmetic addition of the aforesaid particulars of the consolidating segments and as such there is no financial effect of the change.

The Group has three reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's Chairman and Managing Director reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
Precision and watch components	Manufacturing and distribution of dials, watch hands, bracelets and precision components
Watch, accessories and other luxury items and related services	Trading of watches and accessories
Others	Manufacturing and distribution of packaging boxes

(b) Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's Chairman and Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Year ended 31st March 2026	Precision and watch components	Watch, accessories and other luxury items and related services	Others	Total
Segment revenue:				
- External revenues	50,339.27	1,62,666.89	2,321.20	2,15,327.36
- Inter-segment revenue	20.30	-	-	20.30
- Inter-segment eliminations	-	-	(4.56)	(4.56)
Total segment revenue	**50,359.57**	**1,62,666.89**	**2,316.64**	**2,15,343.10**
Segment profit/(loss) before income tax	**10,556.94**	**11,073.55**	**(315.60)**	**21,314.89**
Segment profit / (loss) before income tax includes:				
- Interest expense	1,504.80	2,702.58	32.52	4,239.90
- Depreciation and amortisation	2,430.02	9,404.70	157.75	11,992.47
- Cost of raw materials consumed	13,619.95	-	806.39	14,426.34
Segment assets	**44,364.06**	**1,56,720.23**	**2,698.61**	**2,03,782.90**
Segment assets includes:				
- Investments accounted for using equity method	-	363.88	-	363.88
- Addition to non current assets*	7,108.62	6,291.64	270.71	13,670.97
Segment liabilities	**9,075.96**	**21,904.31**	**482.75**	**31,463.02**

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Year ended 31st March 2025	Precision and watch components	Watch, accessories and other luxury items and related services	Others	Total
Segment revenue:				
- External revenues	37,631.07	1,25,437.18	1,759.91	1,64,828.16
- Inter-segment revenue	27.93	-	-	27.93
- Inter-segment eliminations	-	(0.66)	(67.75)	(68.41)
Total segment revenue	**37,659.00**	**1,25,436.52**	**1,692.16**	**1,64,787.68**
Segment profit/(loss) before income tax	**7,506.26**	**12,590.44**	**(117.23)**	**19,979.47**
Segment profit / (loss) before income tax includes:				
- Interest expense	1,168.99	1,930.21	42.53	3,141.74
- Depreciation and amortisation	1,865.47	6,428.00	81.14	8,374.61
- Cost of raw materials consumed	10,064.16	-	636.67	10,700.83
Segment assets	**35,640.03**	**1,19,558.76**	**4,160.54**	**1,59,359.33**
Segment assets includes:				
- Investments accounted for using equity method	-	388.37	-	388.37
- Addition to non current assets*	5,592.55	7,696.20	569.34	13,858.09
Segment liabilities	**7,067.00**	**13,921.64**	**257.50**	**21,246.14**

*It consist of non-current assets other than financial instruments, deferred tax assets and net defined benefit assets.

(c) Reconciliations of information on reportable segments to Ind AS measures

		As at 31st March 2026	As at 31st March 2025
i.	**Revenues**		
	Total revenue for reportable segments	2,15,327.36	1,64,828.16
	Elimination of inter-segment revenue	20.30	27.93
	Total revenue	**215,347.67**	**164,856.08**
ii.	**Profit before tax**		
	Total profit before tax for reportable segments	21,314.89	19,979.47
	Finance cost	(4,239.90)	(3,141.74)
	Unallocated amounts:		
	Corporate expenses (net of un-allocated revenue)	2,490.84	2,112.40
	Profit before tax	**19,565.83**	**18,950.13**
iii.	**Assets**		
	Total assets for reportable segments	2,03,782.90	1,59,359.33
	Unallocated amounts	71,697.24	49,650.55
	Total assets	**2,75,480.14**	**2,09,009.88**
iv.	**Liabilities**		
	Total liabilities for reportable segments	31,463.02	21,246.14
	Unallocated amounts	52,231.81	46,713.78
	Total liabilities	**83,694.83**	**67,959.92**

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(All amounts are in Indian Rupees Lacs, except for share data)

v. Other material items

	Reportable segment total	Adjustments	Consolidated total
Year ended 31st March 2026			
Finance cost	-	4,239.90	4,239.90
Capital expenditure during the year	13,670.97	206.40	13,877.37
Depreciation and amortisation expense	11,992.47	248.49	12,240.96
Year ended 31st March 2025			
Finance cost	-	3,141.74	3,141.74
Capital expenditure during the year	13,858.09	99.65	13,957.74
Depreciation and amortisation expense	8,374.61	236.82	8,611.43

(d) Geographical information

i. Revenues

	Year ended 31st March 2026	Year ended 31st March 2025
India	**1,77,009.71**	**1,38,151.23**
Outside India		
Switzerland	22,266.42	15,651.07
Germany	2,304.91	1,266.59
United Kingdom	1,550.64	1,361.16
USA	7,579.54	6,007.39
France	437.00	370.16
Portugal	-	169.84
Czech Republic	1,210.27	1,153.94
China	514.35	217.22
Taiwan	1,695.94	-
Other countries	774.32	439.08
Total outside India	**38,333.39**	**26,636.45**
Total	**2,15,343.10**	**1,64,787.68**

ii. Non-current assets

	Year ended 31st March 2026	Year ended 31st March 2025
India	**85,700.50**	**66,211.17**
Outside India		
Switzerland	9,245.75	6,986.26
Total outside India	**9,245.75**	**6,986.26**
Total	**94,946.25**	**73,197.43**

*In presenting the geographical information, segment revenue has been based on the geographic location of the customers.

(e) Major customer

For the year ended 31st March 2026 and 31st March 2025, there is no major customer with respect to consolidated revenue of the group.

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44 GROUP AS A LESSEE

The Parent Company has lease contracts for various items of plant and equipment, building and land used in its operations. Leases of plant and equipment generally have lease terms between 3-5 years, while buildings generally have lease terms between 1-10 years, while leasehold land has lease term of 99 years. Further, The Ethos Limited, a subsidiary company has lease contracts for various retail stores and furniture to be used for its operations. The Leases generally have lease terms 2-10 years for building and 4-10 years for furniture. The Group obligations under its leases are secured by the lessor's title to the leased assets.

The Group has certain leases with lease terms of 12 months or less and certain leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Plant and equipment	Building	Leasehold land $	Stores Building	Furniture	Total
As at 1st April 2024	**623.03**	**237.11**	**529.34**	**12,367.79**	**160.34**	**13,917.61**
Additions	2,144.85	1,135.36	-	19,951.43	-	23,231.64
Depreciation expense through income statement	(442.98)	(157.27)	(6.28)	(4,413.24)	(60.88)	(5,080.64)
Deletions/Modification	20.70	-	-	(1,194.99)	-	(1,174.29)
Depreciation expense through Pre-operative expenses	-	-	-	(768.70)	-	(768.70)
As at 31st March 2025	**2,345.60**	**1,215.20**	**523.06**	**25,942.30**	**99.46**	**30,125.62**

Particulars	Plant and equipment	Building	Leasehold land $	Stores Building	Furniture	Total
As at 1st April 2025	**2,345.60**	**1,215.20**	**523.06**	**25,942.30**	**99.46**	**30,125.62**
Additions	-	331.67	-	8,871.39	80.86	9,283.92
Depreciation expense through income statement	(603.90)	(340.91)	(6.28)	(5,737.81)	(70.10)	(6,759.00)
Deletions / Modification	74.26	-	-	(420.24)	-	(345.98)
Depreciation expense through Pre-operative expenses	-	-	-	(831.08)		(831.08)
As at 31st March 2026	**1,815.96**	**1,205.96**	**516.78**	**27,824.56**	**110.22**	**31,473.48**

$Includes leasehold land of Rs. 5.67 (31st March 2025: Rs. 5.67) situated at Parwanoo for which the Company is in the process of completing formalities for transferring the title deed in its own name.

The leasehold land, subject to a 99 year lease arrangement , was initially recognized at a gross carrying value of Rs. 576.14 at the commencement of the lease term, As the lease consideration was paid upfront in a single lump-sum payment and no further lease payments are due over the lease term , no corresponding lease liability has been recognised.

The carrying amounts of lease liabilities and the movements during the year:

Particulars	Total
As at 1st April 2024	**14,571.76**
Additions	21,159.31
Accretion of interest through income statement	2,103.80
Accretion of interest through Pre-operative expenses	735.88
Payments	(4,820.17)
Deletions/Modification	(1,299.03)
As at 31st March 2025	**32,451.55**
Current	**4,969.23**
Non-current	**27,482.32**

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Total
As at 1st April 2025	**32,451.55**
Additions	7,973.32
Accretion of interest through income statement	3,039.44
Accretion of interest through Pre-operative expenses	568.24
Payments	(8,012.26)
Deletions/Modification	(485.46)
As at 31st March 2026	**35,534.83**
Current	**6,842.17**
Non-current	**28,692.66**

The details regarding the maturity analysis of lease liabilities as at 31st March 2026 and 31st March 2025 on an undiscounted basis is disclosed in Note 36.

Considering the lease term of the leases, the effective interest rate for lease liabilities varies from 9.80% to 11.98%.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The following are the amounts recognised in profit and loss:

For the year ended 31st March 2025

Particulars	Plant and equipment	Building	Land	Stores Building	Furniture	Total
Depreciation expense of right-of-use assets	442.97	157.27	6.28	4,413.24	60.88	5,080.64
Interest expense on lease liabilities	158.39	120.91	-	1,824.50	-	2,103.80
Expense relating to short-term leases (included in other expenses)*	6.26	20.12	-	645.14	-	671.52
Total amount recognised in profit and loss	**607.62**	**298.30**	**6.28**	**6,882.88**	**60.88**	**7,855.96**

* Gross of reimbursement received of Rs. 13.20

For the year ended 31st March 2026

Particulars	Plant and equipment	Building	Land	Stores Building	Furniture	Total
Depreciation expense of right-of-use assets	603.90	340.91	6.28	5,737.81	70.10	6,759.00
Interest expense on lease liabilities	170.77	244.64	-	2,624.03	-	3,039.44
Expense relating to short-term leases (included in other expenses)*	1.87	146.86	-	877.43	-	1,026.16
Total amount recognised in profit and loss	**776.54**	**732.41**	**6.28**	**9,239.27**	**70.10**	**10,824.60**

*Gross of reimbursement received of Rs. 68.97

The Group had total cash outflows for leases of Rs. 9,038.42 in 31st March 2026 (Rs. 6,765.04 in 31st March 2025).

45 The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

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46 DISCLOSURES PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:

a) Investment

	As at 31st March 2026	As at 31st March 2025
Investment in joint venture: Pasadena Retail Private Limited		
Balance as at the year end	363.88	388.37
Maximum amount outstanding at any time during the year	388.37	388.37
Investment in company: Karolview Developers Private Limited*		
Balance as at the year end	-	43.54
Maximum amount outstanding at any time during the year	43.54	43.55
Investment in company: Shivalik Waste Management Limited		
Balance as at the year end	7.68	7.15
Maximum amount outstanding at any time during the year	7.68	7.15
Investment in company: Haute-Rive Watches SA		
Balance as at the year end	190.27	177.45
Maximum amount outstanding at any time during the year	190.27	177.45
Investment in company: Czapek & Cie SA		
Balance as at the year end	25.74	25.74
Maximum amount outstanding at any time during the year	25.74	25.74

b) Guarantees given

	As at 31st March 2026	As at 31st March 2025
Balance as at the year end		
Pasadena Retail Private Limited	394.34	271.34

(Corporate guarantee provided by the Group for day to day business activities. The term of such guarantees is one year.)

*Refer to note 6(a)

47 During the earlier years, the subsidiary company Ethos Limited has completed its Qualified Institutions Placement ('QIP') of 11,31,210 equity shares of face value of Rs. 10 each at an issue price of Rs. 1,547 per share (including securities premium of Rs. 1,537 per share) aggregating to Rs. 17,499.82 under Qualified Institutions Placement ('QIP').

Consequent to allotment of fresh issue of equity shares on 3rd November 2023, the paid-up equity share capital of the subsidiary Company stands increased from Rs. 2,334.92 consisting of 2,33,49,233 equity shares of Rs. 10 each to Rs. 2,448.04 consisting of 2,44,80,443 equity shares of Rs. 10 each.

The total offer expenses in relation to the fresh issue are Rs. 540.18 (excluding taxes). The utilization of QIP proceeds from fresh issue (net of QIP related expense of Rs. 540.18) is summarized below:

Particulars	Amount
Amount received from fresh issue	17,499.82
Less: Offer related expenses in relation to the fresh issue	(540.18)
Net proceeds available for utilisation	**16,959.64**

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Amount	Utilisation upto 31st March 2026	Unutilized as on 31st March 2026*
Funding working capital requirements of the Company	13,125.00	13,125.00	-
General corporate purpose	3,834.64	3,834.64	-
Net proceeds available for utilisation	**16,959.64**	**16,959.64**	**-**

*There is no outstanding unutilized proceeds as on 31st March 2026 and the balance in Monitoring Account stands nil.

48 Considering the accumulated losses, impairment indicators were identified in relation to property, plant and equipment (PPE) amounting to Rs. 4,178.13 related to a subsidiary namely , Estima AG . Based on the impairment assessment carried out by the management, the recoverable amount of tangible assets of Estima AG is assessed as higher than carrying amount thereof as at 31st March 2026.

49 The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which use accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Holding Company and its subsidiaries and joint venture have used accounting software for maintaining their books of account which has a feature of audit trail (edit log) facility and the same was enabled at the application level. During the year ended 31st March 2026, the Holding Company has not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes. Further, there are no instances of audit trail feature being tampered with, other than the consequential impact of the exceptions given above. Furthermore, except for matters mentioned above, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

50 During the previous year, the Parent Company had concluded the buy back of 2,37,837 equity shares for an aggregate amount of Rs. 8,799.97 being 1.90% of the total paid up equity share capital at average price of Rs. 3,700 per equity share as approved by the Board of Directors in meeting held on 9th July 2024. The equity shares bought back were extinguished on 23rd September 2024. Capital redemption reserve was created to the extent of share capital extinguished (Rs. 23.78). The excess cost of buyback of Rs. 8,848.14 (including Rs. 71.95 (net of tax) towards transaction cost of buy back) over par value of shares were offered from securities premium (Rs. 8,776.19) and retained earnings (Rs. 71.95) and corresponding tax on buyback of Rs. 2,044.50 were offset from retained earnings.

51 (a) During the previous year, the Parent Company had capitalized its bracelet factory w.e.f. 30th September 2024 for Rs 2,313.88 including Rs 1,282.92 and Rs 987.77 towards pre-operating expenses and trial run cost, respectively and net of Rs 1,221.15 towards development and tooling cost of the test models and trial runs amount received from one of the customer. Also, the Parent Company had received advance of Rs. 1,413.00 from a major customer, which was decided to be adjusted against future sales to that customer. During the current year, no such capitalisation has been undertaken. In addition, the advance received has started to be adjusted against sales, and the outstanding balance of such advances as at the reporting date is Rs. 1,243.44.

(b) During the previous year, the Parent Company had also capitalized its packaging facility located at Panchkula, Haryana, for Rs. 664.40 (including Rs. 139.19 for trial run and pre-operating cost) concluded on 1st October 2024.

52 During year ended 31st March 2026, the Government of India has notified on 21st November 2025, 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 consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has assessed the incremental impact of these changes amounting to Rs. 244.42 towards gratuity for the year ended 31st March 2026, on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India.

Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Group has presented such incremental impact under “”Exceptional Items”” for the year ended 31st March 2026.

The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Codes and would provide the appropriate accounting effect on the basis of such developments as needed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

53 During the year ended 31st March 2026, the Subsidiary Company, Ethos Limited, has incorporated a wholly owned subsidiary, Ficus Trading LLC, in Dubai, United Arab Emirates. The entity is registered under Licence No. 1474470 and Commercial Registration No. 2538436, issued by the Department of Economy and Tourism (DET), Dubai. The subsidiary has been consolidated from the date of incorporation, being the date on which control was obtained through Ethos Limited. Ethos Limited invested AED 300,000 (equivalent to Rs. 69.87) towards the initial paid-up share capital of Ficus Trading LLC on 16th June 2025, comprising 300 equity shares of AED 1,000 each. Ficus Trading LLC has been incorporated to undertake the trading of watches, clocks and their spare parts.

54 During the previous year ended 31st March 2023, the Subsidiary Company i.e. Ethos Limited had completed its Initial Public Offering ('IPO') of 45,81,500 equity shares of face value of Rs. 10 each at an issue price of Rs. 878 per share (including securities premium of Rs. 868 per share). These equity shares have been listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) with effect from 30th May 2022. The issue was comprised of fresh issue of 42,71,070 equity shares aggregating to Rs. 37,500.00 and offer for sale of 3,10,430 equity shares aggregating to Rs. 2,725.58. Net gain on such offer for sale of 1,54,089 equity shares held by the Holding Company and subsidiary company (Mahen Distribution Limited) amounting to Rs 1,067.00 (net of income tax of Rs 112.00) has been included under other equity in the consolidated financial statements.

Consequent to allotment of fresh issue, the paid-up equity share capital of the subsidiary company stands increased from Rs. 1,907.82 consisting of double time 1,90,78,163 equity shares of Rs. 10 each to Rs. 2,334.92 consisting of 2,33,49,233 Equity Shares of Rs. 10 each.

The total offer expenses in relation to the fresh issue are Rs. 3,531.05 (excluding taxes). The utilization of IPO proceeds from fresh issue (net of IPO related expense of Rs. 3,531.05) is summarized below:

Particulars	Amount
Amount received from fresh issue	37,500.00
Less: Offer related expenses in relation to the fresh issue	(3,531.05)
Net proceeds available for utilisation	**33,968.95**

The aforesaid offer related expenses in relation to the Fresh Issue have been adjusted against securities premium as per Section 52 of the Companies Act, 2013.

Particulars	Amount to be utilised as per prospectus	Utilisation upto 31st March 2026	Unutilized as on 31st March 2026**
Repayment or pre-payment certain borrowings	2,989.09	2,989.09	-
Funding working capital requirements	23,496.22	23,496.22	-
Financing the establishment of new stores and renovation of the certain existing stores	3,327.28	3,327.28	-
Financing the upgradation of ERP	198.01	198.01	-
General corporate purpose*	3,958.35	3,958.35	-
Total	**33,968.95**	**33,968.95**	**-**

*Amount of Rs. 3,609.87 was original proposed in offer document as part of general corporate purpose has been increased by Rs. 348.48 on account of saving in offer expenses.

** There is no outstanding unutilized proceeds as on 31st March 2026 and the balance in Monitoring Account stands nil.

55 During the year ended 31st March 2026, the Subsidiary Company, Ethos Limited, incorporated a subsidiary, Micron Watch Services Private Limited, on 22nd August 2025 under the provisions of the applicable laws of India. The company is registered with Corporate Identification Number (CIN) U95294HR2025PTC135383 and has its registered office at 359, Udyog Vihar, Phase-II, DLF QE, Gurugram, Haryana, India. The subsidiary has been consolidated from the date of incorporation, being the date on which control was obtained through Ethos Limited. As at 31st March 2026, Ethos Limited held 50,100 equity shares of Rs. 10 each of Micron Watch Services Private Limited, comprising 1,00,000 equity shares of Rs. 10 each.

(All amounts are in Indian Rupees Lacs, except for share data)

56 OTHER STATUTORY INFORMATION

1) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

2) The Group does not have any transactions with companies struck off.

3) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

4) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

5) The Group 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 Group (Ultimate Beneficiaries); or

   b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

6) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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,

7) The Group does not have 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).

8) The Group is not declared as wilful defaulter by any bank or financial institution.

9) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017.

57 During the year ended 31st March 2026, the Subsidiary Company i.e. Ethos Limited completed its Rights Issue of 22,77,250 equity shares of face value of Rs. 10 each at an issue price of Rs. 1,800 per share (including securities premium of Rs. 1,790 per share) aggregating to Rs. 40,990.50.

Consequent to allotment of fresh issue of equity shares on 4th July 2025, the paid-up equity share capital of the Ethos Limited stands increased from Rs. 2,448.04 consisting of 2,44,80,443 equity shares of Rs. 10 each to Rs. 2,675.77 consisting of 2,67,57,693 equity shares of Rs. 10 each.

The total offer expenses in relation to the fresh issue were Rs. 379.02 (excluding taxes). The utilization of Right issue proceeds from fresh issue (net of Right issue related expense of Rs. 368.49) is summarized below :

Particulars	**Amount**
Amount received from issue	40,611.48
Less: Rights Issue related expenses in relation to the issue	(379.02)
Net proceeds available for utilisation	**40,232.46**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026 (CONTD.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

The aforesaid Rights issue related expenses in relation to the Issue have been adjusted against securities premium as per Section 52 of the Companies Act, 2013.

Particulars	Amount to be utilised as per prospectus	Utilisation upto 31st March 2026	Unutilized as on 31st March 2026**
Funding working capital requirements of our Company	31,000.00	10,610.48	20,389.52
General corporate purposes	9,611.48	-	9,611.48
Sub-total	40,611.48	10,610.48	30,001.00
Issue Related expenses*	379.02	368.49	10.53
Total	**40,990.50**	**10,978.97**	**30,011.53**

*Out of the estimated expenses of Rs 379.02, Ethos Limited has utilized Rs 368.49 towards issue related expenses upto 31st March 2026 and the balance of Rs. 10.53 is lying in the Monitoring Agency Account maintained with HDFC Bank.

**The unutilised proceeds as on 31st March 2026 have been temporarily invested in deposits with scheduled banks and kept in current account with monitoring agency bank.

58 a) During the current year, the Parent Company has invested an aggregate amount of Rs. 199.04 towards the acquisition of 11,058 rights equity shares along with one of the subsidiary company i.e. Mahen Distribution Limited for an amount of Rs. 20,343.58 towards the acquisition of 11,30,199 rights equity shares of Ethos Limited having a face value of Rs. 10 each, at an issue price of Rs. 1,800 per share (including securities premium of Rs. 1,790 per share). The aforesaid investment was made pursuant to the rights issue offered by Ethos Limited. Consequent to the above acquisition, the Company's aggregate shareholding, held directly and indirectly, in Ethos Limited stands at 50.12% as at 31st March 2026.

b) Artisan Watch Products Private Limited was incorporated on 19th March 2025 under the provisions of the applicable laws of India. During the year, the Parent Company invested Rs. 400.00 towards subscription of 40,00,000 equity shares of Rs. 10.00 each, pursuant to which, the Parent Company acquired an 80.00% equity interest and obtained control over the entity. Accordingly, Artisan Watch Products Private Limited became a subsidiary of KDDL Limited and has been consolidated from 3rd April 2026, being the date on which control was obtained by the Group. As at 31st March 2026, the paid-up share capital of the company comprised 50,00,000 equity shares of Rs. 10.00 each. The entity is engaged in the watch products business and supports the Group's operations in the watch industry.

59 There are no significant events after reporting date which need to be disclosed.

As per our report of even date

For **Walker Chandiok & Co LLP**
Chartered Accountants
ICAI firm registration no.: 001076N/N500013

Rohit Arora
Partner
Membership No. 504774

Place: Pune
Date: 19th May 2026

For and on behalf of the Board of Directors of **KDDL Limited**

Yashovardhan Saboo
Chairman and Managing Director
DIN: 00012158

Sanjeev Kumar Masown
Whole time Director cum Chief Financial Officer
DIN: 03542390

Brahm Prakash Kumar
Company Secretary
Membership no. FCS7519

Place: Chandigarh
Date: 19th May 2026

NOTES

KDDL Limited

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Kamla Center, SCO 88-89, Sector 8-C,
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