August 31, 2026

To,

Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Tower, Dalal Street,
Fort, Mumbai-400001
Scrip Code: 513509

National Stock Exchange Of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai-400051
Symbol: **KALYANIFRG**

Sub: Annual Report for the FY 2025-26 including Notice of the 47th Annual General Meeting

Dear Sir/Madam,

Pursuant to Regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed herewith Annual Report for FY 2025-26 including the Notice convening the 47th Annual General Meeting (AGM) of the Company.

Further, in accordance with Regulation 36(1)(b) of the said Regulations, a letter is being sent to those members whose e-mail addresses are not registered with the Company/Registrar and Transfer Agent (RTA)/Depository Participants (DPs), providing a weblink and path to access the Annual Report on the Company's website.

The 47th AGM is scheduled to be held on **Monday, September 21, 2026, at 11:00 a.m**. (IST) through Video Conferencing/Other Audio Visual Means (VC/OAVM), the Annual Report is being circulated to shareholders at their registered email addresses.

The same is also available on the Company's website at the following link:
https://kalyaniforge.com/investors/annual-reports/

Name of the Report	Website link
Annual Report	https://kalyaniforge.com/investors/annual-reports/

Kindly take the same on record.

Thanking you,

For **Kalyani Forge Limited**

VIRAJ GAURISHANKAR KALYANI Digitally signed by VIRAJ GAURISHANKAR KALYANI Date: 2026.08.31 20:02:08 +05'30'

Viraj G. Kalyani
Managing Director
DIN: 02268846

KALYANI FORGE LIMITED

(CIN: L28910MH1979PLC020959)
Regd. Office: Shangrila Gardens, "C" Wing, 1st floor, Opposite Bund Garden, Pune 411 001
E-mail: companysecretary@kforge.com **Website:** www.kalyaniforge.com

NOTICE

NOTICE is hereby given that the 47th (Forty-Seventh) Annual General Meeting ("**AGM**") of the Members of **Kalyani Forge Limited** ("the Company") will be held through Video Conferencing ("VC") / Other Audio-Visual Mode ("OAVM") ("hereinafter referred to as "electronic mode"), on Monday, 21st September 2026 at (I.S.T) 11:00 A.M. to transact the following businesses:

ORDINARY BUSINESS:

01. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2026 together with reports of the Board of Directors and Auditors thereon;

02. To declare final dividend on equity shares for the Financial Year ended 31st March 2026.

03. To appoint a director, in place of Mr. Gaurishankar N. Kalyani (DIN: 00519610) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

04. To ratify remuneration payable to the Cost Auditor appointed by the Board of the Directors 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 all 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. R C K & Co., Cost Accountants, Pune having Firm Registration No.: 002587, appointed by the Board of Directors of the Company, to conduct the cost audit of the Company for the financial year 2026-27 amounting to ₹1,25,000 (Rupees One Lakh Twenty-Five Thousand Only) (excluding taxes as applicable and out of pocket expenses) in connection with the aforesaid audit, recommended by the Audit Committee and approved by the Board of Directors of the Company be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution."

05. To approve the payment of commission to Non-Executive Directors and Independent Directors

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

"**RESOLVED THAT** pursuant to the provisions of Section 149, 197 and all other applicable provisions, if any, of the Companies Act, 2013, read with the relevant rules contains thereunder as amended from time to time ("Act") and pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI (LODR) Regulations, 2015") and any other applicable provisions of SEBI (LODR) Regulations, 2015, approval of the members of the Company be and is hereby accorded for the payment of Commission to all the Non-Executive Directors and Independent Directors of the Company in addition to the sitting fees and reimbursement of expenses being paid/payable for attending the meetings of the Board of Directors and Committee(s) thereof, for the financial year 2025-26, in such sum or proportion, in such manner and in all respects as may be determined by the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include Nomination and Remuneration Committee of the Board) of the company, provided the aggregate of such commission shall not exceed one percent (1%) of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act.

RESOLVED FURTHER THAT subject to the required approvals, if any, the Non-Executive Directors and Independent Directors be paid commission as may be recommended by the Board, in case of losses or inadequacy of profits.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things including deciding on the manner of payment of commission and settle all questions or difficulties that may arise with regard to the aforesaid resolution as it may deem fit and to execute any agreements, documents, instructions, etc. as may be necessary or desirable in connection with or incidental to give effect to the aforesaid resolution."

By Order of the Board of Directors
For Kalyani Forge Limited

Mrs. Rohini G.Kalyani
Executive Chairperson
DIN: 00519565

Place: Pune
Date: 11th August 2026.

Registered Office:
Shangrila Gardens, 'C' Wing, 1st Floor
Opp Bund Garden, Pune – 411001
CIN: L28910MH1979PLC020959
E-mail: companysecretary@kforge.com
Website: www.kalyaniforge.com

NOTES:

1. The statement under Section 102 of the Companies Act, 2013 and as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in respect of special businesses is annexed hereto.

2. The Ministry of Corporate Affairs ("MCA") vide its Circular dated 22nd September 2025 in continuation of its earlier circulars on the subject ("MCA Circulars"), has permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") till further orders without the physical presence of the members at a common venue. Accordingly, the 47th AGM of the Company will be held through VC/OAVM and members can attend and participate in the AGM through VC/OAVM only. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act. The registered office of the Company shall be deemed to be the venue for the AGM.

3. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Institutional/Corporate members (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting ("AGM"). The said Resolution/ Authorization shall be sent to the Scrutinizer by email to their registered email address ishan@lexagon.in with copies marked to the Company at companysecretary@kforge.com and to its RTA at pune@linkintime.co.in

5. Members holding shares in physical form are requested to notify immediately any change in their address/details of their bank account to the Company/Registrar and Share Transfer Agent (RTA) quoting their Folio No. along with self-attested documentary proofs. Members holding shares in dematerialized form may update such details with their respective DPs.

6. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS–2) issued by Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to its members to cast their right to vote electronically on the resolutions mentioned in the notice of the 47th AGM. The Company has engaged services of MUFG Intime India Pvt. Ltd. to provide e-voting facility. Instructions and other information relating to e-voting are given in this notice under Note No. 31. The remote e-voting period starts from 18th September, 2026 (at 9:00 a.m.) to 20th September, 2026 (till 5:00 p.m.)

7. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice. Instructions and other information to members for attending the AGM through VC/OAVM are given in this notice under Note No. 31

8. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

9. As the AGM of the Company is being held through VC/OAVM, we therefore request the members to submit questions in advance relating to the business specified in this notice of AGM on the email IDs: companysecretary@kforge.com

10. Members desiring information on financials and operations of the Company are requested to write to the Company at least Seven (7) days before the date of the AGM to enable the Company to furnish the information.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available at Registered Office of the Company.

12. As per the MCA General Circular, this notice together with the Annual Report will be sent through electronic mode only to those members whose email ids are registered with the RTA of the Company / Depository Participant. Copies of the Notice of 47th AGM and Annual Report 2025-26 will also be uploaded on the company's website at www.kalyaniforge.com, website of BSE Ltd at www.bseindia.com, NSE Ltd at www.nseindia.com and website of the RTA www. instavote.linkintime.co.in

13. Members of the Company holding shares either in physical form or in Dematerialized form as on Benpos date i.e. 21st August 2026, will receive Annual Report through electronic mode.

14. Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of the notice and holding shares as on the cut-off date i.e. 21st August 2026 may obtain the Login Id and password by sending a request at enotices@linkintime.co.in

15. The dividend on equity shares, as recommended by the Board of Directors, if approved at the AGM, will be paid to those members whose name appears in the Register of Members of the Company as on Friday, 21st August 2026 i.e. Record Date (Cut-off date). The Register of Members and the Share Transfer Books of the Company will remain closed from 15th September 2026 to September 21, 2026 (both days inclusive) for purposes of the 47th AGM to be held on Friday, 21st September 2026 and for payment of dividend.

16. All correspondence relating to transfer and transmission of shares, sub-division of shares, issue of duplicate share certificates, change of address, dematerialization of shares, payment of dividend etc. will be attended to and processed at the office of the RTA i.e. MUFG Intime India Pvt Ltd, Block No. 202, Akshay Complex, Dhole Patil Road, Near Ganesh Temple, Pune-411001, Phone No.-020- 26161629/26160084 Email- pune@linkintime.co.in Contact Person-Mr. Chaitanya Gadankush.

17. The relevant details, pursuant to Regulations and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM is annexed.

18. Unclaimed dividends for the financial year 2018-19 can be claimed from the Company by completing the requisite formalities. To claim unpaid / unclaimed dividend for the financial year 2018-19, the requisite formalities are required to be completed before the requisite timeline. Thereafter the unclaimed dividend for the said year is liable to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government as per Section 125 of the Act. For details on unclaimed dividend(s), members are requested to write to MUFG Intime India Private Limited, Pune. The shares on which the Dividend has remained unpaid/unclaimed for a period of consecutive Seven (7) years or more would be transferred to IEPF as per the provisions of the Act. The details of the unpaid/unclaimed dividend are available on the website of the Company i.e. www.kalyaniforge.com

19. The Ministry of Corporate Affairs had notified the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 as amended by Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, effective from 28th February, 2017. The said rules provide for manner of transfer of shares in respect of which dividend has remained unpaid / unclaimed for seven consecutive years to DEMAT Account of the IEPF Authority. In compliance with said rules, transfer of shares to IEPF for the year 2018-19 is in process.

20. Members holding shares in identical order of names in more than one folio are requested to write to the Company's RTA enclosing their Share certificate(s) to enable the Company to consolidate their holdings into one folio for better services.

21. The Company encourages members to intimate/update their e-mail addresses to receive the Annual Report and other communication electronically in support of the "Go Green" initiative of the Ministry of Corporate Affairs. The Company will send all communication including the Annual Report via e-mail to the members who have provided their e-mail addresses to the Company/ Depositories.

22. Members who still hold share certificates in physical form are advised to Dematerialise their shareholding to avail the benefits of Dematerialisation which include easy liquidity, permission of trading (trading is permitted in Dematerialised form only), electronic transfer, savings in stamp duty and elimination of possibilities of loss of documents and bad deliveries.

23. Members present at the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

24. Members holding shares in Demat mode, who have not registered their email addresses are requested to register their email addresses with their respective Depository Participants (DPs) and Members holding shares in physical mode are requested to update their email addresses with the Company's RTA, MUFG Intime India Pvt. Ltd.

25. SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May 2024 has mandated all listed entities to ensure that members holding shares in physical form shall update their PAN, KYC, Nomination and Bank account details (if not updated or provided earlier) through the respective RTA. Accordingly, members are requested to update the requisite details and the forms for updating the same are available at company website www.kalyaniforge.com

26. Service requests or investor complaints from any member, cannot be processed by RTA until registration/ updation of PAN, KYC, Nomination and Bank account details in the records of the Company's RTA. Members holding shares in electronic form are requested to submit their PAN, KYC, Bank and Nomination details to their depository participants.

27. Members may follow the process detailed below for registration of email ID and update of Bank Account details for the receipt of dividend.

Type of Holder	Process to be followed	
Physical Mode	For availing the following investor services, send a written request in the prescribed form to the RTA of the Company, MUFG Intime India Private Limited either by email to rnt.helpdesk@in.mpms.mufg.com / chaitanya.gadankush@in.mpms.mufg.com or by post to Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road Pune - 411001	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
	Declaration to opt out nomination	Form ISR-3
	Cancellation or Variation of Nomination	Form SH-14
	Form for requesting issue of Duplicate Certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR- 4
Demat Mode	Please contact your Depository Participants (DPs) and register your email address and Bank Account details with your Demat account, as per the process advised by your DP.	

28. The Board of Directors have appointed M/s. PGBP & Associates LLP, as the Scrutinizers to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner.

29. The result of the e-voting (votes cast during the AGM and votes cast through remote e-voting) will be announced within two working days after the conclusion of the AGM on the Company's website at www.kalyaniforge.com and will also be communicated to the stock exchanges. i.e. and Results shall also be immediately forwarded to the BSE Limited and NSE Limited where the shares of the Company are listed.

    As per the SEBI circular dated 9th December 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

30. Since the AGM will be held through VC/OAVM Facility, the route map is not annexed in this notice

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

32. Process and manner for Remote e-Voting and for attending the General Meeting through InstaMeet for shareholders:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated 11th July 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL OTP based login

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

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

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

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

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

METHOD 2 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

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

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

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

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

Shareholders not registered for IDeAS facility:

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

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

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

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

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

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

Google Play App Store

METHOD 3 - NSDL e-voting website

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

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

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

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

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

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 - CDSL e-voting page

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

b) Go to e-voting tab.

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

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

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

METHOD 2 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

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

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

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

Shareholders not registered for Easi/ Easiest facility:

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

b) Proceed with updating the required fields for registration.

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

Individual Shareholders holding securities in demat mode with Depository Participant

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

a) Login to DP website

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

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

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

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

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

STEP 1: LOGIN / SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

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

b) Enter details as under:

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

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

InstaVote USER ID	
NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Event No + Folio no. registered with the Company

Shareholders not registered for INSTAVOTE facility:

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

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

InstaVote USER ID	
NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Event No + Folio no. registered with the Company

3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
   - Shareholders, holding shares in **NSDL form**, shall provide 'point 4' above.
   - Shareholders, holding shares in **CDSL form**, shall provide 'point 3' or 'point 4' above.
   - Shareholders, holding shares in **physical form** but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above
5. Set the password of your choice.

   (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).
6. Enter Image Verification (CAPTCHA) Code.
7. Click "Submit" (You have now registered on InstaVote).

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

STEP 2: Steps to cast vote for Resolutions through InstaVote

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

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

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

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

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

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

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

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

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

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

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

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

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

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

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

STEP 2 – Investor Mapping

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

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

C. Map the Investor with the following details:

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

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

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

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

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

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

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

STEP 3 – Steps to cast vote for Resolutions through InstaVote

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

METHOD 1 - VOTES ENTRY

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

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

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

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

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

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

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

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

METHOD 2 - VOTES UPLOAD

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

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

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

d) E-voting page will appear.

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

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

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

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

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

HELPDESK:

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

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

Individual Shareholders holding securities in demat mode:

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

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

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

InstaVote USER ID

NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678).
CDSL	User ID is 16 Digit Beneficiary ID.
Shares held in physical form	User ID is Event No + Folio no. registered with the Company

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

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

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

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

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

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

General Instructions - Shareholders

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

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

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

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

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

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

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

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

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

e) Click "Go to Meeting"

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

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

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

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

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

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

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

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

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

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

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

c) Click on 'Submit'.

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

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

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

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

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

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

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

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

Helpdesk:

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

Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF COMPANIES ACT, 2013

- **ITEM NO. 4**

The Board of directors in its meeting held on 25th May 2026, on the recommendation of the Audit Committee, has appointed R C K & CO, Cost Accountant Firm as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March 2027 on a remuneration of ₹1,25,000 (Rupees One Lakh Twenty-Five Thousand only) with applicable taxes, if any plus reimbursement of out-of-pocket expenses and conveyance.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the cost auditor is required to be ratified by the members of the Company.

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval of the Members.

- **ITEM NO. 5**

Considering the rich experience and enhanced level of participation brought in by the Non-executive Directors including independent directors and in appreciation of the services and contribution made by them, the Board of Directors at their meeting held on 14th July 2026, recommended the payment of commission to the Non-Executive Directors, including independent directors (i.e. Directors other than the Managing Director or Whole-time Directors) in accordance with Nomination and Remuneration Policy of the Company, commencing for the financial year 2025-26 amounting maximum upto 1% of the Net Profits to be calculated as per the provisions of the Section 198 of the Companies Act, 2013 subject to approval of Members of the Company. The amount of commission shall be determined by the Board of Directors of the Company for each of such Non-Executive Director, including independent director, and to be distributed among such Non-Executive Directors in such a manner as the Board may determine, This commission shall be in addition to the sitting fees payable to the Non-Executive Directors and independent directors for attending the meetings of the Board of Directors or its Committees or for any other purpose whatsoever and/or reimbursement of expenses for participation in the Board and other meetings. Accordingly, to comply with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, approval of Members is sought for payment of above-mentioned commission. The Board of Directors would determine the commission payable to the Non-Executive Directors taking into consideration various factors such as contribution of the Non-Executive Directors in Board and Committee Meetings, participation in strategic decision making, timely guidance to the Board on important policy, performance of the Company, industry practices and benchmarks and such other factors as the NRC and Board may consider fit within the overall limits of the remuneration as approved by the Members of the Company. However, payment to any single non-executive director including independent director shall not exceed fifty per cent of the payment in aggregate, including sitting fee, made to all the non-executive directors, including independent directors.

All the Non-Executive Director(s) including independent directors are interested in resolution set out at Item No. 5 of the Notice. The relatives of such director(s) may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution The Board therefore recommends the Ordinary Resolution as set out at Item No. 5 of the Notice for approval by the members of the Company.

Information pursuant to Regulation 36 of Listing Regulations and Secretarial Standards II

Item No. 03: To appoint a director, in place of Mr. Gaurishankar N. Kalyani (DIN: 00519610) who retires by rotation and being eligible, offers herself for re-appointment.

Brief Profile – Qualification, Experience, and Expertise:

Mr. Gaurishankar N. Kalyani was born on 31st August 1954 (Present Age : 70 years) is a Non-Executive Director of the Company. He is a Commerce Graduate (Hons.) having Expertise in management and financial sector, besides being Director of the Company; he is also a Director of Private Limited Companies in the group.

He is son of late Dr. Neelkanth A. Kalyani industrialist and founder of the Company, husband of Mrs. Rohini G. Kalyani, Executive Chairperson and father of Mr. Viraj G. Kalyani Executive Director of the company.

He has been serving as a director of the Company since 26th April, 2003. Soon after, he embarked on a growth plan based on technological leadership in automotive component manufacturing.

Date of Birth and Age: 31st August 1954 – 71 years.

Date of initial appointment: 26th April 2003.

Relationship between Directors, Manager and other Key Managerial Personnel Inter-se: Except Mrs. Rohini G. Kalyani and Mr. Viraj Kalyani, none of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Resolution.

Terms and conditions of appointment: Re-appointment in terms of Section 152(6) of the Act.

Shareholding in the Company (as on 31st March 2026): 47,020 Equity Shares

Listed entities in which Mr. Gaurishankar N. Kalyani holds Directorships and Committee Membership: None

Listed entities from which Mr. Gaurishankar N. Kalyani has resigned as Director in past 3 years: None

Board Meeting Attendance: During the year 2025-26, 4 Board meetings of the Company were held and Mrs. Rohini G. Kalyani had attended all of the 4 Board Meetings.

Remuneration last drawn: apart from receiving sitting fees, he does not draw any remuneration/-

Details of revision in remuneration: Remuneration as decided by the Board within the ceiling approved by shareholders.

By Order of the Board of Directors
For Kalyani Forge Limited

Mrs. Rohini G.Kalyani
Executive Chairperson
DIN: 00519565

Place: Pune
Date: 11th August 2026.

Registered Office:
Shangrila Gardens, 'C' Wing, 1st Floor
Opp Bund Garden, Pune – 411001
CIN: L28910MH1979PLC020959
E-mail: companysecretary@kforge.com
Website: www.kalyaniforge.com

Annual Report **2025-26**

KALYANI FORGE

Refining the Edge.
Strengthening the Core.

What's Inside

Refining the Edge. Strengthening the Core.

"The essence of strategy is choosing what not to do."

— Michael E. Porter

Every forging begins the same way: with heat, pressure, and the discipline to remove what does not belong. What survives the process is rarely the largest piece of metal; it is the strongest one: dense at the core, precise at the edge, shaped to bear load quietly for years without failing.

FY2026 asked Kalyani Forge to turn that same discipline inward. It meant looking honestly at a business built up over decades and choosing, sometimes uncomfortably, to let go of what no longer belonged so that real strength could gather where it mattered most. This was not a year of chasing every order or every customer. It was a year of asking a harder question: what does this Company do better than almost anyone else, and how much closer can it get to that?

The answer took shape quietly, in decisions rather than headlines: in what the Company chose to walk away from, and what it chose to build around instead.

Refining the Edge.
Strengthening the Core.

Key Highlights

Refining Performance. Strengthening Value.

FY2026 was about making the choices that matter: refining the product portfolio, strengthening capabilities, and creating a stronger foundation for growth.

Financial Highlights

₹234.6 Cr
Revenue from Operations

3.9%
PAT Margin

₹31.6 Cr
EBITDA

15.8%
Return on Capital Employed (RoCE)

13.3%
EBITDA Margin

3.3x
Debt to EBITDA

₹9.32 Cr
Profit After Tax (PAT)

Operational Highlights

₹169 Cr
New Business Order Book

5
Number of Plants

Capex delivering:

₹86.5 Cr **vs ₹60.4** Cr (FY25)
PPE

₹10.3 Cr
CWIP

ESG Highlights

185 tCO_2e
GHG Emissions (Scope 1 Only)

₹29 Lakh
Total CSR Spending

1,000+
Team Size

~1,000
Total Beneficiaries

3 out of 6
Independent Directors

Chairperson's Message

Forged by Legacy. Built for Tomorrow.

> Kalyani Forge has always tried to arrive at a capability before the market demanded it, not after.

Dear Shareholders,

Institutions that endure across multiple decades rarely do so by chance. Longevity of this kind is typically the outcome of an early, deliberate choice about what the organization intends to become, followed by sustained fidelity to that choice through changing market conditions. For Kalyani Forge, that choice was made roughly a quarter-century ago, and FY2026 represents, in many respects, a continuation of the same underlying commitment.

The Decision That Defined Us

When I took over from my father, Dr. Neelkanth Kalyani, in 2000, Kalyani Forge was a single-technology business built around hot forging for two-wheeler components: one process, one customer segment, one identity.

The choices we made soon after, from developing India's first fracture-split connecting rod and entering the passenger car and commercial vehicle segments to introducing warm forging, another first for an Indian forging company, were far from incremental. They redefined the purpose and potential of the Company.

Everything that has followed since—our machining capability, our larger presses, our broader OEM relationships—has flowed from that one decision.

We stopped thinking of ourselves as a two-wheeler forging shop, and started thinking of ourselves as a precision engineering company that happened to have started in two-wheelers.

Preserving Values Over the Years

Three things have remained constant since my father founded this Company in 1979.

First, our obsession with precision: close-tolerance forging was our founding discipline, and it remains the standard we hold ourselves to, whether the product is a two-wheeler connecting rod or a driveline component for a modern commercial vehicle.

Second, our willingness to arrive early at a capability, a technology, a market, before the industry demands it, not after.

Third, a long-term view of the business that comes naturally to a family-promoted company: we make decisions for the Company we want to hand to the next generation, not just for the next quarter.

While we preserve our engineering-first culture and close connection to the shop floor, we have deliberately modernized our business.

> "Our simpler ambition is to keep closing the gap between the quality of our engineering and the quality of our numbers, so that the market values Kalyani Forge the way our customers already do."

Building an Institution

What has been preserved across successive leadership transitions is an engineering-first culture, and a closeness to the customer's technical problem that no purchase order can substitute for. Each generation of leadership has been grounded in this discipline before assuming full responsibility for the Company, and Mr. Viraj Kalyani has carried that grounding into his tenure as the Managing Director through a demanding capex and margin-improvement phase.

What has deliberately changed is how institutional we have become under his stewardship: a dedicated investor relations function, formal engagement with rating agencies, and a Board strengthened by independent perspective. Earlier phases of our history built our engineering identity. The current phase has been about building the institutional and governance identity that lets that engineering strength be recognized and valued by capital markets, and I am glad to say that work is well underway.

Future-Proofing for a Powertrain-Agnostic World

I do not believe the forging industry disappears with electrification, but I do believe it changes shape, and we have chosen to position for that rather than wait for it. A meaningful share of what we manufacture—axle, driveline, chassis, and structural components—is largely powertrain-agnostic; a vehicle needs these parts whether it runs on an engine or an electric motor. Where we are more exposed is on the pure engine side, which is precisely why our diversification into industrial, agricultural, and off-highway applications has mattered so much. We are also evaluating what electrification adds: motor shafts, gear, and transmission components, and other new-generation forged and machined parts are genuine opportunities for a company with our process breadth.

The Road Ahead

Looking to the next phase, our priorities are not complicated to state, even if they will take sustained work to deliver:

First, converting this year's margin recovery into a durable strength rather than a single good year;

Second, translating that stronger base into real, order-backed revenue growth;

Third, bringing our working capital position in line with the quality of the rest of the business;

And finally, continuing to earn the institutional credibility that lets the market value Kalyani Forge the way our customers already do.

To our shareholders, thank you for your patience as our margin story paved the way for our growth story. To our employees across every shift, these numbers are a reflection of your dedication. To our customers, your trust in us for safety-critical components is our most valuable asset. Together, we are building an enterprise that is growing, adapting, and proudly Indian.

Warm regards,

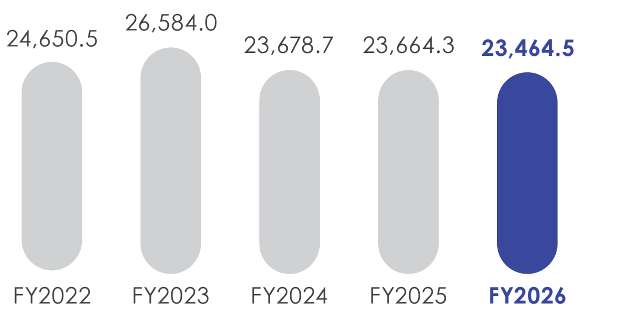
Rohini Kalyani
Executive Chairperson

Key Performance Indicators

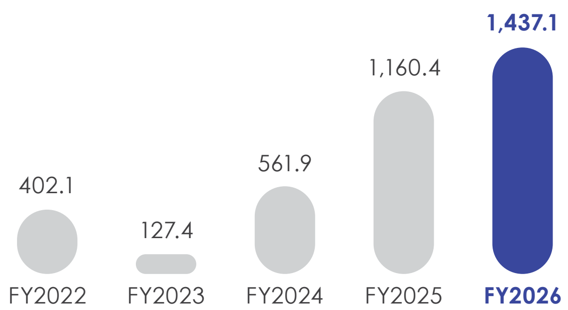
The Metrics That Matter

The Company's performance over the last few years reflects the benefits of disciplined choices and sharper execution, as it continues to strengthen the core of the business and improve its quality of growth.

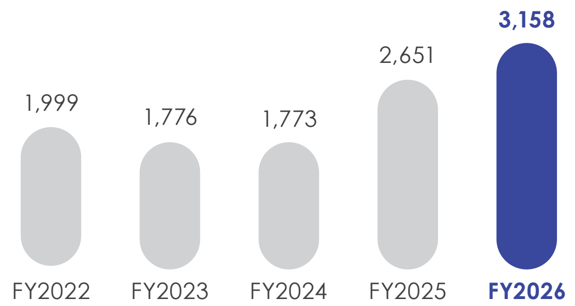
Revenue from Operations
(₹ in Lakh)



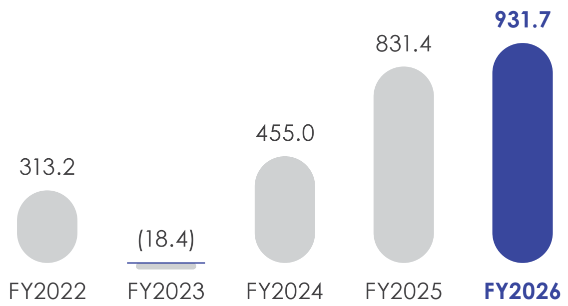
Profit Before Tax
(₹ in Lakh)



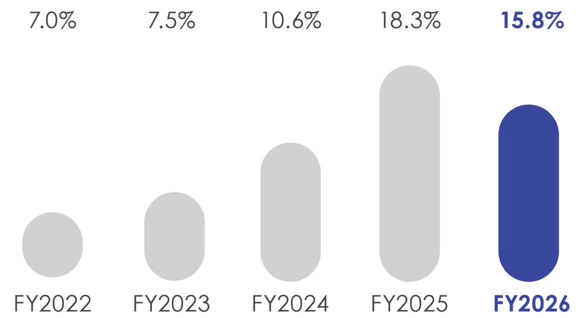
EBITDA
(₹ in Lakh)



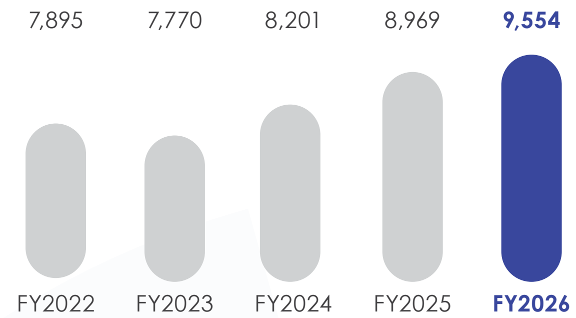
Profit After Tax
(₹ in Lakh)



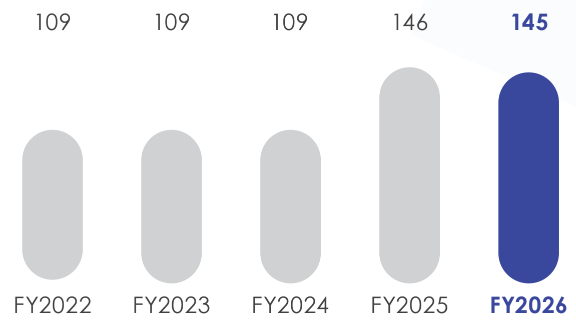
Return on Capital Employed
(%)



Net Worth
(₹ in Lakh)



Dividend Amount
(₹ in Lakh)



Managing Director's Message

Refining Today. Strengthening Tomorrow.

> We are no longer scaling for the sake of scaling; we are building a highly disciplined, capital-efficient, and resilient manufacturing enterprise.

Dear Shareholders,

If you were to glance only at our revenue line this year, you might conclude that not much happened at Kalyani Forge in FY2026. I would gently disagree. Underneath **a topline of ₹234.64 Crore** that looks almost unchanged from last year sits a business that took a harder, more honest look at itself than it ever has before and came out of it leaner, sharper, and considerably more confident about what it does best.

'Refining the Edge. Strengthening the Core.' is the theme we chose for this report, but it is really just a description of the choices we made all year, in every part of the Company.

Profitable Growth: Our Financial Triumph

Our commitment to value over volume has delivered outstanding results. In FY2026, Kalyani Forge achieved a **Profit After Tax (PAT) of ₹9.32 Crore**, our highest net profit in ~14 years, yielding an **EPS of ₹25.60**.

While our **Revenue from Operations stood stable at ₹234.64 Crore**, this number reflects a major qualitative shift. During the year, we deliberately **phased out approximately ₹40 Crore of legacy, low-margin**, non-fit business. Replacing this volume with high-quality core business expansion highlights the deep trust our customers place in us.

Our operating profitability has scaled new heights. FY2026 **EBITDA rose to ₹31.58 Crore**, representing a **margin of 13.3%** (up from 11.1% in FY2025). Furthermore, we closed the year with a **spectacular fourth quarter**, achieving an EBITDA margin of **15.2%**, our second consecutive quarter above 15%.

> The 15% EBITDA margin was our stretch goal a year ago. Today, it is our floor, and we intend to keep moving it up.

Business Transformation: The Power of Strategic Portfolio Focus

Our transformation centers on our engine, driveline, and axle product groups. While engine components remain our stable cash cow at approximately 60% of revenues, driveline (20%) and axle (10%) represent fast-growing, fuel-agnostic, and future-proof segments applicable to electric vehicles (EVs).

We are executing Phase 4 of business mix optimization: **Resource re-allocation**. By prioritizing capital expenditure and engineering capacity for high-volume OEM accounts, we drove our OEM revenues to a **quarterly record of ₹37.3 Crore in Q4 FY26.**

Kalyani Forge remains the **only forging company in India** to offer engine, driveline, and axle components to OEMs under one roof, leveraging a unique combination of hot and warm forging technologies built over decades.

Operational Progress: Enhancing Efficiency on the Shop Floor

Operational progress went beyond routine maintenance to address structural efficiencies. Our strategic cost-reduction initiative, the Vriddhi Council, achieved material cost and yield improvements, and we have refined our focus to **10 critical transformation projects.**

A major milestone has been the launch of our new plant engineering vertical. Our plant engineering initiative is unlocking hidden capacity by correcting legacy plant layouts, electrical circuits, and utility pipelines. This deep brain-work and human effort requires minimal capex but directly stabilizes production cycles, improves uptime, and elevates safety standards.

These efforts, paired with machine reconditioning and die-run prioritization, have stabilized operations and driven our Return on Capital Employed (ROCE) from 14% in Q1 to 18% in Q4 FY26.

Strengthening Capabilities: Capital Discipline and Growth Drivers

To fuel growth, we executed ₹23.44 Crore in FY2026 capex, raising installed Property, Plant, and Equipment (PPE) to ₹86.5 Crore. We operate at an industry-leading Fixed Asset Turnover of 3.5x, far exceeding the 1.5–2x industry average. Moreover, we rationalized inventory by ₹21.7 Crore and reclassified ₹10 Crore of dies and tooling to fixed assets.

These capabilities are validated by three major Q4 order wins, including an EV axle program worth ₹20 Crore in annual revenue, alongside key allocations from SKF and Schaeffler.

Key Strategic Priorities: Our Vision for FY2027

For FY2027, our strategic priorities are clear. Our ₹30 Crore Capex plan allocates 60% to future growth areas like driveline and axle expansion. We aim to transition EBITDA margins toward 20% in the near term, while reducing our cash conversion cycle to 120–130 days.

With Phase 2 of our Clean Audit Roadmap underway and plans in place for equity funding to strengthen our balance sheet, we are fully geared for sustainable, profitable scaling.

My thanks to the Board, to every colleague on our shop floors and in our offices, and to you, our shareholders, for staying with us through a year defined less by size and more by substance. Together, we are forging a stronger, more resilient future.

Warm regards,

Viraj G. Kalyani
Managing Director

Corporate Overview

Forged in Strength

Built on more than four decades of forging expertise, Kalyani Forge combines engineering depth, precision manufacturing, and an enduring commitment to quality to deliver critical components across diverse industries.

Kalyani Forge Ltd., based in Pune's automotive hub, has over 47 years of experience in metal forming and precision engineering. The Company manufactures forged, machined, and assembled products serving automotive, construction, power generation, marine, railway, and industrial applications. Its capabilities span hot, warm, and cold forging, supported by in-house heat treatment and machining, enabling integrated control across the manufacturing process.

The Company's diverse product portfolio encompasses engine driveline, axle, and other components. Supported by certifications including ISO/TS 16949, ISO 14000, and OHSAS 18001, Kalyani Forge combines established manufacturing expertise with a focus on precision, reliability, and quality. Over the years, these capabilities have formed the core of a trusted engineering partner serving evolving customer requirements across industries.

Our Values

Milestones

Milestones That Strengthen the Core

Across five decades, Kalyani Forge's journey has been shaped by a simple formula: build on what the Company does best, evolve with the times, and keep strengthening the core.

1980s and 1990s:

Laying the Foundation

- Founded in 1979 by **Dr. Neelkanth Kalyani**, founder of the Kalyani Group
- Built an early focus on forged components for the **Two-Wheeler segment**
- Listed on the BSE and NSE via IPO as **Kalyani Forge Limited**

2000s:

Widening the Base

- Developed India's **first fracture split connecting rod**
- Entered the **passenger car** segment
- Entered the **truck** segment
- Introduced **warm forging** to India—a first for the country
- Commissioned mid-sized 1600T and 2500T presses
- Established a dedicated **machining division**

2010s:

Scaling with Marquee Customers

- Set up manufacturing lines for marquee global OEMs
- Delivered India's **first Euro 6/BS VI-compliant connecting rod**
- Expanded the **Driveline** and **Industrial** businesses
- Launched the **Wheel Hub** product line
- Established **Kalyani Studio**, the Group's technology vertical

2020s:

Building for the Future

- Scaled up the **machining** business
- Began supplying **EV platforms**
- Recorded strong order wins from target customers
- Launched higher value-add processes: **spline rolling** and **induction hardening**
- Built a growing **exports pipeline**
- Launched the **digital shopfloor** project in partnership with Kalyani Studio

Business Portfolio

Engineered Across Every Mile

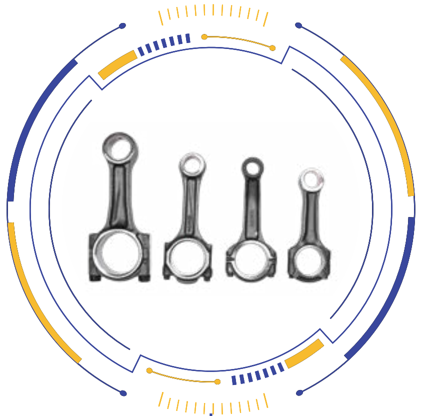
Kalyani Forge's business portfolio spans diverse products, applications, and industries, bringing together engineering expertise, manufacturing capabilities, and innovation to meet evolving customer needs.

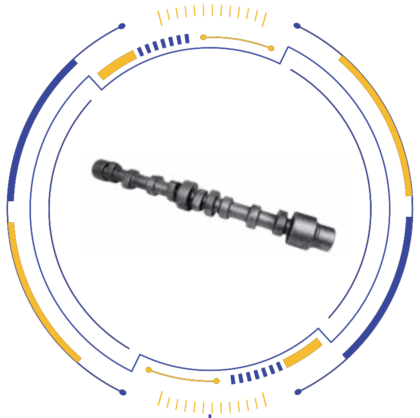
Driving the Future: Core Product Offerings

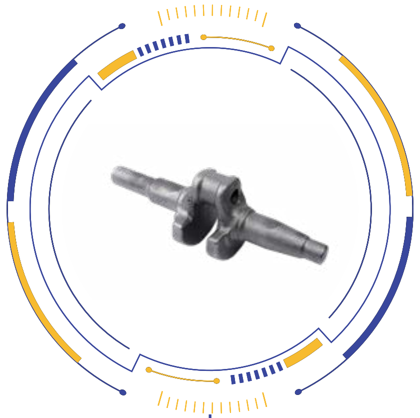
Kalyani Forge has streamlined its product architecture around three highly integrated, high-performance, and fuel-agnostic product groups:

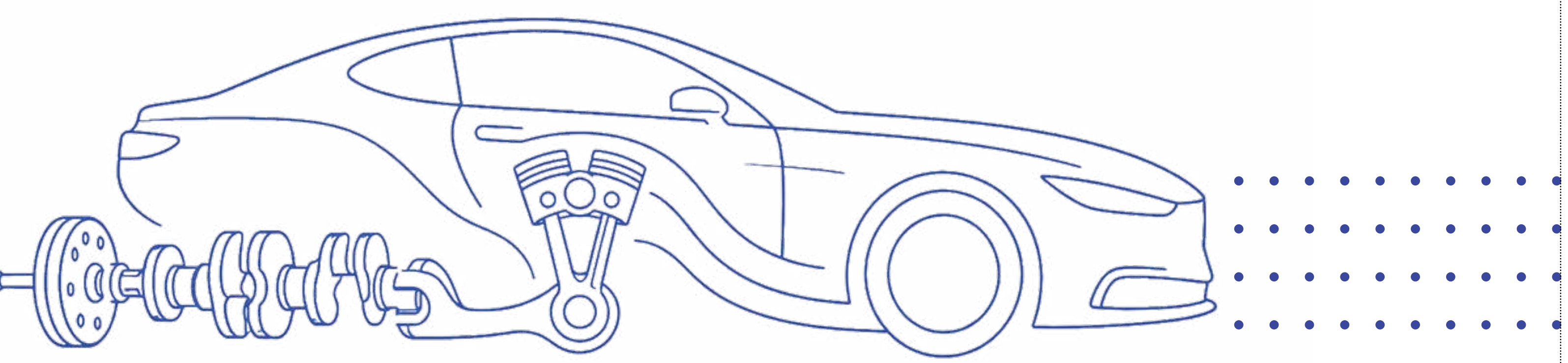
Engine

These components represent the Company's historical foundation and remain the steady cash cow of its operations, serving heavy commercial vehicles, off-road applications, and agricultural markets.


Connecting Rod


Camshaft


Crankshaft

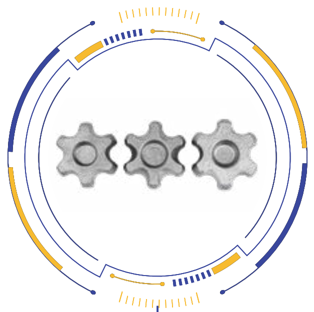


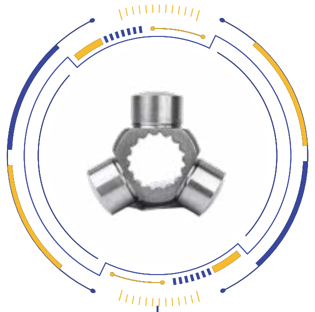
Driveline

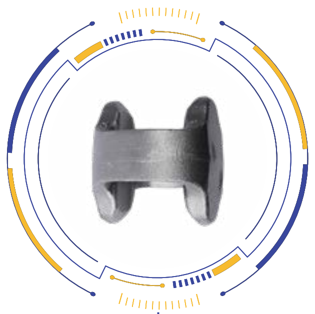
Serving the passenger vehicle segment primarily, these solutions are completely fuel-agnostic, making them equally vital for conventional internal combustion engines (ICE) and hybrid/electric drivetrains.

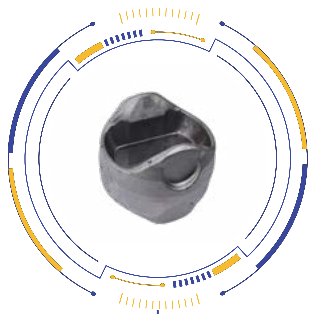

Outer Race

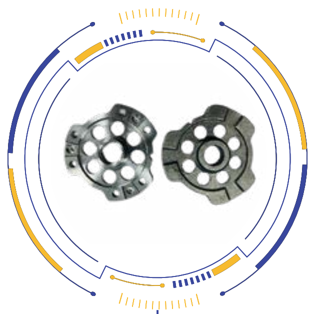

Tulip


Inner Race


Tripod

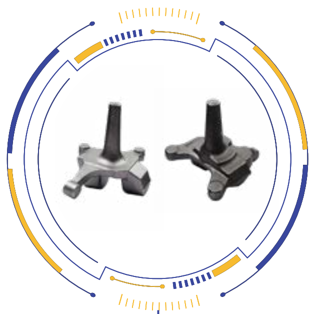

Double Yoke


Yoke Shaft

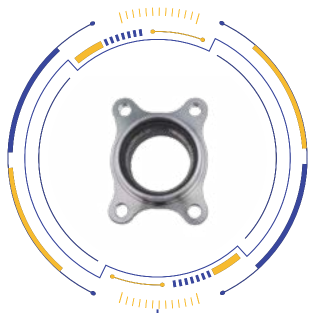

Gear Blanks

Axle

This segment is experiencing accelerated growth, driven by the domestic passenger vehicle boom and the global pivot toward advanced wheel-end architectures.


Stub Axle


Steering Knuckle


Wheel Hub

Advanced Manufacturing Solutions and Engineering Capabilities

Kalyani Forge does more than just supplying metal; it partners with its clients to co-create complete engineering solutions. By integrating metal-forming technologies with cutting-edge downstream machining, the Company supplies ready-to-install systems that optimize cost and performance:

Hot Forging

This division leverages over three decades of engineering experience with automated press lines, including a recently reconditioned **1,600T forging press** that boosts equipment uptime and output.

Heat Treatment

The Company's specialized continuous heat treatment furnaces minimize internal stresses, refine grain structures, and optimize mechanical properties for high-pressure safety-critical applications.

Cold and Warm Forging

As India's warm forging pioneers, the Company delivers substantial material savings through near-net-shape forming, eliminating scaling and scaling-related finishing.

Die Manufacturing

The in-house center leverages CAD/CAM design linked via fiber optics to advanced EDM and high-speed milling machines (Makino, Haas) for rapid, precise tooling development.

Precision Machining and Finishing

The Company offers extensive CNC, VMC, HMC, and SPM machining to deliver components in pre-machined or fully machined, ready-to-install conditions.

Testing and Inspection

The Company's state-of-the-art metallurgical and metrological laboratories provide exhaustive raw material and part inspection to guarantee a zero-defect standard.

Engineering Excellence

Design

Uses simulation software to analyze metal flow, optimizing material yield and shortening product development lead times.

Prototyping

The Company's prototyping unit is integrated into the engineering department to rapidly produce and test functional samples.

Value Engineering

Collaborative teams design cost-effective production alternatives to reduce waste and maximize customer ROI.

Logistics: Supply Chain Integration

The Company manages full global delivery, logistics, warehousing, and just-in-time distribution to ensure on-time delivery across all geographies.

New Product Innovation

xEV Gen 3 Wheel Hubs

Successfully secured lightweight axle wheel hubs tailored specifically for electric vehicle (xEV) platforms.

OEM Driveline and Axle Systems

Introduced new fuel-agnostic driveline and axle components for marquee global Tier-1 manufacturers, capitalizing on strong domestic passenger vehicle demand.

Trusted Global Clientele

With over **200+ happy clients** worldwide, Kalyani Forge has built deep-seated, early-supplier relationships with marquee global OEMs and Tier-1 suppliers. Our business is structurally de-risked by serving a highly resilient and diversified mix of industrial end-markets:

Commercial Trucks

High-volume and high-value heavy-duty forgings designed for heavy freight and transportation.

Passenger Cars

Chassis and driveline components with an expanding footprint in new-generation and EV car platforms.

Agro-Sector

High-volume parts for agricultural engines, providing a strong counter-cyclical hedge against traditional automotive markets.

Industrial, Marine, and Power:

Steady demand for heavy-duty large engines. Notably, our expansion into marine infrastructure is backed by strict compliance certifications from international registries like the American Bureau of Shipping (ABS) and Bureau Veritas (BV).

Operational Excellence

Refining Performance. Reinforcing Excellence.

True strength is built into every process, from the precision of the forge to the discipline of the shop floor, where every improvement sharpens performance and strengthens the foundation for what comes next.

5
Plants

1,000+
Dedicated Workforce

3.5x
Fixed Asset Turnover

₹86.5 Crore
Property, Plant, and Equipment

₹21.7 Crore
In Inventory Rationalization (from ₹57.2 Crore in FY2025 to ₹35.5 Crore in FY2026)

Plant Network and Technology Base: The Core of Versatility

At the heart of Kalyani Forge's manufacturing capability lies a powerful network of **five state-of-the-art plants** situated in Pune, Maharashtra. This footprint comprises two Hot Forging Divisions (HFD1 and HFD2), two Machined Components Divisions (MCD1 and MCD2), and a dedicated Cold and Warm Forging Division (MFD).

Built over decades of engineering mastery, Kalyani Forge's unique combination of hot and warm forging technologies makes it the only company in India capable of delivering a complete engine, driveline, and axle component portfolio to OEMs.

This technological depth is matched by remarkable capital efficiency. While the industry benchmark for fixed asset turnover stands at **1.5x to 2.0x**, Kalyani Forge operates at an ultra-efficient **3.5x fixed asset turnover ratio**. However, the Company plans to bring this down to a sustainable level in line with industry benchmarks.

By maximizing the productivity of its Property, Plant, and Equipment (which grew to ₹86.5 Crore in FY2026, up from ₹60.4 Crore in FY2025), the Company ensures that its assets work harder, driving robust volume growth across passenger cars, commercial trucks, and agro segments.

Plant Engineering: Strengthening Shop Floor Architecture

During the year under review, the Company launched a pivotal engineering initiative: the creation of a specialized **plant engineering vertical** within its engineering department. Rather than relying on capital-intensive expansions, this team goes deep into the Company's existing shop floor environments to correct legacy layouts, streamline workflows, and optimize architectures.

By systematically redesigning the layouts of electrical, water, and air pipelines across all plants, the Company is resolving the root causes of low overall equipment effectiveness (OEE) and unplanned machine breakdowns. Shop floor decongestion, clutter removal, and simplified electrical circuits are already stabilizing production cycles.

The true value of plant engineering lies in its high intellectual leverage: by focusing the team's engineering talent on workflow design, the Company unlocks significant capacity, uptime, and safety improvements with minimal capex.

The Vriddhi Council: Driving Systematic Efficiency

Operational stabilization is further institutionalized through the **Vriddhi Council**. Following a successful run of 13 to 14 projects in FY2026, the Council has refined its focus into **10 critical operational projects** for the upcoming year. These cross-functional projects target supply chain optimization, machining efficiencies, yield improvements, and power cost discipline.

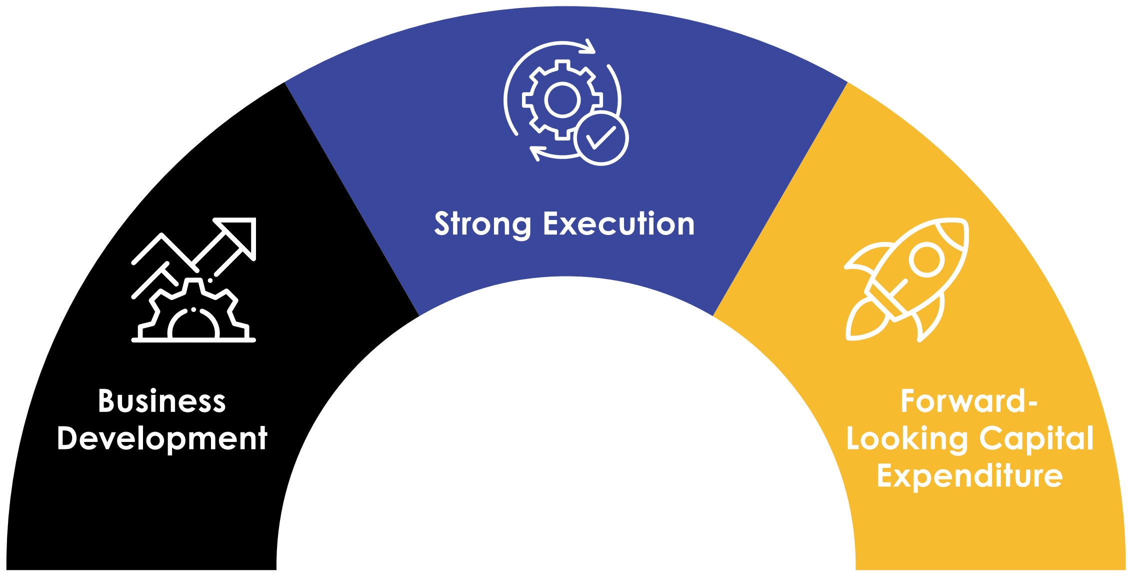
Through targeted machine reconditioning and rigorous die-run prioritization, Kalyani Forge has stabilized production cycles and increased machine uptime. The fruits of these efforts are clearly visible on its bottom line, propelling its EBITDA margins to a new floor of 15%+ in the second half of FY2026.

Powered by a workforce of **1,000+** dedicated employees and supported by a **₹21.7 Crore reduction in inventory**, the Company's operations are leaner, faster, and fully geared for sustainable growth.

Strategy

The KFL Growth Formula

At Kalyani Forge, strategic direction transforms a bold vision into measurable results. It is built upon three structured pillars:



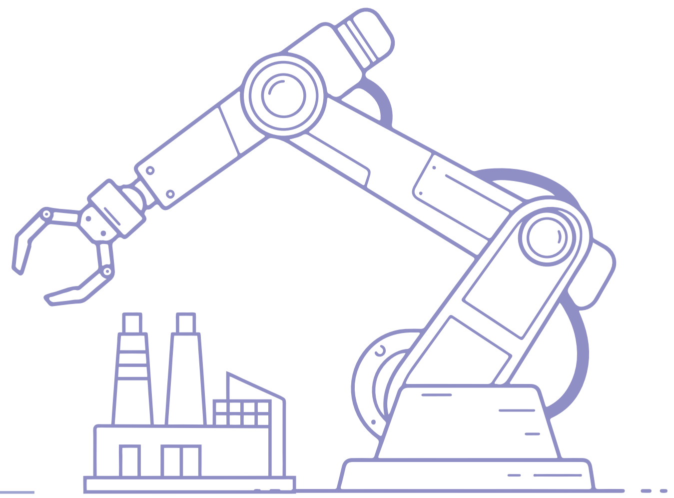
This framework ensures sustainable profitability and scale-up capacity.

Pillar 1: Strong Execution and Portfolio Rationalization

In FY2026, the Company chose to prioritize profitability and capital efficiency over low-margin volume. Kalyani Forge executed a major portfolio optimization, successfully phasing out approximately ₹40 Crore of legacy, non-fit business. While this product rationalization kept revenue stable at ₹234.64 Crore, it significantly unlocked the Company's bottom line, driving full-year EBITDA up by 19% to ₹31.58 Crore at a margin of 13.3%.

Furthermore, this established a new margin floor, sustaining a 15%+ EBITDA margin for two consecutive quarters. This disciplined execution improved the Company's Return on Capital Employed (RoCE) from 14% in Q1 FY26 to 18% in Q4 FY26.

15%+
EBITDA Margin Maintained in Q3 and Q4 FY26—the New Floor



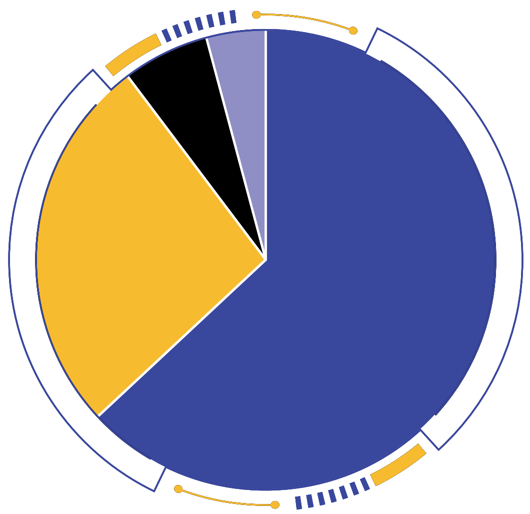
Pillar 2: High-Value Business Development

The Company's business development efforts are focused on high-volume, OEM, and Tier-1 customer programs where its value addition commands premium pricing. In Q4 FY26, Kalyani Forge achieved a peak annual value of ₹169 Crore in its new business order book, led by a massive ₹107 Crore engine segment pipeline and ₹45 Crore in drivelines.

Key breakthroughs include a ₹20 Crore EV high-volume axle business order and major program allocations from premium automotive bearing manufacturers SKF and Schaeffler.

As the only forging company offering engine, driveline, and axle components under one roof, the Company is rapidly increasing its share of wallet with leading vehicle platforms.

New Business Order Book (₹ Crore)



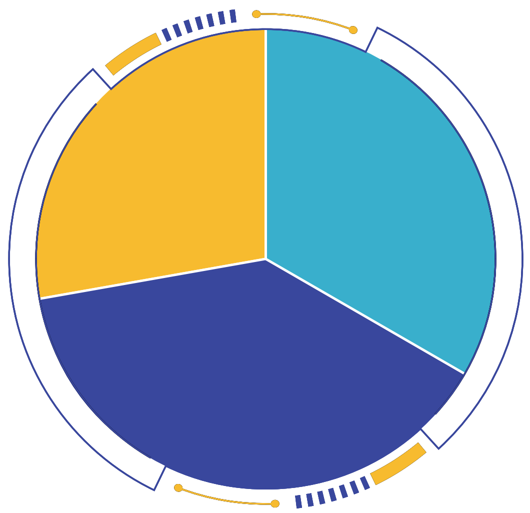
107 Engine
45 Driveline
10 Axle
07 Others

Pillar 3: Growth-Oriented Capex and Capital Allocation

Kalyani Forge is aligning its capital expenditure directly with high-volume, future-ready customer programs. For FY2027, the Company has planned a ₹30 Crore capex program, directing a major 60% of the budget to growth areas (such as drivelines, axles, and ramp-up programs). This builds on its ₹23.44 Crore in growth capex executed during FY2026.

Crucially, Kalyani Forge reclassified ₹10 Crore of dies and tooling from inventory to fixed assets, bringing its inventory policy in line with global benchmarks and freeing up capital. These actions, combined with debt management targeting a 1.0 to 1.2 debt-to-equity ratio, are preparing the balance sheet for future equity funding.

The ₹30 Cr Capex Plan by Segments



11.7 Engine
8.3 Driveline
10 Axle

Governance

Steering Value with Discipline

As the Company strengthens the core of its business, strong governance provides the foundation for sound decisions, accountability, and sustainable value creation.

Rohini Kalyani
Executive Chairperson

Viraj Kalyani
Managing Director

Gaurishankar N. Kalyani
Non-Executive Director

Ajay Tandon
Independent Director

Jeevan Mahaldar
Independent Director

V. Swaminathan
Independent Director

Statutory Reports and Financial Statements

Management Discussion and Analysis

Global Economic Overview

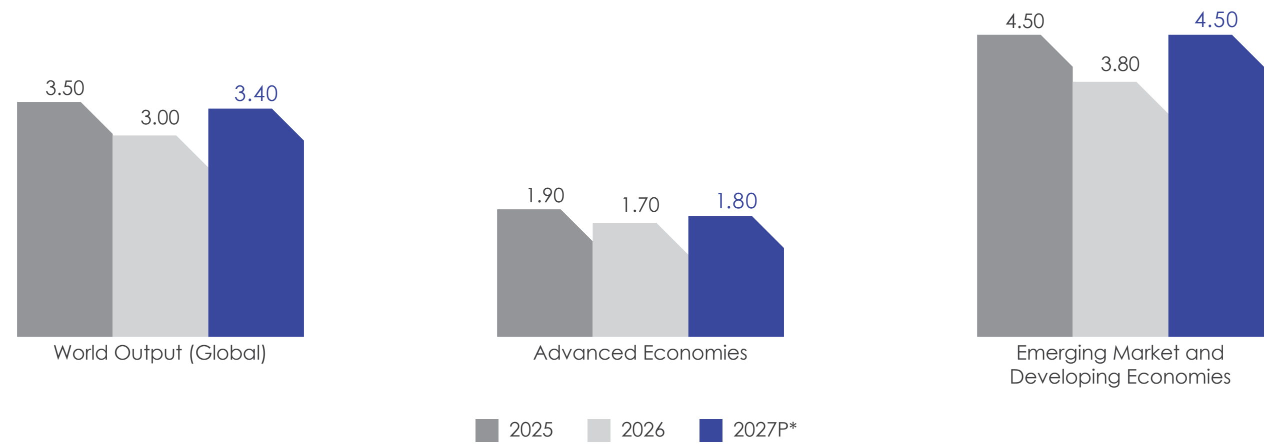
The global economy demonstrated remarkable resilience in 2025 despite heightened geopolitical tensions and persistent policy uncertainty, expanding by 3.5%. Growth was supported by resilient global trade, a surge in technology investments, particularly in artificial intelligence, and favorable financial conditions. A weaker US dollar, coupled with proactive fiscal measures in major economies such as the US and Germany, further reinforced economic activity.

On the inflation front, global disinflation came to a stall. However, underlying trends varied by region; core inflation stayed stubbornly high in the US, whereas Japan experienced a sharp decline.

Ultimately, trade acted as a critical economic engine, marked by record-breaking merchandise surpluses in China and a boom in Asian tech exports. Overcoming early-year trade barriers and policy shifts, the global economy closed out 2025 with stronger-than-anticipated momentum.

GDP Growth (2025 to 2027P*)

(%)



*P = Projected

Outlook

The outlook for the remainder of 2026 and into 2027 is shaped by two diverging forces: the war shock and AI-driven technological momentum, with growth projected to moderate to 3.0% in 2026 before recovering modestly to 3.4% in 2027. The ongoing war shock continues to weigh heavily on energy-importing nations and more vulnerable economies. Conversely, countries and industries integrated into the global technology value chain are seeing a significant lift due to robust AI-driven demand. For the broader manufacturing industry, this implies that while traditional segments may face pressure from high energy costs and geopolitical drag, tech-aligned segments are poised for expansion.

(Source: IMF, July 2026; IMF, April 2026)

Indian Economic Overview

India maintained its position as one of the world's fastest-growing major economies in FY2026, with GDP growth accelerating to 7.7% from 7.1% in FY2025. This expansion was anchored by a robust 7.9% increase in Gross Value Added (GVA), propelled by strong performance across the manufacturing and services sectors. Concurrently, macro stability was bolstered by a sharp drop in food and fuel prices, which helped cool headline inflation to an average of 1.7% between April and December 2025.

The Union Budget 2026–27 further strengthens this economic foundation, targeting a 4.3% fiscal deficit while sustaining aggressive public investment. This is supported by strong policy momentum, including over 350 structural reforms such as the simplified GST 2.0 and the implementation of four streamlined Labour Codes. Moreover, the strategic focus has shifted towards frontier industries such as the Semiconductor Mission 2.0 alongside physical infrastructure, highlighted by a 60% expansion of the National Highway network since 2014. Financial inclusion initiatives like PM SVANidhi and expanding digital connectivity continue to ensure this growth remains widespread.

Outlook

India is poised to maintain its global growth leadership, with FY2027 GDP projected to expand between 6.8% and 7.2%. Reflecting potential headwinds from volatile oil prices and geopolitical friction, the RBI maintains a conservative estimate of 6.6%. While headline inflation may experience a minor uptick, it is expected to remain well-managed within the central bank's 2–6% target band.

(Sources: Economic Times, PIB, Economic Survey 2025-26, India Budget 2026-27) provide essential data and insights.

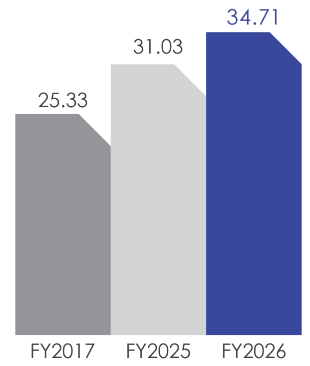
Indian Automotive Industry

India continues to hold a commanding position in the global heavy vehicles market as the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. In 2025, the Indian automotive market was valued at $274.93 Billion and is projected to scale to $584.23 Billion by 2034, achieving a CAGR of 8.74% between 2026 and 2034.

The combined production of passenger vehicles, three-wheelers, two-wheelers, and quadricycles contributed to a massive total production of 34.71 million units for the full fiscal year (FY2026). In terms of domestic market structure, two-wheelers and passenger cars remain the absolute pillars of sales, commanding 76.79% and 16.43% of the market share, respectively, in FY2026. Within the passenger vehicle segment, consumer demand continues to be heavily dominated by small and mid-sized car sales.

Number of Automobiles Produced in India

(in million units)



Growth Drivers

The market's robust expansion is propelled by several critical factors:

- **Rising Incomes and Urbanization:** Rapid urban development and increasing disposable income have substantially boosted buying power, with India's per capita Gross National Disposable Income (GNDI) increasing over the years.
- **Supportive Government Policies:** Favourable national programs, including the 'Make-in-India' campaign, the Automotive Mission Plan, and strategic manufacturing subsidies and tax benefits for electric/hybrid platforms, are driving domestic production capabilities and local R&D investment.
- **Accessible Financing and Ownership Models:** Partnerships between banks, fintech companies, and OEMs have created highly accessible, flexible EMI and lease-to-own plans, making vehicle ownership far easier in Tier-2 and Tier-3 cities.
- **Logistics Boom and Export Strength:** The expansion of e-commerce and retail is driving heavy demand for commercial transport fleets. Concurrently, Indian automobile exports grew by a strong 19% in FY2025, exceeding 5.3 million units.

Key Trends

- **Smart and Connected Mobility:** Vehicles are increasingly integrating advanced IoT-enabled features. This shift is being led by developing production-ready, locally made V2V, V2X, and modular connected platforms.
- **Shared and Micro-Mobility:** To combat urban traffic congestion and parking shortages, consumers in metro cities are increasingly turning to app-based shared fleets, subscription services, and electric e-scooters.

Outlook

The industry is well-positioned for sustained, technology-driven growth. Future expansion will be heavily shaped by increasing vehicle adoption in rural and semi-urban regions, coupled with rising demand for premium and compact models.

Besides, technological integration will accelerate, focusing on lightweight materials, autonomous safety features, and advanced electric drivetrains. Furthermore, government expressways and smart city initiatives will provide the critical infrastructure required for connected and advanced vehicles.

Indian EV Market

The Indian electric vehicle (EV) market is emerging as a premier industrial growth driver, with sales expanding 30% in FY2026 to 2.66 million units (up from 2.05 million in FY2025) to secure an 8.62% penetration of overall automotive sales. Although two- and three-wheelers continue to command nearly 87% of all EV volumes, adoption is actively widening across all major vehicle classes. Bolstered by ₹2.23 Lakh Crore ($25.6 Billion) in investments secured between 2020 and 2025, the market's 2025 valuation of ₹0.31 Lakh Crore ($3.71 Billion) is projected to reach an extraordinary ₹16.15 Lakh Crore ($191.04 Billion) by 2034.

(Sources: IBEF, IMARC)

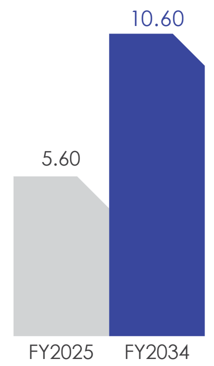
Indian Forging Industry

The Indian forging market has entered a phase of rapid modernization and structural expansion. Valued at $5.6 Billion in 2025, the market is projected to reach $10.6 Billion by 2034, growing at a compound annual growth rate (CAGR) of 7.10% during 2026–2034. This growth is fundamentally driven by rapid industrialization, the steady expansion of the domestic automotive and construction sectors, and a rising demand for high-performance, precision-engineered components.

Key macro-drivers, including a transition toward high-tech manufacturing systems, export opportunities, and supportive government policies encouraging indigenous production, are repositioning the domestic industry as a competitive global force.

Indian Forging Market Size

(in $ Billion)



Key Trends

Pacing the Automotive and EV Transformation: As India consolidates its position as a global auto manufacturing hub, the forging sector is rapidly scaling up production of highly durable parts like engine components, chassis, and transmission systems. To meet rising demand for lightweight, fuel-efficient ICE and electric vehicles, there is a significant shift toward high-strength steel and aluminum forgings. This EV transition opens high-value opportunities for specialty, lightweight forged parts designed to reduce energy losses, prompting manufacturers to deploy advanced precision forging technologies.

Accelerated Digitalization and Shop Floor Technology: Traditional forging is evolving into high-efficiency production through technologies like CNC machines, automation, robotics, and 3D printing, which improve accuracy and minimize human error. Advanced processes like precision and isothermal forging are actively deployed to deliver exceptional durability and high strength-to-weight ratios. Additionally, integrating simulation and modelling software during the design phase streamlines development workflows, significantly reducing material waste and enhancing overall product quality.

Aerospace and Defence Import Substitution: Spurred by the Make-in-India initiative and rising national security investments, the aerospace, civil aviation, and defense sectors are driving strong demand for high-performance forged components. To support defense self-reliance, domestic manufacturers are replacing imports with high-strength, locally produced parts for aircraft, missile systems, and heavy equipment. Given the extreme durability and harsh-condition resistance required, forgers are investing heavily in sophisticated, high-precision methods to meet strict safety and performance standards.

(Source: IMARC)

Company Overview

Kalyani Forge Limited is a pioneer in precision engineering and metal forming. Established in 1979, the Company operates five state-of-the-art manufacturing plants in Pune, Maharashtra, supported by a workforce of over 1,000 employees. As a premier supplier of high-performance components, Kalyani Forge possesses a unique dual technology base in both hot and warm forging built over decades. This enables it to be the only Indian forging company to deliver a complete Engine, Driveline, and Axle component portfolio under one roof. Supported by extensive precision machining, heat treatment, and in-house die manufacturing, the Company's capital efficiency is demonstrated by an industry-leading 3.5x fixed asset turnover ratio.

₹234.64 Crore
Revenue from Operations

₹31.58 Crore
EBITDA

₹9.32 Crore
Profit After Tax (PAT)

5
Number of Plants

1,000+
Team Size

Automotive Business

This remains the Company's primary volume driver. The Engine business, representing 60% of revenue, serves as a high-volume anchor, predominantly delivering heavy-duty forgings like connecting rods and crankshafts for trucks and commercial vehicles. The driveline (20% of revenue) and axle (10% of revenue) product groups are highly dynamic, fuel-agnostic, and compatible with both ICE and electric vehicle (xEV) powertrains. Growth in passenger vehicles is accelerating, highlighted by marquee wins and ramp-ups of advanced Gen 3-wheel hubs with global Tier-1 manufacturers.

Industrial Business

This segment serves critical sectors including power generation, construction, mining, infrastructure, railways, and marine. The industrial segment leverages the Company's automotive-grade engineering standards to deliver heavy forgings for large-engine applications, acting as an effective hedge against automotive market cyclicality.

Business Outlook

Kalyani Forge enters FY2027 with clear operational and commercial momentum. Commercial strategy is geared toward increasing the share of wallet with target global OEMs by leveraging the unified engine, driveline, and axle offering. Capital allocation is tightly aligned with these growth frontiers; 60% of the planned ₹30 Crore FY2027 capex is allocated directly to future growth segments like driveline, axle, and ramp-up programs. Operationally, the Company targets sustaining its newly established 15%+ EBITDA margin floor, lowering its cash conversion cycle to 120–130 days, and driving further ROCE improvement (which reached 18% in Q4 FY26) to ensure long-term, capital-efficient value creation.

Financial Overview

Kalyani Forge delivered a highly profitable performance in FY2026, driven by a strategic focus on high-margin contracts. While revenue from operations remained stable at ₹234.64 Crore (compared to ₹235.88 Crore in FY2025) due to the deliberate phase-out of approximately ₹40 Crore in low-margin, non-fit programs, bottom-line profitability expanded dramatically.

The full-year EBITDA rose to ₹31.58 Crore, representing a margin expansion to 13.3% (up from 11.1% in FY2025), while Profit Before Tax climbed 23.8% to ₹14.37 Crore. Profit After Tax reached ₹9.32 Crore—the Company's highest profitability in ~14 years—with an EPS of ₹25.60. This turnaround was highlighted by an exceptional fourth quarter in FY2026, which recorded a robust 15.2% EBITDA margin on ₹57.00 Crore of operational revenue, establishing a solid profitability floor.

Alongside profitability gains, the Company achieved remarkable capital efficiency and balance sheet discipline. Return on Capital Employed (ROCE) grew sequentially from 14% in Q1 to 18% in Q4 FY26, supported by an industry-leading fixed asset turnover of 3.5x (vs. the 1.5x–2.0x industry benchmark) on Property, Plant, and Equipment of ₹86.5 Crore.

Working capital management also improved significantly, with inventories rationalized by ₹21.7 Crore to ₹35.5 Crore. This reduction, alongside a sequential decrease in the Cash Conversion Cycle from 176 days to 168 days by Q4, freed up valuable cash flow to fund strategic capex and ramp up growth-focused business lines.

Financial Performance, FY2026 vs FY2025

Particulars	FY2026	FY2025	Y-O-Y%
Total Income (in ₹ Crore)	238.22	239.15	-0.39%
Operating Expenses (in ₹ Crore)	206.64	212.64	-2.82%
EBITDA (in ₹ Crore)	31.58	26.51	+19.12%
Other Income (in ₹ Crore)	3.58	2.51	+42.63%
Interest and Finance Charges (in ₹ Crore)	7.66	7.04	+8.81%
Depreciation and Amortization (in ₹ Crore)	9.55	7.87	+21.35%
Profit Before Tax (in ₹ Crore)	14.37	11.60	+23.88%
Tax Expenses (in ₹ Crore)	5.05	3.29	+53.50%
Profit After Tax (in ₹ Crore)	9.32	8.31	+12.15%
EPS (Basic) (in ₹)	25.60	22.86	+11.99%

Human Resources

Kalyani Forge's workforce of 1,000+ employees is the absolute cornerstone of its sustained operational success and precision manufacturing capabilities. Aligned with its Vriddhi Growth Mission 2027, the Company continues to focus on cultivating a highly transparent, collaborative, and future-ready team.

Employee engagement and a grassroots culture of continuous improvement were heavily championed through the Company's Kaizen Awards initiative, which unleashes cost-effective, innovative shop-floor ideas directly from the team. To ensure world-class execution, Kalyani Forge's operator training curricula have been refined to integrate advanced safety protocols, lean manufacturing processes, and strict quality control.

Complemented by expanded employee welfare programs, Kalyani Forge remains deeply committed to fostering a supportive, inclusive, and high-performance work environment where individual development fuels its collective strategic growth.

Information Technology

Kalyani Forge views technology as a vital strategic enabler that drives long-term digital innovation, operational excellence, and sustainable business growth. Following the successful deployment of its core customer relationship management (CRM), recruitment management, and project management software platforms, the Company's primary focus remains on optimizing these systems.

By focusing on deeper integration and driving higher user adoption across all business divisions, the Company has successfully enhanced workflow efficiency, eliminated operational silos, and strengthened collaborative networks across its offices and plants.

A key operational milestone in this journey is the Company's **Digital Shopfloor Project,** developed in partnership with its technology vertical, **Kalyani Studio,** to bridge physical shop-floor operations with real-time digital intelligence.

To ensure this digital ecosystem remains highly secure and resilient, Kalyani Forge maintains a rigorous focus on knowledge management, advanced cybersecurity protocols, data integrity, and continuous user training, thereby establishing a secure, future-ready digital infrastructure.

Corporate Social Responsibility

Kalyani Forge Limited is committed to inclusive and sustainable development, with a focus on creating meaningful and lasting value for society. The Company's CSR initiatives emphasize skill development and employment opportunities, particularly for youth and aspiring professionals.

The Company's support for technical education encourages innovation, engineering excellence, and teamwork while nurturing future talent. It also supports initiatives aligned with its CSR policy across community development, environmental sustainability, and health. All programs are undertaken under the guidance of the CSR Committee, with a focus on transparency, accountability and meaningful impact.

Risk Management

At Kalyani Forge Limited, proactive risk management is integral to achieving its strategic objectives and driving long-term sustainability. Operating in a dynamic market environment, the Company employs a structured risk management framework to continuously identify, assess, mitigate, and monitor operational, financial, strategic, environmental, and social risks, fully embedded within its internal control and governance systems.

Key Risks Identified and Monitored

The Company's Risk Management Policy provides a structured mechanism to periodically evaluate and manage key enterprise exposures, including:

Supply Chain and Operational Risks

Managing potential disruptions caused by raw material shortages, press breakdowns, die and tooling failures, or power outages to preserve seamless production continuity.

Strategic and Market Risks

Navigating regulatory landscape shifts, evolving global trade policies affecting export competitiveness, and the emergence of new market entrants or industry disruptions.

Geopolitical and Environmental Risks

Mitigating international supply chain vulnerabilities arising from geopolitical instability, alongside logistics or operational impacts caused by severe weather and natural disasters.

Technological and Innovation Risks

Adapting to rapid technological shifts to maintain product relevance while driving continuous innovation to meet evolving industry standards.

To safeguard business continuity, Kalyani Forge Limited actively monitors these risk factors and deploys proactive contingencies, including supplier diversification and predictive maintenance frameworks. Supported by continuous oversight from the Board of Directors and senior management, mitigation strategies are regularly reviewed to maintain an institutional culture centered on transparency, accountability, and resilience.

Internal Control Systems and their Adequacy

Kalyani Forge Limited maintains a robust internal control framework to safeguard assets, drive operational efficiency, ensure precise financial reporting, and maintain strict regulatory compliance. Tailored to its advanced precision forging and automated manufacturing environment, this dynamic control ecosystem actively mitigates enterprise risks while enabling the execution of long-term strategic goals.

Key components of the internal control system include:

- Accurate authorization, recording, and reporting of transactions
- Safeguarding of assets from unauthorized use
- Compliance with statutory and regulatory requirements
- Provision of reliable financial and operational information

Kalyani Forge integrates automated systems, standard operating procedures, and manual oversight into its core business processes to maintain a robust internal control environment. In FY2026, the Audit Committee thoroughly assessed internal findings and confirmed no material control failures. To support long-term expansion and deepen stakeholder trust, the Company continues to invest in enhanced automation, governance, and control processes.

Directors Report

The Board of Directors of your Company is pleased to present the 47th Annual Report together with the Audited Financial Statement of **Kalyani Forge Limited** ("the Company") for the financial year ended 31st March, 2026.

Financial Performance

The summarized standalone results of your Company are given below.

₹ in Lakhs

Particulars	Financial Year ended 31st March, 2026 Standalone	
	31-03-2026	**31-03-2025**
Total income from operations (net)	23,822.29	23,915.44
Expenses	22,385.15	22,755.03
Profit/(loss) before Exceptional Items and Tax	1437.14	1,160.41
Exceptional Items and Tax Expenses	505.40	328.93
Net Profit/ (Loss) After Tax for the Year	931.74	831.48
Balance of Profit from Previous Year (Retained Earnings plus Other Comprehensive Income)	8,604.82	7,836.82
Other Comprehensive income for the year	931.74	877.14
Dividend Amount Paid	(145)	(109.14)
Restatement of Depreciation	(201.07)	-
Balance of Total at the end of reporting period includes Retained Earnings and Other Comprehensive Income	**9190.48**	**8,604.82**

1. Summary of Operations

During the year under review, the net revenue from operations of your Company for FY 2025-26 decreased to ₹ 23,822.29 Lakhs as compared to ₹ 23,915.44 Lakhs in FY 2024-25 The Profit After Tax stood at ₹ 931.74 Lakhs, over the profit of ₹ 831.48 Lakhs reported in FY 2024-25.

2. Change in the nature of business, if any

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

3. Reserves

The Company has not transferred any amount to General Reserves for the year under review.

4. Dividend

Based on the Company's financial performance, the Board of Directors is pleased to recommend, for the approval of the members, a final dividend of ₹4/- per equity share (i.e., 40% of the face value of ₹10/- each) for the financial year 2025-26.

5. Capital/ Finance

During the year, the Company has not issued/allotted equity or preference shares. As on 31st March, 2026, the issued, subscribed and paid-up share capital of your Company is at ₹3,63,80,000/-, comprising 36,38,000 equity shares of ₹10/- each.

6. Particulars of Loans, Guarantees or Investments

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, are given in the notes to the Financial Statements.

7. Related Party Transactions

All contracts/ arrangement/ transactions entered by the Company during the Financial Year with related party were in the ordinary course of business and on arm's length basis. Such transactions form part of the notes to the financial statements provided in the Annual Report.

During the year, all contracts, arrangements, or transactions with related parties that could be considered material were entered into in accordance with the Company's Policy on Materiality of Related Party Transactions, which is available on the Company's website at: https://kalyaniforge.com/

The summary of related party transaction in Form AOC-2 is enclosed as **Annexure 1**. Related Party disclosures as per Ind AS 24 have been provided in Notes to the financial statements.

8. Fixed Deposits

Your Company has not accepted any deposits from public, Therefore, details relating to deposits covered under Chapter V of the Companies Act, 2013 are not applicable to the Company.

9. Material Events Occurring after Balance Sheet Date

There were no material changes, events and commitments affecting the financial position of your Company between the end of the Financial Year and the date of this report.

10. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the extract of the Annual Return of the Company for the financial year 2025-26 shall available on the website of the Company at https://kalyaniforge.com/investors

11. Transfer of Amounts to Investor Education and Protection Fund

Pursuant to the provisions of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended from time to time, the declared dividends that remain unpaid or unclaimed for a period of seven (7) years from the date they become due for payment, along with the corresponding shares, are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Accordingly, during the year under review, the Company transferred such unpaid or unclaimed dividends, along with the corresponding shares, to the IEPF. Shareholders may claim their shares and/or the dividend amount so transferred to the IEPF.

Date of Declaration	Type of Dividend	Amount transferred (₹)	No. of equity shares transferred
06th August, 2018	Final	8,68,959	Due for Transfer in current year

12. Details of Board meetings

The Board of Directors duly met Four times (4) during 2025-26. For more details, please refer to the section on Corporate Governance Report forming part of this Report. The intervening gap between any two consecutive meetings was within the period prescribed under the provisions of the Companies Act, 2013 and Listing Regulations.

13. Composition of Board and its attendance

The composition of the Board of Directors as on 31st March 2026 and attendance of members in the meetings held during the financial year 2025-26 are as under:

Name of the Director	Designation	Category	Date of Cessation	No. of meetings attended
Mrs. Rohini G. Kalyani	Chairperson of the Board	Executive Chairperson	-	4
Mr. Gaurishankar N. Kalyani	Member of the Board	Non – Executive & Non-Independent Director	-	4
Mr. Viraj G. Kalyani	Member of the Board	Managing Director	-	4
Mr. Abhijit Sen*	Member of the Board	Non – Executive & Independent Director	02nd February 2026	4
Mr. Ajay Tandon	Member of the Board	Non – Executive & Independent Director	-	4
Mr. Jeevan Mahaldar	Member of the Board	Non – Executive & Independent Director	-	4
Mr. Viswanathan Swaminathan#	Member of the Board	Non – Executive & Independent Director	-	1

* Ceased to be Independent Director of the Company w.e.f. 1st February, 2026

appointed as an Additional Independent Director w.e.f. 11th November, 2025 by the Board of Directors and approved by shareholders on 5th March, 2026

14. Committees of Board

The composition of the Committees of the Board of Directors has been mentioned in detail in the Corporate Governance annexed to this report.

15. Declaration by Independent directors

The Company has received the necessary declarations from each Independent Director in accordance with Section 149(7) of the Act and Regulations 16(1)(b) and 25(8) of the Listing Regulations, that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. And there has been no change in the circumstances affecting their status as independent directors of the Company.

16. Directors and Key Managerial Personnel

a. Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013, and the Company's Articles of Association, Mr. Gaurishankar N. Kalyani (DIN: 00519610), Director, retires by rotation at the ensuing Annual General Meeting (AGM), and being eligible, offers himself for re-appointment.

During the year under review, Mr. Abhijeet Sen ceased to be an Independent Director of the company with effect from 02nd February 2026 due to completion of his tenure.

Furthermore, the Board appointed Mr. Viswanathan Swaminathan as an Additional Independent Director with effect from November 11th, 2025.

The Members of the Company subsequently approved his appointment as Independent Director for a term of five years, through special resolution passed via postal ballot on March 5, 2026.

In the opinion of the Board, Mr. Viswanathan Swaminathan possess the requisite expertise, integrity, experience and proficiency.

b. Key Managerial Personnel

Mr. Nilesh Bandale resigned as Chief Financial Officer w.e.f. 19th November, 2025. Consequent to his resignation, Mr. Jagdish Baheti was appointed as Chief Financial Officer of the Company w.e.f. 11th February 2026. He also resigned w.e.f. 30th April, 2026. Mr. Sainath Bhanage has been appointed as Chief Financial Officer of the Company w.e.f. 14th July, 2026.

Ms. Rachana Agarwal tendered her resignation from the position of Company Secretary and Compliance Officer of the Company with effect from July 10, 2025. The Board took note of the same and placed it on record. Pursuant thereto, Ms. Aishwarya Parwal, possessing the requisite qualifications and experience, was appointed as the Company Secretary and Compliance Officer with effect from 13th August 2025.

Further, Ms. Aishwarya Parwal also tendered her resignation from the position of Company Secretary and Compliance Officer of the Company with effect from 21st February 2026 and Mr. Anup Dilip Sancheti possessing the requisite qualifications and experience, was appointed as the Company Secretary and Compliance Officer with effect from 18th May 2026.

17. Formal Annual Evaluation

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board is responsible for monitoring and reviewing the Board evaluation framework. Additionally, as per the Companies Act, 2013, the Board is required to undertake a formal annual evaluation of its own performance, as well as that of its Committees and individual Directors. Further, Schedule IV of the Companies Act, 2013, provides that the performance evaluation of Independent Directors shall be conducted by the entire Board, excluding the Director being evaluated.

Pursuant to the above, the Company has formulated a Policy for performance evaluation of the Board, its Committees, Independent Directors, Non-Executive Directors, and the Executive Director. The Company also benchmarked the best practices prevalent in the industry as part of the evaluation process. Based on these, a structured evaluation process was carried out by the Board to assess its own performance, along with that of its Committees and individual Directors.

A separate meeting of Independent Directors was held on 14th February 2026, wherein the performance of the Chairperson, Non-Independent Directors, and the overall functioning of the Board was evaluated. The Independent Directors also reviewed the adequacy and effectiveness of the flow of information between the Management and the Board.

Furthermore, the Company undertakes a detailed familiarization program for Independent Directors covering the Company's business, its model, roles, responsibilities, and rights of Directors, among others. The Nomination and Remuneration Committee led the formal evaluation process using individual rating matrix. As part of this process, the performance of the Non-Independent Directors, the Chairman, and the Board as a whole was evaluated by the Independent Directors, while the performance of the respective Committees and both Independent and Non-Independent Directors was evaluated by the Board, excluding the Director being assessed.

18. Company's policy on appointment and remuneration

The Nomination and Remuneration Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company, including their remuneration and other matters as provided under Section 178 of the Act and Listing Regulations. The Policy is also available on the Company's website at: https://kalyaniforge.com/investors/corporate-information/

19. Holding, Subsidiaries, Associates or Joint Venture Com1panies

During the period under review the Company does not have any holding, Subsidiary, Associates or Joint Venture company.

20. Auditors

A. Statutory Auditors and Audit Report

M/s. M. P. Chitale, Chartered Accountants (Firm Registration No. 101851W), were appointed as the Statutory Auditors of the Company for a period of 5 consecutive years to hold the office from the conclusion of the 46th Annual General Meeting till the conclusion of the 51st Annual General Meeting of the Company to be held for the Financial Year ending as on March 31, 2030.

The Notes to the financial statements referred in the Auditors Report are self-explanatory. The Auditors' Report is enclosed with the financial statements in this Annual Report. The qualifications/observations and management response thereon, if any, have been given the financial statements.

I. The Company has been in the process of refining its stock valuation methodology since prior financial years. This involves updating standard rates for material, labour and overheads based on the current prevailing rates and relevant data. As the said process is not completed, the quantities and valuation of inventories and the consequential impact thereof, if any on the cost of raw materials and components consumed and the changes in inventories of finished goods, work in progress and stock in trade is unascertainable. – There is no impact of the qualification as per Management's best assessment.

II. Balance of trade receivables, trade payables, stock with vendors and balances with banks are subject to confirmations, reconciliations, and consequential adjustments, if any. Consequently, we are unable to obtain sufficient and appropriate audit evidence. We were unable to satisfy ourselves even after applying alternative means concerning such balances. – There is no impact of the qualification as per Management's best assessment.

III. Balances of amount appearing under Property, plant and equipment and other assets - GST input tax credit and sales reported in GSTR 1 are subject to reconciliations, and consequential adjustments, if any. We were unable to satisfy ourselves even after applying alternative means concerning such balances. – There is no impact of the qualification as per Management's best assessment.

IV. We have been given to understand that the Company is in the process of updating the relevant documentation for internal financial control over financial reporting. In the absence of necessary documentation, we could not determine if the Company has established adequate internal financial control with reference to financial statements and whether such internal financial controls were operating effectively as at March 31, 2026. – There is no impact of the qualification as per Management's best assessment.

B. Secretarial Auditor and the Audit

In accordance with Section 204 of the Companies Act, 2013 and the rules made thereunder, the Company has appointed M/s. PGBP & Associates LLP (Firm Registration No. L2022MH012600), Company Secretaries, as the Secretarial Auditors for a term of five (5) consecutive financial years commencing from financial year 2025-26 to financial year 2029-2030. The Secretarial Audit Report along with opinion of the Secretarial Auditors and Management reply thereon for the period under review is enclosed as Annexure 2 to this Report.

C. Cost Auditors and Audit

Pursuant to Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, and in accordance with the applicable Cost Audit Orders, the Company is required to maintain cost records for its Forging Business, which are subject to audit. Accordingly, the Company has maintained the prescribed cost records for the financial year 2025-26.

In compliance with the aforesaid provisions, the Board has appointed M/s. R.C.K & Co., Cost Accountants (Firm Registration No. 002587), represented by Mr. Rahul Chincholkar, Partner (Membership No. F-27063), as the Cost Auditors to audit the cost records of the Company for the financial year 2026-27. The remuneration payable to the Cost Auditors, as recommended by the Board, is subject to the ratification of the shareholders at the ensuing Annual General Meeting. Accordingly, the approval of the members is being sought for ratification of the proposed remuneration.

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records.

D. Reporting of fraud by auditors

During the year under review, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act to the Audit Committee.

21. Internal financial controls

Pursuant to relevant provisions of the Act, the Board is responsible for establishing and maintaining adequate internal financial controls. In this regard, the Board has put in place well-defined policies and processes to ensure that such controls are adequate and operating effectively. These internal financial controls encompass the policies and procedures adopted by the Company to ensure the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

22. Secretarial Standards

The Company has complied with the applicable, mandatory Secretarial Standards issued by the Institute of Company Secretaries of India, during the Financial Year 2025-26.

23. Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the regulators and courts which would impact the going concern status of the company.

24. Human Resources

Our Company regards its human resources as one of its most valuable assets and continues to invest in attracting, retaining, and developing talent on an ongoing basis. Various initiatives and programs aimed at fostering employee engagement, growth, and well-being are actively being implemented. The Company places strong emphasis on nurturing internal talent through job rotation, job enlargement, and career development opportunities, thereby promoting a culture of continuous learning and growth.

25. Risk Management Policy:

The Company has established a structured risk management framework to proactively identify, assess, prioritize, mitigate, and monitor key risks across its operations. The management is entrusted with the responsibility of periodically reviewing the risk management plan to ensure its continued effectiveness. Significant risks identified by various business units and functions are systematically addressed through well-defined mitigation plans, which are implemented and monitored rigorously on an ongoing basis.

In line with this approach, the Company has developed and implemented a comprehensive Risk Management Policy after identifying elements of risk that, in the opinion of the Board, could potentially threaten the Company's operations or objectives.

The Risk Management Policy ensures alignment across the organization, and its implementation and effectiveness are periodically reviewed by the Audit Committee of the Board. The detailed Risk Management Policy is also available on the Company's website for reference. https://kalyaniforge.com/

26. Management Discussion and Analysis

Management Discussion and Analysis comprising an overview of the financial results, operations / performance and the future prospects of the Company form part of this Annual Report.

27. Corporate Social Responsibility (CSR)

In accordance with Section 135 of the Companies Act, 2013, the Company has adopted a Corporate Social Responsibility (CSR) Policy, outlining its commitment to contribute towards social, environmental, and community development initiatives. The disclosure pursuant to Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is provided as **Annexure 3** to this Report. The detailed CSR Policy of the Company is also available on the Company's website for public reference - https://kalyaniforge.com/

Highlights of Corporate Social Responsibility Policy

The Company proposes to undertake CSR projects and programs in respect of the activities stated below with a preference to implement these projects and programs in the areas in which it operates:

- Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- Promoting gender equality, empowering women, setting-up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- Protection of national heritage, art and culture including restoration of buildings and sites historical importance and works of art; setting-up public libraries, promotion and development of traditional arts and handicrafts.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Training to promote rural sports, nationally recognized sports, Paralympics Sports and Olympic Sports.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- Rural development Projects.

28. Highlights on Company's policy on Sexual Harassment

Your Company is committed to fostering an open, safe, and inclusive workplace where every employee feels respected and empowered, regardless of gender, sexual orientation, or other personal attributes. The Company maintains a policy of zero tolerance towards sexual harassment at the workplace and has implemented a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment in alignment with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and the rules made thereunder.

Recognizing the need for a more inclusive approach, the Company has voluntarily made the Policy gender-neutral, extending its coverage to all employees—permanent, temporary, contractual, and trainees—as well as visiting, consultants, service providers, and any other persons present at the Company's premises. This reflects the Company's commitment to providing an equitable work environment and upholding the principles of equal opportunity and gender equality.

During the year under review, the Company conducts awareness sessions on POSH for its employees. These sessions are also made available on the employee portal to promote wider awareness and understanding of the Policy. It is noteworthy that no complaints were received under the POSH Act during the year, and the necessary disclosure in this regard is provided in **Annexure 4** to this Report.

29. Particulars of Employees and related Disclosures

Pursuant to the provisions of Section 136 (1) of the Act and as advised, the statement containing particulars of employees as required under Section 197 (12) of the Act read with Rule 5 (1) and 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be available for inspection. Members interested in obtaining a copy of the same may write to the Company Secretary at companysecretary@kforge.com and the same will be furnished on request. Hence, the Annual Report is being sent to all the Members of the Company excluding the aforesaid information.

The details of remuneration drawn by Executive Chairperson and Managing Director from the Company is provided in the Corporate Governance Report.

30. Details of establishment of vigil mechanism for directors and employees:

Your Company is committed to conducting its business with the highest standards of integrity, transparency, professionalism, honesty, and ethical behavior. In line with this commitment and pursuant to the provisions of Section 177(9) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors has adopted a Vigil Mechanism/Whistle Blower Policy, which is also available on the Company's website.

The Company has, over the years, built a strong reputation for ethical business conduct and maintains a zero-tolerance stance towards any form of unethical or improper behavior. The Vigil Mechanism ensures that Directors, employees, and other stakeholders can report genuine concerns in a secure and confidential manner, including providing direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel have been denied access to the Audit Committee under this mechanism.

During the year under review, no complaints were received under the Vigil Mechanism/Whistle Blower Policy. The details of the policy and the mechanism for reporting concerns are available on the Company's website at https://www.kalyaniforge.co.in/investors/corporate-information/.

31. Corporate Governance Certificate

The Compliance certificate from the Auditors regarding compliance of conditions of corporate governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is annexed with the report.

32. Details of conservation of energy, technology absorption, foreign exchange earnings and outgo, the particulars relating to the conservation of energy, technology absorption, foreign exchange earnings and outgo:

The particulars relating to conservation of energy, technology absorption, and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, form part of this Report and are annexed as **Annexure 5**.

33. Insolvency and Bankruptcy Code, 2016:

During the financial year under review, there was only one matter in NCLT Court by Mukesh Oil Corporation Limited against the Company, which was withdrawn on June 2, 2026 unconditionally.

34. Settlements With Banks or Financial Institutions

During the year under review, the Company did not enter into any settlements with Banks or Financial Institutions.

35. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

During FY 2025–26, there were no instances of one-time settlements with banks or financial institutions.

36. Directors' Responsibility Statement

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, based on the information received from the operating management, your Directors to the best of their knowledge and belief confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departures;

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

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

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

e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

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

37. Other Disclosures

As required under the Companies (Accounts) Second Amendment Rules, 2025, the Company is compliant with the provisions of the Maternity Benefit Act, 1961.

The gender wise employees as on 31st March, 2026 is given below:

Female-15

Male-627

38. Acknowledgement

Your directors wish to place on record their sincere appreciation to all stakeholders, including investors, customers, vendors, banks, and the Central and State Government authorities, for their continued support, trust, and cooperation during the year under review.

Your Directors also extend their deep gratitude to the Company's valued investors and business partners for their consistent assistance and collaboration. Further, the Board expresses its heartfelt appreciation for the dedication, commitment, and hard work of the employees of the Company, whose efforts have been instrumental in the Company's progress and success.

By Order of the Board of Directors
For Kalyani Forge Limited

Mrs. Rohini G.Kalyani
Executive Chairperson
DIN: 00519565

Place: Pune
Date: August 14, 2026.

Registered Office:
Shangrila Gardens, 'C' Wing, 1st Floor
Opp Bund Garden, Pune – 411001
CIN: L28910MH1979PLC020959
E-mail: companysecretary@kforge.com
Website: www.kalyaniforge.com

Annexure 1

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Not Applicable as there are no related party transactions during the year which were not on arm's length basis

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

During the Financial Year 2025-26, all the transactions entered into with related parties were at arm's length.

By Order of the Board of Directors
For Kalyani Forge Limited

Mrs. Rohini G.Kalyani
Executive Chairperson
DIN: 00519565

Place: Pune
Date: August 14, 2026.

Annexure 2

FORM 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,
Kalyani Forge Limited
Shangrila Gardens, C Wing,
1st Floor, Opp Bund Garden,
Pune, Maharashtra, India – 411 001.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **KALYANI FORGE LIMITED [CIN: L28910MH1979PLC020959]** (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, explanations and representations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, and subject to the Limitation on the Scope of the Audit described hereinafter and to the qualifications and observations set out below we hereby report that in our opinion, during the period under audit

- The company has complied with the statutory provisions listed hereunder and
- The Company has proper Board-processes and compliance-mechanism in place;

to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by **KALYANI FORGE LIMITED** for the financial year ended 31st March 2026 (hereinafter referred to as 'period of Audit') according to the provisions of:

i. The Companies Act, 2013 ("the Act") and the Rules framed thereunder;

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

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investments.
(Not Applicable to the Company during the period of Audit)

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the company during the period of Audit as the Company has not made any further issue of Shares during the Financial year under review.)**

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the company during the period of Audit as the Company has not introduced any such scheme during the Financial Year under review.)**

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the company during the period of Audit as the Company has not issued any debt securities during the Financial Year under review.)**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the company during the period of Audit as the Company has not delisted/proposed to delist its Equity Shares from any Stock Exchanges during the Financial Year under review.)**

h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; and **(Not Applicable to the company during the period of Audit as the Company has not brought back/proposed to buyback any of its securities during the Financial Year under review.)**

i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have relied on the representations made by the Company and its officers in respect of the systems and mechanisms established by the Company for compliance with the other laws specifically applicable to the Company those other than listed above, and we have not independently verified the adequacy of such systems.

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

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

ii. The Listing Agreement entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for the qualifications and observations set below:

1. BSE imposed a fine for non-compliance with Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of ₹ 52,000 plus Goods and Services Tax of ₹ 9,360, aggregating ₹ 61,360 (Rupees Sixty one Thousand Three Hundred and Sixty only), which the Company has paid as the Company submitted the Annual Secretarial Compliance Report in PDF format for the financial year ended 31st March, 2025 to the stock exchange after the due date.

   Management Response – The Company has subsequently paid the fine.

2. The Company submitted the disclosure of related party transactions for the half-year ended September 2025 to the stock exchanges after the due date. NSE and BSE both imposed a fine for non-compliance under Regulation 23(9) of SEBI (LODR) Regulations, 2015 - Submission of Related Party Transactions with the Stock exchanges in the format as specified within due date amounting ₹ 5,900 (Five thousand nine hundred) i.e. Fine of ₹ 5000 plus GST ₹ 900 each/- and ₹ 11,800 in aggregate, which the Company has Paid.

   Management Response – The Company has subsequently paid the fine.

3. The Company has not complied with Regulation 3(5) & 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 - with respect to entries pertaining to the Unpublished Price Sensitive Information (UPSI), required to be recorded in the Structured Digital Database, were not recorded and/or updated during the Audit Period. Consequently, we are unable to confirm that the internal controls required under Regulation 9A of the said Regulations operated effectively throughout the period under audit.

   Management Response – This was an inadvertent error.

4. Mr. Viswanathan Swaminathan (DIN: 00638389) was appointed as an Additional Director in the category of Independent Director with effect from 12th November 2025. The approval of the members was obtained by way of a special resolution passed through postal ballot was on March 5, 2026, i.e. 21 days beyond the period of three months from the date of appointment. The Company has therefore delayed in compliance of Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which require the approval of shareholders for the appointment of a person on the Board of Directors to be taken at the next general meeting or within three months from the date of appointment, whichever is earlier.

   Management Response – This was an inadvertent error.

5. On our verification of the Company's website www.kalyaniforge.com the following information required to be disseminated under Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was not available:

   a) Notice of meeting of the board of directors where financial results shall be discussed

   b) Financial results, on conclusion of the meeting of the board of directors

   c) Shareholding Patterns

   d) Items with respect to sub-regulation (1) of regulation 47 of SEBI LODR, 2015

   e) Credit Ratings of the Company.

   f) Secretarial compliance reports as per sub-regulation (2) of regulation 24A

   g) Details of familiarization programmes imparted to independent directors since 2022-2023 till date including the following details:

      i. number of programmes attended by independent directors (during the year and on a cumulative basis till date),

ii. number of hours spent by independent directors in such programmes (during the year and on cumulative basis till date), and

h) Updated Name and Contact Number of the designated officials of the listed entity who are responsible for assisting and handling investor grievances;

i) Updated Details of the Registrar & Transfer Agent of the Company.

j) Updated Compositions of the Committees of the Board of Directors.

k) Schedules & Notices of Investor meets.

In addition, the Annual Return for the financial year ended 31st March 2025, required to be placed on the website of the Company under Section 92(3) of the Companies Act, 2013 read with applicable rules thereunder was not available.

Management Response – This issue is because of migration from the Old Website to the New Website. Subsequently, the same is being updated on the New Website.

6. The statutory auditors of the Company issued a Disclaimer of Opinion on the financial statements for the financial year ended 31st March, 2025. The Board's Report for that financial year, approved by the Board of Directors falling within the period under audit, does not contain the explanations or comments of the Board of Directors on the matters giving rise to the Disclaimer of Opinion, as required by Section 134(3)(f) of the Companies Act, 2013.

   Management Response – The Company has taken corrective steps and this year's Board Report contains responses of management on the Disclaimer of opinion.

7. The Company has not formulated and adopted the following codes and policies required under the applicable securities laws:

   a. the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information required under Regulation 8(1) read with Schedule A to the SEBI (Prohibition of Insider Trading) Regulations, 2015;

   b. the Code of Conduct to regulate, monitor and report trading by Designated Persons and their immediate relatives required under Regulation 9(1) read with Schedule B to the SEBI (Prohibition of Insider Trading) Regulations, 2015;

   c. the policy on diversity of the Board of Directors required to be devised by the Nomination and Remuneration Committee under Regulation 19(4) read with Part D of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

   d. the Policy for Preservation of Documents required under Regulation 9, and the Archival Policy required under Regulation 30(8), of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

   The aforesaid codes and policies were also not available on the website of the Company as well.

   Management Response – As per regulatory guidelines all polices are practiced and implemented. The diversity policy has always been fully compliant with the presence of a female Chairperson for several years. Once the Board was made aware of new policies which need to be formally adopted in addition to related regulations being implemented, the Board has taken steps to formalize, document and publish the same in FY27.

8. The Company was required to transfer the amount of unpaid/unclaimed dividend, remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, to the Investor Education and Protection Fund (IEPF) in terms of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. It was observed that the Company filed the requisite Form IEPF-1 for transfer of such unpaid/unclaimed dividend to the IEPF beyond the prescribed timeline, resulting in a delay in compliance with the said provisions.

   Management Response – The was an inadvertent error.

We further report that, having regard to the matters reported in the paragraphs above, the systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines require strengthening in order to be commensurate with the size and operations of the Company, particularly in relation to the maintenance of statutory records, the timely filing of e-forms with the Registrar of Companies, the timely submission of periodic filings to the stock exchanges, the maintenance of the Structured Digital Database and the dissemination of information on the website of the Company.

We further report that –

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except for timely filing of the e-forms with the Registrar of Companies.
- Adequate notice is given to all directors to schedule the Board Meetings (including Meetings of its Committees), agenda and detailed notes on agenda were sent at least seven days in advance except where consent of the directors were received for scheduling the meetings and for circulation of the Agenda and notes on Agenda at a shorter notice, and
- A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for ensuring meaningful participation by the directors at the meetings.
- Majority decisions are carried through the requisite majority while the dissenting members' views are captured and recorded as part of the minutes, wherever required.

We further report that during the period under audit, the following specific events or actions having a major bearing on the Company's affairs took place in pursuance of the above referred laws, rules, regulations and standards:

a) The statutory auditors of the Company issued a Disclaimer of Opinion on the financial statements for the financial year ended 31st March, 2026.

For PGBP & Associates LLP,
Company Secretaries
ICSI UIN: L2022MH012600
Peer Review Certificate no.: 6757/2025

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Ishan M. Padhye
Partner
FCS: 12177
CP: 18838
UDIN: F012177H001110560

Date: 14/08/2026
Place: Pune

Note: 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,
Kalyani Forge Limited
Shangrila Gardens C Wings,
1st Floor Opp Bund Garden,
Pune, Maharashtra, India, 411001

Auditor's Responsibility

Based on the audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have relied upon the documents and evidences furnished in physical as well as electronic mode.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. 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 PGBP & Associates LLP,
Company Secretaries
ICSI UIN: L2022mh012600
Peer Review Certificate No.: 6757/2025
____

Ishan M. Padhye
Partner
FCS: 12177
CP: 18838

Date: 14/08/2026
Place: Pune

Secretarial Compliance Report of Kalyani Forge Limited for the financial year ended 31st March 2026.

To,
Kalyani Forge Limited
Shangrila Gardens C Wings 1st Floor
Opp Bund Garden,
Pune 411001, Maharashtra

I/We have examined:

a) all the documents and records made available to us and explanation provided by Kalyani Forge Limited (CIN: L28910MH1979PLC020959) ("the listed entity"),

b) the filings/ submissions made by the listed entity to the Stock Exchanges,

c) website of the listed entity,

d) any other document/ filing, as may be relevant, which has been relied upon to make this Report.

for the financial year ended 31st March 2026 ("Review Period") in respect of compliance with the provisions of:

a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the regulations, circulars, guidelines issued thereunder; and

b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the regulations, circulars, guidelines issued thereunder by the SEBI;

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

a) Securities and Exchange Board of India (LODR) Regulations, 2015;

b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(not applicable to the listed entity during the Review Period);**

c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(not applicable to the listed entity during the Review Period)**;

e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(not applicable to the listed entity during the Review Period)**;

f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 **(not applicable to the listed entity during the Review Period)**;

g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

h) other regulations as applicable.

and circulars/ guidelines issued thereunder;

a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified in **Annexure I**.

b) The listed entity has taken actions as specified in **Annexure II** to comply with the observations made in previous reports.

I/we hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/Remarks by PCS*
1.	**Secretarial Standards** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India (ICSI).	Yes	NIL
2.	**Adoption and timely updation of the Policies** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. • All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/ circulars/guidelines issued by SEBI.	Yes	NIL

Sr. No.	Particulars	Compliance Status (Yes/ No/NA)	Observations/Remarks by PCS*
3.	**Maintenance and disclosures on Website** • The listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which redirects to the relevant document(s)/section of the website.	Yes	NIL
4.	**Disqualification of Director(s)** None of the director(s) of the listed entity is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	Yes	NIL
5.	**Details related to subsidiaries of listed entities have been examined w.r.t.:** (a) Identification of material subsidiary companies. (b) Disclosure requirement of material as well as other subsidiaries.	NA	NIL The company does not have any subsidiaries.
6.	**Preservation of Documents** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per policy of preservation of documents and archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	NIL
7.	**Performance Evaluation** The listed entity has conducted performance evaluation of the board, independent directors and the committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	NIL
8.	**Related Party Transactions** (a) The listed entity has obtained prior approval of audit committee for all related party transactions; (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the audit committee.	Yes	NIL
9.	**Disclosure of events or information** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	NIL
10.	**Prohibition of Insider Trading** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	No	1. The company has a Structural Digital Database. 2. However, the entries pertaining to the Unpublished Price Sensitive Information (UPSI), which were required to be recorded in the Structured Digital Database, are not updated.
11.	**Actions taken by SEBI or Stock Exchange(s), if any** No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder (or) The actions taken against the listed entity either by SEBI or by Stock Exchanges are specified in the last column.	Yes	A As per Observations in Annexure I; Table (a)
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and/or its material subsidiary(ies) has/have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	NIL
13.	**Additional Non-compliances, if any** No additional non-compliances observed for any SEBI regulation/ circular/guidance note etc. except as reported above.	Yes	1. The Shareholders' approval for appointment of Mr. V. Swaminathan as an Independent Director on the Board of the company was taken after the stipulated time period mentioned under the SEBI Regulations.

Assumptions & Limitation of Scope and Review

1. Compliance with the applicable laws and ensuring the authenticity of the documents and information furnished are the responsibilities of the management of the listed entity. Our responsibility is to certify the compliance status based upon our examination of the relevant records and documents provided to us.

2. Our examination was limited to the verification of records and procedures on a test basis to form a reasonable opinion as to whether adequate systems and processes are in place to monitor and ensure compliance with applicable laws. This certification is neither an audit nor an expression of opinion.

3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the listed entity.

4. This Report is solely for the intended purpose of compliance certification in terms of Regulation 24A(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

5. The compliance responsibility of the listed entity extends to all the laws/regulations applicable to it, and our examination and certification is restricted to the laws/regulations specified under Regulation 24A and the circulars/ guidelines issued thereunder.

Annexure I to Secretarial Compliance Report of Kalyani Forge Limited for the year ended 31st March, 2026

a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr No	Compliance Requirement (Regulations / circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations /Remarks of the Practicing Company Secretary (PCS)	Management Response	Remarks
1.	Regulation 24A of SEBI(LODR) Regulations, 2015 – Submission of Secretarial Compliance Report within sixty days from end of each financial year.	Regulation 24A of SEBI(LODR) Regulations, 2015	Non-compliance of Regulation 24A of SEBI(LODR) Regulations, 2015 with respect to Submission of Secretarial Compliance Report in PDF Format within due date.	BSE	Fine	Non-compliance of Regulation 24A of SEBI(LODR) Regulations, 2015 with respect to Submission of Secretarial Compliance Report in PDF Format within due date.	₹ 61,360 (including GST)	Non-compliance of Regulation 24A of SEBI(LODR) Regulations, 2015 with respect to Submission of Secretarial Compliance Report in PDF Format within due date.	The company had filed for Waiver of fine, which was rejected by the Stock Exchange. The Company shall ensure to undertake appropriate measures so that such lapses do not happen in future.	The Company is in the process of paying the necessary fine.
2.	Regulation 23(9) of SEBI(LODR) Regulations, 2015 – Submission of related party transactions with the Stock Exchanges in the format as specified within due date.	Regulation 23(9) of SEBI(LODR) Regulations, 2015	Non-compliance of Regulation 23(9) of SEBI(LODR) Regulations, 2015 with respect to Submission of related party transactions with the Stock Exchanges in the format as specified within due date.	NSE	Fine	Non-compliance of Regulation 23(9) of SEBI(LODR) Regulations, 2015 with respect to Submission of related party transactions with the Stock Exchanges in the format as specified within due date.	₹ 5,900/- i.e. Fine of ₹ 5,000/- plus GST ₹ 900/-	Non-compliance of Regulation 23(9) of SEBI(LODR) Regulations, 2015 with respect to Submission of related party transactions with the Stock Exchanges in the format as specified within due date.	The company has paid the fine.	The Company shall ensure to undertake appropriate measures so that such lapses do not happen in future.
3.	Regulation 23(9) of SEBI(LODR) Regulations, 2015 – Submission of related party transactions with the Stock Exchanges in the format as specified within due date.	Regulation 23(9) of SEBI(LODR) Regulations, 2015	Non-compliance of Regulation 23(9) of SEBI(LODR) Regulations, 2015 with respect to Submission of related party transactions with the Stock Exchanges in the format as specified within due date.	BSE	Fine	Non-compliance of Regulation 23(9) of SEBI(LODR) Regulations, 2015 with respect to Submission of related party transactions with the Stock Exchanges in the format as specified within due date.	₹ 5,900/- i.e. Fine of ₹ 5,000/- plus GST ₹ 900/-	Non-compliance of Regulation 23(9) of SEBI(LODR) Regulations, 2015 with respect to Submission of related party transactions with the Stock Exchanges in the format as specified within due date.	The company has paid the fine.	The Company shall ensure to undertake appropriate measures so that such lapses do not happen in future.
4.	Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015 – Maintenance of Structural Digital Database	Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Non-Compliance of Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to entries pertaining to the Unpublished Price Sensitive Information (UPSI), required to be recorded in the Structured Digital Database, being not updated.	PCS	Other	Non-Compliance of Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to entries pertaining to the Unpublished Price Sensitive Information (UPSI), required to be recorded in the Structured Digital Database, being not updated.	-	Non-Compliance of Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015 with respect to entries pertaining to the Unpublished Price Sensitive Information (UPSI), required to be recorded in the Structured Digital Database, being not updated.	The Company is in the process of complying with the said provisions.	The Company shall ensure to undertake appropriate measures so that such lapses do not happen in future.

Sr No	Compliance Requirement (Regulations / circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations /Remarks of the Practicing Company Secretary (PCS)	Management Response	Remarks
5.	Regulation 17(1C) (a) of the SEBI (LODR) Regulations, 2015 – Approval of Shareholders for appointment or reappointment of a person on the board of directors at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.	Regulation 17(1C) (a) of the SEBI (LODR) Regulations, 2015	Delay in taking the approval of the Shareholders under Regulation 17(1C) (a) of the SEBI (LODR) Regulations, 2015 by 21 days.	PCS	Other	Delay in taking the approval of the Shareholders under Regulation 17(1C) (a) of the SEBI (LODR) Regulations, 2015 by 21 days.	-	Delay in taking the approval of the Shareholders under Regulation 17(1C) (a) of the SEBI (LODR) Regulations, 2015 by 21 days.	The delay had happened inadvertently and the company is ensuring that such delays do not occur in the future.	The Company shall ensure to undertake appropriate measures so that such lapses do not happen in future.

Annexure II to Secretarial Compliance Report of Kalyani Forge Limited for the year ended 31st March, 2026

a) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations/ Remarks Of the Practicing Company Secretary in the previous reports) (PCS)	Observations made in the secretarial compliance report for the year ended 31st March 2025.	Compliance Requirement	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions	Comments of the PCS
1	Non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 with respect to submission of statement of impact of modified opinion to the Stock Exchange with in due date.	31st March 2025.	Regulation 33 of SEBI (LODR) Regulations, 2015-Submission of statement of impact of modified opinion to the Stock Exchanges.	Non Compliance of Regulation 33 of the SEBI (LODR) Regulations, 2015 with respect to submission of statement of impact of modified opinion to the Stock Exchange with in due date. Penalty Imposed - ₹ 5,900/-i.e Fine-₹ 5,000/-plus GST 900/-	The Listed Entity has paid the fine.	The Listed Entity has paid the fine.
2	Non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 with respect to submission of statement of impact of modified opinion to the Stock Exchange with in due date.	31st March 2025.	Regulation 33 of SEBI (LODR) Regulations, 2015-Submission of statement of impact of modified opinion to the Stock Exchanges.	Non-compliance of Regulation 33 of SEBI (LODR) Regulations, 2015 with respect to submission of statement of impact of modified opinion to the Stock Exchange with in due date. Penalty Imposed - ₹ 5,900/-i.e Fine-₹ 5,000/-plus GST 900/-	The Listed Entity has paid the fine.	The Listed Entity has paid the fine.

Sr. No.	Observations/ Remarks Of the Practicing Company Secretary in the previous reports) (PCS)	Observations made in the secretarial compliance report for the year ended 31st March 2025.	Compliance Requirement	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions	Comments of the PCS
3	i) Non-Compliance of Regulation 17 (1) of SEBI (LODR) Regulations pertaining to Composition of the Board. ii) Non-Compliance of Regulation 18 of SEBI (LODR) Regulations pertaining to Composition of Audit Committee. iii) Non-Compliance of Regulation 19 of SEBI (LODR) Regulations pertaining to Composition of Nomination & Remuneration Committee. iv) Non-Compliance of Regulation 20 of SEBI (LODR) Regulations pertaining to Composition of Stakeholder Relationship Committee.	31st March 2025.	i) Regulation 17 (1), of SEBI (LODR) Regulations pertaining to Composition of the Board. ii) Regulation 18 of SEBI (LODR) Regulations pertaining to Composition of Audit Committee. iii) Regulation 19 of SEBI (LODR) Regulations pertaining to Composition of Nomination & Remuneration Committee. iv) Regulation 20 of SEBI (LODR) Regulations pertaining to Composition of Stakeholder Relationship Committee.	i) Non-Compliance of Regulation 17 (1) of SEBI (LODR) Regulations pertaining to Composition of the Board. ii) Non-Compliance of Regulation 18 of SEBI (LODR) Regulations pertaining to Composition of Audit Committee. iii) Non-Compliance of Regulation 19 of SEBI (LODR) Regulations pertaining to Composition of Nomination & Remuneration Committee. iv) Non-Compliance of Regulation 20 of SEBI (LODR) Regulations pertaining to Composition of Stakeholder Relationship Committee. Penalty Imposed – ₹ 5,88,820/- Fine ₹ 4,99,000/- plus GST – ₹ 89,820	The Listed Entity had submitted reply to the notice received and submitted request for waiver of fees.	The company has received a Partial waiver from the Stock Exchanges. The company is in the process of paying the fine.

Sr. No.	Observations/ Remarks Of the Practicing Company Secretary in the previous reports) (PCS)	Observations made in the secretarial compliance report for the year ended 31st March 2025.	Compliance Requirement	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions	Comments of the PCS
4	i) Non-Compliance of Regulation 17 (1) of SEBI (LODR) Regulations pertaining to Composition of the Board. ii) Regulation 19 of SEBI (LODR) Regulations pertaining to Composition of Nomination & Remuneration Committee.	31st March 2025.	i) Regulation 17 (1) of SEBI (LODR) Regulations pertaining to Composition of the Board. ii) Non-Compliance of Regulation 19 of SEBI (LODR) Regulations pertaining to Composition of Nomination & Remuneration Committee.	i) Non-Compliance of Regulation 17 (1) of SEBI (LODR) Regulations pertaining to Composition of the Board. ii) Non-Compliance of Regulation 19 of SEBI (LODR) Regulations pertaining to Composition of Nomination & Remuneration Committee. Penalty imposed- Reg 17(1) – ₹ 1,45,000/- Reg 19 = ₹ 1,18,000/- Total Fine ₹ 3,10,340/- i.e. Fine – ₹ 2,63,000 plus GST – ₹ 47,340/-	The Listed Entity has paid the fine.	The Listed Entity has paid the fine.
5	Non-Compliance of Regulation 6 of SEBI (LODR) Regulations pertaining to appointment of a qualified Company Secretary as the Compliance Officer	31st March 2025.	Non-Compliance with requirement to appoint a qualified Company Secretary as the Compliance Officer.	Non-Compliance of Regulation 6 of SEBI (LODR) Regulations pertaining to appointment of a qualified Company Secretary as the Compliance Officer Penalty imposed- Total Fine ₹ 36,580/- i.e Fine – ₹ 31,000 plus GST – ₹ 5,580/-	The Listed Entity has paid the fine.	The Listed Entity has paid the fine.
6	Non-Compliance of Regulation 6 of SEBI (LODR) Regulations pertaining to appointment of a qualified Company Secretary as the Compliance Officer	31st March 2025.	Non-Compliance with requirement to appoint a qualified Company Secretary as the Compliance Officer.	Non-Compliance of Regulation 6 of SEBI (LODR) Regulations pertaining to appointment of a qualified Company Secretary as the Compliance Officer. Penalty imposed- Total Fine ₹ 36,580/- i.e Fine – ₹ 31,000 plus GST – ₹ 5,580/-	The Listed Entity has paid the fine.	The Listed Entity has paid the fine.

Annexure 3

Annual Report on CSR Activities and CSR Policy

1. Brief outline on CSR Policy of the Company

A brief outline of the Company's CSR policy, including overview of projects proposed to be undertaken is provided at https://kalyaniforge.com/

The main objective of the CSR Policy is to establish clear guidelines for the Company to integrate Corporate Social Responsibility as a key business process aimed at the sustainable development of society. It seeks to complement the Government's efforts in enhancing social welfare.

We propose to scale up our CSR activities by designing and implementing various projects focused on the needs of economically underprivileged children, women, senior citizens, and other marginalized sections of society.

Additionally, we aim to encourage employee participation by providing opportunities to volunteer and contribute meaningfully to the Company's CSR initiatives.

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Rohini G. Kalyani	Chairperson of the Committee & Executive Chairperson Director	1	1
2	Mr. Viraj Kalyani	Committee Member & Managing Director	1	1
3	Mr. Ajay Tandon	Committee Member & Independent Director	1	1

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. https://kalyaniforge.com/investors/corporate-information/

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 - NA

5. (a) Average net profit of the company as per of Section 135(5) – 422.68 Lakhs

   (b) Two percent of average net profit of the company as per Section 135(5) – 8.45 Lakhs

   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. - NIL

   (d) Amount required to be set-off for the financial year, if any. - NIL

   (e) Total CSR obligation for the financial year [(b)+(c)-(d)] – 8.45 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

   (b) Amount spent in Administrative overheads. - NIL

   (c) Amount spent on Impact Assessment, if applicable. - NA

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]. – 29.51 Lakhs

   (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub¬section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of Fund	Amount	Date of Transfer
29.51 Lakhs	NIL	NA	NA	NIL	NA

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

Sr. No.	Particulars	Amount (in ₹)
(i)	Two per cent of the average net profit of the Company as per section 135(5)	8.45 Lakhs
(ii)	Total amount spent for the Financial Year	29.51 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	21.06 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous of financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub¬section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1.	2022-23				NIL			
2.	2023-24				NIL			
3.	2024-25				NIL			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NO

   Furnish the details relating to such asset(s) created or acquired through Corporate Social Responsibility amount spent in the Financial Year - NA

9. Specify the reason(s), if the Company has failed to spend two per cent of the Average net profit as per section 135(5): NA

Mr. Ajay Tandon
Director
(DIN: 00128667)

Mrs. Rohini G. Kalyani
Chairperson of CSR Committee
(DIN: 00519565)

Mr. Viraj G. Kalyani
Managing Director
(DIN:02268846)

Annexure 4

Highlights of Sexual Harassment Policy

Disclosure under the "Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013"

The Company has in place a policy on prevention of sexual harassment at the workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. An Internal Committee (IC) has been constituted to address and redress complaints of sexual harassment in a timely and confidential manner.

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, read with the corresponding Rules, the following is the disclosure for the financial year ended March 31, 2026:

1	No. of Complaints received in the year	Nil
2	No. of Complaints disposed of in the year	Nil
3	Cases pending for more than 90 days	Nil

The Company conducts awareness sessions across departments to sensitize employees about the provisions of the Act and the mechanism for raising complaints. The Internal Committee also undergoes periodic training to ensure effective handling of cases, if any. The Company is committed to providing a safe, respectful, and inclusive workplace for all employees.

Annexure 5

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo, the particulars relating to the conservation of energy, technology absorption, foreign exchange earnings and outgo

A. Conservation of Energy

Steps Taken or Impact on Conservation of Energy	
Energy Conservation Initiative	**Implementation / Current Status**
Regular monitoring and optimization of electricity and furnace fuel consumption through improved process controls.	Online energy monitoring system has been commissioned for continuous monitoring and analysis of electricity and furnace fuel consumption.
Preventive maintenance of forging presses, induction furnaces, heat treatment furnaces, air compressors, and other utility equipment to ensure efficient operation.	CAPEX project initiated for forging press reconditioning. Air compressors are maintained under an Annual Maintenance (AM) contract with Atlas. Installation of IE3 energy-efficient motors has commenced. Slip ring motors are being replaced with squirrel cage induction motors to improve efficiency and reliability.
Replacement of conventional lighting with energy-efficient LED lighting across the manufacturing plant and administrative areas.	Conventional lighting has been replaced with LED lighting. Outdoor lighting has been optimized by installing single high-bay fixtures with 8 LED lamps at different locations, and shop-floor lighting has been converted to LED type.
Installation and use of energy-efficient motors, Variable Frequency Drives (VFDs), and power factor improvement systems wherever feasible.	Cooling tower pump system upgraded by replacing two 20 HP monoblock pumps with a single 30 HP VFD-controlled pump. RTPFC (Real-Time Power Factor Correction) panel installed for power factor improvement. Unwanted transformer removed. Low power factor induction heaters replaced with energy-efficient IGBT-type induction heaters.
Optimization of compressed air systems by minimizing leakages and improving operating efficiency.	Unnecessary compressed air pipelines removed, compressor operating settings optimized, and redundant air receiver tank removed to improve system efficiency.
Reduction in idle machine running time through improved production planning and scheduling.	Production planning has been optimized to minimize machine idle time. During idle periods, 5S activities are carried out to improve workplace productivity.
Continuous monitoring of specific energy consumption and implementation of corrective actions to improve operational efficiency.	Machine-wise kWh meters have been installed, and daily energy consumption monitoring is being carried out to identify improvement opportunities and implement corrective actions.
Conducting employee awareness and training programs to promote energy conservation practices at the workplace.	Employee awareness and training programs on energy conservation have been initiated to encourage energy-efficient practices across the organization.

Kalyani Forge Limited remains committed to sustainability and energy efficiency across its operations. The Company has undertaken several proactive initiatives aimed at optimizing energy usage, reducing waste, and integrating renewable energy sources to lower its environmental impact and operational costs.

Steps Taken by the Company for Utilizing Alternate Sources of Energy	
Renewable Energy / Energy Optimization Initiative	**Implementation / Current Status**
Assessment of the feasibility of installing rooftop solar power systems to supplement the Company's electricity requirements.	A **760 kW rooftop solar power plant** has been installed at the MCD plant since 2024, resulting in monthly electricity cost savings of approximately **₹8–10 lakh**. A rooftop solar feasibility survey has also been completed for the MFD plant, and the project is under implementation.
Evaluation of renewable energy procurement options from open access and captive renewable power sources, wherever commercially viable.	Evaluation of open access and captive renewable power procurement has been initiated. Technical and commercial surveys have been completed, and quotations have been received for further assessment.
Continuous monitoring of energy consumption to identify opportunities for substituting conventional energy sources with cleaner alternatives.	Online machine-wise energy monitoring has been implemented to continuously track energy consumption and identify opportunities for adopting cleaner and more energy-efficient technologies.
Adoption of energy-efficient technologies and equipment to reduce dependence on conventional sources of energy.	Eight new **IGBT-based induction billet heaters** have been procured to replace conventional SCR-based systems. The new technology offers improved energy efficiency, lower harmonic distortion, and better power factor, thereby reducing electricity consumption and improving power quality.
Exploration of opportunities for waste heat recovery and other energy optimization initiatives in forging and heat treatment operations.	Heat treatment operations have been optimized by adopting a **cooling conveyor system,** reducing overall heat treatment cycle time and minimizing energy consumption while improving process efficiency.

B. Technology Absorption

Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the disclosure of efforts made towards technology absorption, adaptation and Innovation is provided below:

Capital Investment on Energy Conservation Equipment		
Particulars	**Capital Investment**	**Expected Benefits / Impact**
Installation of **IGBT-based Induction Billet Heaters** (replacing conventional SCR-based systems)	**₹2.00 crore**	Lower specific energy consumption, higher production output, improved power factor, reduced harmonic distortion, improved power quality, and enhanced operational efficiency.
Replacement of **Slip Ring Motors with IE3 Energy-Efficient Induction Motors**	**₹1.20 crore**	Reduced electricity consumption, lower maintenance costs, improved motor efficiency, enhanced equipment reliability, and longer service life.
Installation of **VFD-Based Cooling Tower Pump System**	Included in project cost	Optimized pump operation based on process demand, reduced power consumption, and improved cooling system efficiency.
Installation of **Ring Main Unit (RMU)** for Electrical Distribution System	**₹25 lakh**	Strengthened electrical distribution and protection system, minimized electrical tripping, improved power supply reliability, and reduced production losses due to power interruptions.
Overall Benefits Achieved	**Total Major Investment: ₹3.45 crore (excluding VFD project cost)**	Plant power factor improved from **0.95 to 0.997**, harmonic distortion reduced, specific electricity consumption lowered, power quality improved, electrical system reliability enhanced, unplanned machine tripping minimized, and overall operational efficiency increased.

Technology Absorption, Adaptation and Innovation		
Technology Initiative	**Implementation / Current Status**	**Benefits Achieved**
Upgradation and modernization of forging and machining equipment to improve productivity and process capability.	New PLC systems have been installed for forging presses. Multiple machining operations on VMC/CNC machines have been consolidated to reduce cycle time. Heat treatment operations have been optimized by implementing a cooling conveyor system.	Improved process capability, increased productivity, reduced cycle time, lower energy consumption, and enhanced equipment reliability.
Adoption of advanced process controls for forging, heat treatment, and quality inspection to ensure consistent product quality.	Advanced process controls have been implemented in heat treatment through the cooling conveyor system. Coining operations have been reduced through process optimization and improved forging practices.	Improved process consistency, better product quality, reduced rework, lower manufacturing costs, and enhanced process stability.
Implementation of automation and digital monitoring systems in critical manufacturing processes to enhance operational efficiency and reduce process variability.	Digital monitoring systems with display panels have been implemented across manufacturing plants, including the MCD plant, for real-time monitoring of production and process parameters.	Improved production monitoring, faster decision-making, enhanced operational efficiency, and reduced process variability.
Continuous improvement initiatives aimed at optimizing production parameters, reducing material wastage, minimizing rejections, and improving Overall Equipment Effectiveness (OEE).	Material wastage has been reduced by optimizing die flash thickness. Continuous improvement initiatives, including Kaizen activities, are being implemented across manufacturing operations.	Reduced material consumption, lower rejection rates, improved productivity, increased OEE, and cost savings through continuous process improvements.
Strengthening of quality assurance systems through the use of advanced testing and inspection equipment.	Quality assurance has been strengthened through the installation of new inspection instruments and probes, upgradation of the CMM laboratory, and improved digital recording and analysis of inspection data.	Enhanced inspection accuracy, improved product quality, better traceability, and increased customer confidence.
Regular training and skill development programs for technical and production personnel to facilitate effective utilization of new technologies and best manufacturing practices.	Regular technical training, motivation programs, and skill development sessions have been conducted for employees. Specialized training has also been provided for the effective utilization and maintenance of newly installed machines and technologies.	Improved employee competency, enhanced operational efficiency, better adoption of new technologies, improved safety awareness, and higher productivity.

Research & Development (R&D)

Kalyani Forge Limited continues to place strong emphasis on Research and Development as a cornerstone of its business strategy. The Company's R&D initiatives are driven by a highly experienced and qualified team, which operates with a mindset of **"zero defects, zero effects, and delivering perfection."**

Objectives of R&D

The R&D program of the Company is aligned with its long-term vision and is focused on the following key objectives:

A. Development of new and innovative forged and machined engineering components.

B. Continuous upgrading of technology to enhance operational efficiency.

C. Conservation of energy through fuel and power optimization.

D. Material yield improvement to support cost and resource efficiency.

E. Process optimization to reduce environmental impact and improve quality.

Key R&D Initiatives Undertaken During FY 2025–26

A. Development of New and Innovative Forged and Machined Engineering Components

1. Successfully developed SKF Inner & Outer Wheel Hub forgings for the Mahindra XUV300 Electric Vehicle (EV) platform.
2. Proactively developed and submitted Connecting Rod forging samples to customers for Mahindra Swaraj and Daimler applications.
3. Proactively developed and submitted Stub Axle forging samples for VECV Eicher.

B. Continuous Upgrading of Technology to Enhance Operational Efficiency

1. Increased in-house machining capacity for Wheel Hub and Connecting Rod components through the development of standardized tooling and fixture upgrades.
2. Developed an innovative Split-Type Rectangular Bolster for the 1000T Press, eliminating the requirement for a new bolster, reducing capital expenditure, and minimizing production downtime.
3. Achieved stringent weight tolerances for SATA VIKAS Connecting Rods, maintaining ±10 grams for the connecting rod and ±5 grams for the cap.

C. Conservation of Energy Through Fuel and Power Optimization

1. Installed REPFC Panels across HFD-1, HFD-2, and MFD plants to improve power factor and reduce energy consumption.
2. Eliminated the 625 kVA transformer in HFD by modifying the 1302 IBH system from 480 kW to 430 kW, resulting in energy savings.
3. Eliminated the 625 kVA transformer for the 1302T Press in MFD by utilizing a 300 kW IBH instead of a 400 kW IBH.
4. Optimized the electrical distribution system by Using HT cable, improving reliability and reducing power losses.
5. Reduced energy consumption by replacing a 40 HP pump with a 30 VFD-controlled pump.

D. Material Yield Improvement to Support Cost and Resource Efficiency

1. Optimized input weight for 23 forging die numbers, resulting in improved material utilization.
2. Achieved raw material cost savings of approximately ₹1.8 crore through input weight optimization and reduction of heat losses.
3. Reduced machining allowances for Tulip Forged Parts, leading to improved material yield and enhanced machining productivity.

E. Process Optimization to Reduce Environmental Impact and Improve Product Quality

1. Eliminated the Reduced Roll Operation for Fortuna Connecting Rod, simplifying the manufacturing process and improving productivity.
2. Implemented Multiple Impression Forging for Ashok Leyland Injector Clamp, resulting in improved productivity, better material utilization, and enhanced process efficiency.

Core Focus Areas of the R&D Department

1. New product development

1) Proactively developed and submitted 17kg cut weight Stub Axle forging samples for VECV Eicher on 2500T Press

2) Developed SATA VIKAS Connecting Rods, maintaining ±10 grams for the connecting rod and ±5 grams for the cap.

3) Developed SKF Inner & Outer Wheel Hub forgings for the Mahindra XUV300 Electric Vehicle (EV) platform With 87% yield

2. New Process Development

1) Eliminated the Reduced Roll Operation for Fortuna Connecting Rod, simplifying the manufacturing process and improving productivity by increasing cycle time.

2) Implemented Multiple Impression Forging for Ashok Leyland Injector Clamp, resulting in improved productivity, better material utilization, and enhanced process efficiency.

3. Technology Advancement:

1) Introduced Forge NX Software to analysis of forging defects & eliminate before production

2) Introduced Split-Type Rectangular Bolster for the 1000T Press, eliminating the requirement for a new bolster, reducing capital expenditure, and minimizing production downtime.

4. Foreign exchange earnings and Outgo:

During the year FY 2025-26, the total foreign exchange used was ₹ 4,56,51,870/- and the total foreign exchange earned was ₹ 22,79,97,872/-

Report on Corporate Governance

1. Company's Philosophy on Code of Corporate Governance

We believe that Corporate Governance shall be emphasizing a commitment to ethical conduct, transparency, and accountability towards all its stakeholders. The company upholds a robust Code of Conduct for Directors and Senior Management Personnel, which serves as a cornerstone for its governance framework. This code outlines the expectations for integrity, compliance with laws, and responsible decision-making at all organizational levels by way of ingraining in the character of the organization through tradition, value systems and commitment to the later as much as the spirit of laws and regulations

In our continued commitment to uphold the highest standards of Corporate Governance and transparency, Kalyani Forge Limited diligently adheres to all the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations"). For the financial year 2025–26, the Company remains focused on enhancing stakeholder trust by adopting best-in-class governance practices, ensuring timely and accurate disclosures, and maintaining integrity in all its business dealings.

Pursuant to Regulation 34 read with Part C of Schedule V of the Listing Regulations, the Company hereby presents a Report on Corporate Governance to its members for the Financial Year 2025-26.

2. Board of Directors

The Board of Directors continues to provide strategic leadership, direction, and oversight to the Company's management, ensuring accountability and performance aligned with the highest standards of corporate governance. In compliance with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board remains committed to ethical governance and effective supervision. Independent Directors act as custodians of good governance, upholding shareholder interests and reinforcing the integrity of the Board's decisions. The composition of the Board reflects a balanced and diverse mix of Executive and Independent Directors, bringing together deep industry expertise, strategic insight, and independent judgment for well-rounded and responsible leadership.

A. Size and Composition of Board:

The Board of Directors of the Company has optimum combination of Executive and non – executive Directors who has in depth knowledge of business, in addition to expertise in their areas of operation. As on 31st March 2026, the strength of the Board of Directors was Six Directors, of which 3 are non–executive, Independent Directors. The Composition of Board is in conformity with Regulation 17 of the Listing Regulations.

Relationship between Directors inter-se: Mrs. Rohini G. Kalyani is wife of Mr. Gaurishankar N. Kalyani & Mr. Viraj G. Kalyani is son of Gaurishankar & Rohini Kalyani. Rest none of the directors are related with each other.

None of the Directors on the Board is a member of more than ten committees or Chairman of more than five committees across all the Companies in which he/she is a Director. Necessary disclosures regarding committee positions in other public companies as on 31st March 2026 have been made by the Directors to the Company.

The names and categories of the Directors on the Board, their attendance at the Board Meetings held during the year and number of Directorships and Committee Chairmanship/Membership held by them in other Companies are given herein below. Other Directorship does not include Alternate Directorships, Directorship of Private Limited Companies, Section 8 Companies and of Companies Incorporated outside India. Chairmanship / Membership of Board Committees include Audit Committee and Stakeholders' Relationship Committees:-

Name of Director	Category	Number of Board Meetings held during the year 2025-26		Whether attended last AGM held on 29th August 2025	No. of Directorship(s) and Committee positions held in other Public Limited Companies as on 31st March 2026			Directorship in Other Listed Entity (Category of the Directorship)
		Held	Attended		Directorships	Chairperson	Member	
Mrs. Rohini G. Kalyani (Executive Chairperson & Director)	Executive	4	4	Yes	-	-	-	--
Mr. Gaurishankar. N. Kalyani	Non-Executive, Non Independent	4	4	Yes	-	-	-	--

Name of Director	Category	Number of Board Meetings held during the year 2025-26		Whether attended last AGM held on 29th August 2025	No. of Directorship(s) and Committee positions held in other Public Limited Companies as on 31st March 2026			Directorship in Other Listed Entity (Category of the Directorship)
		Held	Attended		Directorships	Chairperson	Member	
Mr. Viraj G. Kalyani	Executive	4	4	Yes	-	-	-	--
Mr. Ajay Tandon	Non-Executive Independent	4	4	Yes	1			S&S Power Switchgear Limited
Mr. Abhijit Sen*	Non-Executive Independent	3	3	Yes	4			1. Manappuram Finance Limited 2. Asirvad Micro Finance Limited 3. Pramerica Life Insurance Limited 4. Credila Finance Limited
Mr. Jeevan Mahaldar	Non-Executive Independent Independent	4	4	Yes	-	-	-	--
Mr. Viswanathan Swaminathan#	Non-Executive Independent	1	1		-	-	-	--

*Ceased to be Independent Director of the Company w.e.f. 1st February 2026

#appointed as an Additional Independent Director w.e.f. 11th November 2025 by the Board of Directors and approved by shareholders on 5th March 2026

Four Board Meetings were held during the year from 1st April 2025 to 31st March 2026 and the gap between two meetings did not exceed 120 days. The dates on which the board meeting were held as follows : During the year 2025-26, Seven Board Meetings were held as follows –

- 27th May 2025
- 13th August 2025
- 12th November 2025
- 11th February 2026

- During the year, information as mentioned in Part A of Schedule II of the Listing Regulations has been placed before the Board for its consideration. Based on the information placed before the Board, strategic and vital decisions are taken for effective governance of the Company.
- Among other important information, minutes of all the Committee meetings, are regularly placed before the Board in their meetings.
- The Board periodically reviewed compliance reports of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances, if any.

B. Board, Director and Committee Evaluation and Criteria

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee has defined the evaluation criteria for performance evaluation of individual Directors, the Board and its Committees.

Mr. Viswanathan Swaminathan was appointed on the Board of the Company w.e.f. 1st February 2026 as Additional-Independent Director and regularised as an Independent Directors w.e.f. 5th March 2026 for the term of 5 years.

The evaluation criteria for individual Directors of Kalyani Forge Limited continue to be comprehensive and performance-oriented. The assessment encompasses key attributes such as domain knowledge and expertise, effectiveness in discharging responsibilities, collaborative functioning, initiative and engagement, availability and participation in meetings, commitment to the Company's goals, integrity, independence of judgment, and meaningful contributions during Board and Committee deliberations. Additionally, Directors are also evaluated on their support and guidance to the management beyond formal meetings. The Chairperson is assessed on leadership effectiveness, ability to conduct meetings impartially and efficiently, focus on shareholder interests, and capacity to motivate and guide the Executive Directors. This evaluation framework ensures accountability, continuous improvement, and alignment with the Company's governance principles.

The evaluation of the Board of Directors at Kalyani Forge Limited is based on a holistic set of criteria aimed at strengthening governance effectiveness. The key parameters include the composition and diversity of the Board, frequency and quality of Board meetings, clarity and execution of core responsibilities, the structure and functioning of Board Committees, and the efficiency of Board processes. Additional focus is placed on the availability and relevance of information shared with the Board, the quality of deliberations, and the effectiveness of strategic oversight. The evaluation also considers the strength of the working relationship between the Board and the Management, ensuring alignment with the Company's vision and long-term objectives.

The criteria for Committee evaluation includes inter alia, mandate and composition, effectiveness of the Committee, structure of the Committee and meetings, independence of the Committee from the Board, contribution to decisions of the Board, effectiveness of the meetings and quality of relationship of the Committee with the Board and the Management.

C. Board Skills, Capabilities and Experiences

The Board comprises directors who have a range of experiences, capabilities and diverse points of view. This helps the Company to create an effective and well-rounded board. The capabilities and experiences pursed in the directors are outlined here:

Sr. No.	Name of the Director	Skills/expertise/competence
1	Mrs. Rohini G. Kalyani	Expertise in managing the forging business which also includes administrative, financial and legal aspects of forging industry.
2	Mr. Gaurishankar N. Kalyani	Expertise in management and financial sector of the Company
3	Mr. Viraj G. Kalyani	Expertise in implementation of expansion plans, business systems, research potential new business opportunities and diversification and financial sector of the Company
4	Mr. Abhijit Sen*	Expertise in Finance Sector of the Company
5	Mr. Ajay Tandon	Expertise in International Business, Strategic Planning, Sales, Production, Purchase, Strategy, M&A, Projects, After-sales, CEO coaching, and Leadership development.
6	Mr. Jeevan Mahaldar	Expertise in Engineering Industry, Top Management, Technology & Engineering, strategic leadership.
7	Mr. Viswanathan Swaminathan#	Expertise in Finance Sector of the Company

* Ceased to be Independent Director of the Company w.e.f. 1st February 2026

appointed as an Additional Independent Director w.e.f. 11th November 2025 by the Board of Directors and approved by shareholders on 5th March 2026

D. Familiarisation Programmes for Independent Board Members

The Board members are provided with necessary documents, reports and policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, business environment, business strategy and risks involved.

The details of such familiarization programs for Independent Directors are posted on the website of the Company and can be accessed at: www.kalyaniforge.co.in

In the opinion of the Board, all the Independent Directors of the Company fulfill the conditions specified in Regulation 17 of Listing Regulations and are independent of the management.

E. Separate Meeting of Independent Directors

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) & (4) of the Listing Regulations, the Independent Directors of the Company are required to hold at least 1 (One) meeting in a year, without the presence of Non-Independent Directors and members of the management.

During the financial year 2025-26, the separate meeting of Independent Directors was held on 14th February 2026 in accordance with the aforementioned provisions.

F. Audit Committee

The Audit Committee of the Company has been formed in accordance with Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and comprises of three members, in which majority are Independent Directors. Company Secretary of the Company acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee is an Independent Director. The Executive Chairperson and Chief Financial Officer are permanent invitees to the Audit Committee Meetings.

A. Terms of Reference to Audit Committee

The Audit Committee is entrusted, inter alia, with the following:

a. Oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. Recommending the appointment, remuneration and terms of appointment of Auditors of the Company;

c. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

d. Reviewing with the management, the quarterly and annual financial statements and Auditors' Report thereon before submission to the Board for approval

e. Review of management discussion and analysis of financial condition and results of operations;

f. Review with the management, the statement of uses/ application of funds raised through an issue;

g. Approval or any subsequent modification of transactions of the Company with related parties;

h. The detailed terms of reference pursuant to the provisions of the Listing Regulations and in accordance with the Act are placed on the website of the Company at the link: https://www.kalyaniforge.co.in/investors/investor-services/

B. Meetings during the year

During the year under review four Audit Committee Meetings were held as follows –

- 25th May 2025
- 13th August 2025
- 12th November 2025
- 11th February 2026

C. Composition of Audit Committee and attendance

The composition of the Audit Committee as on 31st March 2026 and attendance of members in the meetings held during the financial year 2025-26 are as under:

Name of the Member	Designation	Category	No. of meetings attended
Mr. Abhijit Sen*	Chairman	Non – Executive & Independent Director	3
Mr. Swaminathan Vishwanathan#	Chairman	Non – Executive & Independent Director	1
Mr. Ajay Tandon	Member	Non – Executive & Independent Director	4
Mr. Viraj G. Kalyani	Member	Managing Director	4

*Ceased to be Independent Director of the Company w.e.f. 1st February 2026 and consequently, Chairman of the Audit Committee

#appointed as an Additional Independent Director w.e.f. 11th November 2025 by the Board of Directors and appointed as the Chairman of the Audit Committee w.e.f. 2nd February 2026

G. Nomination and Remuneration Committee

The purpose of the Nomination and Remuneration Committee ('NRC') is to oversee the Company's nomination process including succession planning for the senior management & the Board and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and Independent Directors consistent with the criteria as stated by the Board in its Policy on Appointment and Removal of Directors. The NRC also assists the Board in discharging its responsibilities relating to compensation of the Company's Executive Directors and Senior Management.

A. Terms of Reference to Nomination and Remuneration Committee

- To recommend to the Board appointment, re-appointment of Directors, Executive Directors and Key Managerial Personnel and determination, fixation of the remuneration and revision in the remuneration payable to the Executive Directors of the Company and removal of the director/ Executive Director/Key Managerial Personnel;
- To formulate the criteria for determining qualifications, positive attributes and independence of the director;
- To recommend the Board the policy related to the remuneration of Directors, Key Managerial Personnel, Senior Management Personnel (SMP) and other employees;
- To formulate the criteria for effective evaluation of performance of Board of Directors, its Committees, Chairperson and individual Directors (including Independent Directors), to be carried out either by the Board or by NRC or through an independent external agency and review its implementation and compliance;
- To carry out evaluation performance of every Director of the Company;
- To determine whether to extend or continue the term of appointment of the independent Director, based on the report of performance evaluation of Independent Directors;
- To devise a policy on diversity of Board of Directors;
- To identify 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;
- To formulate and recommend to the Board of Directors the policy relating to the stock options to the employees, grant the stock options to the eligible employees and review the management of stock option scheme;
- To allot shares under ESOS to the employees who has exercise the options granted to them;
- To recommend to the board, all remuneration, in whatever form, payable to senior management;
- Carry out functions as may be entrusted (i) by the Board of Directors from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013 (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as may be amended from time to time.

B. Meetings of Nomination and Remuneration Committee

During the year under review, five meetings of the Nomination and Remuneration Committee which were held as follows –

- 30th April 2025
- 27th May 2025
- 13th August 2025
- 12th November 2025
- 11th February 2026

C. Composition of Nomination and Remuneration Committee:

The composition of the Nomination and Remuneration Committee as on 31st March 2026 and attendance of members in the meetings held during the financial year 2025-26 are as under:

Name of the Member	Designation	Category	No. of meetings attended
Mr. Ajay Tandon	Chairman	Non – Executive & Independent Director	5
Mr. Abhijit Sen*	Member	Non – Executive & Independent Director	4
Mr. Jeevan Mahaldar	Member	Non – Executive Director	5
Mr. Swaminathan Vishwanathan#	Member	Non – Executive & Independent Director	1

*Ceased to be Independent Director of the Company w.e.f. 1st February 2026 and consequently, Member of the Nomination and Remuneration Committee

#appointed as an Additional Independent Director w.e.f. 11th November 2025 by the Board of Directors and appointed as the Member of the Nomination and Remuneration Committee w.e.f. 2nd February 2026

D. Performance evaluation criteria for Independent Directors

On the basis of the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

E. Nomination and Remuneration Committee Charter

Nomination and Remuneration Charter has been formed to help the Board to discharge their responsibilities to shareholders, the investment community and other stakeholders with respect to (i) preparations relating to the election of members of the Board of Directors (ii) handling matters within its scope of responsibility that relate to the conditions of employment and remuneration of senior management; (iii) setting the performance standards, budgets and targets for the Executive team of the Company; (iv) setting the compensation and performance bonuses of the Company's executive officers; (v) overseeing the Company's Human Resources and People strategy; (vi) Identifying independent Directors to be inducted to the Board from time to time; (vii) to recommend nomination for Chairmanship & memberships of various committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, etc functioning under the Board of Directors of the company.

F. Remuneration Policy

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice. While deciding on the remuneration for Directors, the Board and Nomination & Remuneration Committee consider the performance of the Company, the current trends in the industry, the director's participation in Board and Committee meetings during the year and other relevant factors. The performance of the Company and individual performance as well employees' potential, criticality and longevity in the grade are considered while determining remuneration to the Employee.

Company has complied with Section 178 of The Companies Act, 2013 and Regulation 19 the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

G. Remuneration to the Directors:-

The details of remuneration paid/ payable to the Directors(including sitting fees) paid for attending Board Meeting and Committee Meetings) during the financial year 2025-26 are given below:

(₹ in Lakhs)

Name	Fixed Salary			Professional Fees	Commission	Sitting Fees	Total Compensation
	Basic	Perquisites/ Allowance	Total Fixed Salary				
Mrs. Rohini G. Kalyani			26.89				26.89
Mr. Viraj G. Kalyani			57.25				57.25
Mr. Gaurishankar N. Kalyani							
Mr. Abhijit Sen*					2.07	3.5	5.57
Mr. Ajay Tandon				8.44	2.07	4.78	15.29
Mr. Jeevan Mahaldar				2.4	2.07	3.38	7.85
Mr. Swaminathan Vishwanathan#						1.10	1.10

*Ceased to be Independent Director of the Company w.e.f. 1st February 2026

#appointed as an Additional Independent Director w.e.f. 11th November 2025 by the Board of Directors and approved by shareholders on 5th March 2026

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

H. Criteria of making payments to non-executive directors.

The Criteria for making payments to non-executive directors is disclosed on website of the company at https://www.kalyaniforge.com/

H. Stakeholders' Relationship Committee

Stakeholders' Relationship Committee was constituted to look into Redressal of Shareholders and Investors' Complaint matters - non-receipt of annual report, non-receipt of dividend and to look into matters that can facilitate better services and relations.

The committee consists of three Directors out of which two are independent Directors. Mr. Jeevan Mahaldar is the Chairperson of the committee.

A. Terms of Reference to Stakeholders' Relationship Committee

- Redressal of the investors' complaints like non-receipt of annual reports, dividend payments, change or deletion of name, issue of new/duplicate share certificates, general meetings etc.;
- Dematerialization, re-materialization, transfer, transmission, consolidation, sub-division of shares, debentures and securities and other allied transactions;
- Delegation of power to the executives of the Company and to the Registrar and Transfer Agent of the Company to accomplish aforesaid objectives;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by Company 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 Company has given authority to its Registrar and Transfer Agent i.e. MUFG Intime India Private Limited to resolve the complaints of shareholders of the Company. As on 31ST March 2026 the 80.78% shares of the Company are held in Dematerialized form.

B. Meeting

During the year under review, one meeting of Stakeholders' Relationship Committee was held on 26th May 2025.

C. Composition and attendance of Stakeholders' Relationship Committee

The Composition of the Committee as on 31st March 2026 is as follows:

Name of the Member	Designation	Category	Attendance for the meeting held
Mr. Gaurishankar N. Kalyani@	Chairman	Non-Executive Director	1
Mr. Abhijit Sen*	Member	Independent Director	1
Mr. Viraj G. Kalyani	Member	Managing Director	1
Mr. Swaminathan Vishwanathan	Member	Independent Director	-
Mr. Jeevan Mahaldar	Chairman	Independent Director	-

@Mr. Gaurishankar N. Kalyani was Chairman of the Stakeholders Relationship Committee till 2nd February 2026. He ceased to be member of the Committee w.e.f. 2nd February 2026.

*Ceased to be Independent Director of the Company w.e.f. 1st February 2026 and consequently, Member of the Stakeholders Relationship Committee

#appointed as an Additional Independent Director w.e.f. 11th November 2025 by the Board of Directors and appointed as the Member of the Stakeholders Relationship Committee w.e.f. 2nd February 2026

$ Mr. Jeevan Mahaldar was appointed as the Chairman of the Stakeholders Relationship Committee w.e.f. 2nd February 2026

D. Shareholders / Investors Complaint Status:

The details and status of complaint from the 01st April 2025 up to 31st March 2026 is as follows:

Opening Complaints as on 1st April 2025	0
Number of complaints received	0
No. of complaints resolved	0
No. of Complaints not solved to the satisfaction of the Shareholders	0
Closing As on 31st March 2026	0

I. SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web-based complaints redress system i.e. SEBI Complaints Redress System (SCORES). The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

J. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Company set up under the provisions of Section 135 of the Companies Act, 2013 read with the Companies (CSR Policy) Rules, 2014 comprises of three members, in which one member is Independent Director.

A. Terms of Reference to Corporate Social Responsibility Committee

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor the implementation of the framework of CSR Policy; and
- To recommend the Board, approval of CSR expenditure including contribution to corpus for projects/ programs related to CSR activities.

B. Meeting

During the financial year 2025-26, one Corporate Social Responsibility Committee was held on 26th May 2025.

C. Composition of Corporate Social Responsibility Committee

The composition of the Corporate Social Responsibility Committee is as follows:

Name of the Member	Designation	Category	Attendance
Mrs. Rohini G. Kalyani	Chairperson of the Committee	Executive Director	1
Mr. Ajay Tandon	Member	Independent Director	1
Mr. Viraj G. Kalyani	Member	Managing Director	1

D. Details of The Annual General Meetings

The details of previous three Annual General Meetings of the Company are as follows:

Financial Year	Date and Time	Venue And Time	Special Resolution passed	Purpose of Special Resolution
2024-25	29th August 2025	Through Video Conferencing	No	-
2023-24	27th September 2024	Through Video Conferencing	Yes	Approve the continuation of Term of Independent Director Mr. Abhijit Sen as he attains the age of 75 years.
2022-23	20th September 2023	Through Video Conferencing	Yes	Appointment of Mr. Viraj Kalyani as Managing Director for period of 5 Years and approve the continuation of Term of Independent Director Mr. Pradip Nadkarni* as he attains the age of 75 years.

K. POSTAL BALLOT:

The Company has obtained following approval of members by way of postal ballot (e-voting and postal ballot) during FY 2025-26.

Financial Year	Date and Time	Voting Period	Special Resolution passed	Purpose of Special Resolution
2025-26	5th March 2026	Through e-voting period commences on Wednesday, 04th February 2026 (9:00 a.m. IST) and ends on Thursday, 05th March 2026 (5:00 p.m. IST).	Yes	1. Appointment of Mr. Viswanathan Swaminathan (DIN: 00638389) as an Independent Director of the Company.

L. MEANS OF COMMUNICATION

The quarterly, half yearly and annual financial results of the Company are published in leading newspapers in India which include Financial Express and Loksatta. The results are also displayed on Company's website: www.kalyaniforge.com

Electronic Filing with NSE and BSE

All periodical compliance filings like shareholding pattern, corporate governance report, financial results, media releases, among others are also filed electronically on the NSE Electronic Application Processing System and BSE Listing Centre.

M. GENERAL SHAREHOLDER INFORMATION

A. Corporate Identification Number (CIN)

The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is CIN: L28910MH1979PLC020959

B. AGM Information and Financial Year

Day, Date and Time of AGM	: 21st September 2026 at 11:00 A.M.
Venue	: Ministry of Corporate Affairs (MCA) has vide its various circulars issued from time to time (the latest circular being circular dated 22nd September 2025) (Collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ("AGM") Through VC/ OAVM
Financial Year	: 01st April 2025 to 31st March 2026
Book Closure	: 15th September 2026, to 21st September 2026 (both the days inclusive)
Dividend Payment Details	: On before 20th October 2026 (subject to approval of the shareholders at the AGM)

C. Listing on Stock Exchanges and Scrip Code

The Company's shares have been listed on the following exchanges:

i. National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051

NSE Code: KALYANIFRG

ii. BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.

Scrip Code

BSE Code: 513509

D. Payment of annual listing fees and custodian charges.

Annual listing fees have been paid for the financial year 2025-26 to NSE & BSE.

Annual custodian charges/issuers fees have been paid for the financial year 2025-26 to CDSL and NSDL.

E. REGISTRAR & SHARE TRANSFER AGENT AND SHARE TRANSFER SYSTEM

Link Intime India Private Limited is the Registrar & Share Transfer Agent (RTA) of the Company in respect of the equity capital in Demat and physical mode. They process share transfer and transmission on fortnightly basis. Their address is as follows:

Name of RTA:	MUFG Intime India Private Limited
Address:	Block No. 202, 2nd Floor, Akshay Complex, Off. Dhole Patil Road, Near Ganesh Mandir, Pune- 411001.
Tel/Fax:	020 26160084
E-mail:	pune@linkintime.co.in
Website:	https://in.mpms.mufg.com/

F. Distribution of Shareholding / Shareholding Pattern as on 31st March 20256.

iii. The distribution of shareholding of the Company as on 31st March 2026 is as follows:

Sr.No.	Share Holding of Shares	Number of Shareholders	Percentage of Total (%)	Total Shares	Percentage of Total(%)
1.	1 to 5000	7399	99.5828	620761	17.0632
2.	5001 to 10000	4	0.0538	26977	0.7415
3.	10001 to 20000	4	0.0538	59297	1.6299
4.	20001 to 30000	2	0.0269	54700	1.5036
5.	30001 to 40000	7	0.0942	228627	6.2844
6.	40001 to 50000	1	0.0135	46820	1.2870
7.	50001 to 100000	6	0.0808	478640	13.1567
8.	100001 to *****	7	0.0942	2122178	58.3336
	Total	**7430**	**100.00**	**36380000.00**	**100.00**

iv. The Shareholding pattern as on 31st March 2026 is as follows:

Category	Number of Shares	Percentage (%)
Promoter and Promoter Group	2137689	58.76
Non Resident Indians	20,960	0.58
Bodies Corporate	626037	17.20
Resident Indians	694276	19.08
Limited Liability Partnership (LLP)	115	0
Trust	100	0
Hindu Undivided Family (HUF)	23093	0.63
Clearing Member	2452	0.06
Investor Education And Protection Fund	133,278	3.67
Total	**36,38,000**	**100%**

G. Dematerialization of Shares And Liquidity

Equity shares of the Company representing 80.78% of the Company share capital are dematerialised as on 31st March 2026. International Securities Identification Number (ISIN) allotted to the Company by NSDL and CDSL is INE314G01014.

H. Outstanding Gdrs/ Adrs/ Warrants or Any Convertible Instruments, Conversion Date and Likely Impact on Equity

The Company has not issued any GDRs/ ADRs/ Warrants or other instruments, which are pending for conversion.

I. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company is not involved in commodity price market and hedging activities hence there is no risk for commodity price, foreign exchange and hedging activities.

J. Plant Location

Hot Forging Division (HFD) and Metal Forms Division (MFD) Koregaon Bhima, Tal: Shirur, Dist. Pune. Pin 412 207.

Precision Auto comp Division, Gat No. 914/1 & 2, Sanaswadi, Tal: Shirur, Dist: Pune, Pin - 412 208.

K. Nomination

Every holder of securities of a company may, at any time, nominate, in the prescribed manner, any person to whom his securities shall vest in the event of his death. Members can avail nomination facility. Blank nomination forms will be supplied on request.

L. Credit Rating

The Company has obtained credit rating as CRISIL BBB/Stable during the period under review.

M. Total Fees Paid for all Services Availed From Statutory Auditor for The Company

The total fees paid for all services availed from statutory auditor for the company are set out in notes to the financial statement, forming part of the annual report.

N. The Company Has Complied With The Mandatory Corporate Governance Requirements Stipulated Under Regulation 17 To 27 Read With Schedule V And Clauses (B) To (I) of Sub-Regulation (2) of Regulation 46 of Sebi (Listing Obligations And Disclosure Requirements) Regulations, 2015. – Annexure B

O. The Company Has Not Raised Funds Through Preferential Allotment or Qualified Institutions Placement as Specified Under Regulation 32 (7).

P. Reconciliation of Share Capital:

A qualified Practicing Company Secretary carried out a Reconciliation of Shares Audit on quarterly basis to reconcile the total share capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) along with physical holding and the total issued and listed share capital. The audit confirms that the total issued/paid-up capital is in agreement with total number of shares in physical form and total number of dematerialized shares held with NSDL & CDSL.

N. Disclosures:

A. Subsidiary Companies

Company does not have any subsidiary Company.

B. Insider Trading Code

The company has formulated Code of fair disclosure. The said code can be accessed at www.kalyaniforge.com

The Company regularly monitors the transactions in terms of the Code undertaken by the employees of the Company. The Company also informs the stock exchange(s) periodically about the transaction(s) undertaken by the designated employees and their shareholdings as per the regulations.

C. Materially Significant Related Party Transactions

There were no materially significant related party transactions with its promoters, directors or its management, their subsidiaries/associates or relatives, etc. that had a potential conflict with the interest of the Company.

All related party transactions are done on arms' length basis, and are intended to further the Company's interests.

The company has formulated a policy on Related Party transaction. The said policy can be accessed at: www.kalyaniforge.com

D. Non-compliance/strictures/penalties

The Company has complied with rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India and any other statutory authority relating to capital market during the financial year 2025-26 except the following:

1. The NSE and BSE Limited (BSE) had vide its letter dated 16th December 2025 imposed a Fine of ₹5900/- each (inclusive of GST) for non-compliance with Regulation 23 (9) of SEBI (LODR) Regulations, 2015. The Company has paid the fine.
2. The NSE and BSE Limited (BSE) had vide its letter dated 14th May 2026 imposed a Fine of ₹54280/- each (inclusive of GST) for non-compliance with Regulation 31(1) of SEBI (LODR) Regulations, 2015. The Company has paid the fine.
3. The NSE and BSE Limited (BSE) had vide its letter dated 20th May 2026 imposed a Fine of ₹56640/- each (inclusive of GST) for non-compliance with Regulation 27(2) of SEBI (LODR) Regulations, 2015. The Company has paid the fine.
4. The NSE and BSE Limited (BSE) had vide its letter dated 22nd June 2026 imposed a Fine of ₹18880/- each (inclusive of GST) for non-compliance with Regulation 24A(2) of SEBI (LODR) Regulations, 2015. The Company has paid the fine.
5. The NSE and BSE Limited (BSE) had vide its letter dated 30th June 2026 imposed a Fine of ₹18880/- each (inclusive of GST) for non-compliance with Regulation 24A(2) of SEBI (LODR) Regulations, 2015. The Company has paid the fine.
6. The NSE and BSE Limited (BSE) had vide its letter dated 22nd June 2026 imposed a Fine of ₹17700/- each (inclusive of GST) for non-compliance with Regulation 23(9) of SEBI (LODR) Regulations, 2015 for the quarter ended 31st March 2026. The Company has paid the fine.

E. Whistle Blower Mechanism/Vigil Mechanism

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Regulation, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee.

The Company seeks to maintain the highest ethical and business standards in the course of its business and has put in place mechanism of reporting illegal or unethical behavior. Directors, employees, vendors or customers may report violations of the laws, rules, regulations or unethical conducting by writing to the notified person. The report received from employees will be reviewed by Audit Committee. The Directors and Management Personnel are obligated to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practices. No person has been denied access to the Audit Committee.

The said policy can be accessed at following link: www.kalyaniforge.com.

F. Adoption of Mandatory Requirements

The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied with the requirements with respect to the Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

G. Code of Conduct

The Board of Directors of your Company have laid down its code of conduct and ethics for all Board Members and Senior Management personnel of the Company and the same has been posted on the website of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the code. A declaration signed by Managing Director is annexed to this report.

H. Other Disclosures:

a) Related party transactions during the year have been disclosed as part of financial statements as required under Indian Accounting Standard issued by The Institute of Chartered Accountants of India. The Audit Committee reviews these transactions. The Policy on Related Party Transactions has been uploaded on the website of the Company i.e. www.kalyaniforge.com under Investor relation/Investor Information tab.

b) Company has posted policy for determining 'material ' subsidiaries is disclosed on the website of the company i.e. www.kalyaniforge.com

c) Company has posted policy on dealing with related party transactions is disclosed on the website of the company i.e. www.kalyaniforge.com

d) The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has whistle blower policy wherein the employees are encouraged to report violation of laws, rules and regulations. The confidentiality of such reporting is maintained and is not subject to any discriminatory practice. We affirm that no employee has been denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company.

e) During the year, the Company has fully complied with the mandatory requirements of corporate governance as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

f) The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

g) Certificate from Practicing Company Secretary

The Company has obtained a certificate from CS Ishan Padhye (Membership No. FCS 12177), Practicing Company Secretary, 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 Board/Ministry of Corporate Affairs or any such statutory authority as per item 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

h) There was no recommendation that has been proposed by the committees, which has not been approved by the Board.

i) Total fees paid for all services availed from Statutory Auditor for the Company

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

The Company has adopted a policy on prevention and redressal of Sexual Harassment at workplace. Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has in place an Internal Complaints Committee for prevention and redressal of complaints of sexual harassment of women at the workplace.

Status of Complaints received during the year under review:

Received during the year	Resolved	Pending at the year end
0	0	0

k) DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

Particulars	No. of shares
Shares lying in Suspense Escrow Demat Account as on 1st April 2025	0
Shares transferred to Suspense Escrow Demat Account during FY 2025-26	100
Shares claimed back from Suspense Escrow Demat Account during FY 2025-26	0
Shares lying in Suspense Escrow Demat Account as on 31st March 2026	100

l) The Company has complied provisions as prescribed in Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Address for Correspondence: Registered Office:

Kalyani Forge Limited

Shangrila Gardens, 'C' Wing, 1st Floor, Opp. Bund Garden, Pune – 411 001

Factory:

Kalyani Forge Limited Koregaon Bhima,

Tal: Shirur Dist.- Pune, Pin – 412 216

Phone: 02137-252335, 252755,252757

Fax: 02137-252344, 252756

Registrar and Share Transfer Agent:

Mufg time India Private Limited 202, 2nd Floor Akshay Complex,

Off. Dhole Patil Road, Near Ganesh Mandir, Pune-411 001

Tel: (020) 26161629

Fax: No.(020)- 2616 3503

E-mail: pune@linkintime.co.in

For effective and efficient Investor Grievance Management, the Company has dedicated E-mail Id: companysecretary@kforge.com

Annexure A

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

I, Viraj Kalyani,Managing Director of Kalyani Forge Limited hereby declare that all the Board members and senior management personnel have affirmed for the year ended 31st March 2026, compliance with the Code of Conduct of the Company laid down for them.

Sd/-
Viraj Kalyani
Managing Director
DIN: 02268846

Place: Pune
Date: 31st March 2026

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,
KALYANI FORGE LIMITED,
Shangrila Gardens C Wing 1ST Floor Opp Bund Garden,
Pune 411001, Maharashtra

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kalyani Forge Limited (hereinafter referred to as 'the Company') having CIN: L28910MH1979PLC020959 and having registered office at Shangrila Gardens C Wing 1st Floor Opp Bund Garden, Pune 411001, Maharashtra 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 and Ministry of Corporate Affairs or any such other Statutory Authority.

Sr No	Particulars	DIN	Date of Appointment
1	Rohini Gaurishankar Kalyani	00519565	16/10/2013
2	Gaurishankar Neelkanth Kalyani	00519610	26/04/2003
3	Viraj Gaurishankar Kalyani	02268846	17/05/2013
4	Viswanathan Swaminathan	00638389	12/11/2025
5	Ajay Hari Tandon	00128667	27/04/2024
6	Jeevan Mahaldar	00137467	30/05/2024

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.

FOR PGBP & ASSOCIATES LLP,
COMPANY SECRETARIES
ICSI UIN: L2022MH012600
PEER REVIEW CERTIFICATE NO.: 6757/2025

____
ISHAN M. PADHYE
PARTNER
FCS: 12177
CP: 18838
UDIN: F012177H001110637

Date: 14/08/2026
Place: Pune

Annexure C

Auditor Certificate on Corporate Governance

To The Members
Kalyani Forge Limited

XII. This Certificate has been issued in accordance with the terms of our engagement letter dated 08th July 2025.

XIII. We have examined the compliance of conditions of Corporate Governance by Kalyani Forge Limited ("the Company"), for the year ended March 31, 2026, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management Responsibility

XIV. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor Responsibility

XV. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations referred to in paragraph 2 above for the year ended 31st March 2026.

XVI. Our responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

XVII. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

XVIII. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), the Standards on Auditing specified under section 143 (10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

Opinion

XX. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations as applicable during the year ended 31st March 2026.

XXI. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restrictions on use

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

For M. P. Chitale & Co.,
Chartered Accountants
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership No: 143700
UDIN:

Place: Pune
Date: 25th May 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of
Kalyani Forge Limited
Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of Kalyani Forge Limited ("the Company"), which comprise the Balance sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and Notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred as the "financial statements").

We do not express an opinion on the accompanying financial statements of the Company because of the significance of the matters described in the basis for disclaimer of opinion paragraph of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements as to whether these financial statements give a true and fair view in conformity with the applicable accounting standards ("Ind-AS") and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the year ended 31st March 2026.

Basis for Disclaimer of Opinion

I. The Company has been in the process of refining its stock valuation methodology since prior financial years. This involves updating standard rates for material, labour and overheads based on the current prevailing rates and relevant data. As the said process is not completed, the quantities and valuation of inventories and the consequential impact thereof, if any on the cost of raw materials and components consumed and the changes in inventories of finished goods, work in progress and stock in trade is unascertainable.

II. Balance of trade receivables, trade payables, stock with vendors and balances with banks are subject to confirmations, reconciliations, and consequential adjustments, if any. Consequently, we are unable to obtain sufficient and appropriate audit evidence. We were unable to satisfy ourselves even after applying alternative means concerning such balances.

III. Balances of amount appearing under Property, plant and equipment, other assets - GST input tax credit and sales reported in GSTR 1 are subject to reconciliations, and consequential adjustments, if any. We were unable to satisfy ourselves even after applying alternative means concerning such balances.

IV. We have been given to understand that the Company is in the process of updating the relevant documentation for internal financial control over financial reporting. In the absence of necessary documentation, we could not determine if the Company has established adequate internal financial control with reference to financial statements and whether such internal financial controls were operating effectively as at 31st March 2026.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report but does not include the financial statements and our auditor's report thereon. The Company's board report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit otherwise appears to be materially misstated.

When we read the board's 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Company's financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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.

Other Matter

The Statement includes the results for the quarter ended 31st March 2026 being the balancing figure between the audited figures in respect of the full financial year ended 31st March 2026 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure 'A'** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report that:

   a. As described in Basis for Disclaimer of Opinion paragraph, we have sought but we were not provided with all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. Due to possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether, 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. Due to possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows, dealt with by this Report are in agreement with the books of account.

   d. Due to possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph, we are unable to state whether, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. The matters described in the Basis for Disclaimer of Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

   f. On the basis of the written representations received from the directors as on 31st March 2026, taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2026, from being appointed as a director in terms of Section 164 (2) of the Act.

   g. With respect to the adequacy of the internal financial controls with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**. Our report expresses disclaimer of opinion on the Company's internal financial control over financial reporting with reference to financial statements.

   h. Due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" section of this report, we are unable to comment whether the managerial remuneration paid/provided by the Company during the year is in accordance with the provisions of Section 197 of the Act.

i. 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. In the absence of sufficient information, we are unable to state whether the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32.1 to the financial statements.

   ii. The Company does not have any material foreseeable losses on long term contracts including derivative contracts requiring provision under the applicable law or Indian Accounting Standards.

   iii. There has been a delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company on account of unclaimed dividend.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (i)(iv)(a) and (i) (iv)(b) above contain any material misstatement.

   v. Due to the possible effects of the matters described in the Basis for Disclaimer of Opinion section of this report, we are unable to comment whether the dividend declared or paid during the year by the Company is in compliance with section 123 of the Companies Act, 2013.

   vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended 31st March 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except for the Accounting Software (SAP ERP) wherein the audit trail has not been enabled at application level for modification to customized tables and at database level. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with for software's maintained by the Company.

For M. P. Chitale & Co.,
Chartered Accountants
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership No: 143700
UDIN:

Place: Pune
Date: 25th May 2026

Annexure A to the Independent Auditor's Report

As referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date on the financial statements of Kalyani Forge Limited for the year ended 31st March 2026.

Statement on Matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"):

Except for the possible effects of the matters described under 'Basis for Disclaimer of opinion' paragraph of the independent auditor's report and in terms of the information and explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

I. a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

   (B) The Company has maintained proper records showing full particulars of intangible assets.

   b. The Company does not have a formal policy of physical verification of property plant and equipment. In the absence of the information, we are unable to comment on the reasonableness of the frequency. As informed to us, the Company has carried out the physical verification of fixed assets after the close of financial year and no material discrepancies were noted in the exercise conducted by the Company.

   c. Based on our examination, we report that the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements, are held in the name of the Company.

   d. The Company has not revalued any of its property, plant and equipment (including Right of Use Assets) and intangible assets during the year.

   e. No proceedings have been initiated during the year or are pending against the Company as at 31st March 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

II. a. As referred to in para (i), (ii) and (iv) of Basis of Disclaimer of Opinion and due to absence of sufficient information, we were unable comment on the reasonableness of frequency of physical verification of inventory and to determine whether any discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

   The management did not implement adequate cut-off procedures and policies during the inventory verification process and hence we are unable to confirm the effectiveness and accuracy of the inventory verification process carried out after the end of the financial year.

   b. The Company has been sanctioned working capital limits in excess of five crore rupees in aggregate, from banks on the basis of security of current assets. In absence of information with respect to quarterly returns or statements filed by the Company with such bank, we are unable to comment on whether the returns/statements are in agreement with the books of account.

III. According to the information and explanation given to us and the records examined by us, the Company has not made any investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, hence reporting under clauses 3 (iii) (a), (b), (c), (d), (e) and (f) is not applicable.

IV. The Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Act and the Company has not provided any guarantee or security as specified under Section 186 of the Act. Further, the Company has complied with the provisions of Section 186 of the Act in relation to investments made.

V. The Company has not accepted any deposit or amounts which are deemed to be deposits under section 73 to 76 of the Act. Hence, reporting under Clause 3 (v) of the Order is not applicable.

VI. Pursuant to the rules made by Central Government of India, the Company is required to maintain cost records as specified under section 148(1) of the Act. Due to the possible effects of the matters described in the "Basis for Disclaimer of Opinion" paragraph of the independent auditor's report and in the absence of sufficient and necessary information, we are unable to comment whether such accounts and records have been so made and maintained.

VII. In respect of statutory dues:

   a. In our opinion, other than dues towards Gram panchayat tax, the Company is generally regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. Due to absence of information, we are unable to comment on the ageing of the Gram panchayat tax.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues in arrears as at 31st March 2026, for a period of more than six months.

b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2026, on account of disputes are given below:

Name of the statute	Nature of dues	Amount in ₹	Period	Forum where dispute is pending
Income Tax Act, 1961	Disallowance of Expenditure on expansion / upgradation of projects	6,95,976	FY 1991- 92	High Court of Bombay, Mumbai
Central Excise Act, 1944	Interest on supplementary Invoices	4,25,113	From FY 2001-02 to 2004-05	High Court of Bombay, Mumbai
Income Tax Act, 1961	Loss on options settled	23,24,857	FY 2007- 08	Commissioner of Income Tax (Appeals) Pune
Central Excise Act, 1944	Cenvat Credit on Rejection Received from customer	2,44,406	From FY 2008- 09 to 2011- 12	CESTAT Mumbai
Income Tax Act, 1961	Expenditure incurred Bad debts and other expenses	22,93,529	FY 2010- 11	Commissioner of Income Tax (Appeals) Pune
Income Tax Act, 1961	Disallowance of late payment of TDS, Additional Depreciation, Stock Value.	7,76,426	FY 2012- 13	Commissioner of Income Tax (Appeals) Pune
Income Tax Act, 1961	Disallowance of Additional Depreciation on electrical installations	3,09,074	FY 2015-16	Commissioner of Income Tax (Appeals) Pune
Goods And Services Tax Act, 2017	E-way bill expired	3,01,400	FY 2018-19	Additional Commissioner of GST and Central Excise, (Appeals) Coimbatore
Central Goods and Service Tax, 2017	Excess outward Tax in e-way Bills Excess ITC claimed	1,35,50,267	FY 2018-19	Deputy / Joint Commissioner of GST, Pune (Appeals)
Central Goods and Service Tax, 2017	Audit order Passed	18,32,042	FY 2019-20	Deputy Com-missioner of GST, Pune (Appeals)
Central Goods and Service Tax, 2017	Audit order Passed	49,85,981	FY 2020-21	Deputy Com-missioner of GST, Pune (Appeals)
Income Tax Act, 1961	Disallowance of Liabilities Written Back u/s 41(1) (a) of the Act	21,00,172	FY 2020-21	Commissioner of Income Tax (Appeals) Pune

In the absence of sufficient and appropriate information, we are unable to comment on the completeness and accuracy of the disputed dues reported above.

VIII. As represented to us by the management of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

IX. a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. The Company is not declared wilful defaulter by any bank or financial institution or other lender.

c. The term loans were applied for the purpose for which the loans were obtained.

d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have been, prima facie, not been used during the year for long-term purposes by the Company.

e. The Company does not have any investment in subsidiaries, hence reporting under Clause 3(ix)(e) of the Order is not applicable.

f. The Company does not have any investment in subsidiaries, hence reporting under Clause 3(ix)(f) of the Order is not applicable.

X. a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3 (x) (a) of the Order is not applicable.

b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Accordingly, the reporting under Clause 3 (x) (b) of the Order is not applicable.

XI. a. Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality as outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

b. According to the information and explanations given to us, 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 the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c. As represented to us by the management, there were no whistle blower complaints received by the Company during the year.

XII. The Company is not a Nidhi Company and hence reporting under Clause 3 (xii) of the Order is not applicable.

XIII. All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

XIV. a. In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

b. We have considered the internal audit reports of the company issued till date, for the period under audit.

XV. As represented by the management of the Company, during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

XVI. a. The Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934. Hence reporting under Clause 3 (xvi) (a), (b) and (c) of the Order is not applicable.

d. According to the information given to us, there are no Core Investment Companies within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause 3 (xvi) (d) of the Order is not applicable.

XVII. The Company has not incurred cash losses in the financial year under the audit and the immediately preceding financial year.

XVIII. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under clause 3(xviii) of the Order is not applicable to the Company.

XIX. According to the information and explanation 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 accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

XX. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(a) and (b) of the Order is not applicable

XXI. As the Company does not have any subsidiary, associate and Joint Venture Company, reporting under Clause 3(xxi) of the Order is not applicable.

For M. P. Chitale & Co.,
Chartered Accountants
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership No: 143700
UDIN:

Place: Pune
Date: May 25th, 2026

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our Independent auditors' report of even date on the financial statements of Kalyani Forge Limited for the year ended 31st March 2026)

Report on Internal Financial Controls with reference to the Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the 'Act')

We were engaged to audit the internal financial controls over financial reporting of Kalyani Forge Limited (the "Company") as of 31st March 2026, in conjunction with our audit of the accompanying financial statements of the Company for the year ended on that date.

Disclaimer of Opinion

As described in the "basis for Disclaimer of Opinion" paragraph below, we are unable to obtain sufficient and appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls with reference to financial statements and whether such internal financial controls were operating effectively as at March 31, 2026 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control as stated in Guidance Note on Audit of Internal Control over Financial reporting issued by the Institute of Chartered Accountants of India (ICAI).

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer has affected our opinion on the financial statements of the Company, and we have issued a disclaimer of opinion on the financial statements.

Basis of Disclaimer of Opinion

We have been given to understand that the Company is in the process of updating the relevant documents for the setup of system of internal financial control over financial reporting and in the absence of necessary evidence, we could not determine if the Company has established adequate internal financial control with reference to financial statements and whether such internal financial controls were operating effectively as at 31st March 2026.

Management's responsibility for internal financial controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We were engaged to audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI.

Because of the matters described in the Basis for Disclaimer of Opinion paragraph of our auditor's report on the financial statement of the Company, we were not able to obtain sufficient appropriate audit evidence to provide basis for an opinion on internal financial control with reference to the financial statements of the Company.

Meaning of internal financial controls over financial reporting with reference to these financial statements

A Company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that:

I. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.

II. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and Directors of the Company; and

III. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial 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.

For M. P. Chitale & Co.,
Chartered Accountants
ICAI Firm Registration No: 101851W

Sanat Ulhas Chitale
Partner
ICAI Membership No: 143700
UDIN:

Place: Pune
Date: 25th May 2026

Balance Sheet

As at 31st March 2026

₹ in lakhs

Particulars		Note No	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment	3	8,645.34	6,036.60
	(b) Capital work-in-progress	4	1,027.82	1,504.84
	(c) Other Intangible assets	5	316.40	60.19
	(d) Investments	6	0.50	0.50
	(e) Deferred tax assets (net)	7		186.15
	(f) Income tax assets (net)	8	95.08	102.93
	(g) Other non-current assets	9	282.21	317.19
	Total Non - Current Assets		**10,367.34**	**8,208.40**
2	Current Assets			
	(a) Inventories	10	3,549.36	5,716.56
	(b) Financial Assets			
	(i) Trade receivables	11	10,265.24	8,082.38
	(ii) Cash and cash equivalents	12	23.25	99.38
	(iii) Other Bank Balances	13	202.87	191.52
	(iv) Others current financial assets	14	-	3.67
	(c) Other current assets	15	740.19	725.60
	Total Current Assets		**14,780.91**	**14,819.11**
	Total Assets (1 + 2)		**25,148.25**	**23,027.51**
	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	16	363.90	363.90
	(b) Other Equity	17	9,190.48	8,604.82
	Equity attributable to owners of the Company (I)		**9,554.38**	**8,968.72**
2	Liabilities			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	- Borrowings	18	3,489.77	1,224.75
	(b) Deferred Tax Liability	7	31.39	-
	(c) Provisions	19	860.38	777.11
	Total Non - Current Liabilities		**4,381.54**	**2,001.86**
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	20	7,072.31	5,932.10
	(ii) Trade payables			
	a. Dues of micro enterprises and small enterprises	21	294.74	258.43
	b. Dues of creditors other than micro enterprises and small enterprises		2,561.49	4,848.26
	(iii) Other current financial liabilities	22	576.79	314.21
	(b) Provisions	23	34.52	85.48
	(c) Other current liabilities	24	672.48	618.45
	Total Current Liabilities		**11,212.33**	**12,056.93**
	Total Equity and Liabilities (1 + 2)		**25,148.25**	**23,027.51**

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants
Firm Registration Number: 101851W

Sanat Ulhas Chitale
Partner
Membership No. 143700

For and on behalf of the Board of Directors

Rohini G. Kalyani
Executive Chairperson
DIN:00519565

Vishwanathan Swaminathan
Director
DIN : 00638389

Viraj Kalyani
Managing Director
DIN: 02268846

Anup Sancheti
Company Secretary and Compliance Officer
Membership No. A49266

Place: Pune
Date: 25th May 2026

Statement of Profit and Loss

For the year ended 31 March 2026

₹ in Lakh

	Particulars	As at 31st March 2026	As at 31st March 2025
	Continuing Operations		
I	**Income**		
	Revenue from operations	23,464.47	23,588.39
	Other Income	357.82	327.05
	Total Revenue (I)	**23,822.29**	**23,915.44**
II	**EXPENSES**		
	(a) Cost of raw materials and components consumed	9,509.82	11,776.31
	(b) Changes in inventories of finished goods, work-in-progress and Scrap	498.08	(549.00)
	(c) Employee benefit expense	4,655.76	3,972.33
	(d) Finance costs	766.10	703.79
	(e) Depreciation and amortisation expenses	954.65	787.00
	(f) Other expenses	6,000.74	6,064.60
	Total Expenses (II)	**22,385.15**	**22,755.03**
III	**Profit before exceptional items tax (I-II)**	**1,437.14**	**1,160.41**
IV	**Exceptional items- Gains/ (Loss)**		-
V	**Profit before tax (III-IV)**	**1,437.14**	**1,160.41**
VI	**Tax Expense**		
	(a) Current tax	283.20	234.34
	(b) Deferred tax	222.21	152.43
	(c) Short / (Excess) provision for tax relating to prior years		(57.84)
	Total tax expense	**505.40**	**328.93**
VII	**Profit/(loss) after tax from continuing operations (V-VI)**	**931.74**	**831.48**
VIII	**Profit/(loss) for the period (VII+VIII)**	**931.74**	**831.48**
IX	**Other comprehensive income**		
A	(i) Items that will not be reclassified to profit or loss		
	(a) Remeasurements of the defined benefit liabilities / (asset)	-	63.25
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(17.60)
	(iii) Income tax on items that may be reclassified to profit or loss	-	-
	Total other comprehensive income for the period	**-**	**45.65**
X	**Total comprehensive income for the period (IX + X)**	**931.74**	**877.13**
XI	**Earnings per equity share :**		
	Basic	25.60	22.86
	Diluted	25.60	22.86

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants
Firm Registration Number: 101851W

Sanat Ulhas Chitale
Partner
Membership No. 143700

For and on behalf of the Board of Directors

Rohini G. Kalyani
Executive Chairperson
DIN:00519565

Vishwanathan Swaminathan
Director
DIN : 00638389

Viraj Kalyani
Managing Director
DIN: 02268846

Anup Sancheti
Company Secretary and Compliance Officer
Membership No. A49266

Place: Pune
Date: 25th May 2026

Statement of Cash Flow

For the year ended 31st March 2026

₹ in lakhs

Particulars		For the year ended 31st March 2026 (Audited)	For the year ended 31st March 2025 (Audited)
A. CASH FROM OPERATING ACTIVITIES			
Profit/(Loss) before Tax		1,437.14	1,160.41
Less:	Adjustments towards Other Comprehensive Income		(45.65)
	Revised Profit before Taxation	**1,437.14**	**1,206.06**
Add:	Depreciation	954.65	787.00
	Provision for doubtful debts	55.26	
	Finance Cost	766.10	703.79
	Loss on sale of assets	3.94	11.55
		1,779.95	1,502.34
		3,217.09	**2,708.40**
Less:	Provision no longer required and others	(0.43)	(83.85)
	Depreciation Adjust against Reserve	(201.07)	-
	Provision for Doubtful debt written back	-	(64.21)
	Foreign Exchange Fluctuation Gain	(145.97)	(112.04)
	Interest Received	(6.94)	(14.29)
		(354.41)	(274.39)
Operating profit before working capital changes		**2,862.68**	**2,434.01**
	(Increase)/Decrease in Current Assets		
	Inventories	2,167.20	(106.53)
	Trade Receivables	(2,092.30)	(1,719.80)
	Other Current Assets and Loans & Advances	(10.92)	804.48
	Trade Payable	(2,249.89)	548.67
	Other Current Liabilities	348.92	247.62
		(1,836.99)	(225.56)
	Net cash generated from operations	1,025.69	2,208.45
Less :	Income tax paid	(280.01)	(25.49)
	NET CASH FROM OPERATING ACTIVITIES	**745.68**	**2,182.96**
B. CASH FROM INVESTING ACTIVITIES			
	Advance /Purchase of Property, Plant and Equipment	(3,311.53)	(2,434.98)
	Interest Income Received	6.94	-
	Investment in Fixed Deposit	(11.35)	-
	NET CASH FROM INVESTING ACTIVITIES	**(3,315.94)**	**(2,434.98)**
C. CASH FROM FINANCING ACTIVITIES			
	Availment /(Repayment) in Cash Credit & PCFC from Banks	1,140.20	1,784.15
	Availment /(Repayment)in Other Secured Loans	2,265.08	(718.51)
	Interest & Finance Charges paid	(766.15)	(703.79)
	Dividend paid (including out of unpaid dividend)	(145.00)	(102.21)
	NET CASH FROM FINANCING ACTIVITIES	**2494.12**	**259.64**
	NET INCREASE/(USE) OF CASH AND CASH EQUIVALENTS	**(76.13)**	**7.62**
Opening Balances of Cash and Cash equivalents		**99.38**	**91.76**
Closing Balances of Cash and Cash equivalents		**23.25**	**99.38**

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants
Firm Registration Number: 101851W

Sanat Ulhas Chitale
Partner
Membership No. 143700

For and on behalf of the Board of Directors

Rohini G. Kalyani
Executive Chairperson
DIN:00519565

Vishwanathan Swaminathan
Director
DIN : 00638389

Viraj Kalyani
Managing Director
DIN: 02268846

Anup Sancheti
Company Secretary and Compliance Officer
Membership No. A49266

Place: Pune
Date: 25th May 2026

Notes forming part of the financial statements

For the year ended 31st March 2026

1. Corporate Information

Kalyani Forge Limited ("the Company") incorporated on 29th January 1979, is engaged in engineering and manufacturing of connecting rods, forgings, crank shaft, cam shaft, retainer valve, injector clamp, balance weight and many more. The Company has 4 manufacturing facilities at Koregaon Bhima, Shirur Pune. The Company has hot forging, cold forging, machining, die manufacturing facilities at the plant.

2. Summary of material accounting policies

2.1 Basis of Preparation of Financial Statements:

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments issued thereafter.

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.

These financial statements were approved and authorised for issue with the resolution of the Board of Directors on 25th May 2026.

2.2 Use of Estimates

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS which requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revisions to accounting estimates are recognized prospectively in future periods. Key sources of estimation of uncertainty at the date of the financial statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, provisions and contingent liabilities.

2.3 Property, plant and equipment and depreciation:

(i) Property, plant and equipment are stated at their cost of acquisitions including incidental expenses related to acquisition and installation of the concerned assets and including cost of specific borrowings. The Property, plant and equipment manufactured internally by the Company are stated at manufacturing cost. Property, plant and equipment are shown net of accumulated depreciation, except free hold and, which is at cost.

(ii) Expenditure on New Projects and Expenditure during the construction etc:-

In case of new projects and in case of substantial modernization or expansion at the existing units of the company, expenditure incurred including interest on borrowings and financing cost of specific loan, prior to the commencement of commercial production is being capitalized to the cost of asset. Trial run expenditure is also capitalized.

(iii) Intangible assets are measured on initial recognition at cost. Expenditure incurred in development phase, where it is reasonably certain that outcome of development will be commercially exploited to yield future economic benefit to the company is considered as an intangible asset. Such developmental expenditure is capitalized at cost including share of allocable expenses.

(iv) Depreciation / Amortization on Assets (other than Freehold Land) :

Pursuant to enactment of the companies act 2013 (the 'Act'), the company has revised useful life of its Property, plant and equipment as per provision of schedule II of the said act. Accordingly the company provides depreciation on all its assets on the "Straight Line Method" in accordance with the said act.

Notes forming part of the financial statements

For the year ended 31st March 2026

Cost of Power line is being amortized over a period of 7.5 years when put to use.

Nature of Asset	Corrected Useful Life in SAP
Forging Press	15
VMC	10
CNC	10
Honing Machines	15
Induction Heating	15
Hardening Machine	15
Marking /Laser Machine	15
Any other plant & machinery not covered above & having value 10L or More	15

Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its intended use.

2.4 Inventories:

(i) Stores and spares, raw materials and components are valued at cost or net realizable value whichever is lower, Cost of Inventories has been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(ii) Cost of Raw materials is ascertained on weighted moving average basis.

(iii) Work-in-process, Dies under fabrication and Finished Goods are valued at the lower of cost or net realizable value.

(iv) Scrap and Non-moving semi-finished goods, slow-moving and obsolete items, are valued at the lower of cost or net realizable value.

(v) Stock of Trial Product is valued at cost.

(vi) Goods in transit are stated at actual cost up to the date of Balance Sheet.

2.5 Research & Development costs:

(i) Capital Expenditure is included in Fixed Assets & Capital Work in Progress and depreciation is provided at the respective applicable rates.

(ii) Revenue expenditure incurred on R&D is included in the respective account heads in the financial statements.

2.6 Share Issue expenses

Share issue expenses (if any) are written off over a period of ten years

2.7 Post employment and other employee benefits:

(i) Short terms employee benefits -

Short-term employee benefits such as salaries, wages, performance incentives etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

(ii) Provident Fund -

Benefits in the form of Provident Fund and Pension Scheme whether in pursuance of law or otherwise which are defined contributions and are accounted on accrual basis and charged to statement of profit and loss of the year.

(iii) Gratuity -

The employees' gratuity fund scheme is Company's defined benefit plan. Payment for present liability of future payment of gratuity is being made to the approved gratuity fund under cash accumulation policy of the Life Insurance Corporation of India. The Employees' gratuity, a defined benefit plan, is determined based on valuations, as at the balance sheet date, made by an independent actuary using the Projected Unit Credit Method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur and is not eligible to be reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

(iv) Privilege Leave Benefits -

Accumulated leave which is expected to be utilised within next twelve months, is treated as short-term employee benefit. Leave entitlement, other than short term compensated absences, are provided

Notes forming part of the financial statements

For the year ended 31st March 2026

based on a actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occurred.

(v) Termination Benefits -

Termination benefits such as compensation under voluntary retirement scheme is recognized as liability in the year of termination.

2.8 Foreign Currency Transactions

(i) Initial recognition -

The company's financial statements are presented in ₹, which is also its functional currency. Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Monetary Assets and Liabilities, designated in foreign currencies are revalued at the rate prevailing on the date of Balance Sheet or forward contract rate or other appropriate contracted rate. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not revalued.

(ii) Exchange Differences -

Exchange difference arising on the settlement and conversion on foreign currency transactions is recognized as income or expenses in the year in which it arises.

2.9 Investments and Other Financial Assets:

(i) Initial Recognition

In the case of financial assets, not recorded at fair value through profit or loss (FVPL), financial assets are recognised initially at fair value plus transaction costs that are directly 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.

(ii) Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in following categories:-

a. Financial Assets at Amortised Cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

b. Financial Assets Measured at Fair Value

Financial assets are measured at fair value through Other Comprehensive Income ('OCI') if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

Notes forming part of the financial statements

For the year ended 31st March 2026

2.10 Revenue Recognition:

Revenue from contracts with customers is recognised when 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 principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. The policy of recognizing the revenue is determined by the five stage model proposed by Ind AS 115 "Revenue from contract with customers.

Revenue (other than for items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

(i) Revenue from the domestic sales is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the transaction price of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

(ii) Revenue from export sales are recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on the basis of date of Bill of Lading. Export incentives are accounted for on Export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

2.11 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferral or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

2.12 Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with bank. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value.

2.13 Borrowing Costs:

Borrowing Costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized till the month in which the asset is ready to be put to use, as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which these are incurred.

2.14 Earnings per share:-

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Notes forming part of the financial statements

For the year ended 31st March 2026

Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.15 Impairment of Assets:

The Management assesses for any impairment of assets or cash generating units, if indicators, external or internal, suggest possibilities of reduction in net realisable value of assets or value in use of cash generating units below their carrying costs. Impairments, if any, is recognised in the Profit and Loss Account.

2.16 Provisions and Contingent Liabilities

Provisions are recognized when the company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimates. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure of contingent liability is made where there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

2.17 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 or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and is allocated to statement of profit and loss over the periods and in the proportions in which depreciation on those assets is charged.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

2.18 Taxation

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current tax is recognized in statement of profit and loss, except when it relates to items that are recognized in Other Comprehensive income or Equity, in which case Current Tax is also recognized in Other Comprehensive income or Equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Notes forming part of the financial statements

For the year ended 31st March 2026

Deferred tax liabilities are recognised for all taxable temporary differences, except:

(i) 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.

(ii) 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 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 is recognized in statement of profit and loss, except when it relates to items that are recognized in Other Comprehensive income or Equity, in which case Deferred Tax is also recognized in Other Comprehensive income or Equity.

2.19 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.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. 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.

Initial recognition and measurement

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset. Financial assets are classified at the initial recognition as financial assets measured at fair value or as financial assets measured at amortised cost. However, trade receivables that do not contain a significant financing component are measured at transaction price as per Ind AS 115.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

(a) Financial assets at amortised cost

(b) Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognised entirely in the Statement of Profit & Loss (i.e. fair value through Statement of Profit & Loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

Impairment of financial assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit. Risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Derecognition: A financial asset is derecognised when the contractual rights to receive cash flows from the financial asset expire, or when the financial asset is transferred, and the transfer qualifies for derecognition under Ind AS 109. ECL impairment loss allowance (or reversal) recognised during the year is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for financial assets is described below:

Notes forming part of the financial statements

For the year ended 31st March 2026

Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets. The Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities:

Initial recognition and measurement

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, lease liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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

(b) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

2.20 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes forming part of the financial statements

For the year ended 31st March 2026

Note 3: Property Plant and Equipment

₹ in lakhs

Particulars	Freehold Land	Buildings	Roads	Plant & Machinery	Electrical Installation	Factory Equipment	Laboratory Equipments	Furniture & Fixtures	Office Equipment	Data Processing Equipment	Vehicles	TOTAL
Gross carrying amount												
Cost as at 01st April 2025	213.04	2,638.04	232.72	22,346.6	1,485.85	1,469.65	362.03	127.23	102.84	422.84	50.21	29,451.02
Additions	-	117.27	-	3,453.1	56.86	87.97		1.76	14.22	1.13		3,732.31
Disposals	-	-	-	(740.5)	-	(0.22)						(740.74)
Transfers	-											-
As at 31st March 2026	**213.04**	**2,755.31**	**232.72**	**25,059.2**	**1,542.71**	**1,557.40**	**362.03**	**128.98**	**117.05**	**423.98**	**50.21**	**32,442.60**
Accumulated depreciation												
As at 01st April 2025	-	1,632.25	144.86	18,281.1	1,317.13	1,103.51	295.11	120.41	95.52	394.55	29.96	23,414.41
Depreciation charge during the year	-	81.06	11.95	890.5	38.19	59.18	15.42	1.66	2.85	15.23	3.56	1,119.63
Disposals	-	-	-	(736.6)	-	(0.22)	-	-	-	-	-	(736.79)
As at 31st March 2026	**-**	**1,713.31**	**156.81**	**18,435.1**	**1,355.32**	**1,162.47**	**310.53**	**122.07**	**98.36**	**409.78**	**33.52**	**23,797.25**
Net carrying amount as at 31st March 2026	**213.04**	**1,042.00**	**75.91**	**6,624.1**	**187.38**	**394.93**	**51.50**	**6.91**	**18.69**	**14.20**	**16.69**	**8,645.34**
Gross carrying amount												
Cost as at 01st April 2024	213.04	2,626.73	227.70	22,109.9	1,422.26	1,343.42	353.62	127.23	97.25	402.06	50.21	28,973.41
Additions	-	11.31	5.02	1,001.9	65.34	126.23	8.41	-	5.59	20.78	-	1,244.54
Disposals	-	-	-	(765.2)	(1.75)	-	-	-	-	-	-	(766.93)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2025	**213.04**	**2,638.04**	**232.72**	**22,346.6**	**1,485.85**	**1,469.65**	**362.03**	**127.23**	**102.84**	**422.84**	**50.21**	**29,451.02**
Accumulated depreciation												
At 01st April 2024	-	1,550.58	134.35	18,477.8	1,286.71	1,055.26	279.82	117.20	93.67	381.20	26.40	23,402.97
Depreciation charge during the year	-	81.67	10.51	557.0	32.17	48.25	15.29	3.21	1.85	13.35	3.56	766.83
Disposals	-	-	-	(753.6)	(1.75)	-	-	-	-	-	-	(755.38)
As at 31st March 2025	**-**	**1,632.25**	**144.86**	**18,281.1**	**1,317.13**	**1,103.51**	**295.11**	**120.41**	**95.52**	**394.55**	**29.96**	**23,414.42**
Net carrying amount at 31st March 2025	**213.04**	**1,005.79**	**87.86**	**4,065.4**	**168.72**	**366.14**	**66.92**	**6.82**	**7.32**	**28.29**	**20.25**	**6,036.60**

Notes forming part of the financial statements

For the year ended 31st March 2026

Note 4: Capital Work in Progress

As at 31st March 2026

₹ in lakhs

Particulars	Amount
Opening CWIP	1,504.84
Addition during the Year	666.73
Asset Capitalised during the Year	(1,143.76)
Closing WIP	**1,027.82**

As at 31st March 2025

₹ in lakhs

Particulars	Amount
Opening CWIP	527.71
Addition during the Year	1,426.39
Asset Capitalised during the Year	(449.26)
Closing WIP	**1,504.84**

Capital work-in-progress ageing

Particulars	Capital work-in-progress Ageing Schedule as on 31.03.2026				
	Amounts in capital work-in-progress for a period of				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	960.50	67.32	-	-	1,027.82
(ii) Projects temporarily suspended	-	-	-	-	-

Particulars	Capital work-in-progress Ageing Schedule as on 31.03.2025				
	Amounts in capital work-in-progress for a period of				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	1,483.01	21.83	-	-	1,504.84
(ii) Projects temporarily suspended	-	-	-	-	-

Note 5 : Intangible assets

Year ended 31st March 2026

Particulars	Computer Software	Total	Intangible Asset Under Development
Gross carrying amount			
Cost as at 01st April 2025	116.62	116.62	-
Additions	296.97	296.97	-
Disposals	-	-	-
Transfers	-	-	-
Closing gross carrying amount as at 31st March 2026	**413.59**	**413.59**	**-**
Accumulated depreciation			
Accumulated depreciation as at 01st April 2025	56.43	56.43	-
Depreciation charge during the year	40.77	40.77	-
Disposals	-	-	-
Closing accumulated depreciation as at March, 2026	**97.20**	**97.20**	**-**
Net carrying amount as at 31st March 2026	**316.40**	**316.40**	**-**

Notes forming part of the financial statements

For the year ended 31st March 2026

Year ended 31st March 2025

Particulars	Computer Software	Total	Intangible Asset Under Development
Gross carrying amount			
Cost as at 01st April 2025	101.24	101.24	-
Additions	15.38	15.38	-
Disposals	-	-	-
Transfers	-	-	-
Closing gross carrying amount as at 31st March, 2026	**116.62**	**116.62**	**-**
Accumulated depreciation			
Accumulated depreciation as at 01st April 2024	36.26	36.26	-
Depreciation charge during the year	20.17	20.17	-
Disposals	-	-	-
Closing accumulated depreciation as at 31st March 2025	**56.43**	**56.43**	**-**
Net carrying amount as at 31st March 2025	**60.19**	**60.19**	**-**

Note 6: Investments

Particulars	As at 31st March 2026 (Audited)		As at 31st March 2025 (Audited)	
	Nos	₹ in lakhs	Nos	₹ in lakhs
A. Investments carried at Amortised Cost				
I. Quoted Investments				
II. Unquoted Investments (all fully paid)				
(a) Investments in Equity Instruments				
The Shamrao Vithal Co-operative Bank Ltd	2000	0.50	2000	0.50
Total Investments carried at Amortised Cost [A]		**0.50**		**0.50**
Total Investments carrying value (A) - (B)		**0.50**		**0.50**

Note 7: Deferred tax assets (net)

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
A. Tax effect of items constituting deferred tax liabilities		
1) On difference between book balance and tax balance of fixed assets	(405.97)	(166.23)
	(405.97)	**(166.23)**
1) Provision for compensated absences, gratuity and other employee benefits	256.05	257.91
2) Provision for doubtful debts / advances	23.21	7.84
3) MSME Non-Payment	81.99	71.90
4) Provision for Local Taxes	8.67	14.74
5) Deferred Tax effect on Reclassification of Dies & tools	4.67	-
	374.59	**352.38**
Deferred Tax Asset/(Liability) (Net)	**(31.39)**	**186.15**

Note 8: Income tax assets (net)

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Current Tax Asset:		
Advance income tax (net)	95.08	102.93
Total	**95.08**	**102.93**

Notes forming part of the financial statements

For the year ended 31st March 2026

Note 9: Other Non Current Assets

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(a) Capital advances	276.30	311.29
Secured, considered good	5.91	5.90
Total	**282.21**	**317.19**

Note 10: Inventories

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(a) Raw materials including dies	610.42	2,088.13
(b) Work-in-progress, at cost	336.07	1,018.95
(c) Completed Finished Goods	1,542.61	1,404.07
(d) Excise Duty on Inventory	-	-
(e) Stores and spares	363.04	571.35
(f) Loose Tools	412.31	395.41
(g) Others - Scrap	284.91	238.65
Total	**3,549.36**	**5,716.56**

Note 11: Trade Receivables

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Trade receivables (Refer note 35 for ECL)		
(a) Secured, considered good		
(b) Unsecured, considered good	10,265.24	8,082.38
(c) Unsecured, considered Doubtful	3.85	3.22
Impairment allowance (allowance for bad and doubtful assets)		
(a) Unsecured, considered doubtful	(3.85)	(3.22)
Total	**10,265.24**	**8,082.38**

Note 12: Cash and cash equivalents

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Current Cash and bank balances		
(a) Balances with banks		
In current accounts	17.99	99.34
(b) Cash in hand	0.04	0.04
(c) RODTEP Scrip In hand	5.22	-
Total	**23.25**	**99.38**

Notes forming part of the financial statements

For the year ended 31st March 2026

Note 13: Other Bank Balances

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Other bank balances		
(a) Balances held as margin money or security against	76.95	89.26
(b) Earmarked accounts - unpaid dividend accounts	30.79	46.82
(c) FD with Maturity less than 12 months	95.13	55.44
Total	**202.87**	**191.52**

Note 14: Other Current Financial Assets

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Financial assets at amortised cost		
a) Other items		
Interest Receivable	-	3.67
Total	**-**	**3.67**

Note 15: Other Current Assets

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(a) Advances to suppliers	562.06	537.82
(b) Advances to employees	14.27	17.00
(c) Balances with government authorities	98.28	103.81
(d) Prepayments	65.58	66.97
Total	**740.19**	**725.60**

Note 16: Equity Share Capital

Particulars	As at 31st March 2026 (Audited)		As at 31st March 2025 (Audited)	
	Nos	₹ in lakhs	Nos	₹ in lakhs
Authorised:				
Equity shares of ₹ 10/- each	75,00,000	750.00	75,00,000	750.00
Cumulative Redeemable Preference Shares of ₹ 10/- each	50,00,000	500.00	50,00,000	500.00
Unclassified Shares of ₹ 10/- each	25,00,000	250.00	25,00,000	250.00
	1,50,00,000	**1,500.00**	**1,50,00,000**	**1,500.00**
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10/- each	36,40,000	364	36,40,000	364
Forfeited Equity Shares	2,000	0.10	2,000	0.10
Total	**36,38,000**	**363.90**	**36,38,000**	**363.90**

1 Reconciliation of Equity Shares outstanding at the beginning and at the end of the Reporting period

	As at 31st March 2026 (Audited)		As at 31st March 2025 (Audited)	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
At the beginning of the period	36,38,000	363.90	36,38,000	363.90
Issued/ Reduction if any during the year	-	-	-	-
Outstanding at the end of the Period	36,38,000	363.90	36,38,000	363.90

Notes forming part of the financial statements

For the year ended 31st March 2026

2 Terms/Rights attached to the equity shares

The Company has only one class of equity shares having par value of ₹ 10/- each. Each equity holder is entitled to one vote per share and have a right to receive dividend as recommended by Board of Directors subject to the necessary approval from the shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3 Shares held by holding/ultimate holding Company and/or their subsidiaries/associates

NIL

4 Number of Shares held by each share holder holding more than 5% Shares in the company

Sr. No.	Name of Shareholders	As at 31st March 2026 (Audited)		As at 31st March 2025 (Audited)	
		No. of Shares	% of Holding	No. of Shares	% of Holding
1	BF Investments Limited	5,69,600	15.66	5,69,600	15.66
2	Kalyani Consultants Pvt. Ltd.	3,77,280	10.37	3,77,280	10.37
3	Vakratund Investments Pvt. Ltd.	3,42,342	9.41	3,42,342	9.41
4	Pax Investments Pvt. Ltd.	3,40,074	9.35	3,40,074	9.35
5	Squirrel Financers & Investors Pvt. Ltd.	1,86,480	5.13	1,86,480	5.13

5 Details of promoters Shareholding percentage in the Company is as below:

		As at 31st March 2026		
		No. of Shares	% of Issued Share Capital	% Change during the year
A	**Name of Promoter**			
1	Gaurishankar Neelkanth Kalyani	47,020	1.29	Nil
2	Viraj Gaurishankar Kalyani	38,678	1.06	5.12%
3	Rohini Gaurishankar Kalyani	32,236	0.89	Nil
4	Sheetal Gaurishankar Kalyani	31,635	0.87	Nil
B	**Name of Promoter group**			
1	Kalyani Consultants Pvt.Ltd.	3,77,280	10.37	Nil
2	Vakratund Investment Pvt Ltd	3,42,342	9.41	Nil
3	Pax Investments Pvt Ltd	3,40,074	9.35	Nil
4	Squirrel Financers And Investors Pvt Ltd	1,86,480	5.13	Nil
5	Bellona Investment Pvt Ltd	1,73,124	4.76	Nil
6	Kalyani Exports & Investments Pvt.Ltd.	95,600	2.63	Nil
7	Attila Investment Pvt Ltd	94,500	2.60	Nil
8	Monte Carlo Investment Private Limited	94,500	2.60	Nil
9	Vikat Investment Pvt Ltd	65,520	1.80	Nil
10	Dukhaharta Investment Pvt Ltd	64,260	1.77	Nil
11	Sukhakarta Investment Pvt Ltd	64,260	1.77	Nil
12	Agasti Investment & Trading Private Limited	35,280	0.97	Nil
13	Rajgad Trading Company Pvt.Ltd.	28,200	0.78	Nil
14	Aboli Investment Pvt Ltd	26,500	0.73	Nil
15	Jannhavi Investment Private Limited	200	0.01	Nil

6 Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

Notes forming part of the financial statements

For the year ended 31st March 2026

Note 17: Statement of changes in equity for the period ended 31st March 2026

Equity share capital

Particulars	Opening balance as at 1st April 2025	Changes in equity share capital during the year	Closing balance as at 31st March 2026
Equity shares of ₹10 each	363.90	-	363.90
Total	**363.90**	**-**	**363.90**

Other Equity

Particulars	Reserves and Surplus						
	Capital reserve	Securities premium reserve	General reserve	Other reserve Capital Redemption Reserve	Other comprehensive income (OCI)	Retained earnings	Total
Balance at the beginning of the reporting period 01st April 2025	25.00	691.63	927.40	10.00	-100.14	7,050.93	8,604.82
Total Comprehensive income for the year	-	-	-	-	-	931.74	931.74
Dividend and tax thereon	-	-	-	-	-	(145.00)	(145.00)
Restatement of Depreciation	-	-	-	-	-	(201.07)	(201.07)
Balance at the end of the reporting period Mar 31, 2026	**25.00**	**691.63**	**927.40**	**10.00**	**-100.14**	**7,636.59**	**9,190.48**

Note 18: Non Current Borrowings

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Measured at amortised cost*		
A. Secured Borrowings:		
(a) Bonds / Debentures	-	-
1) Non-convertible Bonds / Debentures / Preference Shares		
2) Other Convertible Bonds / Debentures / Preference Shares		
(b) Term Loans		
(1) From Banks		
State Bank of India (Note 1)	-	-
ICICI Bank	-	-
IOB		
(2) From Financial Institutions & Others		
(c) Deferred payment liabilities		
(d) Deposits		
(e) Long term maturities of Finance Lease Obligations		
(f) Liability component of compound financial instruments		
(g) Other Loans		
1) Commercial Papers		
2) Inter-corporate Deposits		
3) Redeemable preference share capital		
4) Transferred Receivables		
5) Other Loans		
(i) Loans from Government		
(ii) Other Loans - Vehicle loan		
(h) Loans from related parties companies		
1) Inter-corporate Deposits		
2) Finance lease obligations		
3) Redeemable preference share capital		
4) Other Loans		
Bajaj Finance Ltd.& Kotak	3,489.77	1,224.75
Total Secured Borrowings	**3,489.77**	**1,224.75**

Notes forming part of the financial statements

For the year ended 31st March 2026

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
B. Unsecured Borrowings - at amortised Cost		
(a) Bonds / Debentures	-	-
1) Non-convertible Bonds / Debentures / Preference Shares		
2) Other Convertible Bonds / Debentures / Preference Shares		
(b) Term Loans		
(1) From Banks	-	-
(2) From Financial Institutions & Others	-	-
(d) Deferred payment liabilities (Note 2)	-	
(e) Deposits		
(f) Long term maturities of Finance Lease Obligations		
(g) Liability component of compound financial instruments		
(h) Other Loans		
1) Commercial Papers		
2) Inter-corporate Deposits		
3) Redeemable preference share capital		
4) Transferred Receivables		
5) Other Loans		
(i) Loans from Government		
(ii) Other Loans - Vehicle loan		
(i) Loans from related parties companies		
1) Inter-corporate Deposits		
2) Finance lease obligations		
3) Redeemable preference share capital		
4) Other Loans		
Total Unsecured Borrowings	**-**	**-**
Total Borrowings carried at Amortised Cost	**3,489.77**	**1,224.75**
Measured at FVTPL		
1) Bonds / Debentures	-	-
2) Term Loans	-	-
Total Borrowings carried at FVTPL	**-**	**-**
Total Borrowings	**3,489.77**	**1,224.75**

***Terms of Repayment**

1. Term Loan of ₹ 2,500 Lakhs was availed from Bajaj Finance Limited at the rate of interest of 10.25%. and ₹ 3,800 Lakhs from Kotak at the rate of interest of 8.30%.repayment frequency is on a monthly basis.

Note 19: Non Current Provisions

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(a) Provision for employee benefits		
(i) Provision for compensated absences [Leave Encashment]	136.84	90.26
(ii) Gratuity	723.54	686.85
Total Provisions	**860.38**	**777.11**

Notes forming part of the financial statements

For the year ended 31st March 2026

Note 20: Current Borrowings

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
A. Secured Borrowings - at Amortised cost:		
(a) Loans repayable on demand		
(1) From Banks		
- Working Capital Demand Loans		
ICICI Bank FCNRB	-	-
SBI FCNB	-	-
IDBI Bank WCDL	-	-
- Cash Credit / Packing Credits		
(b) Cash credit from Bank	6,730.06	4,930.13
Packing credit foreign currency loan	-	-
- Overdraft facility	-	-
- Others	-	-
(2) From other parties		
(c) Loans from related parties	322.46	501.97
(d) Deposits		
(e) Other Loans		
- Commercial Papers		
- Inter-corporate Deposits		
- Other Loans		
Interest Accrued Not Due	19.79	
(f) SBI Term Loans	-	-
(g) Bajaj Term Loan		500.00
Total Secured Borrowings	**7,072.31**	**5,932.10**

Notes :-

1 The Company's working capital facilities aggregating to 70,00,00,000 are secured by mortgage over the entire fixed assets of the Company from State Bank of India, HDFC Bank Limited, and Kotak Mahindra Bank Limited.

2 Company has taken loan of ₹500 Lakhs from a company where key management person is common. Outstanding balance include accrued interest of ₹322.46 lakhs (inclusive of interest)

3 Instalment due on Bajaj Term Loan for the next 1 year disclosed as current borrowing ₹500 Lakhs

Note 21: Trade Payables

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
A) Creditors for supplies / services	2,856.23	5,106.69
i) Total outstanding due to micro enterprises and small enterprises	294.74	258.43
ii) Total outstanding due to creditors other than micro enterprises and small enterprises	2,561.49	4,848.26
Total trade payables	**2,856.23**	**5,106.69**

Note 22: Other Current Financial Liabilities

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Other Financial Liabilities Measured at Amortised Cost		
(a) Unpaid dividends	53.07	46.82
(i) Other credit balances	523.72	267.39
(b) Financial guarantee contracts	-	-
Total other financial liabilities	**576.79**	**314.21**

Notes forming part of the financial statements

For the year ended 31st March 2026

Note 23: Current Provisions

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(a) Provision for employee benefits		
(i) Leave Encashment	2.17	46.58
(ii) Gratuity	32.35	38.90
Total Provisions	**34.52**	**85.48**

Note 24: Other Current Liabilities

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(a) Advances received from customers	-	-
(b) Government Grant	-	-
(c) Others		
(i) Employee Recoveries and Employer Contributions	208.65	317.50
(ii) Statutory Dues (GST, sales tax, TDS, Royalty etc.)	460.91	300.94
(iii) Other credit balances	2.92	-
Total Other Liabilities	**672.48**	**618.45**

Note 25: Revenue from Operations

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(a) Sale of products	23,462.29	23,582.91
(b) Other Operating Revenues		
- Die development charges	1.88	4.84
	-	-
Total	**23,464.47**	**23,588.39**

Note 26: Other Income

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Interest Income		
(a) Interest income earned on financial assets that are not designated as at fair value through profit and loss	6.94	14.29
Other gains and losses		
(a) Gain on foreign exchange fluctuations, net	145.97	112.04
(b) Sundry Balances Written Back	0.43	83.85
(c) Discount received	0.23	48.54
(d) Miscellaneous Income	138.20	3.98
(e) Gain / (Loss) on sale of property plant and equipments	(3.94)	(11.55)
(f) Export incentives/Duty Drawback/RODTEP refer to excel sheet	69.99	75.9
Total	**357.82**	**327.05**

Notes forming part of the financial statements

For the year ended 31st March 2026

Note 27: Cost of raw materials and components consumed

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(a) Raw materials consumed including dies		
Opening stocks	2,088.13	2,865.58
Less : Value of obsolete and non-moving material written-down (net of realisable value)	-	-
Add : Purchases	8,032.11	10,998.86
Less : Stocks at close	610.42	2,088.13
Total	**9,509.82**	**11,776.31**

Note 28: Changes in inventories of finished goods, work-in-progress and stock-in-trade

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(Increase)/decrease in stocks		
Less : Opening stocks		
Work-in-process	1,018.95	1,565.78
Finished goods	1,404.07	342.96
Scrap	238.65	203.93
Stocks at close:		
Work-in-process	336.07	1,018.95
Finished goods	1,542.61	1,404.07
Scrap	284.91	238.65
	498.08	**(549.00)**

Note 29: Employee Benefit Expense

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Salaries and wages, including bonus	4,144.66	3,465.71
Contribution to provident and other funds	164.43	141.22
Gratuity Expenses	30.14	102.15
Staff welfare expenses	316.53	263.25
Total	**4,655.76**	**3,972.33**

Note 30: Finance Cost

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
(a) **Interest expense**		
(i) On Bank Borrowings	53.24	163.57
(ii) On Cash credit	632.31	504.55
(b) Other borrowing cost- Bank charges	-	35.67
Total	**766.10**	**703.79**

Notes forming part of the financial statements

For the year ended 31st March 2026

Note 31: Depreciation and amortization expense

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Depreciation		
Property, Plant and Equipment	913.88	766.83
Other Intangible assets	40.77	20.17
Total	**954.65**	**787.00**

Note 32: Other Expenses

₹ in lakhs

Particulars	As at 31st March 2026 (Audited)	As at 31st March 2025 (Audited)
Manufacturing Expenses		
Stores, spares and tools consumed	1,326.41	1,094.68
Processing charges	460.32	513.07
Power and fuel	2,335.70	2,849.74
Repairs to building	-	-
Repairs to machinery	582.58	501.14
Freight Charges	118.08	124.23
Other manufacturing expenses	15.28	21.49
	4,838.37	**5,104.35**
Selling Expenses		
Freight and forwarding	390.16	306.22
Royalty, technical and license fees etc.	0.27	0.29
Other selling expenses	0.86	19.53
	391.29	**326.04**
Administration Expenses		
Rent	-	-
Rates and taxes	23.70	43.95
Insurance (Including Keyman Insurance)	44.53	51.99
Other repairs and maintenance	-	0.03
Travelling and conveyance	87.30	34.23
Vehicle Expenses(Including on hired vehicles)	88.57	105.84
Professional & consultancy fees	121.43	125.08
Auditor's remuneration (refer note 32.3)	39.09	11.04
Director's Sitting Fees	22.41	3.87
IT Expenses	49.55	-
Penalty Expenses	0.30	-
CSR expenses (refer note no 32.9)	29.51	-
Sundry Expenses – Common Office Utilities	36.36	-
Miscellaneous expenses	25.36	130.28
Security Expenses	76.11	64.00
Housekeeping Expenses	71.60	63.90
Provision for doubtful debts	55.26	-
	771.08	**634.21**
Total	**6,000.74**	**6,064.60**

Note 33

33.1 Contingent Liability not provided for in respect of :

Particulars	31st March 2026	31st March 2025
i. Claims against the Company, not acknowledged as debts	107.14	107.14
ii. Disputed Income Tax demand, matter under appeal	85.46	85.00
iii. Disputed Excise demand, matter under appeal	213.39	213.39
iv. In respect of Bank Guarantee (*)	241.30	241.30

Guarantees given by the Company's Banker's on behalf of the Company, to MSEDCL ₹220.30 Lakh and to MPCB ₹21.00 Lakhs

Notes forming part of the financial statements

For the year ended 31st March 2026

33.2 Capital Commitments:

Particulars	31st March 2026	31st March 2025
Estimated Amount of contracts remaining to be executed on Capital Account and Not provided for (net of advances)	300.00	372.36

33.3 Payments to Auditors

Particulars	31st March 2026	31st March 2025
Statutory Audit	34.59	19.20
Tax Audit	3.50	2.30
In Other Capacity :		
For Certification	1.00	1.00
For Expenses	-	-
Total	**39.09**	**22.50**

33.4 Disclosure pursuant to Ind AS 19 Employee Benefits

Details of Long Term Employees benefits determined by an appointed Actuary are as follows :

Funded Scheme - Gratuity

Particulars	31st March 2026	31st March 2025
(i) Amounts to be recognised in Balance Sheet		
a. Present Value of Defined Benefit Obligations		
Funded	-	797.94
b. Fair Value of Plan Assets	-	72.19
c. Net Asset /(Liability) recognised in the Balance Sheet		(725.75)
(ii) Amount to be recognised in Statement of Profit & Loss Account		
a. Current Service Cost	-	45.56
b. Interest on defined benefit obligations	-	49.45
c. Expected return on planed assets	-	-
d. Net Actuarial Losses/(Gain) Recognised in year	-	-
Total, included in "Employee Benefits"	**-**	**95.01**
(iii) Change in Defined Benefit obligation and reconciliation thereof		
a. Present value of Defined Benefit obligation at the beginning of the year	-	794.27
b. Interest Cost	-	55.90
c. Current Service Cost	-	45.56
d. Actuarial Losses/ (Gains)	-	(7.05)
e. Benefits Paid	-	(32.99)
f. Transfer out	-	-
g. Present value of Defined Benefit obligation at the close of the year	-	**855.69**
(iv) Change in the fair value of Plan Assets and the reconciliation thereof		
a. Fair value of Plan Assets at the beginning of the Year	-	106.10
b. Add : Expected return on Plan Assets	-	9.94
c. Add/ (Less) : Actuarial (Losses) / Gains	-	(0.23)
d. Add : Contributions by employer	-	-
e. Less -Benefits Paid	-	(32.99)
f. Mortality charges & taxes	-	(0.08)
g. Interest Income	-	
h. Adjustment to fund	-	
i. Fair value of Plan Assets at the closed of the year	-	**82.74**
(v) Broad Categories of plan assets as a percentage of total assets as at 31st March, 2026		
Insurer Managed Funds		100%
Total		**100%**
(vi) Summary of the Actuarial Assumptions		
Discount Rate		6.70%
Expected Rate of Return on Assets		7.20%
Salary Escalation Rate		7.00%

Notes forming part of the financial statements

For the year ended 31st March 2026

33.5 Movement in Leave Encashment (Long Term & Short Term Compensated Absences)

	Opening Balance	Addition (Net)	Closing Balance
2025-26	136.83	-	136.95
2024-25	140.00	3.17	136.83
2023-24	201.92	(61.92)	140.00
2022-23	282.52	(80.60)	201.92
2021-22	261.80	20.72	282.52
2020-21	183.92	77.88	261.80

33.6 The disclosure pursuant to the MSMED Act, 2006 is as under:

Particulars	31st March 2026	31st March 2025
a) (i) The principal amount remaining unpaid to any supplier	294.74	152.54
(ii) The interest due on above.	23.45	35.74
The total of (i) & (ii)	**318.19**	**188.28**
b) The amount of interest paid by the Company in terms of section 16 of the MSMED Act.	-	-
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	266.57	496.45
d) The amounts of interest accrued and remaining unpaid at the end of financial year	23.45	35.74
e) The amount of further interest remaining due and payable even in the succeeding years, included in (d) above, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

33.7 a). The Company has single Product, viz: "Forgings" consequently there are no Reportable Segments of the company as per Ind AS 108 "Operating segments"

b). Disclosures of transactions with Related Parties as required by Ind AS - 24 "Related Party Disclosures" is given below.

Related parties as defined under clause 3 of the Accounting Standard have been identified on the basis of representations made by the Key Managerial Personnel, information available with the company and taken on record by the Board.

Sr. No.	Nature of relationship / Name of related party	Nature of Transaction	2025-26 Transaction Value (₹)	2025-26 Outstanding Amounts carried in the Balance Sheet (₹)	2024-25 Transaction Value (₹)	2024-25 Outstanding Amounts carried in the Balance Sheet (₹)
	Key Managerial personnel					
1	Mrs. R. G. Kalyani	Salary	26.89	2.24	21.87	1.73
	(Executive Chairperson)	Sitting fees	-	-	-	-
		Total	**26.89**	**2.24**	**21.87**	**1.73**
2	Mr. Viraj G. Kalyani	Salary	57.25	4.77	38.99	3.47
	(Managing Director and CEO)	Sitting fees	-	-	-	-
		Total	**57.25**	**4.77**	**38.99**	**3.47**

Notes forming part of the financial statements

For the year ended 31st March 2026

Sr. No.	Nature of relationship / Name of related party	Nature of Transaction	2025-26 Transaction Value (₹)	2025-26 Outstanding Amounts carried in the Balance Sheet (₹)	2024-25 Transaction Value (₹)	2024-25 Outstanding Amounts carried in the Balance Sheet (₹)
	Relative of Key Managerial Personnel					
3	Mr. G.N. Kalyani	Sitting fees	-	-	0.63	-
	(Director)	**Total**	**-**	**-**	**0.63**	**-**
4	Mr. Annirudha Mohan Hublikar	Salary		-	0.22	-
	(Company Secretary)	**Total**	**-**	**-**	**0.22**	**-**
5	Mrs. Rachana Agarwal	Salary			6.18	0.89
	(Company Secretary)	**Total**	**-**	**-**	**6.18**	**0.89**
6	Aishwarya Pawan Parwal	Salary	4.55		-	
	(Company Secretary)	**Total**	**4.55**	**-**	**-**	**-**
7	Mr. Nilesh Bandale	Salary	26.09		16.27	3.48
	(Chief Finance Officer)	**Total**	**26.09**	**-**	**16.27**	**3.48**
8	Mr. Baheti Jagdish Motilal	Salary	11.54	3.36		
	(Chief Finance Officer)	**Total**	**11.54**	**3.36**	**-**	**-**
9	Mr. Ajay Tandon	Sitting fees	4.78	0.80	2.27	
	(Independent Director)	Professional Fees	8.44			
		Commission	2.07			
		Total	**15.29**	**0.80**	**2.27**	**-**
10	Mr. Jeevan Mahaldar	Sitting fees	3.38	-	1.35	-
	(Independent Director)	Professional Fees	2.40		0.92	
		Commission	2.07			
		Total	**7.85**	**-**	**0.57**	**-**
11	Mr. Abhijeet Sen	Sitting fees	5.57	-	1.32	-
	(Independent Director)	Professional Fees				
		Commission				
		Total	**5.57**	**-**	**1.32**	**-**
12	Mr. Swaminathan Vishwanathan	Sitting fees	1.10	-	1.32	-
	(Independent Director)	**Total**	**1.10**	**-**	**1.32**	**-**
13	Enterprise in which Key	Royalty		-	0.25	-
	Managerial Person is common Kalyani Property Pvt. Ltd.	**Total**	**-**	**-**	**0.25**	**-**
14	Enterprise in which Key	Still Purchase	2,328.56	185.65	528.39	424.07
	Managerial Person is common Arjas Steel Pvt. Ltd.	**Total**	**2,328.56**	**185.65**	**528.39**	**424.07**
15	Enterprise in which Key	Still Purchase	464.68	93.74	54.18	54.18
	Managerial Person is common Arjas Modern Steel Pvt. Ltd	**Total**	**464.68**	**93.74**	**54.18**	**54.18**
16	Enterprise in which Key	Loan Taken	105.00	-15.48	500.00	500.00
	Managerial Person is common	Interest	15.48	15.48	1.92	1.92
	Yusmarg Investment & Trading PVT. LTD.	**Total**	**120.48**	**-**	**501.92**	**501.92**
17	Enterprise in which Key	Rent	-	-	0.60	0.15
	Managerial Person is common Shrid Metal Technologies Pvt Ltd	**Total**	**-**	**-**	**0.60**	**0.15**
18	Enterprise in which Key	Cross Charge (Office Utilities)	42.17	5.06	41.29	-
	Managerial Person is common Kalyani Studio Pvt. Ltd.	Software Purchase	201.04	-	172.00	-
		Total	**243.21**	**5.06**	**213.29**	**-**

Notes forming part of the financial statements

For the year ended 31st March 2026

33.8 Earnings Per Share:

Particulars	2025-26	2024-25
Earnings attributable to the equity share holder	931.74	831.49
Total weighted average No. of shares	36,38,000	36,38,000
(a) Basic earning per share	25.60	22.86
(b) Diluted earning per share	25.60	22.86

33.9 Corporate Social Responsibility Expenses

a. Amount required to be spent by the company during the year: ₹8.46 Lakhs

b. Gross amount spent by the Company on CSR activities during the financial year ended 31st March 2026 is ₹29.51. Lakh.

c. Shortfall at the end of the year: Nil

d. Total of previous year shortfall: NIL

e. Reason for shortfall: Nil

f. Nature of CSR activities: Repair and maintenance of road for public use.

g. Details of related party transaction: No related party transaction for CSR during current year.

h. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard: No such contribution during the year.

i. As per Rule 7(2) of the Companies (Corporate Social Responsibility Policy) Rules, 2014, which states that where a company spends an amount in excess of the CSR obligation prescribed under Section 135(5) of the Companies Act, 2013, such excess amount may be set off against the CSR obligation of the immediately succeeding three financial years, subject to the following conditions:

   (i) the excess amount available for set-off shall not include any surplus arising out of CSR activities; and

   (ii) the Board of Directors shall pass a resolution approving such set-off.

Notes forming part of the financial statements

For the year ended 31st March 2026

33 Category-wise classification of Financial Instruments

Particulars	Refer Note no.	Non-current 31.03.2026	Non-current 31.03.2025	Current 31.03.2026	Current 31.03.2025
Financial Assets measured at Fair value through Profit or loss (FVTPL)					
Investment in Equity shares	5	0.50	0.50	-	-
		0.50	**0.50**	**-**	**-**
Financial Assets measured at Fair value through other comprehensive income (FVTOCI)		-	-	-	-
		-	**-**	**-**	**-**
Financial Assets measured at amortised cost					
Trade receivables	11	-	-	10,265.24	8,082.38
Cash and cash equivalents	12	-	-	23.25	99.38
Other balances with banks	13	-	-	202.87	191.52
Interest Accrued on Fixed Deposit	14	-	-	-	3.67
Security Deposit	9	5.91	5.90	-	-
		5.91	**5.90**	**10,491.36**	**8,376.95**
Financial Liabilities measured at amortised cost					
Borrowings	18	3,489.77	1,943.26	7,072.31	4,147.95
Trade payables	21	-	-	2,856.23	5,106.69
Current maturities of long-term debt	20	-	-	500.00	500.00
Interest accrued and due on borrowings	19	-	-	-	-
Unpaid Dividends	22	-	-	53.07	46.82
Payable towards expenses	21	-	-	-	-
Other credit balances	22	-	-	523.72	267.39
		3,489.77	**1,943.26**	**11,005.33**	**10,068.85**

34 Financial Risk Management

34.1 Market risk

The Company's financial risk management is an integral part of how to plan and execute its business strategies. Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument.

34.2 Interest rate risk :

The company has investment in fixed deposits. However interest income from fixed deposits is a residuary income and not going to affect the significant cash flow of the company.

34.3 Foreign currency risk:

The Company is exposed to foreign exchange risk through its sales and services to foreign countries, and purchases from overseas suppliers in various foreign currencies.

The following table analyzes foreign currency risk from financial instruments:

Particulars	As at 31st March 2026 USD	Euro	JPY	As at 31st March 2025 USD	Euro	JPY
Unhedged Trade receivables	853.86	796.60	-	844.87	355.46	-
Unhedged Trade Payables	-	66.91	132.83	-	13.55	143.43
Unhedged Advances to Trade Payables	-	-	-	-	-	-
Total	**854**	**864**	**133**	**844.87**	**369.01**	**143.43**

Notes forming part of the financial statements

For the year ended 31st March 2026

34.4 Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.

Movement in provision for Credit Losses (provision for doubtful debts)

Particulars	As at 31st March 2026	As at 31st March 2025
Opening provision	3.22	92.41
Add : Additional provision made	17.88	-
Less : Provision write off/ Bad Debt	-	89.19
Less : Provision reversed	-	-
Closing provision	21.10	3.22

34.5 Liquidity risk :

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset.

34.6 Trade Payables Ageing

Particulars	Trade Payable Ageing Schedule as on 31.03.2026 (Amount in ₹ lakhs)					
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Gross MSME Credit	(44.45)	(250.26)	-	-	-	(294.71)
(ii) Gross Others Credit	(1,823.40)	(772.76)	(64.66)	62.41	36.50	(2,561.91)
Less unadjusted advance/payments						
(i) Gross MSME Debit	-	-	-	-	-	-
(ii) Gross Others Debit	-			-	-	-
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	**(1,867.85)**	**(1,023.02)**	**(64.66)**	**62.41**	**36.50**	**(2,856.62)**

Particulars	Trade Payable Ageing Schedule as on 31.03.2025 (Amount in ₹ lakhs)					
	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Gross MSME Credit	(80.34)	(178.09)	-	-	-	(258.43)
(ii) Gross Others Credit	(2,923.88)	(1,793.79)	(85.19)	(7.20)	(38.20)	(4,848.26)
Less unadjusted advance/payments						
(i) Gross MSME Debit			-	-	-	-
(ii) Gross Others Debit				-	-	-
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	**(3,004.22)**	**(1,971.88)**	**(85.19)**	**(7.20)**	**(38.20)**	**(5,106.69)**

Notes forming part of the financial statements

For the year ended 31st March 2026

34.7 Trade receivable ageing schedule

Particulars	Trade Receivables Ageing Schedule as on 31.03.2026 (Amount in ₹ lakhs)						
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	4,652.16	3,988.92	1,256.69	321.05	1.10	24.22	10,244.14
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	21.10	-	21.10
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Total	**4,652.16**	**3,988.92**	**1,256.69**	**321.05**	**22.20**	**24.22**	**10,265.24**

Particulars	Trade Receivables Ageing Schedule as on 31.03.2025 (Amount in ₹ lakhs)						
	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5,476.42	2,459.14	138.86	4.11	0.63	-	8,079.16
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	3.22	-	3.22
(iii) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
Total	**5,476.42**	**2,459.14**	**138.86**	**4.11**	**3.85**	**-**	**8,082.38**

35 Expected Credit Loss (ECL)

The Company applies the simplified approach prescribed under Ind AS 109 for recognition of expected credit losses on trade receivables, whereby lifetime ECL is recognised at each reporting date. The ECL provision has been computed for trade receivables on the basis of net debit balances only. Counterparties carrying net credit balances (arising from credit notes or advance receipts) have been excluded from the computation, as no credit loss exposure exists on such balances. In estimating the ECL, the Company has considered the credit profile of its customers, historical payment behaviour, past default experience, and current as well as forward-looking information. Based on this assessment, the Company has derived appropriate assumptions forming the basis for determination of probability of default (PD) and loss given default (LGD). The Company uses a provision matrix to compute the expected credit loss, where receivables are segmented based on ageing and other relevant credit risk characteristics. The PD reflects the likelihood of default based on historical trends and customer-specific factors, while the LGD represents the expected loss after considering recoveries and collection efforts. The assumptions used in the ECL computation are reviewed periodically and are considered reasonable and supportable in the context of available information and the Company's experience of credit losses. The resulting provision reflects a prudent estimate of the credit risk associated with the outstanding receivables as at the reporting date.

Notes forming part of the financial statements

For the year ended 31st March 2026

36 Reconciliation of Income tax expenses

The following explains the material adjustments made while transition from previous accounting standards to IND AS. A reconciliation of the income tax and deferred tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Particulars	2025-26	2024-25
Current tax		
Current Tax on taxable income for the year	283.20	234.34
Total current tax expense	**283.20**	**234.34**
Deferred Tax		
Deferred tax charge/(credit)	222.21	152.43
MAT Credit (taken)/utilised	-	-
Total deferred income tax expense/(benefit)	**222.21**	**152.43**
Tax in respect of earlier years	-	(57.84)
Total income tax expenses	**505.40**	**328.93**

Particulars	2025-26	2024-25
Enacted income tax rate in India applicable to the Company	27.82%	27.82%
Profit before tax	**1,437.14**	**1,160.41**
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	399.81	322.83
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Permanent Disallowances	7.62	13.16
Depreciation (net effect)	239.74	204.31
Disallowance under section 43B of the Income Tax Act	2.16	52.16
Tax in respect of earlier years	-	(57.84)
Income exempted from income taxes	-	-
Other items	(143.93)	(205.69)
Prior period Items	-	-
Total income tax expenses/(credit)	**505.40**	**328.93**

37 The Company uses SAP ERP as the accounting software. SAP ensures an audit trail, providing standard functionality and logging in all changed data in the system. This functionality and audit trail feature in SAP has been operational throughout the year for all relevant transactions recorded through the application.

38 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property .

39 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

40 No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes forming part of the financial statements

For the year ended 31st March 2026

41 The Company does not have any 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).

42 The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

43 As per the MCA notification dated 05th August 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis. The books of account along with other relevant records and papers of the Company are maintained in electronic mode. The Company has server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode.

44 The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes, namely the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "Codes"). The Codes have been made effective from 21st November 2025. The Ministry of Labour & Employment has published draft Central Rules and FAQs to facilitate assessment of the financial impact arising from the changes in regulations. The Company is currently in the process of evaluating and ascertaining the incremental impact, if any, of the implementation of the Codes on its financial results based on the information available and consistent with the guidance issued by the Institute of Chartered Accountants of India. Upon notification of the final Central and/or State Rules on all aspects of the Codes, the Company will reassess the impact, if any, on the measurement of employee benefits and will provide appropriate accounting treatment in accordance with applicable accounting standards.

45 The Board of Directors of the company has recommended an final dividend of ₹4 per shares on equity shares of ₹10 each.

46 Previous Year's figures have been regrouped wherever necessary to make them comparable with those of the current year.

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants
Firm Registration Number: 101851W

Sanat Ulhas Chitale
Partner
Membership No. 143700

Place: Pune
Date: 25th May 2026

For and on behalf of the Board of Directors

Rohini G. Kalyani
Executive Chairperson
DIN:00519565

Vishwanathan Swaminathan
Director
DIN : 00638389

Viraj Kalyani
Managing Director
DIN: 02268846

Anup Sancheti
Company Secretary and
Compliance Officer
Membership No. A49266

Notes forming part of the financial statements

For the year ended 31st March 2026

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Ratio	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	Percentage Change	Reason for variance
(a) Current Ratio	Current Assets	Current Liabilities	1.32	1.23	7%	
(b) Debt-Equity Ratio	Total Debt	Shareholder's Equity	1.11	0.80	39%	Due to increase Debt Value
(c) Debt Service Coverage Ratio	Earnings for debt service	Debt service	0.28	0.34	-17%	Due to increase Debt Value
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	10.06%	9.69%	4%	
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	2.16	1.98	9%	Due to Better inventory management in Company.
(f) Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	2.90	3.32	-12%	
(g) Trade payables turnover ratio	Cost of Goods Sold	Average Trade Payables	1.96	2.32	-16%	Due to Decrease in Trade Payable
(h) Net capital turnover ratio	Revenue from Operations	Working capital	6.58	8.57	-23%	Due to increase in WC
(i) Net profit ratio	Net Profit after Tax	Revenue from Operations	3.97%	3.51%	13%	
(j) Return on Capital employed	Earnings before interest and taxes	Capital Employed	15.81%	18.29%	-14%	
(k) Return on investment	Interest (Finance Income)	Investment	4.38%	4.71%	-7%	

As per our attached report of even date

For **M. P. Chitale & Co.**
Chartered Accountants
Firm Registration Number: 101851W

Sanat Ulhas Chitale
Partner
Membership No. 143700

Place: Pune
Date: 25th May 2026

For and on behalf of the Board of Directors

Rohini G. Kalyani
Executive Chairperson
DIN:00519565

Vishwanathan Swaminathan
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DIN : 00638389

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Managing Director
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Anup Sancheti
Company Secretary and
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Membership No. A49266

KALYANI FORGE

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www.kalyaniforge.com

Kalyani Forge Ltd.
1st Floor, 'C' Wing,Shangrila Gardens,
Opp. Bund Garden, Pune – 411001, India
Send us a mail
info@kforge.com, companysecretary@kforge.com
Call us
+912137 252335 | +912137 252344

Concept, content and design by REPORT YAK | contact@reportyak.com