



Hindustan Hardy Limited

(Formerly known as Hindustan Hardy Spicer Limited)

Regd. Office & Plant.

Plot No. C-12, M.I.D.C. Area, Ambad,
Nashik-422 010. Maharashtra, INDIA.

Tel : (0253) 2382118

TaleFax : 91-0253-2382528

Website : www.hhardys.com

CIN : L29300MH1982PLC028498

Date: 14th August, 2026

To
The General Manager
BSE LIMITED
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai 400 001

Scrip code: 505893

Name of the Company: **HINDUSTAN HARDY LIMITED**

Sub: Annual General Meeting- Integrated Annual Report 2025-26

The 44th Annual General Meeting ("AGM") of the Company is scheduled to be held on Thursday, 10th September, 2026 at 2.30 p.m through Video Conferencing / Other Audio Visual Means. This is in compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and General Circulars issued by the Ministry of Corporate Affairs dated April 8, 2020, April 13, 2020, May 5, 2020 and subsequent circulars issued in this regard, the latest being September 22, 2025.

Pursuant to Regulation 30 and 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company along with the Notice of AGM for the financial year 2025-26. The same is being sent only through electronic mode to the Members whose email addresses are registered with the Company/its Registrar and Transfer Agent/Depositories. This is in compliance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Circulars issued by Ministry of Corporate Affairs in this regard from time to time. Further, in accordance with the Regulation 36(1)(b) of the SEBI Listing Regulations, the Company has initiated sending a letter to the Shareholders whose e-mail addresses are not registered with the Company/RTA/DPs, providing a web-link from where the Integrated Annual Report can be accessed on the website of the Company.

The Annual Report containing the Notice is also uploaded on the Company's website www.hhardys.com



Hindustan Hardy Limited

(Formerly known as Hindustan Hardy Spicer Limited)

Regd.Office & Plant.

Plot No. C-12, M.I.D.C. Area, Ambad,
Nashik-422 010. Maharashtra, INDIA.

Tel : (0253) 2382118

TaleFax : 91-0253-2382528

Website : www.hhardys.com

CIN : L29300MH1982PLC028498

Pursuant to applicable provisions, if any, of the Companies Act, 2013, and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the **record date is fixed as Thursday 03rd September, 2026** for the purpose of Annual General Meeting and Dividend.

Further, dividend, if approved by the Members of the Company at the AGM, will be paid on **Tuesday 15th September, 2026.**

This is for your information and records.

Yours faithfully,

For **HINDUSTAN HARDY LIMITED**

DEVAKI SARAN

Digitally signed by DEVAKI

SARAN

Date: 2026.08.14 16:01:23

+05'30'

Devaki Saran

Chairperson & Managing Director

DIN: 06504653



Hindustan Hardy Ltd.

**FORTY FOURTH ANNUAL REPORT
2025-2026**

www.hhardys.com

BOARD OF DIRECTORS

Ms. Devaki Saran (Din: 06504653)
Ms. Mallika Saran (Din: 11005015)
Mr. Vijay Pathak (Din: 02700611)
Mrs. Arati Saran (Din: 01157284)
Mr. Navroze Shiamak Marshall (Din: 00085754)
Mr. Sanjiv Bhasin (Din: 00001575)
Mr. Aurobind Ashabhai Patel (Din: 00016628)
Mr. Cowasji Jehangir Jehangir (Din: 06625023)

Chairperson and Managing Director
Executive Director & CFO
Executive Director & COO
Non-Executive Director
Independent Director
Independent Director
Independent Director
Independent Director

BANKERS:

Axis Bank Ltd.

Mazda Towers, Trimbak Naka Br., GPO Road, Nashik - 422 001

AUDITORS:

Daga & Chaturmutha

Chartered Accountants 201, Dhananjay Heights,
Adwait Colony, Canada Corner Signal, Opp. Patil Plaza,
Nashik - 422 005

Registered Office & Plant:

Plot No. C-12, M.I.D.C. Area Ambad, Nashik, Maharashtra, India, 422010.
Tel. : 0253 - 2382118
Fax : 0253 - 2382528
email : co@hhardys.com
CIN No. : L29300MH1982PLC028498
Website : www.hhardys.com

Company Secretary and Compliance Officer:

Ms. Sunita Nisal
email: co@hhardys.com

Registrars and Share Transfer Agents:

Satellite Corporate Services Pvt. Ltd.
Office No. 106 & 107, Dattani Plaza,
East West Compound,
Andheri Kurla Road, Safed pool,
Sakinaka - Mumbai - 400 072.
Tel.: 022 - 28520461 / 462
Email Id : service@satellitecorporate.com

CONTENTS	PAGE
Notice	01.
Director's Report	14.
Annexure to Director's Report	24.
Independent Auditor's Report	71.
Balance Sheet	83.
Statement of Profit and Loss	84.
Cash Flow Statement	85.
Notes to Financial Statement	87.

HINDUSTAN HARDY LIMITED

Regd. Office: Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422010, Maharashtra, INDIA.

CIN: L29300MH1982PLC028498 **Website:** www.hhardys.com

Tel No: 0253-2382018 **Fax No:** + 0253-2382528 **Email:** co@hhardys.com

NOTICE

Notice is hereby given that the Forty Fourth Annual General Meeting (“AGM”) of the members of Hindustan Hardy Limited will be held on Thursday, 10th September 2026 at 2.30 p.m. (IST) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2026.
3. To appoint a director in place of Ms. Arati Sanjaya Saran (DIN: 01157284) who retires by rotation and being eligible offers herself for reappointment.

NOTES:

1. The Ministry of Corporate Affairs (‘MCA’) has vide its General Circular dated May 5, 2020 read with General Circulars dated April 8, 2020 and April 13, 2020 and subsequent circulars issued in this regard, the latest being September 22, 2025 (collectively referred to as ‘MCA Circulars’) permitted the holding of the Annual General Meeting (‘AGM’) through Video Conferencing (‘VC’) facility or other audio visual means (‘OAVM’), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (‘Act’), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and MCA Circulars, the AGM of the Company is being held through VC/OAVM on Thursday, 10th September 2026 at 2.30 p.m. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Pursuant to the MCA Circulars, since the physical attendance of Members as been dispensed with, there is no requirement of appointment of proxies. Accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice.
3. 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 Act.
4. The Statement setting out additional information with respect to Directors being

appointed/ reappointed pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are annexed hereto.

5. In line with the MCA Circulars and Regulation 36 of SEBI Listing Regulations, the Notice of the AGM along with the Annual Report 2025-2026 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. The Notice convening the 44th AGM has been uploaded on the website of the Company at www.hhardys.com and may also be accessed on the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The Notice is also available on the website of NSDL at www.evoting.nsdl.com. Additionally, the Company will also send a letter to providing the web-link for accessing the Annual Report to those Members who have not registered their email address with the Company or RTA or Depositories. [Regulation 36(1) of the SEBI Listing Regulations].
6. The Board of directors have recommended a dividend of ₹ 2.80 per share (i.e. 28%) on the Equity Shares of the Company of ₹ 10 each. The Record Date fixed for determining entitlement of Members to final dividend for the financial year ended March 31, 2026 is Thursday, 03rd September, 2026. If approved at the AGM, dividend, will be paid subject to Tax Deduction at Sourced (TDS) on Tuesday, 15th September, 2026.

For Shares held in electronic form:

To all the Beneficial Owners as at the end of the day on Thursday , 03rd September, 2026. as per the list of Beneficial Owners to be furnished by NSDL and Central Depository Services (India) Limited ('CDSL'); and

For Shares held in physical form:

To all the Members, whose names appears in the Company's Register of Members after giving effect to valid transmission and transposition requests lodged with the Company as of the close of business hours on Thursday , 03rd September, 2026.

7. Members are requested to notify immediately any change of particulars such as name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, bank mandate details etc.:
 - (i) To their Depository Participants (DPs) in respect of their electronic share accounts, and
 - (ii) To the Company's Registrar & Share Transfer Agents, M/s Satellite Corporate Services Pvt. Ltd., Office No. A/106-107, Dattani Plaza, East West Compound, Andheri Kurla Road, Sated Pool, Sakinaka, Mumbai-400072 in respect of their physical share folios, if any, quoting their folio numbers.

8. In terms of the circulars issued by The Securities and Exchange Board of India (SEBI) furnishing of PAN, KYC details (i.e. postal address with pin code, email address, mobile number, bank account details) and Nomination details by holders of physical securities through Form ISR-1 is mandatory. It may be noted that any service request or complaint can be processed only after the folio is KYC compliant. Accordingly, the Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC and Nomination details. Members holding shares of the Company in physical form are requested to go through the requirements hosted on the website of the Company at https://hhardys.com/_investorinformation.php and furnish the requisite details.

Members holding shares in electronic form are advised to send their request for the change of address, bank particulars, residential status or request for transmission of shares etc. to their Depository Participant.

In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s Satellite Corporate Services Private Limited for assistance in this regard.

9. In accordance with Regulation 40 of the SEBI Listing Regulations and SEBI Circulars, as amended, any transfer request would be considered only in demat form. Members holding shares of the Company in physical form are requested to kindly get their shares converted into demat /electronic form to get inherent benefits of dematerialization.
10. Members may please note that in terms of SEBI Master Circular dated February 6, 2026, the Listed Companies are mandated to issue securities in demat form only while processing any investor service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Subdivision/Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at https://hhardys.com/_investorinformation.php
11. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company or Company's Registrar & Share Transfer Agents, M/s Satellite Corporate Services Pvt. Ltd., Office No. A/106-107, Dattani Plaza, East West Compound, Andheri Kurla Road, Sated Pool, Sakinaka, Mumbai-400072. Members holding shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participants.
12. The Register of Directors and Key Managerial Personnel and their shareholding

maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, and other documents as mentioned in this Notice will be available for inspection by the Members. Members seeking to inspect such documents can send their requests to the Company at co@hhardys.com.

13. Pursuant to the provisions of the Act, the amount of dividend remaining unclaimed/unpaid for a period of seven years from the date they became due for payment shall be credited to the Investor Education and Protection Fund setup by the Central Government. Members who have so far not claimed the dividend are requested to make claim with the Company as no claim shall lie against the fund or the Company in respect of individual amounts once credited to the said fund.
14. Pursuant to the provision of Section 124(6) of the Act, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules") and amendments thereto, shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the IEPF Authority except for shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority restraining any transfer of the shares.

The Members/claimants whose shares, unclaimed dividend, etc. have been transferred to the Fund may claim the shares by making an application to IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fee as decided by the Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules and amendments thereto.

15. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

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

- i. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further, Members required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- iv. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- v. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at co@hhardys.com from Thursday 03rd September, 2026 (10. am IST) to Monday 07th September, 2026 (5.00 pm IST). Those Members who have pre-registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- vi. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 44th AGM through VC/OAVM facility.
- vii. Members who need assistance before or during the AGM may contact NSDL on evoting@nsdl.co.in / 022-48867000 and 022-24997000 or contact Mr. Amit Vishal, Deputy Vice President – NSDL or Mr. Suketh Shetty,, RM (Business Development & Products (Issuers) NSDL evoting@nsdl.co.in 022-48867000 and 022-24997000

VOTING THROUGH ELECTRONIC MEANS:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by Companies (Management and Administration) Rules, 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide members facility to exercise their right to vote at the 44th Annual General Meeting (AGM) by electronic means (Remote E-voting) and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

I. The instructions for members for voting electronically are as under:-

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Share-holders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

App Store



Google Play



Individual
Share-
holders
holding
securities
in demat
mode with
CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e -Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Share-holders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
---	--

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

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

4. Your User ID details are given below :

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

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

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?	
1.	After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2.	Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3.	Now you are ready for e-Voting as the Voting page opens.
4.	Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5.	Upon confirmation, the message “Vote cast successfully” will be displayed.
6.	You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7.	Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs@parikhassociates.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022-48867000 and 022-24997000 or send a request to (Ms. Shruthi Shetty) at evoting@nsdl.co.in

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

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

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
- II. The remote e-voting period begins on Monday, 07th September, 2026 at 10:00 A.M. and ends on, Wednesday 09th September 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. Thursday 03rd September 2026 , may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- III. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of **Thursday 03rd September 2026**. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the meeting. The members who have not cast their vote on the resolutions through remote e-voting shall be entitled to vote at the meeting on such resolutions.

Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com.

- IV. Ms. Jigyasa N. Ved (FCS 6488) or failing him Mr. Mitesh Dhabliwala (FCS 8331) of M/s Parikh & Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting at the meeting and remote e-voting process in a fair and transparent manner.
- V. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, unblock the votes cast through remote e-voting prior to the AGM and e-voting during the AGM and make within prescribed time, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
- VI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website, www.hhardys.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared by the Chairman and the same shall be communicated to the BSE Limited where the shares of the Company are listed.

By order of the Board

Registered Office:

Plot No. C-12,
M.I.D.C. Area, Ambad,
Nashik – 422 010.

DEVAKI SARAN
Chairperson and Managing Director
DIN: 06504653

Place: Nashik.

Date: 05th August, 2026

Information as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India

Particulars	Arati Saran
Date of Birth	30.12.1956
Age	69 years
Date of First Appointment	14.02.2025
Qualification	B.A from Bombay University and MILR from Cornell University (USA)
Expertise in specific functional area	She has an Experience of 46 years in fields of General Maintenance, Finance, Labour Relations.
Directorships in other companies	1. Bombay Footware Private Limited 2. Business Combine Pvt Ltd 3. XLO India Pvt Ltd 4. Hermes Consultants Pvt Ltd 5. Rajasthan XLO Sanwa Midland Limited 6. Bambollo Holding Pvt Ltd 7. XLO United Clutch Products Ltd
Memberships of Committees in other companies	Nil
No. of shares held in the Company	150
Relationship between directors inter-se	She is Related to Ms. Devaki Saran and Ms. Mallika Saran director of the Company. She is not related to any other Director or Key Managerial Personnel
Number of Board meetings attended	04
Names of Listed entities from which resigned in past 3 years	Keltech Energies Limited
Skills and Capabilities Required for the role and manner in which Independent Director meets such requirements	NA

BOARDS' REPORT

[Pursuant to Section 134(3) of the Companies Act, 2013]

To

The Members

HINDUSTAN HARDY LIMITED

Your Directors have pleasure in presenting the Forty Fourth Annual Report of the Company together with the Statement of Accounts for the year ended on March 31, 2026.

FINANCIAL RESULTS:

Particulars	For the year ended 31st March 2026 Rs. in Lakh	For the year ended 31st March 2025 Rs. in Lakh
Revenue from Operations	10879.02	8145.18
Other Income	114.98	51.50
Total Income	10994.00	8196.68
Profit before Interest, Depreciation and Tax	1319.95	1024.93
Finance Cost	34.80	17.86
Depreciation	151.25	112.36
Profit / Loss before tax	1133.91	894.71
Tax Expenses	292.02	235.70
Profit / Loss after Tax	837.89	659.01
Other Comprehensive Income / (loss) for the year	1.75	1.07
Profit / Loss for the year attributable to owners of the company	839.64	660.08
Surplus brought forward from Previous Year	2348.72	1730.60
Profit available for appropriation	3188.36	2390.68
Proposed Dividend	(41.96)	(41.96)
Tax on Proposed Dividend	-	-
Surplus Carried Forward	3146.40	2348.72

OPERATIONS/STATE OF COMPANY'S AFFAIRS

Overall, the Company ended the financial year 25-26 with sales that were 34% higher than the previous financial year. Serial production for certain parts that had recently developed ramped up over the course of the year. Additionally export sales increased as the European region performed better than expected.

On a quarterly basis, the first three quarters were comparable and the fourth quarter was the strongest driven by both domestic and export sales. The Middle East war did not impact sales in the fourth quarter as it was too soon into the war for the repercussions to be felt. However costs started to come under pressure.

Steel prices started climbing from the fourth quarter onwards. This was exacerbated by the impact of the Middle East conflict on gas prices. Gas is a critical input for steel production and the forging heat treatment process. Variable costs as a proportion to sales increased due to increase in electricity, manpower and the cost of consumables.

The weakening rupee boosted the profitability of export sales and helped to offset the impact of cost increases. Overall, cost control gained heightened importance and the company increased its focus on productivity, efficiency and value engineering. Better utilization of equipment, improved power consumption, optimization of tooling costs, increased reuse of packaging materials, and continued implementation of productivity improvement initiatives across manufacturing operations are efforts underway to strengthen long-term competitiveness.

Looking ahead, the Company remains focused on expanding its domestic OEM business, strengthening exports, accelerating commercialization of products currently under development, and continuing investments in manufacturing capability, automation and quality systems to support long-term profitable growth.

TRANSFER TO RESERVES

There was no transfer made to any Reserve during the year.

DIVIDEND

The Board of Directors has recommended dividend of @ Rs. 2.80 per share (28%) on the equity shares of the Company for the financial year 2025-2026.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at prescribed rates as per the Income Tax Act, 1961.

OUTLOOK

The global economy remained resilient during FY 2025-26 despite a challenging geopolitical and economic environment. Growth was supported by moderating inflation, easing monetary policy in several major economies and a gradual recovery in global manufacturing activity. However, the year was also marked by heightened geopolitical uncertainty, including the continuing conflicts in Ukraine and the Middle East, which disrupted global trade routes, increased shipping costs and contributed to volatility in energy and commodity markets.

Trade policy uncertainty also intensified during the year, with the imposition and revision of tariffs by several major economies leading to increased uncertainty in global supply chains and investment decisions. While supply chain resilience improved compared with previous years, businesses continued to adapt their sourcing strategies in response to evolving geopolitical and trade risks. Global growth remained modest, with the International Monetary Fund estimating world GDP growth at around 3%, reflecting a stable but subdued economic environment.

India continued to be one of the fastest-growing major economies during FY 2025–26, supported by resilient domestic demand, sustained public investment in infrastructure, and a stable financial system.

The Indian economy continues to demonstrate resilient growth, supported by sustained government investment in infrastructure, increasing mechanization in agriculture and a continued focus on domestic manufacturing. These trends are expected to support long-term demand for the Company's products across the agricultural machinery, construction equipment and industrial sectors.

The Company enters FY 2026–27 with a healthy order pipeline and remains focused on expanding business with existing customers while securing new customers in both domestic and international markets. Continued emphasis on exports and diversification across customer segments is expected to reduce dependence on any single market and provide greater resilience against industry cycles.

However, the economic scenario is challenging. Macroeconomic uncertainty, geopolitical developments and pricing pressures from customers and suppliers continue to pose challenges. The sharp increase in input and manufacturing costs since March 2026 onwards is unprecedented.

Management is focusing on operational improvements through ongoing investments in manufacturing capability, automation, process optimization and employee skill development. Several initiatives undertaken during the year to improve productivity, quality and capacity are expected to contribute to improved operating efficiencies in the coming years.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business of the Company during the financial year ended March 31, 2026.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF THE FINANCIAL YEAR:

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year and the date of the report.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

6 (Six) meetings of the Board of Directors of the Company were held during the year on 01.04.2025, 30.05.2025, 13.08.2025, 12.11.2025, 12.02.2026, 13.03.2026. The details of attendance at the meetings of board of directors are provided in the Corporate Governance Report attached in the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

A] Appointments:

1. Based on recommendation of the Nomination and Remuneration Committee ('NRC'), and in terms of the provisions of the Act, the Board of Directors appointed Mr. Aurobind Patel (DIN: 00016628) as an Additional Director of the Company w.e.f. March 13, 2026. Further, in accordance with the provisions of Section 149 read with Schedule IV to the Act and applicable SEBI Listing Regulations, Mr. Aurobind Patel was appointed as Non-Executive, Independent Director not liable to retire by rotation, for a term of five years, i.e., from March 13, 2026 to March 12, 2031 (both days inclusive), subject to approval by the Members. The Company has received notice under Section 160 of the Act proposing his appointment. The necessary Special Resolution for approval of appointment of Mr. Aurobind Patel as a Non-Executive Independent Director of the Company for a term of five years was passed by the shareholders through postal ballot on May 24, 2026.
2. The Board of Directors at its meeting held on April 01, 2025 re-appointed Mr. Vijay Pathak (DIN 02700611) as the Whole-time Director designated as "Executive Director and Chief Operating Officer" for a term of three years commencing from April 01, 2025 to March 31, 2028, subject to approval of the Members at the ensuing Annual General Meeting ("AGM"). The shareholders at the AGM held on September, 16, 2025 passed a special resolution approving his re-appointment.
3. The Board of Directors at its meeting held on May 30, 2025, approved the change the Designation of Ms. Devaki Saran (DIN 06504653) as the Chairperson and Managing Director of the Company and payment of revised remuneration to her w.e.f. June 01, 2025 for the residual period of her tenure upto August 13, 2027, subject to approval by the Members. The shareholders at the AGM held on September, 16, 2025 passed a special resolution approving her change in designation.
4. Ms. Devaki Saran resigned as Chief Financial officer w.e.f. June 1, 2025. The Board of directors on the recommendation of Nomination and Remuneration Committee, appointed Ms. Mallika Saran as the Chief Financial Officer of the Company w.e.f. June 1, 2025.
5. Based on recommendation of the Nomination and Remuneration Committee ('NRC'), and in terms of the provisions of the Act, the Board of Directors appointed Ms. Mallika Saran (DIN: 11005015) as an Additional Director of the Company with effect from April 01, 2025. Further, in accordance with the provisions of Section 196, 197, 198 and 203 read with Schedule V to the Act and applicable SEBI Listing Regulations, Ms. Mallika Saran was appointed as Whole time Director and Chief financial officer (CFO), for a term of three years, i.e., from June 1, 2025 to May 31, 2028, (both days inclusive), subject to approval by the Members. The Company has received notice under Section 160 of the Act proposing her appointment. The shareholders at the AGM held on September 16, 2025 passed a special resolution approving the appointment as Whole time Director and Chief Financial Officer.
6. In accordance with the provisions of Section 152 of the Act, Mrs. Arati Saran (DIN 01157284), Director, retires at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

B] Cessations: Nil**C] DETAILS OF KMP**

In terms of Section 203 of the Act, presently the following are the Key Managerial Personnel (KMP) of the Company:

1. Ms. Devaki Saran, Managing Director and Chairperson
2. Ms. Mallika Saran, Whole-time Director and CFO
3. Mr. Vijay Pathak, Executive Director and COO
4. Ms. Sunita Nisal, Company Secretary

DECLARATION FROM INDEPENDENT DIRECTORS

Directors who are independent directors, have submitted a declaration as required under section 149(7) of the Act that each of them meets the criteria of independence as provided in sub Section (6) of Section 149 of the Act and under regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and there has been no change in the circumstances which may affect their status as independent director during the year. In the opinion of the Board, the independent directors possess appropriate balance of skills, experience and knowledge, as required.

AUDIT COMMITTEE OF BOARD OF DIRECTORS

The Audit committee of the Board of directors of the Company as on date consists of the following members

- | | |
|---------------------------|--------------------------------|
| 1. Mr. Sanjiv Bhasin | Chairman, Independent Director |
| 2. Mr. Navroze S Marshall | Independent Director |
| 3. Mr. Cowasji Jehangir | Independent Director |
| 4. Mr. Aurobind Patel | Independent Director |

MEETINGS OF BOARD OF DIRECTORS AND ITS COMMITTEES

The details of meetings of Board of Directors and its committees held during the year and the attendance of directors at the meetings are provided in the Corporate Governance Report attached in the Annual Report.

VIGIL MECHANISM

The Company has formulated and published a Whistle Blower Policy to provide a mechanism ("Vigil Mechanism") for employees including directors of the Company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177 (9) of the Act and SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015. The Whistle Blower Policy (Vigil Mechanism) is uploaded on the Company's website www.hhardys.com.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND CRITERIA FOR INDEPENDENT DIRECTORS

The Remuneration Policy for directors and senior management and the Criteria for selection of candidates for appointment as directors, independent directors, senior management as adopted by the Board of Directors are placed on the website of the Company <https://hhardys.com/investors/policies/Remuneration%20Policy.docx>. There has been no change in the

policies during the last financial year.

We affirm that the remuneration paid to the directors is as per the terms laid out in the remuneration policy of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Board has adopted policies and procedures 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 disclosures.

The internal auditors also regularly review the adequacy of internal financial control system.

DETAILS OF SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES

The Company is a subsidiary of XLO India Private Limited.

The Company does not have any subsidiary/ joint ventures/ associates.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2026 is available on the Company website www.hhardys.com

AUDITORS

The Members of the company had, at its Annual General Meeting (AGM) held on 27th September, 2022 appointed M/s. Daga & Chaturmutha, Chartered Accountants, Nashik, (ICAI Registration No101987W) as the Statutory Auditors for a further period of 5 (five) consecutive years from the conclusion of the Fortieth AGM till the conclusion of the Forty-Fifth AGM. M/s.

Daga & Chaturmutha, Chartered Accountants, have submitted a certificate confirming that their appointment is in accordance with Section 139 read with Section 141 of the Act.

SECRETARIAL AUDIT AND REPORT

In terms of Regulation 24A read with other applicable provisions of the SEBI Listing Regulations and applicable provisions of the Companies Act, 2013, the Company was required to appoint Secretarial Auditors for a period of 5 years commencing from FY2025-26, to conduct the secretarial audit of the Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013 read with Regulation 24A and other applicable provisions of the SEBI Listing Regulations.

Based on the recommendation of the Audit Committee and the Board, the Shareholders of the Company, at the AGM held on September 16, 2025, approved the appointment of M/s Parikh & Associates, (Registration No. P1988MH009800), Practicing Company Secretaries, as the secretarial auditors of the Company for a period of five years commencing from the conclusion of the 43rd AGM, until the conclusion of 48th AGM of the Company to be held in the year 2030, for conducting secretarial audit of the Company for the period beginning from FY2025-26 through the FY2029-30.

The Report by the Secretarial Auditors of the Company for FY 2025-2026 issued by Parikh & Associates is annexed to this Report as Annexure I.

As regards the references made by the Secretarial Auditors, in their report for FY 2025-2026 with respect to Independent Directors, the company has taken time to find a suitable person for appointment as an Independent director and appointed one more Independent Director on March 13, 2026. The meetings of the board of directors and committees during the year were conducted in compliance of the applicable provisions and regulations. The others references in the report are self-explanatory.

AUDITORS' REPORT

The Auditors' report does not contain any qualifications, reservations or adverse remarks.

During the year under review, there were no instances of fraud reported by the auditors, under Section 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors.

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

Information in accordance with Clause (m) of Sub-section (3) of Section 134 of the Act read with Companies (Accounts) Rules, 2014 is annexed to this report as **Annexure II**.

PARTICULARS OF EMPLOYEES

Pursuant to Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the particulars of employees are annexed as **Annexure III**.

DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORY/ JUDICIAL AUTHORITY

No significant or material orders were passed by any regulator or court that would impact the going concern status of the Company and its future operations.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any loans or guarantees or made investments during the year ended March 31, 2026.

RISK MANAGEMENT POLICY

The Board of Directors of the Company has framed a risk management policy and is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The company conducts a monthly review of major risks and actions to minimize these in its Monthly Management Meeting. Efficacy of risk management is also one of the criteria on evaluated in the IATF certification process. Risks are managed by contingency plans that are tested on a period basis.

RELATED PARTY TRANSACTIONS

Particulars of transactions with related parties pursuant to Section 134(3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and the same forms part of this report as **Annexure IV**.

EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

An annual evaluation of the Board's own performance, Board committees and individual directors was carried out pursuant to the provisions of the Act in the following manner:

Sr. No.	Performance evaluation of :-	Performance evaluation performed by :-	Criteria
	Each Individual director	Nomination and Remuneration Committee	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and guidance provided, key performance aspects in case of executive directors etc.
	Independent directors;	Entire Board of Directors excluding the director who is being evaluated	Attendance, Contribution to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution, and guidance provided etc.
	Board, its committees and individual directors	All directors	Board composition and structure; effectiveness of Board processes, information and functioning, fulfilment of key responsibilities, performance of specific duties and obligations, timely flow of information etc. The assessment of committees based on the terms of reference of the committees and effectiveness of the meetings.

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

The company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) and rules made thereunder. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

In accordance with the provisions of the Act, the details of complaints for the financial year are as follows:

- (a) Number of complaints of sexual harassment received during the year: Nil
- (b) Number of complaints disposed of during the year: Nil
- (c) Number of cases pending for more than ninety days: Nil

The Company has complied with the provisions relating to constitution of Internal Complaints Committee under POSH Act.

COMPLIANCE OF THE PROVISION RELATING TO THE MATERNITY BENEFIT ACT 1961

The Company is in compliance with Maternity Benefit Act, 1961 during the financial year 2025-2026.

SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

LISTING AGREEMENT AND LISTING FEES

The Company entered into Listing Agreement with BSE Limited in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued on September 2, 2015 effective from December 1, 2015.

The Company has paid the listing fees to BSE Limited for the year 2026-2027.

INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE

The Board of Directors has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and reporting of Trading by Insiders in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and is available on our website (<http://www.hhardys.com>).

GREEN INITIATIVES

As a part of Green initiative and in compliance of MCA Circulars, the Annual Report 2025-2026 and Notice of the 44th Annual General Meeting of the Company are sent to all members whose email addresses are registered with the Company / Depository Participant(s).

Members who have not updated their email addresses with the Company may update their email addresses by writing to the Company or Company's Registrar & Share Transfer Agents, M/s Satellite Corporate Services Pvt. Ltd., Office No. A/106-107, Dattani Plaza, East West Compound, Andheri Kurla Road, Sated Pool, Sakinaka, Mumbai-400072. Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participants.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Section 135 of the Companies Act, 2013 mandates every Company having a minimum net worth threshold limit, turnover or net profit, as prescribed, to constitute a Corporate Social Responsibility Committee, formulating a Corporate Social Responsibility Policy that shall indicate activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 and duly approved by the Board as well as fix the amount of expenditure to be incurred on the activities and monitor the CSR Policy from time to time.

In accordance with the applicable laws, the Company has formulated a CSR Policy. The present focus areas of CSR are Education to under privileged, Sustainability for Protection of Wildlife and the environment.

The CSR Report, detailing the Company's CSR spend for FY 2025-2026 forming part of this Report, is furnished in **Annexure V**.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's discussion and analysis is set out in this Annual Report.

CORPORATE GOVERNANCE REPORT

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Corporate Governance Report for FY 2025-2026 is Annexed as **Annexure VI**.

MAINTAINENCE OF COST ACCOUNTING RECORDS

The company is not required to maintain cost records as specified under section 148(1) of the Companies Act, 2013.

ACKNOWLEDGEMENT

The directors thank the Company's employees, customers, vendors, investors and academic institutions for their continuous support.

The directors also thank the government of various countries, government of India, the governments of various states in India and concerned government departments/agencies for their co-operation.

The directors appreciate and value the contributions made by every member of the Hindustan Hardy family.

For and on behalf of the Board

Place: Nashik
Date: 05.08.2026

Devaki Saran
Managing Director and Chairperson
Din: 06504653

ANNEXURE I
FORM No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,

The Members,

HINDUSTAN HARDY LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hindustan Hardy Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares

- and Takeovers) Regulations, 2011;
- (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 audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
 - (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 Companies 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 audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws applicable specifically to the Company namely:
1. The Factories Act, 1948
 2. The Contract Labour Act, 1970
 3. The Workmen's Compensation Act, 1923
 4. The Environment (Protection) Act, 1986
 5. Air (Prevention and Control of Pollution) Act, 1981

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except that Compliance in respect of Implementation of Familiarisation Programme for its Directors and updation of its website in terms of Regulation 46 of SEBI LODR.

We report that the Company unspent amount of CSR for FY 2024-2025 and FY 2025-2026 is lying in separate Bank Account and yet to be spend towards CSR

We further report that:

During the year Board of Directors comprised of only 3 independent directors in place of 4 independent directors as required under Regulation 17 of SEBI LODR. On March 13, 2026, the Company appointed one more Independent Director. The Board of Directors of the Company comprised of proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on March 31, 2026. 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.

Notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit the period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Parikh & Associates
Practising Company Secretaries**

Place : Mumbai

Date : August 05, 2026

Signature :

Name of Company Secretary : Jeenal Jain

Partner

FCS: 13280 CP: 21246

UDIN: 013280H001020550

PR No.: 7327/2025

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
Hindustan Hardy Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh & Associates
Practising Company Secretaries**

**Place : Mumbai
Date : August 05, 2026**

Signature :
Name of Company Secretary : Jeenal Jain
Partner
FCS: 13280 CP: 21246
UDIN: 013280H001020550
PR No.: 7327/2025

ANNEXURE II**A. Conservation of energy, technology absorption, foreign exchange earnings and outgo: [Rule9.10(3)]****1. Conservation of energy:****i. Steps taken / impact on conservation of energy, with special reference to the following:**

- The Company engaged a third party to conduct an energy audit and is working on implementing the recommendations that are financially viable.
- Installation of a power factor controller to help minimize electricity consumption.
- The Company has also explored several alternatives of using solar power and hopes to implement it by the end of FY 26-27 once power consumption crosses the level required for captive open access power plants.
- Replacement of old machines with high horse power motors with more energy efficient newer machines.
- The Company has invested in a new Sealed Quench Furnace for heat treatment which will be considerably more efficient than the older furnace. The highest energy consumption is in the heat treatment department.
- Effective utilization of heat treatment furnaces to minimize turning the furnaces on and off and ensure full loads.
- TPM (Total Productive Maintenance) initiative to repair old machines and reduce oil and other leakages. This is an ongoing initiative.
- Installation of meters to monitor electricity consumption on a daily basis. Separate meters have been installed for the heat treatment department and R&D and for each production line.
- Installation of a separate lower capacity compressor in the heat treatment department. The heat treatment department frequently runs in all three shifts. Previously the company only had only one higher capacity compressor which was run used even only the heat treatment department was operational. This has led to considerable energy savings.
- Paperless initiative to reduce printing and conserve paper.
- Skylights in the factory ceiling eliminate the need for lighting during the day as far as possible.

ii. Steps taken by the company for utilizing alternate sources of energy including waste generated

- Installation of Solar Powered LED Streetlight fixtures.
- Installation of 400 LPD Solar Hot water System at Canteen.
- Installation of a composter and wormiculture for canteen waste.
- Reusing of packaging material wherever possible and implementation of returnable packaging for customers located within Maharashtra
- Evaluation of various alternatives for solar power are being explored.

iii. Capital investment on energy conservation equipment Rs. 8.24 LAKHS

2. Technology :

- i) Our technology had been imported from our Collaborators, Spicer Gelenkwellenbau GmbH, Germany in 1984. Since then upgradation has continued in consultation with various Agencies as well as with in-house expertise.

3. Foreign exchange earnings and Outgo

The Foreign Exchange earnings and outgo are as under	FY 2025-2026 (Rs. in Lakh)	FY 2024-2025 (Rs. in Lakh)
Foreign Exchange Earnings	2402.57	1925.25
Foreign Exchange Outgo on account of import	-50.40	-29.42
Other Foreign Currency Payments	-90.25	-47.94
Total Foreign Exchange outgo	-140.65	-77.36
Net Foreign Exchange earnings	2261.92	1847.89

For and on behalf of the Board

Place: Nashik
Date: 05.08.2026

Devaki Saran
Chairperson and Managing Director
DIN No. 06504653

ANNEXUR III**PARTICULARS OF EMPLOYEES****B. Remuneration of Directors [Section 197(12) and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

I]

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

	Ratio to median remuneration
Chairman and Managing Director	15.76
Executive Director & CFO	8.54
Executive Director & COO	13.74

- (b) The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase/decrease in remuneration in the financial year
Chairman and Managing Director	33.11
Executive Director & COO	41.81
Executive Director & CFO *	-

* The percentage increase in remuneration is nil, as the Executive Director and CFO was appointed during the current financial year.

* Includes PL encashment

- (c) The percentage increase in the average remuneration of employees in the financial year: 28.12%
- (d) The number of permanent employees on the rolls of company: 96
- (e) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Average increase was in remuneration is in-line with industry practise and necessary for employee retention. The company engaged a HR agency for recommendation on remuneration policy in-line with industry practise and these recommendations have been implemented. The company has further retained the services of the agency in FY 26-27 to help streamline remuneration and gradation to ensure that the Company is able to attract and retain key talent.

- (f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

II] The names of the top ten employees in terms of remuneration drawn is as under:

Name of employee	Designation	Remuneration received (Rs. In lacs)	Nature of employment	Qualifications	Experience	Age	Last employment	Percentage of equity shares held	date of commencement of employment
Pathak V N	Executive Director and COO	92.44	Contractual	Govt Polytechnic	40 years	66	MSL Limited, Nashik	Nil	10-10-18
Ms. Devaki Saran	Chairperson and Managing Director	106.23	Regular	B.S.(Mechanical Engg.) M.B.A	11 years	41	UBS Investment Bank, New York	0.03	30-04-13
Ms. Mallika Saran	Executive Director and CFO	92.62	Regular	B.Sc (with Honors) in Mechanical Eng MBA	07 years	38	Head of Investment Product at J.P Morgan Asset Mgt company	0.03	01.06.2025
Taskar A S	Sr. Manager & HOD -Production	13.54	Regular	DME	34 years	57	Started his carrier in Hindustan Hardy Limited	0.0003	20-06-91
Murgunde Nr	Sr. Manager & HOD Engineering	15.22	Regular	DME	28 years	50	Spicer India Limited, Satara	Nil	01.02.2016
Mandlik AP	Sr. Manager Accounts	9.64	Contractual	M.com	37 years	62	Started his carrier in Hindustan Hardy Limited	0.0003	27-04-1987
Sonawane B J	Sr. Manager-Heat Treatment and Receipt	9.76	Regular	DME	28 years	50	Tapatia Tools Ltd, Nashik	Nil	06-09-16
Mehendale C P	Sr. Manager & HOD PPC, Stores & Dispatch	9.61	Regular	DME	34 years	57	Started his carrier in Hindustan Hardy Limited	0.0003	18-04-91
Mulay D S	Sr. Manager- Production	9.53	Regular	DME	36 years	58	Started his carrier in Hindustan Hardy Limited	0.0003	18.12.1990
Patil Madhukar S	Sr. manager Tool Room	8.52	Contractual	DME	38 years	59	Started his carrier in Hindustan Hardy Limited	Nil	15.07.2011
Mangesh Ukidave	Sr. Manager Purchase	8.52	Contractual	DME/ GDMM	38 years	60	Started his carrier in Hindustan Hardy Limited	Nil	01.11.1990

Note: The employees falling in the management cadre are being considered for the above purpose.

There are no employees who are in receipt of remuneration in aggregate of Rupees One Crore and two Lakh for the year or Rupees Eight Lakh fifty thousand per month, if employed for part of the year.

For and on behalf of the Board

Place: Nashik
Date: 05.08.2026

Devaki Saran
Managing Director and Chairperson
DIN No.06504653

ANNEXURE IV
FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

(...Continued on page no.34)

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number:							
XLO India Private Limited Holding Company CIN U63000MH1958PTC011042	The Company is using the registered trademark of XLO, "XLO Value" to market its products in the Indian aftermarket.	Continuous	During the year - Rs. 4,28,919/- (Figures are exclusive of GST)	XLO brand already has good brand recognition in the Indian aftermarket. This is beneficial to the business of the company as the company strives to establish a presence in the aftermarket.	01.08.2016	-	N. A

2. Details of material contracts or arrangement or transactions at arm's length basis
- (a) Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number: N.A.
- (a) Name(s) of the related party and nature of relationship – NIL
- (b) Nature of contracts/arrangements/transactions – Not Applicable
- (c) Duration of the contracts / arrangements/transactions – Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board, if any: - Not Applicable
- (f) Amount paid as advances, if any: - None

For and on behalf of the Board

Place: Nashik
Date: 05.08.2026

Devaki Saran
Managing Director and Chairperson
DIN No.06504653

ANNEXURE –V**THE ANNUAL REPORT ON CSR ACTIVITIES****1. Brief outline on CSR Policy of the Company.**

The Company intends to make a positive difference to the society and contribute its share towards the betterment of the area in which the Company operates. In terms of the provisions of Companies Act, 2013, the Corporate Social Responsibility Policy ("CSR Policy") of HHL has been formulated and adopted by the Board of Directors.

The activities enlisted in this CSR Policy are aligned with the core values of the Company and are carried out by the company either individually or in association with eligible Implementing Agencies registered with the Ministry of Corporate Affairs.

The CSR Policy is formulated in accordance with the provisions of section 135 of the Companies Act, 2013 and rules made thereunder and other applicable laws to the company.

Effective Date

This policy shall be effective from the beginning of financial year 2023-2024.

The company shall undertake such activities which are broadly related to any of the following:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation [including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation] and making available safe drinking water.
- (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (iii) 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.
- (iv) 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;

- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports
- (viii) contribution to the prime minister's national relief fund 8[or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
 (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- (x) rural development projects
- (xi) slum area development.

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

- (xii) disaster management, including relief, rehabilitation and reconstruction activities.

2. **Composition of CSR Committee:**

Pursuant to Section 135 of the Companies Act, 2013, The Board of Directors at its meeting held on August 5, 2024, constituted a Corporate Social Responsibility Committee.

During the year, the Board of directors reconstituted the CSR Committee on 13.03.2026 as under:

1.	Mr. Navroze Marshall	Chairman
2.	Mr. Sanjiv Bhasin	Member
3.	Ms. Arati Saran	Member
4.	Mr. Cowasji Jehangir Jehangir	Member
5.	Mr. Aurobind Patel	Member

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

CSR Policy and CSR project approved by the Board for the financial year 2025-2026 can be referred on the website of the Company through the following weblinks: CSR Policy: <https://www.hhardys.com/investors/policies/CSR%20POLICY.pdf>

CSR Projects approved by Board for FY 2025-26: <https://hhardys.com/investors/csr-initiatives/csr-programmes-approved-2024-25-and-2025-26.pdf>. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable

5. (a) Average net profit of the Company as per Section 135(5) - Rs. **6,90,50,677/-**
- (b) Two percent of average net profit of the Company as per section 135(5) - Rs. **13,81,014/-**
- (c) Surplus arising out of the CSR projects or programme or activities of the previous financial years –NA
- (d) Amount required to be set off for the financial year, if any - NIL
- (e) Total CSR obligation for the financial year [(b)-(c+d)] - Rs. 13,81,014/-
- *(CSR Obligation approved by Board for FY 2025-2026 – Rs. 13,81,014/-**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): NIL
- (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)]: NIL
- (e) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year. (in Rs.)	Total Amount Spent for the Financial Year. (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
NIL	Rs. 13,81,014/-	07/05/2026	-	-	-

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

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per Section 135(5)	13,81,014
(ii)	Total amount spent for the financial year	NIL
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs.)	Amount spent in the reporting financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1.	FY 2023-2024	4,47,666	4,47,666				Nil
2.	FY 2024-2025	11,16,000	Nil				11,16,000

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
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)** –The amounts allocated towards ongoing project in the year 2025-26 were transferred to separate unspent CSR account as disclosed in point 6(e) above. The Company has since identified suitable projects and will spend the funds in the current financial year FY 26-27.

Place: Mumbai

Date: 05.08.2026

Devaki Saran
Chairman and Managing Director

Mr. Navroze Marshall
Chairman of CSR Committee

ANNEXURE VI**CORPORATE GOVERNANCE REPORT FOR FY 2025-2026****Corporate Governance Report****1. Company's Philosophy on Corporate Governance**

Corporate Governance is a combination of voluntary practices and compliance with laws and regulations leading to effective control and better management of the organization. Corporate Governance leads to enhanced long term stakeholder value and enhances interest of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the action of the organization towards creating wealth and stakeholder value.

Pursuant to Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the provisions relating to Corporate Governance as specified under Regulations 17 to 27 are applicable to a listed entity having paid-up equity share capital exceeding ₹10 crore and net worth exceeding ₹25 crore, as on the last day of the previous financial year. Based on the audited financial statements of the Company for the financial year ended March 31, 2025, as approved by the Board of Directors, the provisions of Corporate Governance as enumerated in SEBI LODR Regulations have become applicable to the company.

Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below:

2. Board of Directors**Composition of board of directors**

The Board of directors as on March 31, 2026, comprises of Eight Directors of which Five (i.e. 62.5%) are Non-Executive Directors (including one woman director) and Three (i.e. 37.5%) are Executive Directors (. The Company has Four (i.e. 50.00%) Independent Directors. During the year Board of Directors comprises only 3 independent directors in place of 4 independent directors as required under Regulation 17 of SEBI LODR. On March 13, 2026, the Company appointed one more Independent Director. The Board of Directors of the Company comprised of proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on March 31, 2026. 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.

As on March 31, 2026, the composition of Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Sections 149 and 152 of the Companies Act, 2013 ('the Act').

Details of Board of Directors, their attendance at Board Meetings during the year, at the last Annual General Meeting ("AGM") and Directorships & Committee Chairmanships/ Memberships in other companies as on March 31, 2026 are given below:

Name of the Director and DIN	Category ¹	No. of Board Meetings attended (6 meetings held)	Whether attended last AGM held on September 16, 2025	No. of Directorships in other Public Companies ²		No. of Committee positions held in other Public Companies ³		Directorship in other listed entity (Category of Directorship)
				Chair-person	Member	Chair-person	Member	
Ms. Devaki Sanjaya Saran DIN-06504653	Chairperson and MD	06	Yes	NIL	NIL	NIL	NIL	NIL
Ms. Mallika Saran DIN- 11005015	WTD- Executive Director and Chief Financial Officer (ED & CFO)	06	Yes	NIL	NIL	NIL	NIL	NIL
Mr. Vijay Narhar Pathak DIN-02700611	Wholetime Director- Executive Director and COO (WTD)	05	Yes	NIL	NIL	NIL	NIL	NIL
Ms. Arati Sanjaya Saran DIN -01157284	NED	06	Yes	NIL	NIL	NIL	NIL	NIL
Mr. Navroze Shiamak Marshall DIN-00085754	ID	06	Yes	NIL	3	NIL	3	1. Simmonds Marshall Limited (Managing Director and Chairperson) 2. Ador Welding Limited (Non-Executive Independent Director)
Mr. Sanjiv Bhasin DIN- 00001575	ID	06	No	NIL	1	NIL	1	Interarch Building Solutions Limited (Non-Executive Independent Director)
Mr. Cowasji Jehangir Jehangir DIN- 06625023	ID	05	Yes	NIL	NIL	NIL	NIL	NIL

Mr. Aurobind Ashabhai Patel DIN-00016628	ID	NA	NA	NIL	1	NIL	1	Delta Manufacturing Limited (Non-Executive Independent Director)
---	----	----	----	-----	---	-----	---	---

¹MD- Managing Director, WTD- Whole-time Director, CFO- Chief Financial officer, NED- Non Executive Director Non Independent Director, ID- Independent Director

²None of the Director(s) on the Board:

- i. holds directorships in more than ten public companies;
- ii. serves as Director or as Independent Director in more than seven listed entities; and
- iii. who is the Executive Director serves as Independent Director in more than three listed entities.

(Directorships in private limited companies, foreign companies and Section 8 companies are not considered.)

³None of the Director(s) on the Board are:

- i. Member of more than ten committees of Public Limited Company
- ii. Chairperson of more than five committees of Public Limited Company

Chairpersonship and membership only of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the SEBI Listing Regulations.

Changes during the year for appointment/ reappointment/ cessation of Directors

1. Mr. Vijay Pathak (DIN: 02700611) was re-appointed as Whole-time Director designated as Executive Director & Chief Operating Officer (ED & COO) of the company with effect from April 1, 2025 for a further period of 3 years upto March 31, 2028 and the said appointment was approved by the Members at the 43rd Annual General Meeting held on September 16, 2025.
2. Ms. Mallika Saran (DIN: 11005015) was appointed as Whole-time Director designated as Executive director & CFO (ED & CFO) of the company with effect from June 01, 2025 for a period of 3 years upto May 31, 2028 and the said appointment was approved by the Members at the 43rd Annual General Meeting held on September 16, 2025.
3. Change in designation of Ms. Devaki Saran (DIN: 06504653) as Chairperson and Managing Director (CMD) of the company with effect from June 01, 2025 for the residual period of her tenure upto August 13, 2027 and the same was approved by the Members at the 43rd Annual General Meeting held on September 16, 2025.
4. Mr. Aurobind Ashabhai Patel (DIN: 00016628) was appointed as an Additional Director designated as Non-Executive Independent Director of the company for a term of five (5) consecutive years commencing from March 13, 2026 to March 12, 2031 (both days inclusive) and the said appointment was approved by the shareholders through postal ballot on May 24, 2026.

Note: None of the Independent Directors of the company resigned during the year before expiry of their tenure

During the year under review, Six (6) Board Meetings were held on the following dates:

1. April 01, 2025
2. May 30, 2025
3. August 13, 2025
4. November 12, 2025
5. February 12, 2026
6. March 13, 2026

The gap between two Meetings did not exceed 120 days and the Meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings. Meeting agendas, accompanied by detailed background information and relevant documents, are circulated well in advance to all Board and Committee members. video conferencing facilities are made available to enable Directors to participate in meetings remotely. the Board is kept informed of all major events, including information listed under Regulation 17(7) read with Part A of Schedule II to the SEBI Listing Regulations.

Relationships between directors inter-se

- i. Mrs. Arati Saran is the Mother of Ms. Devaki Saran and Ms. Mallika Saran. Accordingly, Mrs. Arati Saran, Ms. Devaki Saran and Ms. Mallika Saran are related to each other.
- ii. None of the other Directors are related to any other Director on the Board.

Shareholding of Non-Executive Directors as on March 31, 2026.

Mrs. Arati Saran, Non-Executive Woman Director holds 150 Equity Shares (0.01%) of the Company as on March 31, 2026. No other Non-Executive Director holds any shares in the Company. The Company has not issued any convertible instruments.

Independent Directors

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI (LODR) Regulations, 2015, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and that they are independent of the management and there has been no change in the circumstances which may affect their status as Independent Directors of the Company. Further, the Independent Directors have, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained with the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, after accessing the veracity of such declaration given by the Independent Directors, confirmed that they fulfil the conditions of independence specified in the Act and the SEBI (LODR) Regulations, 2015 and are independent of the management and the Board is satisfied of the integrity, expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Performance evaluation criteria for independent directors:

The Annual Performance Evaluation as required under the Companies Act, 2013 read with

relevant rules made thereunder and Regulation 17(10) and other applicable regulations of the Listing Regulations has been carried out by the Board of its own performance, of each individual Director and its Committees.

Independent Directors Meeting:

As per sub-regulation (3) and (4) of Regulation 25 of the Listing Regulations as well as pursuant to Section 149(8) of the Act read with Schedule IV and in accordance with the Nomination and Remuneration Policy, the Independent Directors at their meeting held on March 30, 2026:

- a. Reviewed the performance of Non-Independent Directors, the Chairman of the Company, Committees and the Board as a whole;
- b. Assessed the quality, quantity and timeliness of the flow of information between the company management and the Board.

All Independent Directors were present at the said meeting.

Terms and Conditions for appointment of Independent directors have been uploaded on the website of the company at www.hhardys.com

Familiarisation Programme for Independent Directors

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company to have ongoing familiarisation programme for its Independent Directors with the objective of familiarising them with the Company, its operations, strategies and business model, nature of the industry in which it operates, functions, policies and procedures of the Company and roles, rights, responsibilities of ind There is no familiarisation programme conducted, however during board meetings, extensive disclosure and information about the business of the company, performance, and future prospects are discussed.

The Company is taking steps to have an ongoing familiarization programme for its Independent directors.

Key Skills, Expertise and Competencies of the Board

The Board has identified key skills, expertise and competencies that are relevant to the Company's business and sector. The NRC considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director. The following are the core key skills/expertise/competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors as on March 31, 2026:

Sr. No.	Skills & Expertise	Devaki Saran	Mallika Saran	Vijay Pathak	Arati Saran	Sanjiv Bhasin	Navroze Marshall	Cowasji Jehangir	Aurobind Ashabhai
1	Leadership	Ms. Devaki Saran demonstrates efficient leadership qualities through effective decision-making, strategic direction, and strong oversight of the Company's key functions.	Ms. Mallika Saran demonstrates efficient leadership qualities through effective management, operational oversight, and a focused approach towards the Company's growth and success.	Mr. Vijay Pathak demonstrates efficient leadership qualities through effective management of Production and Quality Control functions, contributing to operational excellence and the Company's overall success.	Ms. Arati Saran demonstrates efficient leadership qualities through her extensive experience, effective oversight of Labour Laws and General Maintenance, and valuable contribution to the Company's overall growth.	Mr. Sanjiv Bhasin demonstrates strong leadership as an Independent Director through his extensive market experience, objective judgment, and valuable contribution to informed decision-making and corporate governance.	Mr. Navroze Marshall demonstrates effective leadership as an Independent Director through his experience, objective judgment, constructive guidance, and commitment to strong corporate governance and the Company's long-term interests.	Mr. Cowasji Jehangir demonstrates effective leadership as an Independent Director through his experience, independent judgment, constructive guidance, and commitment to sound governance and the Company's long-term growth.	Mr. Aurobind Patel demonstrates effective leadership as an Independent Director through his experience, independent judgment, constructive guidance, and commitment to sound corporate governance and the Company's long-term growth.
2	Industry experience	She has several years of experience in Finance Sector.	She is professional with several years of experience in asset and wealth management	He has over 40 years' experience in the industry and expertise in management, production and quality control	She has an experience of 45 years in fields of General Maintenance, Finance, Labour Relations.	He has over 40 years of experience	He has an experience of about 2 decades.	He has experience of several years working in field of Business Administration	He has 40 years of experience in fields of design Consultant..

Sr. No.	Skills & Expertise	Devaki Saran	Mallika Saran	Vijay Pathak	Arati Saran	Sanjiv Bhasin	Navroze Marshall	Cowasji Jehangir	Aurobind Ashabhai
3	Member, Community and Stakeholder Engagement	Ms. Devaki Saran's active engagement with the community and stakeholders has fostered strong relationships, enhanced stakeholder confidence, and contributed positively to the Company's reputation and sustainable growth.	Ms. Mallika Saran's active engagement with the community and stakeholders has helped foster strong relationships, promote trust, and support the Company's sustainable growth.	Mr. Vijay Pathak's active engagement with the community and stakeholders has strengthened relationships, fostered trust, and contributed positively to the Company's growth and reputation.	Arati Saran's active engagement with the community and stakeholders, from a non-executive perspective, has provided valuable insights, strengthened stakeholder relationships, and supported the Company's long-term interests.	He has contributed valuable insights, strengthened corporate governance, and supported the Company's long-term sustainable growth.	He has contributed valuable insights, strengthened corporate governance, and supported the Company's long-term sustainable growth.	He has contributed valuable insights, strengthened corporate governance, and supported the Company's long-term sustainable growth.	He has contributed valuable insights, strengthened corporate governance, and supported the Company's long-term sustainable growth.

Sr. No.	Skills & Expertise	Devaki Saran	Mallika Saran	Vijay Pathak	Arati Saran	Sanjiv Bhasin	Navroze Marshall	Cowasji Jehangir	Aurobind Ashabhai
4	Qualification	B.S. in Mechanical Engineering from Carnegie Mellon University in the U.S.A., MBA-Harvard Business School	B.Sc. (with Honors) in Mechanical Engineering and Business & Economic Management from the California Institute of Technology and an MBA (with distinction) from Harvard Business School	Govt Polytechnic Dhule	B.A FROM BOMBAY UNIVERSITY AND MILR from CORNELL University (USA)	He is Alumnus of XLRI Jamshedpur. He studied at Shri Ram College of Commerce (SRCC), Delhi, and began his career in the financial markets	Mr. Marshall holds a Bachelor of Science degree in Chemical Engineering and Economics from Carnegie Mellon University in Pittsburgh, USA.	Bachelors in Real Estate Business Administration Major Finance Minor from San Diego University and Diploma from Mercedes Benz International School.	Bachelor's degree in commerce from Mumbai University and an MFA in design from South-eastern Massachusetts University
5	Strategic Thinking	Ms. Devaki Saran's strategic thinking has been instrumental in setting the Company's direction and providing effective oversight of its Finance and Export functions, supporting sustainable growth and long-term value creation.	Ms. Mallika Saran's strategic thinking has been instrumental in providing effective oversight of the Company's Production and Administration functions, contributing to operational efficiency and sustainable growth.	r. Vijay Pathak's strategic thinking and effective management of Production and Quality Control functions have contributed significantly to enhancing operational excellence and driving the organization's overall success.	Ms. Arati Saran's extensive experience and strategic thinking in Labour Laws and General Maintenance provide valuable insights that contribute to effective management and the Company's sustained growth..	Sanjiv Bhasin demonstrates strong strategic thinking through his ability to identify market trends, anticipate sector opportunities, and make informed investment decisions.	He Demonstrates strong strategic thinking by aligning business objectives with long-term growth opportunities, anticipating market changes.	Mr. Cowasji Jehangir demonstrates strong strategic thinking by providing objective, forward-looking insights, challenging assumptions constructively, and supporting decisions that contribute to the Company's long-term sustainable growth.	Mr. Aurobind Ashabhai Patel demonstrates strategic thinking through a forward-looking approach, sound business judgment, and constructive guidance that supports the Company's long-term growth and sustainable value creation.

3. Audit Committee

The composition of committee meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Four(4) meetings of the committee were held during the year 2025-2026 on May 30, 2025, August 13, 2025, November 12, 2025 and February 12, 2026.

The composition and attendance at the committee meetings is as under.

Sr. No.	Name of Director	Designation	No. of Meetings attended
1.	Mr. Sanjiv Bhasin	Chairman	4
2.	Mr. Navroze Mashall	Member	4
3.	Mr. Cowasji Jehangir Jehangir	Member	3
4.	Mr. Aurobind Patel*	Member	0

**Mr. Aurobind Patel was appointed as member of the Audit Committee w.e.f March 13, 2026*

The Company Secretary acts as Secretary to the Committee. Generally, the Meetings of the Audit Committee are also attended by the Executive Directors, Chief Financial Officer, the Statutory Auditors and the Internal Auditor.

All the recommendations of the Audit Committee were accepted by the Board during the financial year.

The terms of reference of this Committee are in accordance with the Section 177 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Besides having access to all the required information from within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory Auditors, the Internal Auditors and the Board of Directors of the Company.

Pursuant to provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations, following are the terms of reference of this Committee:

A. The role of the audit committee shall include the following:

1. oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. matters required to be included in the director's responsibility statement to be

- included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- b. changes, if any, in accounting policies and practices and reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;
 - f. disclosure of any related party transactions;
 - g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
 7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. approval or any subsequent modification of transactions of the listed entity with related parties;
 9. scrutiny of inter-corporate loans and investments;
 10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
 11. evaluation of internal financial controls and risk management systems;
 12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. reviewing the adequacy of internal audit if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. discussion with internal auditors of any significant findings and follow up there on;
 15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder.

B. The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses; and
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

4. Nomination and Remuneration Committee

The Committee adopted terms of reference stating role and scope of activities of the committee as prescribed under section 178 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

All the recommendations of the Nomination and Remuneration Committee were accepted by the Board during the financial year.

Four (4) meetings of the committee were held during the year 2025-2026 on April 01, 2025, May 30, 2025, February 12, 2026 and March 13, 2026. The composition and attendance at the committee meetings is as under:

Sr. No.	Name of Director	Designation	No of Meetings attended
1.	Mr. Navroze Mashall	Chairman	4
2.	Mr. Sanjiv Bhasin	Member	4
3.	Mr. Cowasji Jehangir Jehangir	Member	3

Terms of Reference:

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

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

5. Stakeholders Relationship Committee

The Committee adopted terms of reference stating role and scope of activities of the committee as prescribed under section 178 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. Additionally, Investor Service Requests from the shareholders are also considered and approved.

Four (4) meetings of the committee were held during the year 2025-2026 on May 30, 2025, August 13, 2025, November 12, 2025 and February 12, 2026. The composition and attendance at the committee meetings is as under:

Sr. No.	Name of Director	Designation	No of Meetings attended
1.	Mr. Navroze Mashall	Chairman	3
2.	Mr. Sanjiv Bhasin	Member	4
3.	Mr. Cowasji Jehangir Jehangir	Member	3
4.	Ms. Devaki Saran	Member	4
5.	Mr. Aurobind Patel*	Member	NIL

**Mr. Aurobind Patel was appointed as member of the Stakeholders Relationship Committee w.e.f March 13, 2026*

Terms of Reference:

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

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.
5. Resolving grievances of debenture holders related to creation of charge, payment of interest/ principal, maintenance of security cover and any other covenants.

Shareholders/ Investors Complaints:

Statement of Investor Complaints in Financial Year (FY) 2025-26:

Number of complaints pending at the beginning of the Financial Year	NIL
Number of complaints received during the year	NIL
Number of complaints resolved to the satisfaction of the shareholders during the year	NIL
Number of complaints not solved to the satisfaction of shareholders at the end of the year	NIL

Ms. Sunita Nisal is Company Secretary and Compliance Officer of the company.

Formulation of Risk Management Committee is not applicable to the Company.

5. Senior management:

The Senior Management of the Company as on March 31, 2026 are as under:

Sr. No.	Name	Designation
	A.P MANDLIK	SR.MANAGER ACCOUNTS
	S.VARADE	MANAGER TO DIRECTORS
	ANIL TASKER	SR.MANAGER PRODUCTION

During the year, there were no changes have been taken place in senior management personnel:

6. REMUNERATION OF DIRECTORS

Remuneration Policy:

The Company's remuneration policy ensures that compensation for MDs, WTDs, KMPs, and SMPs and is competitive, with a balanced structure of fixed and variable pay linked to individual and company performance, including short- and long-term goals. It emphasizes fairness, transparency, and alignment with industry benchmarks, considering factors such as market conditions, company size, profitability, and geography. Remuneration is designed

to be reasonable and sufficient, tied to measurable performance targets, and supported by regular feedback on strengths and areas for improvement, while also taking into account individual performance, integrity, teamwork, and alignment across comparable roles within the organization.

Total remuneration of the MD and WTDs includes fixed and variable salary, perquisites such as allowances and benefits, and retirement benefits as per applicable laws, along with a performance-linked bonus based on individual and company performance, subject to statutory limits under Section 197 of the Companies Act, 2013 read with Schedule V — ensuring that remuneration payable to the MD and WTDs collectively does not exceed 10% of the Company's net profits (5% if there is only one such managerial person), and that the aggregate managerial remuneration to all directors does not exceed 11% of the Company's net profits. "Non-Executive Directors (NEDs) shall receive sitting fees for Board and Committee meetings as decided by the Board,. Presently the company does not have any scheme for grant of stock options

The Remuneration policy is available on https://www.hhardys.com/_corporategovernance.php. The details of remuneration paid to Directors for the financial year ended on March 31, 2026 are as under:

The Non-Executive Directors do not receive any commission on profits. They are entitled to sitting fees for attending every Board meeting. Further, members of the Board who are members on the Audit Committee and/or Stakeholders Relationship Committee and/or Nomination and Remuneration Committee, receive sitting fees for attending the meetings of the same. The sitting fees paid to the directors are within the limits prescribed under the Companies Act, 2013 and Rules made thereunder

Details of sitting fees paid to Non-Executive Independent Directors for attending meetings of the Board of Directors and Committee meetings by them is as follows:

Name of Director	Sitting Fees (Rs.)
Mr. Navroze Marshall	Rs. 43,000/-
Mr. Sanjiv Bhasin	Rs. 44,000/-
Mr. Cowasji Jehangir Jehangir	Rs. 36,000/-
Mr. Aurobind Patel	NIL

Details of Remuneration paid/payable to the Managing Director and Chairperson and Whole Time Directors of the company during the Financial Year 2025-2026 are as under (In Rs):

Sr. No	Name of Director (Designation)	Salary	Perquisites, Allowances and other Benefits	Other Re-muneration	Commis-sion/Per-formance Linked Vari-able Pay	Total
1.	Ms. Devaki Saran (Managing Director and Chairperson)	Rs. 63,35,000/-	Rs. 38,70,850/-	Rs. 9,05,250/-	NIL	Rs. 1,11,11,100/-
2.	Ms. Mallika Saran (Whole Time Director)	Rs. 41,93,300/-	Rs. 11,77,200/-	Rs. 6,50,250/-	NIL	Rs. 60,20,750/-
3.	Mr. Vijay Pathak (Whole Time Director)	Rs. 65,87,044/-	Rs. 31,03,756/-	NIL	NIL	Rs. 96,90,800/-

Details of Shareholding by Directors of the Company as at March 31, 2026

Sr. No.	Name of Director (Designation)	Number of Shares held
1.	Mr. Navroze Marshall (Non-Executive Independent Director)	NIL
2.	Mr. Sanjiv Bhasin (Non-Executive Independent Director)	NIL
3.	Mr. Cowasji Jehangir Jehangir (Non-Executive Independent Director)	NIL
4.	Mr. Aurobind Patel (Non-Executive Independent Director)	NIL
5.	Ms. Devaki Saran (Managing Director and Chairperson)	375
6.	Ms. Mallika Saran (Whole Time Director)	375
7.	Mr. Vijay Pathak (Whole Time Director)	NIL
8.	Mrs. Arati Saran (Non-Executive - Non Independent Director)	150

7. General body meetings:

Annual General Meeting

Location, day, date and time of AGMs held during the last 3 years and special resolutions passed:

Day, Date and Time	Location	Special Resolutions
Tuesday, September 16, 2025 at 2.30 p.m (IST)	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") (Deemed Venue: Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422010, Maharashtra, INDIA)	1. Appointment of Mr. Cowasji Jehangir Jehangir (DIN 06625023) as a Director and as an Independent Director. 2. Approval to the reappointment of Vijay Pathak (DIN 02700611) as Whole-time Director, designated as Executive Director & COO for a further period of three years 3. Approval to the appointment of Ms. Mallika Sanjaya Saran (DIN 11005015) as a Wholetime Director designated as Executive Director & Chief Financial Officer (CFO) of the Company. 4. Approval to the Change in Designation of Ms. Devaki Saran as Chairperson and Managing Director and revision in remuneration payable to her.
Friday, September 20, 2024 at 2.30 p.m. (IST)	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") (Deemed Venue: Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422010, Maharashtra, INDIA)	1. Appointment of Mr. Navroze Marshall (DIN 0085754) as a Director and as an Independent Director. 2. Re-appointment of Ms. Devaki Saran (DIN 06504653) as the Whole-Time Director Designated as "Executive Director And Chief Financial Officer (CFO) w.e.f. August 14, 2024 for a term of 3 years 3. Approval of revision in remuneration of Mr. Vijay Pathak (DIN: 02700611) Designated as "Executive Director And Chief Operating Officer (COO) from August 14, 2024 to 31st March, 2025
Friday, September 15, 2023 at 2.30 p.m.(IST)	Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") (Deemed Venue: Plot No. C-12, M.I.D.C. Area, Ambad, Nashik – 422010, Maharashtra, INDIA)	No Special Resolutions passed during the AGM

Extra-Ordinary General Meeting

No Extraordinary General Meeting of the Members was held during the year.

Postal Ballot

During the year under review, no special resolution was passed through Postal Ballot.

8. Means of communication

Stock Exchange Intimations

All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. All submissions to the Exchanges including Shareholding Pattern and Corporate Governance Report are made through the respective electronic filing systems. Material events or information as detailed in Regulation 30 of the SEBI (LODR) Regulations, 2015 are disseminated on the Stock Exchanges by filing them with the BSE Limited ('BSE') through BSE Listing Centre. They are also displayed on the Company's website at www.hhardys.com under the tab 'Investors'.

Financial Results

The quarterly/half-yearly/annual financial results are published within the timeline stipulated under SEBI (LODR) Regulations, 2015. The results are also uploaded on BSE Limited ('BSE') through BSE Listing Centre. The financial results are published within the time stipulated under the SEBI (LODR) Regulations, 2015 in newspapers viz. The Free Press Journal, (in English) and Navshakti (in Regional Language). They are also published on the website of the Company at www.hhardys.com.

Analyst/Investor Meets

During the year under review no presentation has been made to any institutional investor or to the Analysts.

Official News Releases:

During the year under review no Official News Releases has been made by the company.

9. General shareholder information

I.	Annual General Meeting for FY 2025 -2026 Date and Time: Venue	Thursday 10th September, 2026 Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") (Deemed Venue: Plot No. C-12, M.I.D.C. Area, Am- bad, Nashik – 422010, Maharashtra, INDIA)
II.	Financial calendar	April 1, to March 31, Venue Financial calendar Results for the quarter ended December 31, 2026, to be ap- proved on or before February 13, 2026 Results for the quarter and year ended March 31, 2027, to be ap- proved on or before May 30, 2027

III.	Dividend payment date	Tuesday 15th September, 2026
IV.	Listing on Stock Exchanges	BSE Limited (BSE) P. J. Towers, Dalal Street, Mumbai 400 001 Dividend payment date
V.	Registrar And Transfer Agent.	Satellite Corporate Services Pvt Ltd. Office No.106 & 107, Dattani Plaza, East West Compound, Andheri Kurla Road, Safedpul, Sakinaka, Mumbai, Maharashtra, 400072 Tel. : 022 - 28520461 / 46 Fax. : 022 - 28511809 Email: service@satellitecorporate.com SEBI Registration No. INRO00003639 Website: www.satellitecorporate.com

VI. Share Transfer System

As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialised form. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Pursuant to SEBI Circular No. HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated January 30, 2026, and regulation 40 of SEBI LODR, Regulations, a listed entity shall effect issuance of duplicate securities certificate, renewal/ exchange, endorsement, sub-division/ split, consolidation of securities certificate, transfer, transmission and transposition, as applicable in Dematerialized form only.

Dispute Resolution Mechanism (SMART ODR): In order to strengthen the dispute resolution mechanism for all disputes between a listed company and/or registrars & transfer agents and its shareholder(s)/ investor(s), SEBI had issued a Standard Operating Procedure ('SOP') vide Circular dated May 30, 2022. As per this Circular, shareholder(s)/investor(s) can opt for Stock Exchange Arbitration Mechanism for resolution of their disputes against the Company or its RTA. Further, SEBI vide Circular dated July 31, 2023 (updated as on December 28, 2023), introduced the Online Dispute Resolution (ODR) Portal. Through this ODR portal, the aggrieved party can initiate the mechanism, after exercising the primary options to resolve its issue, directly with the Company and through the SEBI Complaint Redress System (SCORES) platform. The Company has complied with the above circulars and the same are available at the website of the Company.

VII. Distribution of Shareholding as on March 31, 2026

a) Distribution of equity shareholding

Number of shares	Shareholders	Total Shares	Amount (Rs.)
UPTO - 100	3906	141884	1418840
101 - 500	480	113581	1135810
501 - 1000	58	41138	411380

1001 - 2000	21	28305	283050
2001 - 3000	6	13923	139230
3001 - 4000	1	3803	38030
4001 - 5000	3	13978	139780
5001 -10000	0	0	0
10001 -20000	3	44085	440850
20001 -50000	0	0	0
50001 &Above	3	1097753	10977530

b) Categories of equity shareholding as on financial year ended March 31, 2026

Category	Number of equity shares held	Percentage of Holding
Promoters and promoter Group	5	66.16
Mutual Funds	1	0.00
IEPF	1	4.04
Resident Individuals	4258	24.21
NRIs (Non-Resident Indians)	49	0.28
Bodies Corporate	19	1.28
Others (HUF, Clearing Members and LLP)	75	4.03
Total	4408	100

VIII. Dematerialization of shares and liquidity

The Company's shares are compulsorily traded in dematerialized form on BSE. Equity shares of the Company representing 95.28 percent of the Company's equity share capital are dematerialized as on March 31, 2026.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE724D01011**.

IX. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding ADRs/GDRs/ Warrants or any convertible instruments.

X. Plant Locations-Plot No-C-12, Midc Area ambad-422010

XI. Address for correspondence

Hindustan Hardy Limited

Plot No C-12, MIDC Area, Ambad, Nashik, Maharashtra, 422010

Tel. : 0253-2382118

Fax. : 0253-2382528,

Email : co@hhardys.com; info@hhardys.com

Website : www.hhardys.com

Contact Details of Nodal Officer
 Ms. Sunita Nisal
 Hindustan Hardy Limited
 Plot No. C-12, M.I.D.C. Area, Ambad
 Nashik - 422 010, Maharashtra
E-mail Id : co@hhardys.com
Tel. No.: 0253-2382118

XII. In case the securities are suspended from trading, the directors report shall explain the reason thereof: There were no such instances occurred in Financial Year 2025-26

XIII. Credit Ratings

No credit ratings were obtained by the Company from any credit rating agencies

10. Other Disclosures:

A. Related Party Transactions

There were no material and/or significant related party transactions during the year under review that may have potential conflict with the interest of the company at large. The transactions entered into with the Related Parties as defined under the Act and Regulation 23 of the Listing Regulations during the financial year, were approved by the Audit Committee and Board of Directors as applicable.

The Company has formulated a policy on Related Party Transactions and the same has been displayed on the Company's website at https://www.hhardys.com/_corporategovernance.php

B. Details of non-compliance by the company, penalties and strictures imposed, if any:

During the year, the submission of Annual Report of FY 2024-2025 in XBRL Mode as required under regulation 34 of SEBI LODR Regulations, 2015 to the stock exchange where the shares of the company are listed was not made due to technical glitches. The company is in the process of updation of its website and conducting familiarization programme for its Independent Directors.

Subject to the above, there were no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any other Statutory Authorities on any matter related to capital markets, during the last three years

C. Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has formulated Whistle Blower Policy/Vigil Mechanism. The Directors, employees and other stakeholders are free to report illegal or unethical behaviour, actual or suspected fraud to the Chairman of the Audit Committee of the Company. No personnel have been denied access to the Audit Committee. The said policy may be referred at the company's website at https://www.hhardys.com/_corporategovernance.php

D. Compliance with mandatory and adoption of non-mandatory requirements:

All the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been complied with as detailed in this Report. The Company has also complied non-mandatory requirements of the regulations, unmodified audit opinion and reporting of Internal Auditor directly to the Audit Committee. The company has complied with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

E. Policy for determining 'material' subsidiaries

The Company does not have any subsidiaries, hence the policy for material subsidiaries is not applicable to the company.

F. Commodity price risk or foreign exchange risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 is not applicable.

For details on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis, which forms part of this Integrated Annual Report.

G. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not Applicable

H. Certificate of a Practicing Company Secretary for non-debarment and non-disqualification of Directors:

A Certificate from Practicing Company Secretaries, M/s. Parikh & Associates, Mumbai has been received confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such other authority pursuant to Schedule V, Part C Clause (10)(i) forms part of the Annexure to this report.

I. Acceptance of recommendations of committees by the Board:

There have been no instances during the year when recommendations of any of the Committees were not accepted by the Board.

J. Details of the fees paid to the Statutory Auditors of the Company:

Details of total fees paid/payable for all services availed by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, during the year under review are given below:

Name of the Auditor	Types of Services	Amount (Rs.)
M/s. Daga & Chaturmutha, Chartered Accountants, Nashik, (ICAI Registration No-101987W)	Statutory Audit, IFC Certification, Cash flow certification, tax audit, and other certifications including quarterly review, tax representation before authorities	10,9,5000/-

K. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

i.	Number of complaints filed during the financial year	NIL
ii.	Number of complaints disposed of during the financial year	NIL
iii.	Number of complaints pending as on end of the financial year	NIL

L. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Not Applicable**M. Corporate Social Responsibility Committee**

The Composition of the CSR Committee of the company is in compliance of Section 135 of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014

Two (2) meetings of the committee were held during the year 2025-2026 on August 13, 2025 and November 12, 2025.

The composition and attendance at the committee meetings is as under:

Sr. No.	Name of Director	Designation	No. of Meetings attended
1.	Mr. Navroze Mashall	Chairman	2
2.	Mr. Sanjiv Bhasin	Member	2
3.	Mr. Cowasji Jehangir Jehangir	Member	2
4.	Mrs. Arati Saran	Member	2
5.	Mr. Aurobind Patel*	Member	NIL

Note: Mr. Aurobind Patel have been appointed as member of the CSR Committee with effect from March 13, 2026

N. Code of Conduct

In tune with the corporate philosophy stated in the preceding para, the Board of Directors of the Company had laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company in terms of listing requirements for corporate governance. The Code of Conduct is displayed at the Company's website www.hhardys.com. Affirmation regarding compliance with the Code of Conduct had been obtained from all Board members and senior management personnel of the Company. As required, a declaration duly signed by Ms. Devaki Saran (Managing Director and Chairperson) forms part of the Annexure to this report.

O. Certificate on compliance of conditions of Corporate Governance:

The corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 of the Listing Regulations to the extent

applicable to the Company have been complied with.

Part E of Schedule V of Listing Regulations mandates to obtain a certificate either from the Auditors or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance and annex the certificate with the Annual Report, which is sent annually to all the shareholders. The Company has obtained a certificate from its Secretarial Auditors to this effect and the same is given as an annexure to this Report.

P. Disclosures with respect to Demat suspense account/ unclaimed suspense account – Not applicable

Q. Transfer of unclaimed dividend and shares to Investor Education & Protection Fund (IEPF)

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, companies are required to transfer unclaimed/unpaid dividends remaining unclaimed for a period of seven consecutive years, along with the corresponding shares, to the Investor Education and Protection Fund (IEPF) established by the Central Government.

During the year under review, there was no unclaimed dividend or corresponding shares due for transfer to the IEPF, and accordingly, no such transfer was made by the Company.

The dividend declared at 43rd AGM, on shares already transferred to IEPF, was transferred to IEPF. The Shareholders can claim those dividend and shares from IEPF by making an online application in Form IEPF-5 which is available at <https://www.mca.gov.in>.

The details of Nodal Officer appointed under the provisions of IEPF are available on the website of the Company at <https://www.hhardys.com/investors.html>

DECLARATION**By The Managing Director Affirming Compliance with The Code Of Conduct For The Board Of Directors And Senior Management**

The Company has adopted the Codes of conduct for Directors and Senior Management Personnel of the Company.

Pursuant to Regulation 34(3) read with Part D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, I, Devaki Saran, Chairperson and Managing Director of the Company hereby declare that all the Directors and Senior Management Personnel of the Company have provided their annual affirmation of compliance with the Code of Conduct for the financial year ended March 31, 2026.

Devaki Saran
Chairperson and Managing Director
DIN: 06504653

Date: 05-08-2026
Place: Mumbai

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
HINDUSTAN HARDY LIMITED**

We have examined the compliance of the conditions of Corporate Governance by Hindustan Hardy Limited ('the Company') for the year ended on March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (1A) of Regulation 62 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI

Listing Regulations") and as made applicable to the Company for the year ended on March 31, 2026.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance as disclosed in Corporate Governance Report with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2026 except as disclosed in the Corporate Governance Report.

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

For Parikh & Associates
Practising Company Secretaries

Jeenal Jain
Partner
FCS: 13280 CP: 21246
UDIN: F013280H001020572
PR No.: 7327/2025
Mumbai, August 05, 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 of
HINDUSTAN HARDY LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hindustan Hardy Limited having CIN L29300MH1982PLC028498 and having registered office at Plot No. C-12, M.I.D.C. Area Ambad, Nashik, Maharashtra, India, 422010 (hereinafter referred to as 'the Company'), produced before us by the Company, applicable to the Company as on March 31, 2026, 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 and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Ms. Devaki Sanjaya Saran	06504653	08/09/2015
2.	Mr. Navroze Shiamak Marshall	00085754	21/05/2019
3.	Mr. Vijay Narhar Pathak	02700611	10/08/2018
4.	Mr. Sanjiv Bhasin	00001575	11/02/2022
5.	Ms. Mallika Saran	11005015	01/04/2025
6.	Mrs. Arati Sanjaya Saran	01157284	14/02/2025
7.	Mr. Cowasji Jehangir Jehangir	06625023	25/10/2024
8.	Mr. Aurobind Ashabhai Patel	00016628	13/03/2026

*the date of appointment is as per the MCA Portal.

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

For Parikh & Associates
Practising Company Secretaries

Jeenal Jain

Partner

FCS: 13280 CP: 21246

UDIN: 013280H001020550

PR No.: 7327/2025

Place: Mumbai

Date: August 05, 2026

AS PER SCHEDULE V OF SEBI LODR: ANNUAL REPORT**[See Regulation 34(3) and 53(f)]****MANAGEMENT DISCUSSION AND ANALYSIS****a. *Industry structure and developments.***

Sales are primarily to 4 customer segments – domestic OEMs, export customers, industrial customers and aftermarket. During FY 2025–26, Domestic OEMs remained the Company's largest market segment, followed by Exports, Aftermarket and Industrial customers. Growth during the year was driven primarily by higher domestic OEM demand, continued expansion of exports and increasing acceptance of the Company's products in the aftermarket segment.

The Company serves 4 sectors – commercial vehicle, agricultural, off-highway and construction equipment and industrial. Demand from the agricultural machinery sector remained strong during the year

India continues to strengthen its position as a global manufacturing hub as customers diversify their supply chains and seek reliable sourcing partners outside traditional manufacturing regions. This trend continues to create long-term opportunities for Indian engineering manufacturers with strong quality systems and manufacturing capabilities.

b. *Opportunities and Threats.*

The Indian propeller shaft industry continues to be highly competitive, with pricing pressure from both domestic and international manufacturers. Maintaining competitiveness therefore requires continuous investment in product development, manufacturing technology, quality improvement and operational excellence rather than competing solely on price.

Increasing consolidation amongst global driveline manufacturers presents both opportunities and challenges. Larger global players continue to expand their manufacturing footprint in India while OEMs increasingly expect suppliers to deliver global quality standards at competitive costs.

India continues to benefit from global supply chain diversification. Many multinational companies are adopting a China + 1 sourcing strategy and are increasing procurement from India. In addition, several Indian manufacturers are actively localizing components that were previously imported, creating further opportunities for domestic component suppliers.

Geopolitical developments, including conflicts in Eastern Europe and the Middle East, together with evolving global trade policies, have resulted in higher logistics costs, longer shipping routes and increased uncertainty in international trade. While these developments create short-term challenges, they also encourage global customers to diversify their supplier base, creating opportunities for competitive Indian manufacturers.

The domestic aftermarket remains highly fragmented with significant competition from low-

cost, unbranded suppliers. However, increasing customer preference for reliable, high-quality products provides opportunities for established manufacturers with strong brands and proven product performance. The Company continues to strengthen its aftermarket presence and expand its product portfolio.

Maintaining margins in the current cost escalation scenario poses the biggest challenge in the current financial year. At present demand in the Indian market is robust and suppliers are facing capacity and manpower constraints and therefore are in a strong position to demand price increases.

c. Segment-wise or product-wise performance.

- The company operates in a single segment.
- Total revenue from operations in FY 25-26 was Rs. 10994.00 Lakh as compared to 8196.68 Lakh in FY 24-25, representing a growth of 34%.

Growth was driven primarily by higher domestic OEM sales, continued export growth and increased aftermarket business. Quarterly performance improved progressively throughout the year, with the fourth quarter recording the highest sales due to stronger domestic and export demand

Key Financial Ratios	FY 2025-26	FY 2024-25	Increase/ Decrease (in % terms)
Debtors Turnover Ratio (Times)	4.98	4.06	22.67
Debtors Collection Period (Days)	73	90	-18.48
Inventory Turnover (Times)	5.69	5.66	0.53
Interest Coverage Ratio (Times)	33.58	51.11	-34.29
Current Ratio (Times)	1.79	1.71	4.39
Debt Equity Ratio (Times)	0.25	0.26	-2.46
Operating Profit Margin (%)	10.63%	11.13%	-4.52%
Net Profit Margin (%)	7.62%	8.04%	-5.21%
Return on Net Worth (%)	22.35%	22.32%	0.10%

Collection performance continues to remain satisfactory. Debtors turnover ratio increased due to heightened focus on collections especially for smaller customers

Inventory increased during the year as the Company consciously increased safety stocks of selected long lead-time items to improve delivery performance and reduce the risk of production interruptions arising from supply chain constraints.

Interest coverage remained healthy despite higher borrowing costs. However cost pressures resulted in a reduction in margins during the year.

Outlook

The global economy is expected to continue growing at a moderate pace during FY 2026–

27. However, geopolitical tensions in the Middle East and Eastern Europe, evolving global trade policies and continued uncertainty surrounding tariffs are expected to keep the external environment challenging. These factors may continue to influence freight costs, energy prices, exchange rates and business confidence.

India is expected to remain one of the fastest-growing major economies, supported by strong domestic demand, continued government investment in infrastructure, increasing mechanization in agriculture and ongoing emphasis on manufacturing under various government initiatives. These structural drivers are expected to support demand across the Company's key customer segments.

The Company will continue to focus on expanding its domestic OEM and export business, increasing its presence in the aftermarket. India has gained increasing acceptance in the global market the company needs to increase its efforts to gain more export customers. This coupled with improving manufacturing productivity through automation, process improvement and employee capability development will help better position the company for future growth.. Continued emphasis on quality, cost competitiveness and customer satisfaction will remain central to the Company's long-term growth strategy.

d. ***Risks and concerns.***

Geopolitical uncertainty, including developments in the Middle East and Eastern Europe, together with changing global trade policies, could impact export demand, logistics costs and supply chains.

Continued pricing pressure from OEM customers, together with increasing labour and conversion costs, may impact operating margins if not offset by productivity improvements.

Increasing competition from both domestic manufacturers and multinational companies expanding their manufacturing presence in India remains an ongoing challenge.

Customer expectations relating to quality, delivery performance and product development continue to increase. Failure to meet these expectations could adversely affect future business opportunities.

Over the longer term, electrification of commercial vehicles and changing driveline technologies may alter demand patterns for certain conventional products. The Company continues to invest in product development and diversification to address evolving market requirements.

e. ***Internal control systems and their adequacy.***

The Company has established adequate internal financial controls commensurate with the size and complexity of its operations. These controls are designed to ensure orderly and efficient conduct of business, safeguarding of assets, accuracy of financial reporting and compliance with applicable laws and regulations.

The effectiveness of internal controls is reviewed regularly by management, monitored by the Internal Auditors and periodically reviewed by the Audit Committee and the Board of Directors. No material weakness in the internal control system was observed during the year.

f. ***Discussion on financial performance with respect to operational performance.***

During FY 2025–26, the Company achieved strong revenue growth while maintaining healthy profitability despite higher costs in most key areas. Improved volumes, particularly in the domestic OEM and export businesses, contributed positively to operating performance.

Margin expansion was moderated by higher outsourced manufacturing costs arising from capacity constraints, delays in raw material, escalating input costs increased employee costs and continued investment in new product development and validation activities. Management continues to focus on improving operational efficiency, optimizing manufacturing costs and increasing capacity utilisation to support sustainable profitable growth.

g. ***Material developments in Human Resources / Industrial Relations front, including number of people employed.***

Total number of employees decreased to 96 from 110 at the end of the prior financial year. The reduction in employee strength compared with the previous year was primarily due to the retirement of several long-serving employees.

The Company continues to invest in employee training, skill development and leadership development while strengthening safety, productivity and quality awareness across the organisation. Industrial relations remained cordial throughout the year, and the Company continues to enjoy a positive and constructive relationship with its employees.

INDEPENDENT AUDITOR'S REPORT

To The Members of HINDUSTAN HARDY LIMITED

Report on the Audit of Financial Statements Opinion

We have audited the accompanying Financial Statements of **Hindustan Hardy Limited** ("the Company"), which comprise of the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under. We have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report and Shareholder's information but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of

our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief which were necessary for the purposes of our

audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to me, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the company.
 - iv. (a) 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 or entity, 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 or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on such audit procedures as 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)
 - (ii) of Rule 11(e), provided under (a) and (b) above, contain any material mis-statement.
- v. As stated in the financial statements;
- (a) The Final Dividend proposed in the previous year, declared and paid by the company during the year is in accordance with section 123 of the Act, as applicable.
 - (b) The Board of Directors of the company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in an annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Daga & Chaturmutha
Chartered Accountants
Firm Registration No. 101987W

Place: Nashik
Date : 6th May 2026
UDIN : 26129734PYFVYA5289

CA Ajit R. Daga
Partner
Membership No. 129734

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under '**Report on Other Legal and Regulatory Requirements**' section of our report of even date to the members of **HINDUSTAN HARDY LIMITED**.

i.

- (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of use assets.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

- (b) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has regular program of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in phased manner over a period of three years. In accordance with this program, certain properties, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regards to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.

- (c) In respect of immovable property of land that has been taken on lease, the lease agreement is in the name of the company where the Company is the lessee in the agreement.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii.

- a) The inventory, along with stock lying with third parties, has been physically verified by the management during the year. Physical verification of inventory has been conducted at reasonable intervals by the management. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in aggregate of each class of inventory and the same have been properly dealt with in the books of accounts. For stocks lying with third parties at the year-end, written confirmations have also been obtained.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank on the

basis of security of current assets.

- c) According to information given to us and sample check of returns / statements produced before us - the returns or statements filed by the Company with such bank are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, reporting under clause 3(iii) (a) to 3(iii) (f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans or provided any guarantee or security as specified u/s 185 and 186 of the Companies Act 2013.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from public. Accordingly, clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- vii. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year. Since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no disputed amounts in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax,

Duty of Customs or Cess or other statutory dues.

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared as a willful defaulter by any bank or financial institution or government or government authority.
- (c) During the year the Company has obtained term loan. In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which the same was obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that prima-facie no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates. The company does not have any subsidiary or joint venture. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) The company does not hold any securities in its associate companies. The company does not have any subsidiary or joint venture. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, 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, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements of Company as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions as specified in Section 192 of the Companies Act, 2013 with its directors or persons connected to its directors and hence, accordingly the said clause 3(xv) of the Order is not applicable.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting clause 3(xvi)(a) of the Order is not applicable.
(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the company.
(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the the Order is not applicable to the Company
(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under Clause 3(xvi) (d) of the order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the Order is not applicable.
- xix. 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. (a) The company has transferred the unspent amount to a Fund specified in Schedule VII of the Companies Act 2013 within a period of Six Months from the expiry of the financial statements as per second proviso to sub-section (5) of section 135 of the said Act.
- (b) According to the information & explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, pursuant to any project. Accordingly, clause 3(xx)(b) of the order is not applicable.
- xxi. The reporting under Clause (xxi) of the Order is not applicable in respect of the audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For Daga & Chaturmutha
Chartered Accountants
Firm Registration No.
101987W**

**CAAjit R. Daga
Partner
Membership No. 129734**

**Place : Nashik
Date : 6th May 2026
UDIN : 26129734PYFVYA5289**

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 (f) under '**Report on Other Legal and Regulatory Requirements**' section of our report of even date on the Financial Statements of **HINDUSTAN HARDY LIMITED** as at and for the year ended 31st March, 2026.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the Internal Financial Controls with reference to financial statements of **HINDUSTAN HARDY LIMITED** ("the Company") as of 31st March, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to financial statements (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls reference to financial statements and such internal financial controls were operating effectively as at 31st March, 2026, based on the criteria for internal financial controls with reference to financial statements established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Daga & Chaturmutha
Chartered Accountants
Firm Registration No. 101987W

CA Ajit R. Daga
Partner
Membership No. 129734

Place: Nashik
Date : 6th May 2026
UDIN : 26129734PYFVYA5289

BALANCE SHEET AS AT 31ST MARCH 2026

(₹ in Lakhs)

Particulars	Note	As at 31/03/2026	As at 31/03/2025
ASSETS			
Non-current assets			
Fixed assets			
Property, Plant and Equipment	2	1348.30	1132.40
Capital work-in-progress	2	642.38	304.88
Intangible assets	2	7.48	7.75
Right to use Asset	2	4.59	4.67
Financial Assets			
Other financial assets	3	47.07	38.32
Deferred tax assets	4	107.20	47.88
Other non-current assets	5	4.65	22.91
Sub total - Non-current assets		2,161.67	1,558.81
Current assets			
Inventories	6	1172.98	974.22
Financial Assets			
Trade receivables	7	2219.37	2648.54
Cash and cash equivalents	8	435.62	360.71
Bank balances other than cash and - cash equivalents	9	21.85	13.52
Others (Interest Receivable)	-	2.45	2.18
Current Tax Asset -(Net).	-	-	12.45
Other current assets	10	468.80	110.08
Sub total - Current assets		4,321.07	4,121.71
TOTAL - ASSETS		6,482.74	5,680.52
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	11	149.85	149.85
Other Equity		3599.89	2802.21
Sub total - Equity attributable to owners		3,749.73	2,952.05
Share application money, pending allotment		-	-
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Borrowings	12	266.18	278.20
Deferred Tax Liability	17	46.57	40.34
Sub total - Non-current liabilities		312.75	318.54
Current liabilities			
Financial Liabilities			
Borrowings	12	682.32	487.38
Trade payables	15	1452.11	1590.24
Other financial liabilities	13	6.99	5.45
Other current liabilities	16	180.94	258.63
Provisions	14	74.67	68.23
Current Tax Liabilities	-	23.24	0.00
Sub total - Current liabilities		2,420.26	2,409.93
TOTAL - EQUITY AND LIABILITIES		6,482.74	5,680.52

See accompanying notes 1 to 46 to the financial statements

In terms of our report attached

For & on behalf of the Board of Directors

For Daga & Chaturmutha

Chartered Accountants

Firm Registration No. 101987W

Chairperson & Managing Director :

Devaki Saran

[DIN-06504653]

Executive Director & COO :

Vijay Pathak

[DIN-02700611]

CA Ajit Daga

Partner

Executive Director & CFO :

Mallika Saran

[DIN-11005015]

Company Secretary

Sunita Nisal

[ACS-49122]

Place : Nashik

Date : May 06, 2026

UDIN : 26129734PYFVYA5289

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

(₹ in Lakhs)

Particulars	Note	Year ended 31/03/2026	Year ended 31/03/2025
Income			
Revenue from operations	18	10879.03	8145.18
Other income	19	114.98	51.50
Total Income		10,994.00	8,196.69
Expenses			
Cost of raw material consumed	20	6101.24	4663.62
Changes in inventories of finished goods, work-in-progress	21	(33.13)	(204.56)
Employee benefits expense	22	1476.92	1203.55
Depreciation and amortisation expense	2	151.25	112.36
Finance costs	23	34.80	17.86
Other expenses	24	2129.01	1509.16
Total expenses		9,860.09	7,301.98
Profit / (Loss) before tax		1,133.91	894.71
Tax expense :			
For the current year			
Current tax	-	311.41	235.64
Deferred tax	-	(53.09)	(4.94)
Earlier year Tax Adjustment	-	37.70	5.00
		296.02	235.70
Profit / (Loss) for the year from continuing operations		837.89	659.01
Other comprehensive income			
Items not to be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		2.34	1.43
Tax relating to the above		(0.59)	(0.36)
Other comprehensive income for the year, net of tax		1.75	1.07
Total comprehensive income/ (loss) for the year		839.64	660.08
Earnings per share {in ₹} {of ₹10 each} :	25		
Basic		55.92	43.98
Diluted		55.92	43.98

See accompanying notes 1 to 46 to the financial statements

In terms of our report attached
For Daga & Chaturmutha
 Chartered Accountants
 Firm Registration No. 101987W

For & on behalf of the Board of Directors

Chairperson & Managing Director :
 Devaki Saran
 [DIN-06504653]

Executive Director & COO :
 Vijay Pathak
 [DIN-02700611]

CA Ajit Daga
 Partner

Executive Director & CFO :
 Mallika Saran
 [DIN-11005015]

Company Secretary
 Sunita Nisal
 [ACS-49122]

Place : Nashik
Date : May 06, 2026
UDIN : 26129734PYFVYA5289

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in Lakhs)

Particulars		Year ended 31/03/2026		Year ended 31/03/2025
Cash flow from operating activities				
Net Profit / (Loss) before tax		1,133.91		894.71
Adjustments for :				
Depreciation and amortisation	151.25		112.36	
Loss / (Profit) on Sale of Property, Plant & Equipment	(1.36)		1.20	
Interest and Finance Charges	34.80		17.86	
Fixed Assets Scrapped / Discarded	4.42		1.84	
Bad Debts Written Off	28.05		11.25	
Interest income	(10.46)	206.70	(17.58)	126.92
Operating profit before working capital changes		1,340.61		1,021.63
Adjustment for :				
Decrease / (Increase) Trade receivables	401.39		(625.68)	
Decrease / (Increase) Financial and Non-Financial assets	(355.20)		(76.90)	
Decrease / (Increase) Inventories	(203.19)		(299.68)	
Increase / (Decrease) Trade payables	(138.39)		505.22	
Increase / (Decrease) Financial and Non-Financial liabilities and provisions	(69.72)	(365.11)	(69.14)	(566.19)
Cash generated from / (used in) operations		975.50		455.44
Direct taxes paid		(314.01)		(291.48)
Net cash flow from / (used in) operating activities (A)		661.49		163.96
Cash flow from investing activities				
Purchase of Property, Plant & Equipment incl. WIP	(719.52)		(556.19)	
Proceeds from Sale of Property, Plant & Equipment. Capital Subsidy Received	16.58	(702.94)	25.87	(530.32)
Net cash flow from / (used in) investing activities (B)		(702.94)		(530.32)

(Continued..)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

(₹ in Lakhs)

Particulars		Year ended 31-03-2026		Year ended 31-03-2025
Cash flow from financing activities				
Proceeds from Borrowing	463.77		541.63	
Repayment of borrowings	(280.85)		(185.12)	
Interest and Finance Charges	(34.80)		(17.86)	
Interest Income	10.19		17.47	
Dividend Paid	(41.96)	116.36	(37.46)	318.67
Net cash flow from / (used in) financing activities (C)		116.36		318.67
Net increase / (decrease) in cash & cash equivalent (A+B+C)		74.91		(47.69)
Cash and cash equivalent at the end of the period		435.62		360.71
Cash and cash equivalent at the beginning of the period		360.71		408.40
Total		74.91		(47.69)
Components of cash and cash equivalents				
Cash on hand		0.33		0.25
With banks - In current & Deposit Account				
In deposit account		435.28		360.46
Cash and Bank Balance as per note-8		435.62		360.71

Notes :

- Figures in brackets represent cash outflow.
- Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Companies Act, 2013.
- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

See accompanying notes 1 to 46 to the financial statements

In terms of our report attached
For Daga & Chaturmutha
Chartered Accountants
Firm Registration No. 101987W

CA Ajit Daga
Partner

Place : Nashik
Date : May 06, 2026
UDIN : 26129734PYFVYA5289

For & on behalf of the Board of Directors

Chairperson & Managing Director :
Devaki Saran
[DIN-06504653]

Executive Director & CFO :
Mallika Saran
[DIN-11005015]

Executive Director & COO :
Vijay Pathak
[DIN-02700611]

Company Secretary
Sunita Nisal
[ACS-49122]

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

A. Equity Share Capital	(₹ in Lakhs)
Balance as at 01st April ,2024	149.85
Changes in equity share capital during the year	-
Balance as at 31 March, 2025	149.85
Balance as at 01st April ,2025	149.85
Changes in equity share capital during the year	-
Balance as at 31 March, 2026	149.85

B. Other Equity For the year Ended 31st March,2026	Reserves & Surplus- ₹ in lakhs				Total Equity ₹ in Lakhs
Particulars	Capital Reserve	Share Forfeiture Reserve	General Reserve	Retained Earnings	
Balance as at 1st April 2024	15.00	0.08	426.09	1,738.42	2,179.59
Dividend for FY-2023-24 paid during the year	-	-	-	(37.46)	(37.46)
Profit / (Loss) for the year	-	-	-	659.01	659.01
Other Comprehensive Income\ (Loss) for the year	-	-	-	1.07	1.07
Balance as at 31st March 2025	15.00	0.08	426.09	2,361.04	2,802.21
Balance as at 1st April 2025	15.00	0.08	426.09	2,361.04	2,802.21
Dividend for FY-2024-25 paid during the year	-	-	-	(41.96)	(41.96)
Profit / (Loss) for the year	-	-	-	837.89	837.89
Other Comprehensive Income\ (Loss) for the year	-	-	-	1.75	1.75
Balance as at 31st March 2026	15.00	0.08	426.09	3,158.72	3,599.89

Remeasurement Gain (Net) on defined benefit plans Rs.1.75 Lakh.-[March 31,2025 -Rs 1.07Lakh] is recognised as part of Retained Earnings.

See accompanying notes 1 to 46 to the financial statements

In terms of our report attached
For Daga & Chaturmutha
Chartered Accountants
Firm Registration No. 101987W

For & on behalf of the Board of Directors

Chairperson & Managing Director :
Devaki Saran
[DIN-06504653]

Executive Director & COO :
Vijay Pathak
[DIN-02700611]

CA Ajit Daga
Partner

Executive Director & CFO :
Mallika Saran
[DIN-11005015]

Company Secretary
Sunita Nisal
[ACS-49122]

Place : Nashik
Date : May 06, 2026
UDIN : 26129734PYFVYA5289

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**Note No. 1 – General Information and Significant Accounting Policies :****1 Corporate Information:**

Hindustan Hardy Limited is a Public Limited Company listed on the Bombay Stock Exchange. It was incorporated on October 16, 1982 under the Companies Act, 1956. It is engaged in the business of designing and manufacturing of Propeller Shafts and other accessories required for automotive, industrial, agricultural, and other applications. The registered office and factory of the Company is located at Nashik, Maharashtra, India.

Basis of Preparation :

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements have been prepared on a historical cost basis, except for Defined Benefit Plans - which are measured as per actuarial valuation.

2 Significant Accounting Policies :**a. Property, plant and equipment; Capital work-in-progress & Intangible assets:**

- i. Property, plant and equipment & intangible assets are stated at their original cost of acquisition / installation (net of GST credits wherever applicable) net of accumulated depreciation, amortization and impairment losses-if any. Subsequent expenditures are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost to the item can be measured reliably. All repairs and maintenance expenses on assets are charged to profit or loss during the reporting period in which they are incurred.
- ii. Property, plant and equipment or intangible assets not ready for the intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress". Advances given towards acquisition/construction of fixed assets outstanding at each Balance sheet date are shown under "Capital Work-in-Progress".
- iii. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.
- iv. The residual values, useful lives and methods of depreciation of property, plant & equipment and intangible assets are reviewed in each financial year and adjusted prospectively, if appropriate.

b. Depreciation:**i. Tangible Assets :**

- I. Depreciation on assets is provided on straight line method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.
- II. Depreciation on additions to Property, plant & equipment and intangible assets is provided on a pro-rata basis from the date of acquisition or installation, and in the case of a new project, from the date of commencement of commercial production.
- III. Depreciation on assets sold, discarded, demolished or scrapped is provided up to the date on which the said asset is sold, discarded, demolished or scrapped.

ii. Intangible Assets :

- I. Intangible assets with finite lives are amortized on straight line method over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.
- II. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Transition to Ind AS :

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property, plant and equipment and Intangible assets recognized as at 1st April 2016 measured as per the previous IGAAP and use that carrying value as the deemed cost of respective assets.

Impairment of non-financial assets :

The carrying amounts of other non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss, if any is recognized in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. A previously recognized impairment loss if any, is increased or reversed depending on the changes in circumstances, however the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation/amortization if there was no impairment.

c. Inventories :**i. Raw Material / Components :**

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on First in First out (FIFO) basis.

ii. Stores & Spare parts are valued at Cost.**iii. Finished goods and Work in Progress :**

Lower of cost and net realizable value. Cost is determined on absorption basis and include material, labour and production overheads. Material cost for the purpose of valuation is ascertained on First in First out (FIFO) basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads.

d. Financial Instruments :

The presentation of financial instruments is as per applicable Ind-AS.

e. Provisions and Contingencies :

A provision is recognized for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date.

A contingent liability is not recognized – but is only disclosed, unless the possibility of an outflow of resources is remote.

f. Foreign Currency Conversion :

The Company's financial statements are presented in Indian National Rupee (INR) which is also its functional currency.

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction or at the rates that closely approximate the rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expenses in the year in which they arise.

At the Balance-Sheet date, all foreign currency balances are reported using the Closing Exchange Rate.

g. Revenue recognition :

- i. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.
- ii. The specific recognition criteria described below must also be met before revenue is recognised.

iii. **Sale of goods :**

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer / customer.

GST is collected on behalf of the Government and no economic benefit flows to the entity and does not result in an increase in equity, consequently revenue is presented net of GST.

Revenue disclosed are net of GST, discounts and sales returns, as applicable.

iv. **Rendering of services:**

Revenue from services is recognized (net of GST, as applicable) pro-rata over the period of the contract as and when services are rendered.

v. **Duty Drawback / MEIS / RoDTEP - Export Incentives :**

The export incentives are accounted for on realization basis as there is uncertainty about the actual amount to be realized after due compliances of all the conditions.

vi. **Interest income :**

Interest income is recognized on a time proportion basis that reflects the effective yield on the asset.

h. Retirement and other employee benefits :

i. **Defined Contribution Plan :**

Employee benefits in the form of contribution to Provident Fund managed by Government Authorities, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plan and the same is charged to the Statement of Profit and Loss for the year in which the employee renders the related service.

ii. **Defined Benefit Plan :**

Retirement benefit in the form of Gratuity, is considered as defined benefit obligation and is provided for on the basis of actuarial valuation as at the date of Balance Sheet. Re-measurement, comprising of Actuarial gain / loss, if any, is immediately recognized in Other Comprehensive Income (OCI) under retained earnings. The same is not reclassified to Statement of Profit and Loss. Prior year comparisons are treated accordingly.

The company has taken a Group Gratuity-cum-Life Assurance Scheme Policy from Life Insurance Corporation of India for future payment of gratuity to retiring employees. The balance lying with LIC of India in this policy is compared with the

liability as calculated in actuarial valuation report. Any shortfall in the same is recognized as liability and any surplus is shown as asset.

Provision for Leave Encashment is made on actual basis on the assumption that the same would be payable at the end of the accounting period if all the employees were to terminate their services.

The company also contributes certain percentage of salary for all eligible employees in managerial cadre towards Superannuation Fund managed by approved trust / Life Insurance Corporation of India.

i. **Borrowing Costs :**

Borrowing cost directly attributable to acquisition and construction of assets that necessarily takes substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of such assets up to the date when such assets are ready for intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

j. **Taxation :**

Tax expense comprises of current income tax and deferred income tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

Current Income Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

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 used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of

assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets / liabilities are reviewed at each Balance Sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

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

k. Leases :

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

I. Segment Reporting :

Operating segment is reported in a manner consistent with the internal reporting provided to chief operating decision makers.

The Board of Directors of the company has appointed Management Team which has been identified as being the chief operating decision maker , consists of Managing Director , Chief Operating Officer (COO), Chief Finance Officer (CFO), Production Manager and Sales & Marketing Manager. They assess the financial performance and position of the Company and make strategic decisions.

m. Earnings Per Share :

Basic earnings per share is calculated by dividing the net profit or loss for the period from continuing operations attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period from continuing operations attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period - adjusted for the effects of all dilutive potential equity shares.

n. Classification of Current/Non-Current Assets and Liabilities :

All assets and liabilities are presented as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization, the Company has ascertained its operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

o. Significant estimates and assumptions :

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

p. Classification of Legal matters and Tax litigations :

The litigations and claims to which the Company is exposed are assessed by management with assistance and support of external specialized lawyers. Disclosures related to such provisions, as well as contingent liabilities, also require judgment and estimations if any.

All estimates mentioned above are further detailed in the corresponding disclosures.

Notes to financial statement (Contd.)

2. Property, Plant and Equipment

(₹ in Lakhs)

As at 31-03-2026										
Particulars	Gross Block			Depreciation and Amortisation				Net Block		
	As at 01-04-2025 ₹	Additions ₹	Deductions / Adjustment ₹	As at 31-03-2026 ₹	As at 01- 04-2025 ₹	Additions ₹	Deductions / Transfer ₹	As at 31-03-2026 ₹	As at 31-03-2026 ₹	
A) Tangible assets										
Buildings	171.04	77.24	-	248.28	39.99	7.16	-	47.15	201.13	
Plant and machinery Incl.Perm. Tools.	1,375.63	265.78	15.22	1,626.20	458.37	119.47	-	577.84	1,048.35	
Electrical installations, AirConditioners	19.92	19.99	-	39.91	7.89	2.35	-	10.24	29.67	
Furniture and fixtures	29.97	8.82	-	38.79	16.91	1.92	-	18.83	19.95	
Office & Other equipments	16.82	1.81	-	18.62	8.30	2.81	-	11.10	7.52	
Computers	50.10	3.99	-	54.08	39.62	5.94	-	45.56	8.53	
Vehicles	116.04	-	-	116.04	76.05	6.84	-	82.89	33.15	
Total Tangible assets	1,779.51	377.62	15.22	2,141.92	647.12	146.50	-	793.62	1,348.30	
Capital Work In Progress	304.88	-	-	642.38	-	-	-	-	642.38	
Total Capital Work In Progress	304.88	-	-	642.38	-	-	-	-	642.38	
Computer software	34.34	4.39	-	38.73	26.59	4.66	-	31.25	7.48	
Total Intangible assets	34.34	4.39	-	38.73	26.59	4.66	-	31.25	7.48	
Right to Use -Lease Land	5.20	-	-	5.20	0.52	0.09	-	0.61	4.59	
Total Right to Use	5.20	-	-	5.20	0.52	0.09	-	0.61	4.59	
Total (A+B+C+D)	2,123.93	382.01	15.22	2,828.23	674.23	151.25	-	825.47	2,002.75	

1 All the title Deeds of immovable properties are in the name of company.

2 No revaluation of any class of assets has been done during the year.

3 No proceedings have been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

Capital work in progress-Ageing Schedule :

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 Years	
Advance to Machine Suppliers	367.43	108.96	117.47	-	593.85
Cost Incurred for above Machine.	32.61	10.17	5.75	-	48.53
	400.04	119.12	123.22	-	642.38

Notes to financial statement (Contd.)

2. Property , Plant and Equipment

(₹ in Lakhs)

Particulars	As at 31-03-2025									
	Gross Block			Depreciation and Amortisation				Net Block		
	As at 01-04-2024 ₹	Additions ₹	Deductions / Adjustment ₹	As at 31-03-2025 ₹	As at 01-04-2024 ₹	Additions ₹	Deductions / Transfer ₹	As at 31-03-2025 ₹	As at 31-03-2025 ₹	
(A) Tangible assets										
Buildings	129.26	41.78	-	171.04	34.83	5.16	-	39.99	131.05	
Plant and machinery Incl.Perm.Tools.	859.36	534.72	18.45	1,375.63	377.70	82.32	1.65	458.37	917.26	
Electrical installations , Air Conditioners	13.72	6.82	0.63	19.92	7.39	0.99	0.50	7.89	12.03	
Furniture and fixtures	31.86	1.60	3.48	29.97	18.49	1.50	3.09	16.91	13.06	
Office & Other equipments	16.43	0.56	0.18	16.82	5.76	2.65	0.12	8.30	8.52	
Computers	46.33	8.08	4.31	50.10	38.01	5.57	3.96	39.62	10.48	
Vehicles	116.29	22.17	22.42	116.04	76.62	10.66	11.24	76.05	39.99	
Total Tangible assets	1,213.25	615.73	49.47	1,779.51	558.81	108.86	20.55	647.12	1,132.40	
(B) Capital Work In Progress	368.32	-	-	304.88	-	-	-	-	304.88	
Total Capital Work In Progress	368.32	-	-	304.88	-	-	-	-	304.88	
(C) Computer software	30.44	3.91	-	34.34	23.18	3.41	-	26.59	7.75	
Total Intangible assets	30.44	3.91	-	34.34	23.18	3.41	-	26.59	7.75	
(D) Right to Use -Lease Land	5.20	-	-	5.20	0.44	0.09	-	0.52	4.67	
Total Right to Use	5.20	-	-	5.20	0.44	0.09	-	0.52	4.67	
Total (A+B+C+D)	1,617.21	619.63	49.47	2,123.93	582.42	112.36	20.55	674.23	1,449.70	

1 All the title Deeds of immovable properties are in the name of company.

2 No revaluation of any class of assets has been done during the year.

3 No proceedings have been initiated or pending against the Company for holding any Benami property under Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

Capital work in progress-Ageing Schedule : 31-03-2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1 to 2 years	2 to 3 years	More than 3 Years	
Advance to Machine Supplier.	193.44	95.52	-	-	288.96
Cost Incurred for above Machine.	10.17	5.75	-	-	15.92
	203.60	101.27	-	-	304.88

Notes to financial statement (Contd.)

(₹ in Lakhs)

	Non Current		Current	
	As at 31.03.2026 ₹	As at 31.03.2025 ₹	As at 31.03.2026 ₹	As at 31.03.2025 ₹
3 Other Financial Assets				
Advances recoverable in cash or kind	-	-	-	-
Others (include insurance claim and other receivables)	-	-	-	-
Deposits	47.07	38.32	-	-
Total	47.07	38.32	-	-
4 Deferred tax assets :				
On account of timing differences - i.e. expenditure incurred / provided for but allowable as deduction for tax purposes in future years				
-Provision for compensated absences and other employee benefits	55.35	39.41	-	-
-Other Expenses	51.85	8.47	-	-
Total	107.20	47.88	-	-
5 Other Non- Current Assets				
Balance with Government Authorities	-	-	-	-
Gratuity Fund Balance (LIC)	4.65	22.91	-	-
Total	4.65	22.91	-	-
6 Inventories				
(At cost or net realisable value, whichever is lower)				
Raw material	-	-	544.50	393.78
Finished goods	-	-	158.10	236.89
Stores and Spares parts	-	-	45.58	26.25
Work in Progress	-	-	429.22	317.31
			1177.41	974.22
Less Inventory Provision			4.42	-
Total	-	-	1,172.98	974.22
7 Trade Receivables				
Unsecured, considered good	37.78	11.25	2,219.37	2,648.54
Unsecured, considered doubtful	-	-	-	-
	37.78	11.25	2,219.37	2,648.54
Less:- Provision for Doubtful receivables	37.78	11.25	-	-
Total	-	-	2,219.37	2,648.54

Notes to financial statement (Contd.)**Ageing Schedule for Trade Receivables As on March 31, 2026 and March 31, 2025-**

(Taken as certified by Management)

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to one year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables: considered good	2,047.04	172.33	-	-	-	2,219.37
Undisputed Trade Receivables: considered doubtful	-	-	30.07	4.08	-	38
Disputed Trade Receivables : considered good	-	-	-	-	-	-
Disputed Trade Receivables : considered doubtful	-	-	-	-	-	-
Provision for Doubtful receivables	-	-	(30.07)	(4.08)	-	-38
As of March 31, 2025	2,047.04	172.33	-	-	-	2,219.37
As of March 31, 2025	2,540.28	108.26	-	-	-	2,648.54

(₹ in Lakhs)

	Non Current		Current	
	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025
8 Cash and Cash Equivalents				
Balances with banks				
In current accounts	-	-	209.49	41.59
In Fixed Deposit			225.79	318.87
Cash on hand	-	-	0.33	0.25
Total	-	-	435.62	360.71
9 Bank balances other than Cash and Cash Equivalents				
Earmarked Balances with Bank -For Unpaid Dividends.	-	-	6.93	5.39
Margin with Bank/ Other earmarked balances.	-	-	14.92	8.13
Total	-	-	21.85	13.52
10 Other Current Assets				
Balance with Government Authorities	-	-	388.10	71.91
Prepaid Expenses	-	-	19.49	14.29
Advances to Suppliers	-	-	25.12	7.70
Other receivables	-	-	9.47	5.59
Others	-	-	26.62	10.60
Total	-	-	468.80	110.08

Notes to financial statement (Contd.)

(₹ in Lakhs)

	As at 31.03.2026		As at 31.03.2025	
	No. of Shares	Amount ₹ Lakhs	No. of Shares	Amount ₹ Lakhs
11 Equity Share Capital				
Share capital				
Authorised				
Equity shares of ₹10 each	50,00,000	500.00	50,00,000	500.00
Issued, Subscribed and fully paid-up				
Equity shares of ₹10 each fully paid-up	14,98,450	149.85	14,98,450	149.85
a) Reconciliation of equity shares outstanding				
At the beginning of the year	14,98,450	149.85	14,98,450	149.85
At the end of the year	14,98,450	149.85	14,98,450	149.85

b) Rights, preferences and restrictions attached to equity shares .

The Company is having only one class of equity shares having par value of Rs. 10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to their shareholding.

c) Shareholding of Promoters as on 31st March 2026.

Name of the Shareholder	No. of shares	% Holding	% change during the year
XLO India Limited	9,89,993	66.07%	-
Late Sanjaya Chandrabhushan Saran	501	0.03%	-
Devaki Saran	375	0.03%	-
Mallika Saran	375	0.03%	-
Arati Saran	150	0.01%	-

Shareholding of Promoters as on 31st March 2025.

Name of the Shareholder	No. of shares	% Holding	% change during the year
XLO India Limited	9,89,993	66.07%	-
Late Sanjaya Chandrabhushan Saran	501	0.03%	-
Devaki Saran	375	0.02%	-
Mallika Saran	375	0.02%	-
Arati Saran	150	0.01%	-

Notes to financial statement (Contd.)

(₹ in Lakhs)

	Non Current		Current	
	As at 31.03.2026 ₹	As at 31.03.2025 ₹	As at 31.03.2026 ₹	As at 31.03.2025 ₹
12 Borrowings				
Secured				
Term Loans - Axis Bank	266.18	278.20	254.81	155.36
Working Capital Loan from Axis Bank	-	-	427.51	293.20
Working Capital Loan from Axis Bank in Foreign Currency (Packing Credit)	-	-	-	38.83
Total	266.18	278.20	682.32	487.38

Details of Loans :**A. Term Loans :**

Sr	Name of Bank & Facility	Rate of Interest As On 31/03/2026 Per annum	Sanctioned Limit	Outstanding As On		Repayment Schedule
				31-03-2026 Rs.	31-03-2025 Rs.	
1	Axis Bank-Term Loan Ag. Plant & Machinery.	7.75%	200.00	-	34.48	60 EMI's w.e.f.- Apr 2021
2	Axis Bank- Working Capital Term Loan-(ECGL)	8.00%	65.11	21.70	43.40	60 EMI's w.e.f.-Apr 2023
3	Axis Bank - Vehicle Loan.	7.50%	26.57	3.64	9.52	60 EMI's w.e.f.- Nov 2021
4	Axis Bank-Term Loan Ag. Plant & Machinery.	7.75%	250.00	65.03	94.55	60 EMI's w.e.f.- Aug 2023
5	Axis Bank-Term Loan Ag. Plant & Machinery.	7.75%	350.00	217.35	251.61	60 EMI's w.e.f.- Mar 2024
6	Axis Bank-Term Loan Ag. Plant & Machinery.	8.25%	650.00	213.27	0.00	60 EMI's w.e.f.- Mar 2025
			TOTAL	520.99	433.56	
a.	Out of the above, repayable within 12 months			254.81	155.36	
b.	Repayable after 12 months			266.18	278.20	
	TOTAL			520.99	433.56	

B. Other Terms & Conditions of Loans -

- Working Capital Loans from Axis Bank are secured by hypothecation of stock and debtors. It includes pre-shipment and post-shipment credit against export orders in Foreign Currency.
- Terms Loans against Plant & Machinery, Working Capital Term Loan and Working Capital Loans from Axis Bank are against mortgage of factory land and building situated at Plot No. C-12, MIDC, Ambad, Nashik. Further these loans are secured by entire current assets and movable fixed assets of the company present and future.
- Vehicle Terms Loans are against security of respective vehicles.

Notes to financial statement (Contd.)

(₹ in Lakhs)

	Non Current		Current	
	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025
13 Other Financial Liabilities				
Unclaimed Dividend	-	-	6.93	5.39
Deposit	-	-	0.06	0.06
Total	-	-	6.99	5.45
14 Provisions				
Provision for Compensated Absences	-	-	74.67	68.23
Total	-	-	74.67	68.23
15 Trade Payables				
Current :				
a) Total outstanding dues of creditors of micro and small enterprises			136.43	137.87
b) Total outstanding dues of creditors other than micro and small enterprises			808.12	1,163.97
Sub Total			944.55	1,301.83
Unbilled dues (Accrued expenses)			507.56	288.41
Total Trade Payables.			1,452.11	1,590.24

Disclosures required under section 22 of the Micro, Small & Medium Enterprises Development Act, 2006 are as below :

a) Dues remaining unpaid as at March 31				
Principal.	Final >	-	-	
Interest on the above.		-	-	
b) Interest paid in terms of section 16 of the Act, along with the amount of payment made to the supplier beyond the appointed day during the year		-	-	
Principal paid beyond the appointed date.		-	-	
Interest paid in terms of section 16 of the Act.		-	-	
c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year.		2.28	3.51	
d) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.		-	-	
e) Amount of interest accrued and remaining unpaid as at March 31.		14.73	12.46	
Due to Micro & Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.				
The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.				

Notes to financial statement (Contd.)

(₹ in Lakhs)

Ageing Schedule for Trade Payables As at March 31, 2026 & March 31, 2025-

(Taken as certified by Management).

Particulars	Outstanding For following periods from due date of payment				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
MSME	136.43	-	-	-	136.43
Others	795.27	12.49	-	0.36	808.12
Disputed Dues- MSME	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-
As of March 31, 2026	931.70	12.49	-	0.36	944.55
As of March 31, 2025	1,261.99	8.14	26.97	4.74	1,301.83

	Non Current		Current	
	As at	As at	As at	As at
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
16 Other Current Liabilities				
Advance from customers and others	-	-	41.62	57.33
Acceptances of Hundis from Suppliers	-	-	52.42	117.69
Statutory Dues	-	-	23.92	17.12
Others Dues	-	-	62.98	66.48
Total	-	-	180.94	258.62
17 Deferred Tax Liability				
Difference between book balance and tax balance of fixed assets	46.57	40.34	-	-
Total	46.57	40.34	-	-

Notes to financial statement (Contd.)

(₹ in Lakhs)

	As at 31.03.2026 ₹	As at 31.03.2025 ₹
18 Revenue from Operations		
a) Sale of Products -(Excluding GST)	10,713.28	8,005.31
Sub-Total (a)	10,713.28	8,005.31
b) Other Operating Revenues		
Sale of Services	1.11	-
Sale of Scrap	109.95	91.53
Export Incentives	54.68	48.35
Sub-Total (b)	165.74	139.88
Total (a+b)	10,879.03	8,145.18
Note:		
The Company recognises revenue when it transfers control of a product to a customer as and when it satisfies the performance obligation by transferring promised goods to a customer and customer obtains the control or benefit of the same.		
19 Other Income		
Interest Income	10.46	17.58
Excess Provision / Amounts Written Back.	-	16.77
Profit on Sale of Assets	1.36	0.96
Foreign Exchange Gain	103.16	16.18
Total	114.98	51.50
20 Cost of Raw Material Consumed		
Opening stock	393.78	296.59
Add : Purchases	6,251.97	4,760.80
Less: Closing stock	544.50	393.78
Total	6,101.24	4,663.62
21 Change in inventories of finished goods, work in progress		
Closing stock		
Finished goods	158.10	236.89
Work-in-progress	429.22	317.31
Total	587.33	554.19
Opening stock		
Finished goods	236.89	92.21
Work-in-progress	317.31	257.42
Total	554.19	349.64
Change in Inventory	(33.13)	(204.56)

Notes to financial statement (Contd.)

(₹ in Lakhs)

	As at 31.03.2026	As at 31.03.2025
	₹	₹
22 Employee Benefit Expenses		
Salaries and wages	1,321.43	1,081.34
Contribution to provident and other funds	73.78	67.20
Staff welfare & other expenses.	81.72	55.01
Total	1,476.93	1,203.55
23 Finance Cost		
Interest on Term Loans .	12.32	6.63
Other Borrowing / Interest Cost	22.48	11.23
Total	34.80	17.86
24 Other Expenses		
Consumption of stores and spare parts	399.24	301.16
Power and fuel	337.72	280.82
Packing and forwarding expenses-(Incl. Rejn. Expenses)	415.57	290.34
Rent	2.66	1.07
Repairs to Buildings	49.03	24.39
Repairs to Plant & Machinery	123.37	81.84
Other Repairs	15.80	14.19
Insurance	34.86	20.03
Rates and Taxes, excluding taxes on income	1.67	1.63
Travelling Expenses & Conveyance Charges	127.19	108.63
Legal & Professional charges	74.27	77.86
Sales Expenses .	1.91	2.85
Discount on Sales	2.39	2.54
Bad Debts /Advances Written off / Provision.	28.05	11.25
Directors' Fees	1.24	1.19
Loss on Sale of Assets	-	2.17
Fixed Assets Scrapped /Discarded.	-	1.84
Loading & Unloading	174.54	135.18
Expenditure on Corporate Social Responsibility (Ref. Note-27)	13.81	11.16
Payments to Auditor (Refer Note below)	9.25	9.25
Miscellaneous expenses	312.01	129.80
Provision for Inventory	4.42	-
Total	2,129.01	1,509.16
Note :		
Payment to Auditors :		
As auditor :		
Audit Fee	5.50	5.50
Tax Audit Fee	1.75	1.75
Limited Review	1.75	1.75
In other capacity :		
Income Tax matters	0.25	0.25
	9.25	9.25

Notes to financial statement (Contd.)

(₹ in Lakhs)

	As at 31.03.2026 ₹	As at 31.03.2025 ₹
25 Earnings per equity share (EPS) :		
(i) Profit/ (Loss) attributable to equity shareholders for basic and diluted EPS	837.89	659.01
(ii) Weighted average number of equity shares for basic EPS	14,98,450	14,98,450
(iii) Nominal value of equity share (in ₹)	10	10
(iv) Earnings per equity share (in ₹)		
Basic	55.92	43.98
Diluted	55.92	43.98
26. Contingent liabilities and commitments (to the extent not provided for)		
a) Estimated amounts of contracts remaining to be executed on capital account but not provided for-	394.77	164.45
b) For Labour related disputed matters	55.25	50.87
c) For MIDC Fire Cess Chgs.	-	5.05
27. Schedule Of Expenditure on Corporate Social Responsibility (CSR)-: [Taken as certified by Management]		
Details of CSR expenditure	31.03.2026	31.03.2025
(a) Gross amount required to be spent by the Company during the year	13.81	11.16
(b) Amount Approved by the Board to be spent during the year	13.81	11.16
(c) Amount Spent during the year	-	-
(d) Unspent Amount	13.81	11.16
	13.81	11.16
(e) Unspent Amount deposited in Seperate Account.	13.81	11.16
(f) Amount Pertaining to FY -2024-25		
Unspent amount for FY-2024-25	11.16	11.16
Total Unspent CSR Amount	24.97	11.16
(g) Details of related party transactions , e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant accounting standard -		
> Company has not made any contribution to a trust controlled by the Company in relation to CSR expenditure		

Notes to financial statement (Contd.)

(₹ in Lakhs)

28 Related party disclosure (Ind AS 24)**a) List of Related Parties and relationships :**

Party	Relationship
1) Late Mr. S.C. Saran	Chairman [Upto-24-01-2025]
2) Ms. Devaki Saran	Executive Director & CFO. [Upto-31-05-2025]
	Chairperson & Managing Director. [w.e.f.- 01-06-2025]
3) Mr. Vijay Pathak	Executive Director & COO
4) XLO India Private Limited	Promoter Company
5) Mrs Aarati Saran	Non-Executive Director. [w.e.f.- 14-02-2025]
6) Ms. Mallika Saran	Executive Director & CFO. [w.e.f.-01-06-2025]

Note : Only enterprises / parties with whom there are transactions during the current period / previous period are considered above.

b) Details of related party transactions :

(₹ in Lakhs)

Name of Party	Nature of Transactions	As at 31.03.2026	As at 31.03.2025
1) Late Mr. S. C. Saran	Technical fees #	-	36.00
	Dividend Paid	0.014	0.012
2) Ms. Devaki Saran	Remuneration	117.50	87.98
	Dividend Paid	0.01	0.009
3) Mr. Vijay Pathak	Remuneration	96.91	68.34
	Royalty #	4.30	4.10
	(Amount O/s. & Payable)	0.52	0.37
	Dividend Paid	27.72	24.75
5) Mrs Aarati Saran	Dividend Paid	0.004	0.003
6) Ms. Mallika Saran	Dividend Paid	0.011	0.009
	Remuneration	65.13	-

Amounts excluding GST.

29 Employee benefits:**a) Defined Contribution Plans**

- The company contributes certain percentage of salary & wages for all eligible employees toward provident fund managed by the Central Government.
- The company also contributes certain percentage of salary for all eligible employees in managerial cadre towards Superannuation Fund managed by approved trust / Life Insurance Corporation of India.

b) Defined Benefit Plan -Gratuity as per actuarial valuation As At -31-03-2026

"The company has defined benefit gratuity plan. Every employee who has completed five years (One Year w.e.f.25-11-2025) or more of service gets a gratuity on departure, at 15 days salary (on last drawn basic salary) for each completed year of service. Other non funded plan include death & disability benefit. The following tables summarise the components of net benefit / expense recognised in the statement of profit and loss and amounts recognised in the balance sheet:

Notes to financial statement (Contd.)

(₹ in Lakhs)

Particulars	Funded Gratuity Plan As at 31.03.2026	Funded Gratuity Plan As at 31.03.2025
I <u>Change in defined benefit obligation during the year</u>		
1 Present value of defined benefit obligation at the beginning of the year	257.43	302.78
2 Current service cost	16.09	14.49
3 Past Service Cost	6.80	-
4 Interest cost	16.72	21.57
5 Actuarial (gains) / losses	(3.54)	(3.02)
6 Benefits payments	(78.69)	(78.39)
7 Present value of defined benefit obligation at the end of the year	214.81	257.43
II <u>Expense recognised in the statement of profit and loss</u>		
1 Current service Cost	16.09	14.49
2 Net Interest cost	(2.29)	(2.42)
3 Past Interest cost	6.80	-
4 Total expenses recognised in the statement of profit and loss	20.60	12.07
III <u>Re-measurements recognised in Other Comprehensive income (OCI)</u>		
1 Actuarial (gain)/losses on Obligation for the period	(3.54)	(3.02)
2 Return on Plan assets (excluding interest income)	1.20	1.59
3 Total recognised in Other Comprehensive income	(2.34)	(1.43)
IV <u>Net Asset / (Liability) recognised in the Balance Sheet</u>		
1 Present value of defined benefit obligation	(214.81)	(257.43)
2 Fair value of plan assets	219.46	280.34
3 Funded status [surplus / (deficit)]	4.65	22.91
4 Net asset / (liability)	4.65	22.91
V <u>Actuarial assumptions:</u>		
1 Discount rate	7.27%	6.72%
2 Expected rate of return on plan assets	7.27%	6.72%
3 Mortality	IALM-(2012-14)	IALM -(2012-14)
4 Turnover rate	For service 4 years and below- 5% p.a. & service 5 years and above - 4% p.a.	For service 4 years and below- 5% p.a. & service 5 years and above 4% p.a.
5 Retirement age	58 Yrs	58 Yrs
6 Salary escalation	10.00% p.a.	10.00% p.a.

Notes to financial statement (Contd.)

(₹ in Lakhs)

	As at 31.03.2026	As at 31.03.2025
VI Maturity profile of defined benefit obligation		
1 Within the next 12 months	56.14	75.32
2 Between 2 and 5 years	73.82	114.29
3 Between 6 and 10 years	31.06	35.32
4 More than 10 years	262.28	194.65
VII Sensitivity Analysis for significant assumption		
Discount Rate		
1% Increase	(13.33)	(12.07)
1% Decrease	15.61	14.07
Salary escalation rate		
1% Increase	15.04	13.48
1% Decrease	(13.13)	(11.84)
Employee turnover rate		
1% Increase	(3.12)	(3.04)
1% Decrease	3.49	3.42

	As at 31.03.2026		As at 31.03.2025	
	₹ in Lakhs	%	₹ in Lakhs	%
30 (a) Raw material consumed :				
(i) Imported	16.32	0.27	21.52	0.46
(ii) Indigenous	6,084.92	99.73	4,642.09	99.54
Total	6,101.24	100.00	4,663.62	100.00
(b) Spares consumed :				
Indigenous	399.24	100.00	301.16	100.00
Total	399.24	100.00	301.16	100.00
31 Details of Sales excluding GST :	As at 31.03.2026		As at 31.03.2025	
Sales -(Net)	10,713.28		8,005.31	
Sale of Services	1.11		-	
Sale of Scrap	109.95		91.53	
Total Sales	10,824.34		8,096.83	

Notes to financial statement (Contd.)

(₹ in Lakhs)

32 Details of Domestic and Export Sales : (Taken as certified by management)	As at 31.03.2026	As at 31.03.2025
	₹	₹
Domestic	8,228.53	5,690.02
Export	2,595.81	2,406.81
Total	10,824.34	8,096.83

33 Disclosure of foreign currency exposure : (Taken as certified by management)		As at 31.03.2026		As at 31.03.2026	
		₹	₹ Lakhs	₹	₹ Lakhs
a) Outstanding trade payables for expenses		-	-	-	-
b) Outstanding trade receivables	In USD	3,37,719	311.72	7,53,650	631.41
	In EURO	3,49,050	368.39	3,05,132	274.92
	In GBP	43,256	52.50	38,008	41.20
c) Outstanding Pkg. Credit Loan.	In EURO	-	-	35,202	33.17
	In USD	-	-	6,492	5.65

(₹ in Lakhs)

34 CIF value of imports : (Taken as certified by management)		
Raw Material	54.40	29.42
	-	-
35 Expenditure in foreign currency : (Taken as certified by management)	-	-
Travel	57.43	46.71
Other Expenditure (Incl. Capital if any.)	17.51	1.23
	-	-
36 Earnings in foreign exchange (accrual basis) :-	-	-
F.O.B. value of exports- (Taken as certified by management)	2,586.83	2,398.99

37 Segment Reporting :

The Company is exclusively engaged in the business of designing and manufacturing of Propeller Shafts and other accessories required for automotive, industrial , agricultural and other applications which in the context of Indian Accounting Standard (Ind AS- 108) on "Operating Segments", is considered as a single operating segment.

38 Details of Leave Encashment Provision -31-03-2026:

Particulars	Opening as at 1st April	Additions	Utilisations	Reversal	Closing As at 31st March
FY 2024-25	70.03	10.32	12.13	-	68.23
FY 2025-26	68.23	29.54	23.10	-	74.67

Notes to financial statement (Contd.)

(₹ in Lakhs)

39 Financial Ratios for the year ended March 31, 2026 & March 31, 2025

Sr No.	Particulars	Numerator	Denominator	As At- 31-03-2026	As At- 31-03-2025	Variance	Reasons- (Only if % > 25%)
1	Current Ratio	Current Asset	Current Liabilities	1.79	1.71	4%	
2	Debt Equity Ratio	Total Debt	Total Equity	0.25	0.26	-4%	
3	Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	3.50	4.12	-15%	
4	Return on Equity (ROE) %	Total Comprehensive Income	Average Share Holders Equity.	25.06%	25.00%	0.24%	
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	5.65	5.41	4%	
6	Trade Receivable Turnover Ratio	Gross Revenue from Operations	Average Trade Receivables	4.93	4.24	16%	
7	Trade Payable Turnover Ratio	Gross Purchase of Goods	Average Trade Payables	6.37	5.85	9%	
8	Net Capital Turnover Ratio	Revenue From Operations	Average Share Holders Equity	3.25	3.08	6%	
9	Net Profit Ratio-(%)	Total Comprehensive Income	Revenue From Operations	7.72%	8.10%	-5%	
10	Return on Capital Employed-(ROCE)-%	Earnings Before Interest & Taxes	Average Capital Employed	32.26%	31.70%	2%	

40. Directors' Remuneration :

	As At- 31-03-2026 (₹ in Lakhs)	As At- 31-03-2025 (₹ in Lakhs)
a) Salaries	221.85	113.17
b) Contribution to Provident Fund and Other funds	10.98	4.50
c) Perquisites	1.01	0.68
d) Superannuation Fund Contribution.	4.58	5.70
e) Technical Fees	-	36.00
f) LTA & Incentives	41.12	32.26
	279.54	192.31

Notes to financial statement (Contd.)

(₹ in Lakhs)

Note :

- i) As employee wise break-up of contribution to gratuity fund is not ascertainable, the same has not been included in the above figures.
- ii) It is informed that the Chairman and Director, Mr. S. C. Saran has been paid professional fees of Rs.Nil for the year ended 31st March 2026 and Rs. 36.00 Lakhs plus taxes for the year ended 31st March 2025 for the Technical Expertise and Services provided by him as a Consultant under section 188 read with section 177(4) of the Companies Act, 2013.
- iii) Directors sitting fees paid during the year Rs.1.24 Lakh-(Rs. 1.19 Lakh -for the year ended 31-03-2025).

41. Dividend Distribution proposed :

Particulars	31.03.2026 (₹ in Lakhs)	31.03.2025 (₹ in Lakhs)
Proposed dividends on equity shares :		
* Final dividend for the year ended 31-03-2026 Rs. 2.80/- per share-(Previous year @ Rs 2.80/-per Share)	41.96	41.96
	41.96	41.96

* Proposed dividend on equity shares is subject to approval at the Annual General Meeting and hence not recognised as a liability.

42. As per information given, the company does not have relationship with any company which have been struck-off from the register of Registrar of Companies.(ROC).
43. The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
44. The Company has complied with requirements of number of Layers prescribed under clause (87) of section 2 of the Act read with Companies (Restrictions on No of layers) Rules, 2017.
45. The Balances of Creditors and Debtors appearing in the balance sheet are subject to balance confirmation / reconciliation at the year end. The management is in the process of obtaining the respective confirmations in due course. However, it is informed that the reconciliation is not expected to result in any material adjustment in stated balances.
46. Figures of the previous year have been regrouped / rearranged wherever necessary to conform to the current year's presentation.

See accompanying notes 1 to 46 to the financial statements

*In terms of our report attached
For Daga & Chaturmutha*
Chartered Accountants
Firm Registration No. 101987W

For & on behalf of the Board of Directors

Chairperson & Managing Director :
Devaki Saran
[DIN-06504653]

Executive Director & COO :
Vijay Pathak
[DIN-02700611]

CA Ajit Daga
Partner

Executive Director & CFO :
Mallika Saran
[DIN-11005015]

Company Secretary
Sunita Nisal
[ACS-49122]

Place : Nashik
Date : May 06, 2026
UDIN : 26129734PYFVYA5289

