Sundaram-Clayton Limited

(Formerly known as Sundaram-Clayton DCD Limited)

9th Annual Report 2026

Sundaram-Clayton Limited
(Formerly known as Sundaram-Clayton DCD Limited)

Board of Directors

VENU SRINIVASAN
Chairman & Managing Director

Dr. LAKSHMI VENU
Managing Director

VIVEK S JOSHI
Director & Chief Executive Officer
(Up to 31st March 2026)

R VENKATESH
Director & Chief Executive Officer
(From 1st April 2026)

R ANANDAKRISHNAN

C R DUA

R GOPALAN

P KANIAPPAN

SASIKALA VARADACHARI

Audit Committee

R GOPALAN, *Chairman*
Dr. LAKSHMI VENU
C R DUA
SASIKALA VARADACHARI

Nomination and Remuneration Committee

R GOPALAN, *Chairman*
VENU SRINIVASAN
C R DUA
SASIKALA VARADACHARI
P KANIAPPAN

Risk Management Committee

SASIKALA VARADACHARI, *Chairperson*
Dr. LAKSHMI VENU
C R DUA
R VENKATESH

Stakeholders' Relationship Committee

P KANIAPPAN, *Chairman*
Dr. LAKSHMI VENU
R GOPALAN

Corporate Social Responsibility Committee

VENU SRINIVASAN, *Chairman*
Dr. LAKSHMI VENU
SASIKALA VARADACHARI

Chief Financial Officer

V HARIHARAN

Company Secretary

P D DEV KISHAN

Registered Office

"Chaitanya" No. 12, Khader Nawaz Khan Road, Nungambakkam, Chennai – 600 006, Tamil Nadu, India Tel. : 044-28332115
CIN No. L51100TN2017PLC118316
E-mail : corpsec@sundaramclayton.com
Website : www.sundaram-clayton.com

Statutory Auditors

M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants,
No. 17/12, II Floor, Casa Capitol,
Wood Street, Ashoknagar,
Bengaluru – 560 025
Tel. : 080- 2556 7578 / 2551 4771
E-mail : sathya@nca-india.com

Cost Auditor

M/s. C S Adawadkar & Co. Cost Accountants,
103, Building 10 "Palvi", OSK Raanwara, Bavdhan, Pune – 411021
E-mail : csadawadkar@csagrp.co.in

Secretarial Auditor

M/s. B Chandra & Associates,
Practising Company Secretaries
AG 3, Ragamalika,
No.26, Kumaran Colony Main Road,
Vadapalani, Chennai – 600 026
E-mail : bchandraandassociates@gmail.com

Shares listed with

BSE Limited, Mumbai.
National Stock Exchange of India Limited, Mumbai.

Bankers

State Bank of India
HDFC Bank
Federal Bank
Union Bank of India
IndusInd Bank
Exim Bank of India
MUFG Bank

Share Transfer Agent

Integrated Registry Management Services Private Limited,
Registered office:
2nd Floor, Kences Towers, No. 1,
Ramakrishna Street, North Usman Road,
T Nagar, Chennai – 600 017
Tel. : 044-2814 0801-03; Fax: 044-2814 2479
Email : einward@integratedindia.in

Plant Locations

1. Plot No. A-6/3A,
   SIPCOT Industrial Park, Thervoy Kandigai,
   Gummidipoondi Taluk,
   Thiruvallur District – 601202
   Tamil Nadu, India.
   Tel. : 91-44-26258212.
2. Plot No. AA5, VI Avenue, Auto Ancillary SEZ, Mahindra World City, Chengalpattu,
   Kancheepuram District – 603 004,
   Tamil Nadu, India.
   Tel. : 044-4749 0049 / 91-44-27460500
3. Oragadam, Plot No. B-14, SIPCOT Industrial Growth Centre, Sriperumbudur Taluk,
   Kancheepuram District – 602 105, Tamil Nadu, India.
   Tel. : 044 - 6710 3300.

Subsidiary Companies

1. Sundaram Holding USA Inc., USA
2. Sundaram-Clayton GmbH, Germany
3. SCL Properties Private Limited, India

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 9th Annual General Meeting of the Company (AGM) will be held on Tuesday, the 28th July 2026 at 02.30 p.m. [Indian Standard Time (IST)] through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following businesses:

ORDINARY BUSINESS

1. To consider passing the following resolution as an ordinary resolution:

   "RESOLVED THAT the Standalone and Consolidated Audited Financial Statements for the year ended 31st March 2026, together with the Board's Report and the Auditors' Report thereon as circulated to the Members and presented to the meeting be and are hereby approved and adopted."

2. To consider passing the following resolution as an ordinary resolution:

   "RESOLVED THAT Mr R Anandakrishnan (holding DIN 07806173), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

3. To consider passing the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendations of the Audit Committee and the Board of Directors, M/s Raghavan, Chaudhuri & Narayanan, Chartered Accountants, Bengaluru, having Firm Registration No. 007761S allotted by The Institute of Chartered Accountants of India, be and are hereby re-appointed as Statutory Auditors of the Company for a second term of five consecutive years to hold office from the conclusion of this 9th Annual General Meeting till the conclusion of the 14th Annual General Meeting of the Company on such terms and conditions including remuneration as may be approved by the Board of Directors on the recommendation of the Audit Committee, from time to time during their tenure of appointment, in addition to applicable taxes and reimbursement of travelling and other out of pocket expenses incurred by them."

SPECIAL BUSINESS

4. **Ratification of Cost Auditor's Remuneration**

   To consider passing the following resolution as an ordinary resolution:

   "RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) remuneration of ₹ 5,00,000/- (Rupees five lakhs only) plus applicable taxes and reimbursement of travelling and other out of pocket expenses incurred by them, payable to M/s C S Adawadkar & Co, Practicing Cost Accountants, having Firm Registration No. 100401 allotted by The Institute of Cost Accountants of India, who were re-appointed as Cost Auditors of the Company for the financial year ending 31st March 2027 by the Board of Directors of the Company, as recommended by the Audit Committee be and is hereby ratified."

By order of the Board of Directors

Chennai
14th May 2026

P D Dev Kishan
Company Secretary

Registered office:
"Chaitanya"
No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai - 600 006.

Mode of AGM

1. The Ministry of Corporate Affairs ("MCA"), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, and General Circular No. 03/2025 dated 22nd September, 2025 ("MCA Circulars"), has allowed the Companies to conduct the Annual General Meeting ("AGM") through Video Conferencing or Other Audio-Visual Means ("VC/OAVM") until further notice. In compliance with the provisions of the Companies Act, 2013 ("the Act, 2013"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("Listing Regulations") and MCA Circulars, the AGM of the Company is being conducted through VC/OAVM. National Securities Depository Limited ("NSDL") will provide the necessary facilities for members in connection with the Annual General Meeting, including voting through remote e-Voting, participation in the AGM via VC/OAVM, and e-Voting during the AGM.

Proxy and Authorised Representatives

2. Pursuant to the Circular No. 14/2020 dated 8th April 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives as Members to attend the AGM through VC/ OAVM and participate and cast their votes through e-Voting.

Attendance

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, 2013.

4. The Members can join the AGM through VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 members on "first come first served" basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of "first come first served" basis.

Electronic Dispatch & Communication

5. Pursuant to the Circulars issued by MCA and SEBI, the Notice of the AGM and the Annual Report for the year 2025-26, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the AGM and the Annual Report for the year 2025-26 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:

   a. For Members holding shares in physical form: Please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, Aadhaar) supporting the registered address of the Member, by email to the Company's email address einward@integratedindia.in.

   b. For Members holding shares in demat form: Please update your email address through your respective Depository Participant/s.

   Further, as per Regulation 36(1)(c) of the Listing Regulations, hard copy of the Annual Report for the FY 2025-26 will be given to those shareholders who request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report, may write to the Company at corpsec@sundaramclayton.com, requesting for the same by providing their holding details.

   For members who have not registered their email address with the Company, a letter containing the web-link, along with the exact navigation path for accessing the Annual Report, will be provided to enable convenient access.

6. Members may kindly note that the Company's Annual Report as well as the Notice convening the AGM have been uploaded on the website of the Company at www.sundaram-clayton.com and are also accessible on the websites of the Stock Exchanges, viz., BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com) for download. In addition, the AGM Notice will be made available on the website of NSDL (www.evoting.nsdl.com), being the agency providing the remote e-Voting facility.

Statement of Material Facts

7. A statement pursuant to the provisions of Section 102(1) of the Act, relating to the Special Business to be transacted at the AGM, is annexed hereto.

Inspection of documents

8. All documents referred elsewhere in the Annual Report will also be available for inspection from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to corpsec@sundaramclayton.com.

9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, 2013 and the relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM.

Voting

10. Pursuant to the provisions of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations, and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting at the meeting will be provided by NSDL.

11. The businesses set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. The Members may cast their votes using electronic voting system from a place other than the venue of the meeting ('remote e-Voting').

12. In case of joint holders attending AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company / Register of Beneficial Owners maintained by Depositories will be entitled to vote.
13. In terms of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, ('the Rules') and Regulation 44 of the Listing Regulations, the Company has provided facility to exercise votes through electronic voting system to the Members holding shares as on 22nd July 2026 being the "Cut-off Date" ("Cut-Off" for the purpose of Rule 20(4)(vii) of the Rules) fixed for determining voting rights of the Members entitled to participate in the e-Voting process through the platform provided by NSDL viz., www.evoting.nsdl.com.
14. The voting rights of the Members / Beneficial Owners will be reckoned on the Equity Shares held by them as on Cut-off date. Members as on the Cut-off date only shall be entitled to avail the facility of remote e-Voting or e-Voting at the meeting.
15. M/s. B Chandra & Associates, Practising Company Secretaries, (Reg. No. P2017TN065700), Chennai, has been appointed as the Scrutinizer to scrutinize the Voting during the meeting and remote e-Voting process in a fair and transparent manner.
16. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such report shall then be sent to the Chairman or a person authorized in this regard, within two working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.
17. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.sundaram-clayton.com and on the website of NSDL at www.evoting.nsdl.com immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to BSE Limited, Mumbai and The National Stock Exchange of India Limited, Mumbai.
18. **Remote e-Voting Schedule**

Cut-off date	Wednesday, 22nd July 2026
Remote e-voting period Period during which Members, as on the cut-off date, may cast their votes on electronic voting system from any location	
Start Date and Time	Saturday, 25th July 2026 at 9:00 A.M. (IST)
End Date and Time	Monday, 27th July 2026 at 5:00 P.M. (IST).

The instructions for remote e-Voting and voting at the meeting are as under:

During the remote e-Voting period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Members who have not cast their vote on any of the resolutions using the remote e- Voting facility can vote on those resolutions during the AGM. Once the vote on a resolution is cast by the Member, the member shall not be allowed to change it subsequently.

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 Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/ mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal

Individual Shareholders holding securities in demat mode with NSDL. *(continued)*	Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing Myeasi 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 HYPERLINK "http:// www.cdslindia.com"www.cdslindia. com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period 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.com 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 22 55 33

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.com mentioning your demat account number / folio number, your PAN, your name and your registered address.
   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.

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.

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:

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self attested scanned copy of PAN card, self attested scanned copy of Aadhaar Card by email to einward@integratedindia.in

1. 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, self attested scanned copy of PAN card, self-attested scanned copy of AADHAAR Card to einward@integratedindia.in. 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.com for procuring user id and password for e-Voting by providing above mentioned documents.
2. 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:

i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.

ii. Only those Members / shareholders, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

iii. 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.

iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

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

i. Members will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for access to NSDL e-Voting system. After successful login, Members can see link of "VC/ OAVM link" placed under "Join meeting" menu against the Company name. You are requested to click on VC/ OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in shareholder / members 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 will be 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 Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number / folio number, email ID, mobile number at corpsec@sundaramclayton.com from 23rd July 2026 (9.00 A.M. (IST)) to 26th July 2026 (5.00 P.M. (IST)).

vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

vii. Members can submit questions with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address corpsec@sundaramclayton.com atleast 48 hours in advance before the start of the meeting. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.

Other instructions on voting:

a) Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail: bchandraandassociates@gmail.com with a copy marked to e-mail of NSDL: evoting@nsdl.com. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

b) 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.

c) 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 or casting vote through e-Voting system during the meeting.

d) In case of any queries, Members may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting. nsdl.com or call on 022-4886 7000 and send a request to NSDL official, Ms. Pallavi Mhatre, Manager at evoting@nsdl.com.

Dividend related Information

19. Members holding shares in dematerialised form are hereby informed that the bank particulars registered with their respective Depository Participants (DPs), with whom such demat accounts are maintained, will be utilised by the Company for the purpose of dividend payment. Accordingly, any change in address and/ or bank mandate must be intimated by such members directly to their DPs, as neither the Company nor its Registrar and Transfer Agent is authorised to act upon requests received directly in this regard.

20. Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their bank account electronically or any other means, by sending scanned copy of the following details / documents by email to reach the Company's email ID viz., corpsec@sundaramclayton.com or the email ID of RTA viz., einward@integratedindia.in.

    (a) Signed request letter mentioning your name, folio number, complete address and following details relating to bank account in which the dividend is to be received:

        i. Name and Branch of Bank and Bank Account type;

        ii. Bank Account Number allotted by your bank after implementation of Core Banking Solutions;

        iii. 11 digit IFSC Code;

        iv. Self-attested scanned copy of cancelled cheque bearing the name of the Member or first holder, in case shares are held jointly;

        v. Self-attested scanned copy of the PAN Card; and

    (b) Self-attested scanned copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company.

21. Pursuant to SEBI requirements, effective 1st April, 2024, dividend payments by companies shall be made only through electronic mode. Accordingly, members whose folios are not updated with PAN, KYC particulars, or nomination details are requested to furnish the requisite information by submitting the prescribed ISR Forms before the notified cut-off date, so as to ensure timely credit of dividend to their accounts.

22. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the shareholders w.e.f. 1st April 2020 and the Company is required to deduct tax at source ("TDS") from dividend paid to the Members at rates prescribed in the Income Tax Act, 1961 and as re-enacted under the Income Tax Act, 2025 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company's email address einward@integratedindia.in along with the documents as stated in Para No. 5(a).

Information relating to unpaid or unclaimed dividends (Investor Education and Protection Fund)

23. As per Sections 124 and 125 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, dividends which remain unpaid or unclaimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the said provisions mandate companies to transfer the shares of shareholders whose dividends remain unpaid or unclaimed for a period of seven consecutive years, to the demat account of IEPF Authority

24. Pursuant to the Composite Scheme of Arrangement, TVS Holdings Limited ("TVSH"), the Demerged Company, transferred its manufacturing division to the Company. In consideration, the Company issued and allotted equity shares to the shareholders of TVSH. As required under law, TVSH had earlier transferred to the Investor Education and Protection Fund ("IEPF") all dividends that remained unclaimed for a continuous period of seven years, together with the corresponding equity shares. The Company's allotment also covered those shares which had been transferred by TVSH to the IEPF, and accordingly, the dividend declared by the Company in respect of such shares was likewise credited to the IEPF.

25. The detailed dividend history, including due dates for transfer to the Investor Education and Protection Fund (IEPF), together with shareholder-wise particulars of unpaid or unclaimed amounts as on 31st March, 2026, is available on the Company's website (www.sundaram-clayton.com/Information.htm) and on the Ministry of Corporate Affairs (MCA) portal (www.mca.gov.in). Members are requested to access the aforesaid links to verify whether any unpaid or unclaimed dividends are outstanding against their holdings and, if so, to contact the Company's Investor Service Department or its Registrar and Transfer Agent for encashment. In cases where dividends and/or shares have already been transferred to the IEPF Authority, members may claim such dividends and/or shares by following the refund procedure prescribed on the IEPF website (www.iepf.gov.in).

    Further, the particulars of due dates for the transfer of the unclaimed dividends to IEPF are furnished in the Report on Corporate Governance, forming part of the Annual Report.

SEBI mandate on issuance of securities only in demat mode

26. As per Regulation 40 of Listing Regulations, all requests for transfer of securities including transmission and transposition, issue of duplicate share certificate; claim from unclaimed suspense account; renewal / exchange of share certificate; endorsement; sub division/splitting of share certificate; consolidation of share certificates/ folios shall be processed only in dematerialized form Further, Letter of Confirmation ('LOC') were not issued effective 2nd April, 2026 and shares will be credited directly to the shareholder's demat account by the Company/STA, subject to due diligence. Shareholders are requested to provide a Client Master List not older than two months, duly attested by their DPs. Any LOC issued before 2nd April, 2026, may be submitted by the shareholders to DP for dematerialisation within 120 days from the date of issuance of LOC. In view of this as also 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 demat mode.

The shares of the Company that were allotted to the shareholders of TVS Holdings Limited, Demerged Company, ("TVSH") in terms of the Composite Scheme of Arrangement, were in dematerialised form only. However, the shareholders who held the shares as physical certificates and if the demat account details were not provided to the Company on their holding in TVSH, on or before the Record Date, the Company issued the corresponding shares in dematerialised form to Beacon Trusteeship Limited, the trustee nominated by the Board of the Company who shall hold these Shares of the Company in trust for the benefit of such shareholders. The shareholders are hereby advised to share the demat account details and KYC documents with the Company / RTA. On receipt of the demat account details and upon verification and validation of the details provided, the entitlement of new shares of the Company will be credited to your demat account.

27. Pursuant to the Composite Scheme of Arrangement, shareholders holding the equity shares and preference shares of the Demerged Company in physical form (hereinafter referred to as "Physical Form"), the entitlement of new shares of the Company was credited to the demat account of the Trustee nominated by the Board viz., Beacon Trusteeship Limited. The preference shares referred to above, were redeemed during the year 2024-25.

    You are hereby advised to share your demat account / bank account details and KYC documents with the Company / RTA. On receipt of the documents and upon verification and validation, the entitlement of new equity shares / redemption amount will be credited to the respective demat / bank account.

28. In accordance with the provisions of Article 110 of the Articles of Association of the Company, Mr R Anandakrishnan, Director, will retire by rotation at this AGM and being eligible offers himself for re-appointment.

29. In terms of the Regulation 36(3) of the Listing Regulations read with Secretarial Standards on General Meeting, brief profile of Mr R Anandakrishnan, who is proposed to be re-appointed in this AGM, nature of his expertise in specific functional areas, other directorships and committee memberships, their shareholding and relationship with other directors of the Company along with listed entities from which the Director has resigned in the past three years are provided below:

    R Anandakrishnan (Anand), (DIN: 07806173), aged 60 years, has been associated with TVS Motor group since 1988, where he joined as a Graduate Engineer Trainee in Sundaram Clayton Limited - Automotive Products Division. He moved to TVS Motor Company in June 2005, and was till recently the President & Group Head of HR for TVS Motor Group which included TVS Credit Services, TVS Emerald and the other subsidiaries in India and overseas. In this role, he oversaw the implementation of HR strategy, to drive innovation, diversity and enhance employee experience. He was also responsible for reshaping the strategy and execution of TVS Institute of Quality & Management aligning to the Vision 2030 of TVS Motor and the group companies. He also was responsible for driving and adopting the Digital Practice across TVS Motor. He superannuated from his role on 1st May 2026 and has been retained in a full-time advisory capacity by TVS Motor and seconded to Indian Foundation for Quality Management (IFQM).

    In his new role, he Heads the IFQM Academy which is responsible for building learning solutions for Large as well as Small and Medium Enterprises to enhance their competitiveness. IFQM is a Section 8, Not-for -Profit, Industry led movement with a Nation FIRST approach to Catalyze Indian Industries to be Globally Competitive and Export capable through Quality, Innovation & Excellence

    Prior to this, Anand was the President-Director of PT TVS Motor Company, Indonesia from 2012 to 2016 and led the turnaround of the company into a profitable business transforming Product, Positioning, Marketing and People strategies.

    As an integral part of various companies within the TVS Group, Anand brings with him over 38 years of industry experience in Manufacturing, Sales, Marketing, Business Planning & Strategy, International Business, TQM, Human Resources and Information Technology in varied business environments in India and Overseas. His areas of specialization and interest include Business strategy, TQM, change management, leadership development, organization design and compensation & benefits.

    He has held the position of Chairman of the Economic Research Group from 2009 to 2011 and Co-Chairman of Human Capital Group from 2021 to 2023 in Society of Indian Automobile Manufacturers (SIAM)

    He continues to represent TVS Motor company on the Boards of Ultraviolette Automotive and PT TVS Motor Company, Indonesia and is a Director on the Board of SCL Properties Private Limited.

    After completing his bachelor's in mechanical engineering from Annamalai University in 1987, Anand pursued his post graduate executive MBA from Milton Keynes, UK in 1999 and then from Ross School of Business Michigan, (Global Program for Managers Development) in 2005.

    He was appointed as a Non-Executive Director on the Board on 10th November, 2023 in terms of Section 152 (6) of Companies Act, 2013 and is liable to retire by rotation. He holds 5 equity shares of the Company.

    He has received a sum of ₹ 0.01 Cr as remuneration by way of sitting fees for attending the meetings of the Board and Committees during the year 2025-26. He will be entitled to receive remuneration by way of sitting fees and reimbursement of expenses for participation in the meetings of the board and / or committees, if any.

    He has attended six Board Meetings out of eight Board Meetings held during the year 2025-26. He does not hold any Chairmanship / Memberships of the Committees in other companies.

    He has not resigned from any of the listed entities during the last three years.

    There is no inter-se relationship with other Directors and Key Managerial Personnel of the Company.

Statement of material facts pursuant to Section 102 of the Companies Act, 2013

The following statement sets out all material facts relating to the ordinary / special businesses mentioned in the accompanying Notice dated 14th May 2026 and shall be taken as forming part of the Notice.

Item No. 3

M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, Bengaluru, were appointed as the statutory auditors of the Company for the first term of five years at the Annual General Meeting held on 27th July 2021. The existing term of the Statutory Auditors will get completed at the conclusion of the ensuing Annual General Meeting of the Company and they are eligible for re-appointment in terms of provisions of Section 139(2) of the Companies Act, 2013 (the Act) read with the Rules made thereunder.

Pursuant to Section 139(2)(b) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Company can re-appoint an Audit Firm for up to two terms of five consecutive years each. Accordingly, M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants are eligible for re-appointment for a second term of five consecutive years.

Based on the recommendation of the Audit Committee, the Board of Directors has approved the re-appointment of M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, Bengaluru, (ICAI Firm Registration Number : 007761S) as the Statutory Auditors of the Company to hold office from the conclusion of this 9th Annual General Meeting until the conclusion of the 14th Annual General Meeting of the shareholders of the Company at a Statutory Audit fee of ₹ 71 Lakhs (Rupees Seventy One Lakhs only) plus applicable taxes, travelling and other out-of-pocket expenses incurred by them in connection with the statutory audit of the Company for the financial year 2026-27, subject to the approval by the shareholders pursuant to applicable provisions of the Act and rules made thereunder.

M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, is a partnership firm of Chartered Accountants with office in Bengaluru offering over four decades of professional experience in Audit, Assurance, Taxation, Corporate Advisory, and International Business Support. The firm is headed by senior partners with extensive experience in statutory audits of listed and large corporate entities. The firm services clients across diverse sectors including Automobiles, Aerospace, Technology, Retail, Real Estate, Financial Services, and Multinational Groups, with a wide international client presence spanning the USA, UK, Europe, and Asia.

The remuneration payable to the statutory auditors for the remaining tenure of the proposed re-appointment will be subsequently determined by the Board as per the recommendations of the Audit Committee. The proposed fees will be in line with the industry benchmarks. The fees for services in the nature of limited review, statutory certifications and other professional work will be in addition to the audit fee as above and will be determined by the Board in consultation with the Auditors and as per the recommendations of the Audit Committee from time to time.

M/s Raghavan, Chaudhuri & Narayanan, Chartered Accountants, Bengaluru, have furnished their consent to act as Statutory Auditors in terms of Section 139 of the Act and have also provided a certificate to the effect that their re-appointment, if made, shall be in accordance with the conditions laid down and that they satisfy the criteria provided under Section 141 of the Act. Further, as required under Regulation 33 of the Listing Regulations, they have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in Item No.3 of this Notice.

The Board recommends their re-appointment and accordingly, the approval of the Members is being sought by means of an Ordinary Resolution.

Item No. 4

In terms of Section 148 of the Companies Act, 2013 (the Act, 2013), the Company is required to carry out an audit of cost records maintained for the production of goods covered under the specific Customs Tariff Act headings specified under Table B “Non-regulated sector” of Section 3 of the Companies (Cost Records and Audit) Rules, 2014.

As recommended by the Audit Committee, the Board at its meeting held on 14th May 2026, re-appointed M/s. C S Adawadkar & Co, Practicing Cost Accountant, having Firm Registration No. 100401, as Cost Auditor of the Company, in terms of Section 148 of the Companies Act, 2013, and fixed a sum of ₹ 5,00,000/- (Rupees five lakhs only) as remuneration subject to applicable taxes in addition to reimbursement of travel and out of pocket expenses for the FY 2026-27, subject to ratification by the Shareholders of the Company.

In terms of Section 148 (3) of the Act, 2013, read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, is required to be ratified by the shareholders of the Company, at the ensuing AGM of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution as set out in Item No.4 of this Notice.

The Directors, therefore, recommend the ordinary resolution, as set out in Item No.4 of this Notice, for ratification of remuneration payable to the Cost Auditor of the Company.

By order of the Board of Directors

Chennai
14th May 2026

P D Dev Kishan
Company Secretary

Registered office:
“Chaitanya”
No.12, Khader Nawaz Khan Road,
Nungambakkam, Chennai - 600 006.

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors have the pleasure of presenting the 9th Annual Report and the audited accounts of the Company for the year ended 31st March 2026.

1. FINANCIAL HIGHLIGHTS

(₹ in Crores)

Particulars	Year Ended 31-03-2026	Year Ended 31-03-2025
Revenue from Operations	1,788.55	2,109.14
Other Income	20.35	13.66
Profit / (loss) before Depreciation, Finance Costs, Exceptional items and Tax Expense	330.29	297.16
Less: Depreciation / Amortization / Impairment	133.68	115.55
Profit / (loss) before Finance Costs, Exceptional items and Tax Expense	196.61	181.61
Less: Finance Costs	83.27	72.22
Profit / (loss) before Exceptional items and Tax Expense	113.34	109.39
Add / (less): Exceptional items	513.49	196.69
Profit / (loss) before Tax Expense	626.83	306.08
Less: Tax Expense (Current & Deferred)	74.60	48.16
Profit / (loss) for the year	552.23	257.92
Other Comprehensive Income / (loss)	(5.88)	(3.98)
Total Comprehensive Income	546.35	253.94

2. DIVIDEND

The Board of Directors of the Company (the Board) at its meeting held on 27th March 2026, declared an interim dividend of ₹ 4.50/- per share (90%) on 2,20,46,162 equity shares of ₹ 5/- each for the year 2025-26 involving an outgo of ₹ 9.92 Cr. The same was paid to the members on 23rd April 2026.

The Board does not recommend any further dividend for the year under consideration. The dividend pay-out is in accordance with the Company's Dividend Distribution Policy.

The Board is not considering any transfer of amount to General Reserves for the year under review, as it is not mandatorily required.

3. PERFORMANCE

Indian economy:

India's real Gross Domestic Product (GDP) is estimated to have grown by 7.7% in FY26 (source MoSPI), higher than 7.1% in FY25, reflecting resilience in domestic demand, government capital expenditure, and services sector strength. The manufacturing sector continues to emerge as a key driver of growth over the past three financial years.

Inflation is estimated to have moderated to 2.1% in FY26 (Source RBI-Feb release), compared to 4.6% in FY25, supported by easing food and commodity prices.

US economy:

The United States recorded GDP growth of 2.1% in 2025, down from 2.8% in 2024, reflecting moderating economic momentum. Inflation eased further to 2.6% in 2025 from 3.0% in 2024 (source BLS), while consumer spending remained supportive but softened over the year.

EU economy:

The European Union (EU27) recorded GDP growth of 1.5% in 2025, improving from 1.1% in 2024 (source European commission), indicating a modest recovery after a prolonged period of stagnation. Growth remained constrained by weak consumer demand and tight financial conditions, although easing inflation and gradual policy support provided some lift during the year.

Company's Performance:

Despite the backdrop of global volatility and evolving tariff and trade policies, the Company demonstrated resilience during the year. Following the strategic exit of SCL's two-wheeler (2W) business in March 2025, the overall revenue reflected a decline of 14.7%; however, excluding the exited 2W business, the Company achieved a healthy revenue growth of 5.7%, driven by strong performance of the core businesses, continued customer confidence and focused execution of new businesses. The Company significantly improved EBITDA to 17.2% from 12.6% in 2024-25 during the year by focusing on consolidation of plants for manufacturing synergies, by improving productivity & quality. The company was able to achieve this despite prolonged adverse global macroeconomic conditions and supply chain disruptions arising from U.S. tariff impacts.

The Company continues to focus on securing new business opportunities to drive sustainable future growth. As part of this strategy, the Company secured strategic orders from key customers during the year and further expanded its customer base by onboarding new customers in FY2025–26, strengthening its growth pipeline and market presence.

The Company commenced full fledged operations from its new smart mega die-casting plant at Thervoy Kandigai, Chennai, Tamil Nadu.The plant caters to growing demand for reliable, high quality aluminium die-cast components across powertrain, structural, chassis, and lightweighting applications.

The plant is built on lean, green, and connected principles that will enable manufacturing efficiencies and sustainability through advanced robotic manufacturing cells, automated storage and retrieval systems (ASRS), and autonomous mobile robots (AMRs), a fully digital manufacturing ecosystem. SCL's technological advancements are backed by its global R&D centres located in Stuttgart, Germany and at the IIT Research Park, Chennai.

We were honoured with multiple prestigious awards and recognitions from Cummins India, PACCAR, and Kia, in addition to acknowledgements from the Government of India and the

Government of Tamil Nadu for excellence in Safety, Quality, ESG practices, and overall operational performance.

The following table highlights the performance of the Company during FY 2025-26:

Particulars	FY 2025-26*	FY 2024-25
Sales (Tonnage)	28,472	41,892
Sale of goods (₹ in Cr)	1,764.07	2,088.8
Domestic sales (₹ in Cr)	811.10	1,133.08
Export sales (₹ in Cr)	952.97	955.72
Profit before Tax and exceptional income/expenses (₹ in Cr)	113.34	109.39

*The figures of FY 2025-26 are not comparable with previous year FY 2024-25 due to transfer of business unit at Hosur effective 31.03.2025.

The revenue of the Company is derived from Medium & Heavy Commercial Vehicles (MHCV) segment (74%), followed by Passenger Vehicle segment (25%) and the Two- wheeler segment (1%).

Strategic Divestment of Land Parcel at Padi, Chennai, Tamil Nadu

During the year, the Board of Directors approved the monetisation of certain surplus freehold land parcels of the Company situated at Padi, Korattur, Kakapallam and Villivakkam Villages, Chennai District, consequent to the relocation of the Company's manufacturing operations to SIPCOT Industrial Area, Thervoy Kandigai. The said land forms part of the overall landholding of the Company, and pursuant to the re-organisation approved by the Government of Tamil Nadu, the freehold portion was permitted to be dealt with by the Company in a manner it deems fit.

In this regard, the Company had entered into an Agreement to Sell on 8th January 2026 with Canopy Living LLP, a joint venture between Arihant Foundations & Housing Limited and Prestige Estates Projects Limited, for the sale of approximately 16 acres of freehold land, for a total consideration of ₹ 558.62 crore.

The transaction was duly completed on 26th March 2026 upon execution and registration of the Sale Deed, and the Company has received the entire consideration, including an advance of ₹25 crore received earlier and the balance consideration aggregating to ₹533.62 crore, in full and final settlement.

The proceeds from the aforesaid sale are proposed to be utilised primarily towards reduction of debt and strengthening of the Company's financial position, thereby supporting its long-term growth and profitability.

Divestment of Die-Casting Business in Hosur, Tamil Nadu

The Hosur plant, primarily engaged in the manufacture of as-cast components for the two-wheeler segment, operated at relatively lower margins compared to the Company's machined components business. Considering evolving market dynamics, customer preference for machined components, and the capital investment required for modernization, the Company undertook this strategic decision to enhance operational efficiency, improve profitability, and optimise its business portfolio.

The Company undertook a strategic divestment of its high-pressure and low-pressure aluminium die-casting businesses at the Hosur plant, as part of its initiative to focus on core, high-value and technology-intensive machined components catering to the commercial vehicle and passenger vehicle segments.

In this regard, the Board of Directors, at its meeting held on 19th February 2025, accorded in-principle approval for the divestment of the said business, and executed a Business Transfer Agreement on 26th March 2025 with Sandhar Ascast Private Limited, a wholly owned subsidiary of Sandhar Technologies Limited, for transfer of the Hosur undertaking on a slump sale basis as a going concern.

The aggregate consideration for the transaction amounted to ₹163 crore, structured to be received in tranches, with a portion received by the end of March 2025 and the balance consideration received in April 2025, in accordance with the terms of the Business Transfer Agreement.

Accordingly, the receipt of the balance consideration having been completed during the financial year 2025-26. The proceeds from the divestment have been utilised towards reduction of debt and strengthening of the Company's financial position.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

I. INDUSTRY STRUCTURE AND DEVELOPMENT

India:

The segment wise performance in the Indian automotive industry (Domestic sales + Exports) was as below.

(Figures in '000 nos)

Category	FY 2025-26	FY 2024-25	Variance (in %)
Passenger Vehicles	5,549	5,072	9
Commercial Vehicles (M&HCV)	483	420	15

(Source: SIAM+DICV internal estimate)

On the backdrop of GDP growth of 7.7%, supported by continued policy focus from the Government of India, the Indian automobile industry delivered strong growth in FY2025–26, with performance remaining uneven across segments.

The passenger vehicle (PV) segment's robust performance was supported by improved affordability following the GST rate reduction, enhanced purchasing power from personal income tax relief and lower financing costs due to successive repo rate cuts by RBI.

The rollout of GST 2.0 reforms has provided a strong impetus to domestic CV sales, with consumption demand driving new vehicle purchases by fleet operators. The improved freight sentiment, supported by goods movement, infrastructure, and lowered total cost of ownership helped boost M&HCV sales in FY26.

North America & EU

The following table highlights the North American and European truck registration figures in vehicle units:

(Figures in '000 Nos)

Market	Category	FY 2025-26	FY 2024-25	Variance (in %)
North America	Class 8 Trucks	245	307	-20
North America	Class 5-7 Trucks	219	259	-16
Europe	Heavy trucks (>16T)	307	304	1

(Source: FTR & ACEA)

North America: The Class 8 and Class 5-7 trucks sales declined sharply in FY 2025-26 by 20% and 16% respectively, due to policy uncertainty around tariffs, EPA emission norms cautiousness, high interest rates and freight weakness.

EU: In the EU markets, heavy commercial vehicles (>16 Ton category) sales displayed marginal improvement indicated a potential recovery phase post de-growth in FY2024-25.

II. BUSINESS OUTLOOK AND OVERVIEW

Domestic demand in India is expected to remain resilient in FY2026–27 on account of continued economic conditions. The export business environment is expected to increase significantly from last year, considering improved freight demand, favorable CV replacement cycle, and lower 2025 base effect. However challenges remain on geopolitical uncertainties around Middle East, tariff overhang, and regulatory changes. The ease in middle east conflict scenario is key for recovery in second half of the year.

The Company is optimistic about its future growth considering the following scenario in all major markets that are of interest to the Company.

India:

In the Union Budget FY2026–27, the Government of India maintained a strong capital expenditure push, continuing its focus on infrastructure-led growth. Macroeconomic fundamentals remain stable, with CPI inflation projected at ~5.1% in FY 2026-27, remaining within the RBI's tolerance band of 2%-6% and GDP growth projected at ~6.6%.

Structural initiatives such as the Production Linked Incentive (PLI) scheme and continued emphasis on semiconductor manufacturing and localization are expected to support the manufacturing ecosystem and drive medium-term growth for the automotive sector.

For FY2026–27, Passenger Vehicle (PV) demand is expected to grow in the range of ~4–6%, while MHCV growth is likely to improve to 3–5%, supported by infrastructure spending and replacement demand.

Global scenario:

Global growth is expected to remain subdued but stable, with GDP growth projected at ~3.0–3.2% (source IMF), amid tight financial conditions, ongoing geopolitical tensions, and trade uncertainties. While inflation is easing, interest rates are expected to remain relatively elevated

Regulatory changes, particularly emission-related norms such as those from the Environmental Protection Agency, may lead to pre-buy cycles, temporarily supporting vehicle demand in North America.

North America:

The United States economy is expected to grow at approximately 2.2% in 2026, indicating a relatively moderate growth environment compared to the previous year. While interest rates are anticipated to ease gradually, financing conditions are expected to remain relatively cautious, reflecting continued focus on inflation management and economic stability.

The Class 8 truck market is expected to recover by 8-10% in FY2026–27, following the sharp decline in FY2025–26. Demand recovery is likely to be gradual, supported by replacement cycles and potential regulatory-driven pre-buys.

EU:

The European Union is expected to witness a GDP growth of ~1.1% in 2026, supported by easing inflation and policy support.

The heavy commercial vehicle segment (>16T) is expected to stabilize with low single-digit growth (~1–3%), following a weak demand phase. However, high energy costs and lingering industrial weakness remain key risks.

III. OPPORTUNITIES & THREATS

The Company supplies aluminium castings for commercial vehicles and passenger cars segments of the automotive industry.

In the long term, technology changes such as stringent emission norms, fuel economy regulations, adoption of alternate drivetrain technologies, etc., continue to reshape industry dynamics. Global OEMs across US and EU are accelerating the rollout of zero-emission vehicles. This transition, coupled with an increasing focus on light-weighting, is expected to drive higher aluminium content per vehicle, creating structural growth opportunities. The Company remains well positioned to benefit, supported by its established relationships with leading OEMs across India, the US, and the EU.

OEMs are estimating carbon footprint in every leg of their supply chain to move towards net zero emissions and would eventually reorganize their global purchasing strategies, which could result in a strong push for localization to cut down their carbon footprint. The threat to business from this potential change in sourcing policy is mitigated as the Company has already set up a manufacturing facility in the United States (US). The Company is closely monitoring these developments and will act to capitalize on business opportunities to ensure continued growth. The Company is also taking various green initiatives across its manufacturing sites and working to use more renewable energy in its manufacturing processes as part of its sustainability measures. For example, the Thervoy Kandigai plant is expected to use more than 90% of its total energy needs through renewable sources.

Several Indian die casting companies and OEMs have set up or have been setting up new capacities over the past few years. The Company will be continuing its actions to secure new businesses to ensure better utilization of assets despite the increased competition and cost.

Intense competition makes it extremely difficult to seek price increases to compensate the effects of inflation bringing the margins under severe pressure. However, the Company's supply

contracts provide for periodic price adjustments indexed to the domestic and international prices of aluminium and this should offer some protection against volatility of commodity prices. The Company is practicing strong cost reduction initiatives including VA/VE to mitigate the margin pressures.

IV. RISKS AND CONCERNS

Macroeconomic risks

Global risks remain elevated due to geopolitical tensions, evolving trade policies and tariffs, input cost increases and policy uncertainty across key economies. Middle East tensions continue to drive volatility in availability and increase in prices across oil, freight, and commodity.

Industry and Company specific risks

While, the truck sales in the US and the EU are expected to witness recovery in FY 2026-27.

Significant unfavorable movement in prices of fuel, logistics and key raw material, aluminium in global markets is one key factor that can affect the profit margins of the Company.

The management is continuously monitoring the supply of key commodities, costs of raw material & logistics to negotiate contract prices and cost reduction measures to maintain and improve the profit margins.

Forex

With significant exports, import of raw materials and capital goods, the Company is always exposed to impact on account of currency fluctuations. However, the Company has a well-defined forex hedging policy to mitigate the risks.

Contractual

The stipulation and requirements of the automobile industry demands high quality products. Robust quality management systems meeting international standards like IATF 16949 are in place to ensure excellent product quality. Additionally, the Company has also taken appropriate recall and product liability insurance in line with standard industry practice.

Just-in-time delivery is another important contractual obligation. Robust quality and project management systems are in place to avoid delay in deliveries due to quality issues or project implementation.

The long-term agreements with key customers have been established.

Capacity utilization

The Company adds capacity as required, in existing and new locations, to meet the projected demand of customers. The Company closely monitors the progress of customer projects/ volumes and appropriately deploys the assets to protect from both underutilization and capacity shortages to meet the demand.

Risk Management Policy

The Board has established a robust Risk Management Policy which formalizes the Company's approach to overview and manage material business risks. The policy is implemented through a top down and bottom-up approach for identifying, assessing, monitoring and managing key risks across the Company's business units.

Risks and effectiveness of their management are internally reviewed and reported regularly to the Board. The Management has reported to the Board that the Company's risk management and internal compliance and control system is operating efficiently and effectively in all material respects.

The Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks. The Audit Committee also reviews reports by members of the management team and recommends suitable action. Risk Mitigation Policy has been approved by the Board.

V. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Board is accountable for evaluating and approving the effectiveness of the internal controls, including financial, operational and compliance. The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized and recorded. Information provided to management is reliable and timely and statutory obligations are adhered to.

Company is strengthening the controls by leveraging technology and centralizing processes, enhancing monitoring, and maintaining effective tax and treasury strategies. The Audit Committee continues to monitor the effectiveness of internal control using new technologies that impact the financial controls and reporting enterprise risk.

Internal Financial Controls

The Company has an established Internal Financial Control framework including internal controls over financial reporting, operating controls, and anti-fraud framework. The framework is reviewed regularly by the management and tested by internal audit team and presented to the audit committee. Based on periodical testing, the framework is strengthened, from time to time, to ensure adequacy and effectiveness of Internal Financial Controls.

VI. OPERATIONS REVIEW

A. Manufacturing

The Company has been using Total Quality Management (TQM) as the foundation of its management. The Company implemented the best practices like Total Productivity Management (TPM) and Lean Manufacturing (TPS) in its manufacturing facilities. During FY25-26, the Company continued working with mentors to improve its systems and processes. Significant aspect of the same is to synchronize Company's operations with customer demand. This will bring in better planning and execution system along with control over inventories in the pipeline. It also has in place best in-class practices for safety, pollution control, work environment, water and energy conservation. The company will be participating for TPM award in 2026-27.

Continuous improvement projects are implemented for betterment of the product quality and operational efficiency in all the manufacturing locations. Re-energizing TPM practices helped in improving the equipment reliability and consequently plant Overall Equipment Effectiveness (OEE). The Company has also completed various projects towards deploying Industry 4.0 practices through connected machines. This will be scaled up in the coming years and is expected to bring significant gains in operational efficiencies across manufacturing locations.

The Company's journey of achieving manufacturing excellence was recognized and rewarded by the following customers during FY26.

- Cummins: Best Safety Practices Award
- Kia: Quality Excellence Award
- DAF: Supplier Performance Management - Leader Award
- Paccar: Best Cost Management Program Supplier Award
- Hyundai: Supplier of the Year – Quality Award

In line with the Company's vision, work is being done on developing several futuristic technologies that will bring value to the customer.

B. Quality

Achieving customer delight by consistently providing products of excellent quality is the prime motto of the Company. This is achieved through state-of-art technology, training, effective quality system, continuous improvement, and total employee involvement.

Poka-yokes, process audits, use of statistical tools for process optimization and online process controls also contribute towards improving and achieving consistency in product quality. During the year special focus has been given on advanced statistical methods and widespread use of Taguchi DOE methodology to further improve the product quality. The quality system is certified for IATF 16949 requirements. Company continued Green / Yellow belt certifications. 42 Green Belt, 45 Yellow Belt, and 9 Task Achieving QC Story projects were completed in FY25–26.

TQM is a way of life in the Company. 100% employee involvement has been successfully achieved for many years.

During FY25–26, 44 TEI awards and recognitions were received. Additionally, 237 QCC projects and 98 SIT/CFT projects were completed using basic QC tools and statistical tools through Quality Control Circles (QCC) and SIT/CFT teams. The average number of suggestions implemented per employee was 42.

C. Cost management

Cost management is a continuous journey, and the Company manages the same through rigorous deployment, monitoring, and control of costs across all departments. Cross functional teams are working on projects focussed on Value Added / Value Engineering (VA/VE) and improving operational efficiency. TPM and Lean initiatives are deployed Company-wide to achieve reduction in manufacturing cost. Given the cost pressures due to the current inflationary pressures, significant cross functional team working ensured mutual cross learning and fast horizontal deployment of ideas/projects across Companies manufacturing locations.

D. Information Technology

Information Technology continues to play a key role in strengthening business integration, operational visibility and process discipline across the Company. The ERP platform serves as the digital backbone for core functions, enabling seamless flow of information across procurement, production, inventory, quality, finance, sales and customer-related processes. Integration with suppliers and customers further supports better planning, faster coordination and improved execution across the value chain.

During the year, the IT roadmap continued to support the Company's digital transformation journey through Industry 4.0 initiatives across selected manufacturing cells in factories. These initiatives enable real-time monitoring, control and improvement of manufacturing processes and product quality.

The Company has obtained ISO 27001 certification and continues to strengthen its information security and cybersecurity framework. In line with automotive industry requirements and best practices, the Company is also progressing towards TISAX assessment. As business processes and systems become increasingly digital, continued focus is being placed on securing networks, applications, data and operational technology environments.

At the Thervoy Kandigai mega site, the deployment of a private 5G network has strengthened secure and reliable connectivity, supporting scalable Industry 4.0 and IoT implementations. The private 5G network is also being leveraged for connected CCTV surveillance and Building Management System operations, thereby improving real-time visibility, plant monitoring, security, operational efficiency and manufacturing process control.

The Company has also started working on Artificial Intelligence and Machine Learning initiatives in selected critical operations. These initiatives are aimed at improving productivity, enhancing quality, reducing lead time and enabling better decision-making through predictive analytics and intelligent automation.

VII. KEY FINANCIAL RATIOS

The key financial ratios are given below:

Ratios	Unit of Measurement	Standalone	
		2025-26	2024-25
Debtors Turnover	Times	5.53	6.38
Inventory Turnover(1)	Times	2.66	3.56
Interest Service Coverage Ratio	Times	3.92	4.06
Current Ratio(2)	Times	1.04	0.80
Debt Equity Ratio(3)	Times	0.43	0.75
Operating Profit Margin(4)	%	17.33	13.44
Net Profit Margin	%	4.86	4.27
Return on Net worth(5)	%	28.16	18.11

Note: The variations in the financial ratios are, inter alia, attributable to the following factors:

(1) Sale of the as-cast, low-pressure and low-tonnage aluminium die-casting businesses at the Hosur plant on March 31, 2025.

(2) Improvement in the current ratio consequent to repayment of short-term borrowings.

(3) Reduction in borrowings pursuant to utilisation of proceeds from the sale of land at Padi.

(4) Impact of the divestment of the as-cast, low-pressure and low-tonnage aluminium die-casting businesses at the Hosur plant on March 31, 2025.

(5) Recognition of an exceptional gain of ₹513.49 crore during FY 2025–26 arising from the transfer of land.

VIII. HUMAN RESOURCE DEVELOPMENT

The Company considers employees as vital and most valuable assets. Human Resource Development (HRD) is aligned to business needs to enhance business performance and results. HRD is practiced through an overall HRD framework with its constituents as resourcing, employee engagement, performance & compensation management, competency-based development, career & succession planning and organization development. Each of these constituents has a structured approach and process to deliver. The information on the number of persons employed have been provided in Business Responsibility and Sustainability Report (BRSR) (Annexure VI).

As part of the long-term strategy of the Company, collaborative education program has been initiated with three reputed institutes to develop role-ready engineers with Company-specific knowledge at the entry level. The Company also revamped and launched the yellow belt and green belt programs during the year along with various other systems-oriented training programs. This is expected to not only help solve chronic problems faced on the shop floor but also help in building the competency of our engineers in structured problem solving.

Career development workshop is conducted to identify high potential employees. Such employees are groomed for taking up higher responsibilities. A reward and recognition systems are in place to motivate and also provide fast track growth for the high potential employees. The development centres is being continued to identify and hone the talent in FY25-26.

Our engineers and executives are sponsored for advanced study offered by both Indian and foreign institutions. Customized technical and leadership competency improvement programs are developed and delivered through reputed institutions.

The Company continuously measures and reports employee engagement every year and identifies improvement areas to work on.

An excellent industrial relations environment continues to prevail at all the manufacturing units of the Company.

IX. ENVIRONMENT, HEALTH & SAFETY

The Company is fully committed towards employee safety. Safety management is integrated with the overall Environment, Health and Safety (EHS).

The Company has been certified under Integrated Management System (IMS) combining ISO 14001 and ISO 45001 systems and procedures.

The Company is working on its Sustainability roadmap by engaging with a reputed external agency. The Company has already mapped the carbon footprint of its Indian operations and is now working on detailed roadmap with actions to achieve carbon neutrality.

Owing to its continuous focus on ESG, the Company received

- Cummins India - Best Safety Practices award
- ESG research foundation - Prithvi Award
- Tamil Nadu Ministry - STAR Award for ESG practices
- ACMA - ESG & Safety Excellence Award

4. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand / supply and price conditions in the domestic and overseas market in which the Company operates, changes in the Government Regulations, Tax Laws and Other Statutes and Incidental Factors.

5. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, (the Act, 2013) with respect to Directors' Responsibility Statement, it is hereby stated that -

i. in the preparation of annual accounts for the financial year ended 31st March 2026, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;

ii. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the Directors had prepared the accounts for the financial year ended 31st March 2026 on a "going concern basis";

v. the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

6. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company recognises social responsibility as an integral and a crucial part of its value system. Srinivasan Services Trust (SST), the CSR arm of the Company has been implementing various socio economic development programs in thousands of villages across five states of India viz. Tamil Nadu, Karnataka, Andhra Pradesh, Maharashtra and Himachal Pradesh in the last 30 years.

SST follows an integrated, holistic and participatory approach to village development, working in close association with the communities and the Government. SST nudges communities to embrace practices towards a better quality of life by ensuring a participatory approach right from the stage of planning to execution of activities.

SST aim is to bring about sustainable development in villages through Total Community Involvement (TCI). SST focusses on society building through the development of women and children, conserving water, repairing and renovating government health and education infrastructure and preserving the environment in its 2,500 working villages across the country.

SST has so far facilitated in the formation of over 5000 Self-Help Groups (SHGs) consisting of more than 60,000 women, who have been empowered both socially and economically. More than ₹ 150 crore of annual income is being generated by the women in Self-Help Groups by engaging in livelihood activities. During the year 2025-26, three SHGs facilitated by SST have been honoured with the prestigious Manimegalai Award by the Government of Tamil Nadu for empowering women and fostering economic growth.

SST has so far renovated more than 2,400 government infrastructures, which includes anganwadis, schools, health centres, veterinary centres and other village community infrastructures. SST has partnered with organisations such as Gramalaya, Agastya International Foundation, Villmart Education and Solutions, Shreeja Mahila Milk Producer Company, NavSahyog Foundation, Agaram Foundation, Magic Bus India Foundation, Care Works Foundation, National Bank for Agriculture and Rural Development (NABARD) and Sankara Eye Foundation to enhance the impact for the community.

More than 25,000 farmers have been benefitted by its water conservation projects like repairing, renovating and rebuilding water conservation structures that include desilting of tanks, channels and creation of percolation ponds. Across the working villages over 530+ water conservation projects have been implemented. This has created an additional water storage capacity of 169 crore litres.

SST also ensures last mile connectivity for availing the government social security schemes and agriculture & livestock schemes to reach the unreached population. Apart from renovating the government health centres and conducting regular medical camps, SST runs seven medical centres and four mobile medical vans in its working areas. Today, through SST's interventions, over two lakh healthcare consultations are facilitated annually, improving access to essential health services for rural communities.

SST has also afforested over 14,000 acres of barren areas including degraded forests, panchayat hillocks and plains in the last three decades. SST is working with Grassroots Research and Advocacy Movement (GRAAM) and Anna University to carry out social impact studies for the various projects undertaken by the trust.

SST has won the following awards in FY 2026:

- Excellence in Domain Excellence Award in Corporate Social Responsibility' under the 20th CII ITC Sustainability Awards 2025.
- 8th ICC Social Impact Awards 2026 Rural Development was adjudged the Runners up
- Gold Award under the category of 'Best HR Practices in CSR in Manufacturing and Process (Large)' in the 9th CII National HR Circle Competition.
- Award for 'Best Water Conservation' from the Tamil Nadu Water Resources Department.

As per the provisions of Section 135 of the Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors constituted a Corporate Social Responsibility (CSR) Committee and also formulated and recommended a CSR Policy along with a list of projects/ programmes to be undertaken for CSR spending by Srinivasan Services Trust ("SST") and other eligible Trusts, which are falling within the CSR activities as specified under Schedule VII to the Act, 2013. This commitment underscores our dedication to ethical and sustainable practices, as well as our responsibility towards society and the environment.

Based on the recommendation of the CSR Committee, the Board has approved the projects / programmes carried out as CSR for an amount of Rs 1.35 Cr for undertaking similar programmes / projects constituting more than 2% of the average net profits of the Company, made during the three immediately preceding financial years, towards CSR spending for the financial year 2025-26 and the Company has met the CSR spending through SST. Mr V Hariharan, Chief Financial Officer of the Company has also ensured the spending through SST for financial year 2025-26. The particulars of Corporate Social Responsibility activities carried out by the Company in terms of Section 135 of the Act, 2013, for the financial year 2025-26 are given by way of Annexure IV attached to this Report

It may also be noted that the CSR Committee has approved the projects or programmes to be undertaken by the SST and other eligible trusts for the year 2026-27, preferably in local areas including the manner of execution, modalities of utilisation of funds and implementation schedules and also monitoring and reporting mechanism for the projects or programmes, as required under the Companies (Amendment) Act, 2020.

7. FINANCIAL PERFORMANCE & POSITION OF SUBSIDIARIES & ASSOCIATES

During the year under review, the following companies form part as subsidiaries and associate of the Company:

Sr No	Name of the Companies
Subsidiaries	
1	Sundaram Holding USA Inc., USA ("SHUI") and its Limited Liability Corporations: - Green Hills Land Holding LLC, South Carolina, USA - Component Equipment Leasing LLC, South Carolina, USA - Sundaram-Clayton USA LLC, South Carolina, USA - Premier Land Holding LLC, South Carolina, USA
2	Sundaram-Clayton (USA) Limited, USA (Merged with SHUI effective 16th December 2025)
3	Sundaram-Clayton GmbH, Germany
4	SCL Properties Private Limited, India
Associate:	
5	Sundram Non-Conventional Energy Systems Limited, India

Subsidiaries

Sundaram Holding USA Inc., USA (SHUI) & its subsidiaries

Sundaram-Clayton Limited, established Sundaram Holding USA Inc. (SHUI) in the United States of America under the applicable laws of the country. SHUI is engaged in the manufacture and supply of aluminium die-cast products to existing customers and leading global commercial vehicle manufacturers.

The establishment of SHUI aligns with the Company's strategic objective of strengthening its presence in the North American market by leveraging long-standing customer relationships and capitalizing on increasing opportunities arising from customer preference for near-shore sourcing and evolving regulatory requirements. The initiative also supports supply-chain localization, reduction in carbon footprint and alignment with customers' long-term net-zero emission goals.

Based on confirmed orders received from North American customers for the next three years, SHUI has already secured business corresponding to nearly 100% of its current annual installed capacity. The operations are being progressively ramped up to meet customer requirements.

During the year under review, SHUI recorded an income of ₹ 276.19 crore as against ₹ 240.60 crore in the previous year. The Profit/(Loss) Before Tax stood at ₹ (300.34) crore compared to a loss before tax of ₹ (258.27) crore in the previous year, reflecting the continued scale-up of operations and improving business momentum.

Sundaram-Clayton (USA) Limited (SCL USA)

Sundaram-Clayton (USA) Limited ("SCL USA"), a wholly-owned subsidiary of the Company, was established with the objective of providing Professional Employer Organisation ("PEO") services to the employees of the Company.

During the year under review, SCL USA was merged with Sundaram Holding USA Inc., USA, another wholly-owned subsidiary of the Company, with effect from the appointed date of 16th December, 2025. The merger was consummated upon receipt of the Certificate of Merger on 4th February, 2026.

The aforesaid merger was undertaken with a view to rationalising the corporate structure and achieving efficiencies in costs, compliance, and legal requirements across entities.

Sundaram-Clayton GmbH, Germany

Sundaram-Clayton Limited operates Sundaram-Clayton GmbH (SCL GmbH), Germany, as a wholly-owned subsidiary established with the objective of strengthening the Company's engineering and design capabilities through a dedicated engineering design centre. The subsidiary supports the Company's global business initiatives by enhancing product development, design support and customer engagement capabilities, particularly for international markets.

During the year under review, SCL GmbH recorded an income of ₹ 10.56 crore as compared to ₹ 9.61 crore during the previous year. The Profit/(Loss) Before Tax stood at ₹ 0.69 crore as against a profit before tax of ₹ 0.63 crore in the previous year, reflecting the continued expansion of engineering and design support activities aligned with the Company's long-term growth strategy.

SCL Properties Private Limited (SCLPPL)

SCLPPL was incorporated on 22nd July 2024 as a Wholly Owned Subsidiary of the Company. Currently, SCLPPL is yet to commence its business.

Associate Company

Sundram Non-Conventional Energy Systems Limited (SNCES)

SNCES is engaged in the business of generation of power. During the financial year 2025–26, the Company reported a total income of ₹ 3.13 crore as against ₹ 2.79 crore in the previous year. The profit before tax stood at ₹ 3.46 crore for the year under review, as compared to ₹ 2.02 crore in the previous year.

8. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company are prepared in accordance with the provisions of Section 129 of the Act, 2013, read with the Companies (Accounts) Rules, 2014 and Regulation 33 of Listing Regulations along with a separate statement containing the salient features of the financial performance of subsidiaries / associates, in the prescribed form (AOC-1). The audited consolidated financial statements together with Auditors' Report, AOC-1 form part of the Annual Report.

The financial statements of the subsidiary companies will be made available to the Shareholders, on receipt of a request from any Shareholder and it has also been placed on the website of the Company. This will also be available for inspection by the Shareholders during the business hours as mentioned in the Notice of AGM.

The consolidated Profit Before Tax of the Company and its subsidiaries & associates amounted to ₹ 328.03 crore for the financial year 2025–26, which includes exceptional income aggregating to ₹ 513.49 crore, as compared to ₹ 38.87 crore in the previous year.

9. DIRECTORS & KEY MANAGERIAL PERSONNEL

Special Recognition to Directors of the Company:

- Our Chairman, Mr Venu Srinivasan was conferred with CII President's Award for Lifetime Achievement at the CII Annual Summit 2026.
- Dr. Lakshmi Venu, Managing Director, was named "100 Most Powerful Women" by Fortune India.

CII

CONFEDERATION OF INDIAN INDUSTRY

Mr. Venu Srinivasan

was conferred with

CII President's Award for Lifetime Achievement

at the CII Annual Summit 2026

CII Lifetime Achievement Award

FORTUNE INDIA

MPW

100 MOST POWERFUL WOMEN

2025

LAKSHMI VENU

Vice Chairman, TAFE;
MD, Sundaram-Clayton

Dr. Lakshmi Venu, Managing Director, was named "100 Most Powerful Women" by Fortune India.

Changes in Directorship and Key Managerial Personnel

During the year under review, the Board of Directors, at its meeting held on 6th August 2025, took note of the resignation of Mr. Ajay Kumar from the position of Chief Financial Officer of the Company, with effect from 31st August 2025. The Board thereafter appointed Mr. Hariharan V as the Chief Financial Officer of the Company and designated him as a Key Managerial Personnel, with effect from 1st September 2025.

The Board of Directors, at its meeting held on 2nd January 2026, also noted the receipt of the resignation letter dated 28th November 2025 from Mr. Rajesh Narasimhan, Non-Executive Director of the Company.

Further, at its meeting held on 26th February 2026, the Board took note of the resignation of Mr. Vivek S. Joshi from the position of Director & Chief Executive Officer and Key Managerial Personnel of the Company, with effect from 31st March 2026. Based on the recommendation of the Nomination and Remuneration Committee, the Board approved the appointment of Mr. R. Venkatesh as an Additional Director, designated as Director & Chief Executive Officer and Key Managerial Personnel of the Company, for a term of five years with effect from 1st April 2026, subject to the approval of the shareholders. The said appointment was subsequently approved by the shareholders by way of an Ordinary Resolution passed through Postal Ballot on 4th April 2026.

At its meeting held on 27th March 2026, the Board took note of the resignation of Mr. P. D. Dev Kishan from the position of Company Secretary and Compliance Officer of the Company, with effect from 5th April 2026, and, based on the recommendation of the Nomination and Remuneration Committee, approved the appointment of Ms. M. Muthulakshmi as Company Secretary and Compliance Officer with effect from 6th April 2026.

Subsequently, at its meeting held on 30th March 2026, upon withdrawal of resignation by Mr. P. D. Dev Kishan, the Board rescinded its earlier decisions relating to his relieving as Company Secretary and Compliance Officer and the appointment of Ms. M. Muthulakshmi to the said position.

Further, Mr R Gopalan stepped down from his position as Chairman of the Company with immediate effect and will continue as Non-Executive Independent Director of the Company effective 30th March 2026. Consequent upon Mr R Gopalan, stepping down as Chairman of the Company, Mr Venu Srinivasan, Chairman Emeritus and Managing Director was re-designated as Chairman and Managing Director of the Company effective 30th March 2026.

NRC carried out evaluation of the appointed Directors before the appointment on various parameters viz., integrity, qualification, expertise, experience and it has satisfied itself with the positive attributes of the Directors in accordance with the Nomination and Remuneration (NR) Policy read with the provisions of Section 178 of the Act, 2013 and the Listing Regulations.

In terms of Section 152 of the Act, 2013, Mr R Anandakrishnan, Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") and, being eligible, offer himself for re-appointment. The Board recommends the same for the approval of shareholders. Brief resume of the Director is furnished in the Notice convening the AGM of the Company.

Independent Directors (IDs)

All IDs hold office for a fixed term of five years and are not liable to retire by rotation.

As at 31st March 2026, M/s R Gopalan, C R Dua, P Kaniappan and Sasikala Varadachari are the Independent Directors of the Company.

The terms of appointment of IDs include the remuneration payable to them by way of fees and profit related commission, if any.

The terms of IDs cover, inter-alia, duties, rights of access to information, disclosure of their interest / concern, dealing in Company's shares, remuneration and expenses, insurance and indemnity. The IDs are provided with copies of the Company's policies and charters of various Committees of the Board.

In accordance with Section 149(7) of the Act, 2013, all IDs have declared that they meet the criteria of independence as provided under Section 149(6) of the Act, 2013 and Regulation 25 of the Listing Regulations and the Board confirms that they are independent of the management.

The detailed terms of appointment of IDs are disclosed on the Company's website in the link as provided in page no. 83 of this Annual Report.

All the IDs have registered with the databank of Independent Directors developed by the Indian Institute of Corporate Affairs in accordance with the provisions of Section 150 of the Act, 2013 and obtained ID registration certificate and renewed the same for five years / life time, as the case may be.

Separate meeting of Independent Directors

During the year under review, a separate meeting of IDs was held on 3rd March 2026. All the IDs were present at the meeting and Mr R Gopalan was the lead Independent Director.

Based on the set of questionnaires, complete feedback on Non-Independent Directors and details of various activities undertaken by the Company were provided to IDs to facilitate their review / evaluation.

IDs used various criteria prescribed by the Nomination and Remuneration Committee (NRC) for evaluation of Non-IDs and Executive Directors viz., M/s. Venu Srinivasan, Dr Lakshmi Venu and Vivek S Joshi and Non-ID viz., M/s. R Anandakrishnan and also of Chairman of the Board and the Board as a whole, for the year 2025-26.

(a) Non-Independent Directors (Non-IDs)

IDs evaluated the performance of all Non-IDs individually, through a set of questionnaires. They reviewed the developing strategic plans aligned with the vision and mission of the Company, displaying leadership qualities for seizing the opportunities and priorities, developing and executing business plans aware of the risks involved, establishing an effective organizational structure, and demonstrating high ethical standards and integrity and commitment to the organization besides participation at the Board / Committee meetings, effective deployment of knowledge and expertise and constructive comments/ guidance provided to management by the Non-IDs.

They have also noted the milestones achieved by the Company during the year under review. IDs appreciated and recorded that -

Mr Venu Srinivasan has played a crucial role in transforming the Company into a global quality leader over the last four decades. His commitment to excellence and adoption of a positive work culture have helped the Company surpass global standards.

His leadership skills have enabled the Company to capitalize on available opportunities, leading to substantial growth and his extensive experience allows him to execute business plans while being mindful of associated risks. He has paved the way for a capable successor, ensuring the company's continued expansion.

Dr. Lakshmi Venu demonstrates the highest level of integrity and consistently contributes valuable insights and alternative viewpoints. She effectively oversees internal controls and risk management systems within the Company. She fosters open and interactive discussions by encouraging diverse viewpoints.

Dr. Lakshmi Venu played critical role in the Company's success, contributing unique strengths to its growth and development and to improve profitability.

Mr Vivek S Joshi, Director and Chief Executive Officer with his efforts and commitment helped the Company to satisfy customer needs.

IDs were satisfied fully with the performance of all Non-IDs.

(b) Chairman

The IDs reviewed the performance of Chairman of the Board. The IDs placed on record their appreciation of Chairman's high level of integrity & objectivity and judicious approach, and brings his vast experience, helps to steer Board discussions and decisions for the benefit of the Company and Shareholders.

(c) Board

IDs also evaluated Board's composition, size, mix of skills and experience, its meeting sequence, effectiveness of discussion, decision making, follow up action, so as to improve governance and enhance personal effectiveness of Directors.

The evaluation process focused on Board Dynamics. The Company has a Board with a wide range of expertise in all aspects of business and outstanding diversity of the Board with the presence of varied personalities with an expert in each domain viz., Engineering, Finance, Marketing, Legal, Information Technology, Administration and International trades and is well balanced with the addition of directors, with domestic and international experience and also from new industries.

The Company's management is well guided by the Non-Executive Directors and Board benchmarks well in terms of its overall composition and the value it adds to the business.

As far as shareholders' interest is concerned, IDs noted that a proper system has been established to ensure that the Company is prompt, relevant and transparent.

They were satisfied with the Company's performance in all fronts and finally concluded that the Board operates with best practices. Board composition of the Company is in compliance with the SEBI Listing Regulations.

(d) Quality, Quantity and Timeliness of flow of Information between the Company, Management and the Board

All IDs have expressed their overall satisfaction with the support received from the management and the excellent work done by the management during the year under review and also that the relationship between the top management and Board is smooth and seamless.

The Company is in compliance with the statutory requirements under both the Companies Act and the Listing Regulations and all the information provided to the Directors are very wholesome.

The information provided for the meetings were clear, concise and comprehensive to facilitate detailed discussions and periodic external presentations on specific areas well supplemented the management inputs. The emerging e-technology was duly incorporated in the overall review of the Board.

KEY MANAGERIAL PERSONNEL (KMP)

Mr Venu Srinivasan, Chairman & Managing Director, Dr. Lakshmi Venu, Managing Director, Mr R Venkatesh, Director and Chief Executive Officer, Mr V Hariharan, Chief Financial Officer and Mr P D Dev Kishan, Company Secretary are the 'Key Managerial Personnel' of the Company in terms of Section 2(51) read with Section 203 of the Act, 2013 as on date of this Report.

Nomination and Remuneration Policy

The Nomination and Remuneration Committee of Directors (NRC) reviews the composition of the Board to ensure an appropriate mix of abilities, experience and diversity to serve the interests of all stakeholders of the Company.

Nomination and Remuneration Policy was approved by the Board at its meeting held on 11th August 2023 and the objective of such policy shall be to attract, retain and motivate executive management and devise remuneration structure to link to Company's strategic long term goals, appropriateness, relevance and risk appetite.

NRC will identify, ascertain the integrity, qualification, appropriate expertise and experience, having regard to the skills that the candidate will bring to the Board / Company, whenever the need arises for appointment of Directors / KMP.

Criteria for performance evaluation, disclosures on the remuneration of Directors, criteria of making payments to Non-Executive Directors have been disclosed as part of Corporate Governance Report attached herewith.

Remuneration payable to Non-Executive Independent Directors

The shareholders at the Extra-ordinary General Meeting held on 27th July 2023 approved the payment of remuneration by way of commission not exceeding 1% of the net profits, in aggregate, payable to Non-Executive and Independent Directors of the Company (NE-IDs) for every year, from 1st April 2023.

NE-IDs devote considerable time in deliberating the operational and other issues of the Company and provide valuable advice in regard to the management of the Company from time to time, and the Company also derives substantial benefit through their expertise and advice.

Evaluation of Independent Directors and Committees of Directors

In terms of Section 134 of the Act, 2013 and the Corporate Governance requirements as prescribed under Listing Regulations, the Board reviewed and evaluated Independent Directors and various Committees viz., Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders' Relationship Committee, based on the evaluation criteria laid down by the NRC.

Board has carried out the evaluation of all Directors (excluding the Director being evaluated) and its Committees through a set a questionnaires.

Independent Directors

The performance of all IDs were assessed against a range of criteria such as contribution to the development of business strategy and performance of the Company, understanding the major risks affecting the Company, clear direction to the management and contribution to the Board cohesion. The performance evaluation has been done by the entire Board of Directors, except the Director concerned, being evaluated.

The IDs were always kept informed of the constitution of robust framework for the Company and group companies against cyber threats and mitigation plans against cyber-attacks for business continuity.

They also kept abreast of risk mitigation plans on Business risks viz., depreciation of currency, global economic scenarios, increasing material cost and global inflationary pressure.

The Board noted that all IDs have understood the opportunities and risks to the Company's strategy and are supportive of the direction articulated by the management team towards consistent improvement.

On the basis of the report of performance evaluation of directors, the Board noted and recorded that all the directors should extend and continue their term of appointment as Directors / Independent Director, as the case may be.

Committees

Board delegates specific mandates to its Committees, to optimize Directors' skills and talents besides complying with key regulatory aspects.

- Audit Committee for overseeing financial Reporting;
- Risk Management Committee for overseeing the risk management framework;
- Nomination and Remuneration Committee for selecting and compensating Directors / Employees;
- Stakeholders' Relationship Committee for redressing investors grievances; and
- Corporate Social Responsibility Committee for overseeing CSR initiatives and inclusive growth.

The performance of each Committee was evaluated by the Board after seeking inputs from its members on the basis of specific terms of reference, its charter, time spent by the Committees in considering key issues, quality of information received, major recommendations / action plans and work of each Committee.

The Board is satisfied with the overall effectiveness and decision making of all Committees. The Board reviewed each Committee's terms of reference to ensure that the Company's existing practices remain appropriate.

Directors continued to devote such time as is necessary for the proper performance and effectively discharge their duties, all of them were able to devote appropriate time to fulfill their duties.

Board and its Committees had an appropriate combination of skills, experience and knowledge.

The current Committees structure was considered effective and all the Committees of the Board were all considered to be working effectively.

Recommendations from each Committee were considered and approved by the Board prior to its implementation, wherever necessary and there were no items where the Board had not accepted any recommendation of any Committee of the Board in the relevant financial year.

Details of Committees, its charter, functions are provided in the Corporate Governance Report attached to this Report.

Number of Board meetings held:

During the year under review, the Board met eight times and details of the meetings are provided as part of the Corporate Governance Report prepared in terms of the Listing Regulations.

10. AUDITORS

Statutory Auditors

The Members of the Company at the 4th Annual General Meeting ("AGM") held on 27th July 2021 had appointed M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, Bengaluru (Firm Registration No. 007761S), as Statutory Auditors of the Company to hold office for a first term of five consecutive years from the conclusion of the said AGM till the conclusion of the ensuing 9th AGM, at such remuneration, in addition to applicable taxes and reimbursement of out-of-pocket expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors, based on the recommendation of the Audit Committee.

The present term of the Statutory Auditors shall conclude at the end of the ensuing AGM. Pursuant to the provisions of Section 139(2) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Raghavan, Chaudhuri & Narayanan, Chartered Accountants, being eligible for re-appointment, based on the recommendation of the Audit Committee, the Board of Directors at their meeting held on 14th May 2026 re-appointed as Statutory Auditors of the Company for a second term of five consecutive years, commencing from the conclusion of the ensuing AGM till the conclusion of the 14th AGM to be held in the calendar year 2031, subject to the approval of the Members of the Company.

The Company has received consent from the Statutory Auditors along with a certificate confirming that their re-appointment, if made, would be in accordance with the provisions of Sections 139 and 141 of the Companies Act, 2013 and that they satisfy the criteria prescribed under the Act. The Statutory Auditors have also confirmed that they hold a valid Peer Review Certificate issued by the Peer Review Board of the Institute of Chartered Accountants

of India, as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Auditors' Report for the financial year 2025–26 does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

As required under Section 204 of the Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Listing Regulations, the Company is required to appoint a Secretarial Auditor for auditing secretarial and related records of the Company. The Board at its meeting held on 6th May 2025 has appointed M/s. B Chandra & Associates, Practising Company Secretaries, Chennai, having Firm Registration No. P2017TN065700 as Secretarial Auditor for a term of five years from the financial year 2025-26. Further, the shareholders of the Company approved the said appointment at the 8th AGM held on 6th August 2025.

The Secretarial Audit Report for the financial year 2025-26, given by Mrs. B Chandra, Practising Company Secretary, Chennai, is attached to this Report. The Secretarial Audit Report does not contain any qualification, reservation or other remarks.

Cost Auditor

As per Section 148 of the Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the cost audit records maintained by the Company in respect of parts manufactured by the Company covered under other machinery specified under Customs Tariff Act heading in Table B to Rule 3 of the above rules, are required to be audited by a Cost Auditor.

The Board of Directors based on the recommendation of the Audit Committee at their meeting held on 6th May 2025 appointed M/s. C S Adawadkar & Co having Firm Registration No. 100401 as Cost Auditor for the year 31st March 2026 on a remuneration of ₹ 5,00,000/- in addition to reimbursement of travel and out of pocket expenses, and the same was ratified by the Shareholders at the 8th AGM held on 6th August 2025.

The Cost Audit report for the period ended 31st March 2025 was filed with the statutory authority.

Further, as recommended by the Audit Committee, the Board of Directors at their meeting held on 14th May 2026, re-appointed them as Cost Auditor of the Company at a remuneration of ₹ 5,00,000/- payable to them for the financial year 2026-27, subject to ratification by the Shareholders of the Company.

The Company has received consent from M/s. C S Adawadkar & Co., Practicing Cost Accountants, to serve as Cost auditor of the Company for the financial year 2026-27.

The Company has also received necessary certificate under Section 141 of the Act, 2013 from them conveying their eligibility to act as a Cost Auditor.

11. CORPORATE GOVERNANCE

The Company has been practicing the principles of good corporate governance over the years and lays strong emphasis on transparency, accountability and integrity.

A separate section on Corporate Governance and a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under the Listing Regulations form part of this Annual Report as Annexure VII.

The Director & Chief Executive Officer and Chief Financial Officer of the Company have certified to the Board on financial statements and other matters in accordance with Regulation 17(8) of the Listing Regulations, 2015 pertaining to CEO / CFO certification for the financial year ended 31st March 2026.

12. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with relevant SEBI Circulars, new reporting requirements on ESG parameters were prescribed under "Business Responsibility and Sustainability Report" ('BRSR'). The BRSR seeks disclosure on the performance of the Company against nine principles of the "National Guidelines on Responsible Business Conduct' ("NGRBCs").

As per the SEBI Circulars, effective from the financial year 2022-23, filing of BRSR is mandatory for the top 1,000 listed companies by market capitalisation. Accordingly, for the financial year ended 31st March 2026, the Company has published BRSR, in the prescribed format is given as Annexure VI to this Report and is available on the Company's website in the link as provided in page no. 83 of this Annual Report.

13. POLICY ON VIGIL MECHANISM

The Company has adopted a Policy on Vigil Mechanism at the Board Meeting held on 11th August 2023 in accordance with the provisions of the Act, 2013 and Regulation 22 of the Listing Regulations, which provides a formal mechanism for all Directors, Employees and other Stakeholders of the Company to report to the management, their genuine concerns or grievances about unethical behaviour, actual or suspected fraud and any violation of the Company's Code of Business Conduct and Ethics.

The Code also provides a direct access to the Chairman of the Audit Committee to make protective disclosures to the management about grievances or violation of the Company's Code.

The Policy is disclosed on the Company's website in the link as provided in page no. 83 of this Annual Report.

14. PUBLIC DEPOSITS

The Company has not accepted any deposit from the public within the meaning of Section 76 of the Act, 2013, for the year ended 31st March 2026.

15. STATUTORY STATEMENTS

Information on conservation of energy, technology absorption, foreign exchange, etc.

Relevant information is given in Annexure-I to this Report, in terms of the requirements of Section 134(3)(m) of the Act, 2013 read with the Companies (Accounts) Rules, 2014.

Material changes and commitments, if any, affecting the financial position of the Company, having occurred since the end of the Year and till the date of the Report

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 of the Company to which the financial statements relate and the date of this Report.

Significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company

There are no significant and material orders passed by the Regulators or Courts or Tribunals, which would impact the going concern status of the Company and its future operations.

Annual Return

Copy of the Annual Return (Annexure II) in prescribed form is available on the Company's website in the link as provided in page no. 83 of this Annual Report, in terms of the requirements of Section 134(3)(a) of the Act, 2013 read with the Companies (Accounts) Rules, 2014.

Employee's remuneration

Details of employees receiving the remuneration in excess of the limits prescribed under Section 197 of the Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as a statement and given in Annexure III. In terms of first proviso to Section 136(1) of the Act, 2013 the Annual Report, excluding the aforesaid annexure is being sent to the Shareholders of the Company. The annexure is available for inspection during business hours as mentioned in the Notice of AGM and any Shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the Registered Office of the Company.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure-V to this Report.

Details of material related party transactions

There were no material related party transactions under Section 188 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014. Further, all RPTs were undertaken on an arm's length basis. Therefore, disclosure in form AOC-2 is not applicable.

Policy on Related Party Transaction was approved by the Board at its meeting held on 11th August 2023.

Details of loans / guarantees / investments made

Details of loans and guarantees given and investments made under Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

Reporting of fraud

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act, 2013.

Secretarial Standards

The Company has complied with the applicable secretarial standards as amended from time to time.

General Disclosures

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to issue of equity shares with differential rights as to dividend, voting or otherwise; issue of shares (including sweat equity shares) to employees of the Company under any scheme; pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016 and instance of onetime settlement with any bank or financial institution.

Disclosure in terms of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), the Company has an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year 2025-26, initiatives were undertaken to demonstrate Company's zero tolerance policy against discrimination and sexual harassment, which included creation of comprehensive and easy to understand training and communication material. In addition, online workshops were also run for the employees to enhance awareness and knowledge.

Maternity Benefit Act, 1961

Company has complied with the provisions of the Maternity Benefit Act, 1961 and the rules made thereunder, including all applicable obligations relating to maternity benefits for eligible employees

16. ACKNOWLEDGEMENT

The directors gratefully acknowledge the continued support and co-operation received from the promoters of the Company.

The Directors thank the vehicle manufacturers, vendors and bankers for their continued support and assistance.

The Directors wish to place on record their appreciation of the continued excellent work done by all the employees of the Company during the year.

The Directors especially thank the shareholders for their continued faith in the Company.

For and on behalf of the Board of Directors

Venu Srinivasan
Chairman and Managing Director
DIN: 00051523

Chennai
14th May 2026

Annexure - I to Directors' Report to the shareholders

Information pursuant to Section 134(3)(m) of the Companies Act, 2013

A. CONSERVATION OF ENERGY

1. **Measures taken in the year 2025-26:**

   During the year under review, the Company continued its focus on energy efficiency and operational optimisation by implementing several targeted engineering and process improvement initiatives across its manufacturing facilities. The key measures undertaken are summarised below:

   i. The introduction of holding furnace lids in all GDC holding furnaces (15 Nos.), along with adoption of heat pumps for G90 and G85 front washing machines. Energy-efficient upgrades were carried out through the use of Silcarb furnace for holding furnace F-19 and thyristor drives for 500 kg furnaces (5 Nos.). Further improvements were achieved through enabling full/half mode options in GDC holding furnaces (10 Nos.) and deployment of VFDs for VDCM power pack motors across 4 machines.

   ii. Operational efficiency was strengthened through automation and control mechanisms, including the use of idle timers for exhaust blowers in shot blasting and tilting machines, as well as auto cut-off valves for CNC machines. Additional improvements were made through adoption of Karakuri door mechanisms in washing machines, air-to-air coolers for AMS VMC machines, and motorized doors replacing pneumatic cylinders in lathe machines. Process optimisation measures also included reduction of pressure drop from less than 0.5 bar to 0.03 bar and maintaining the power factor above 0.95. Energy usage was further streamlined through incorporation of air cut-off valves with interlock systems linked to emergency operations and by combining hydraulic power packs for two machines.

   iii. Focused initiatives were undertaken to optimise energy consumption across utilities, including improving compressor efficiency through auto ON/OFF controls for air gauge units. Technological advancements were introduced with the deployment of IRIS power-saving devices in SMB die-casting machines and upgrading to servo motor systems in GDC (Tilting #6) in place of conventional induction motors. In addition, inefficiencies were addressed through removal of the ECM water chiller pump.

   Collectively, these initiatives have contributed to improved operational efficiency and reduction in energy consumption across manufacturing processes. The above measures have resulted in an estimated annual saving of approximately ₹ 297.86 Lakhs.

2. **Proposed measures during the year 2026-27:**

   During the year 2026-27, the Company proposes to undertake a series of targeted initiatives aimed at enhancing energy efficiency, optimising resource utilisation, and reducing overall operational costs across its manufacturing facilities. These measures are focused on equipment upgrades, process optimisation, automation, and effective management of utilities, reflecting the Company's continued commitment towards sustainable and efficient operations. The key measures undertaken are summarised below:

   i. The Company plans to prioritise equipment upgradation and replacement with energy-efficient alternatives, including replacement of existing holding furnaces (12 nos.) and upgrading of motors from IE3 to IE5 efficiency class for shot blasting blowers (5 nos.). In addition, existing panel cooling systems will be replaced with more efficient air-to-air coolers, along with installation of energy-efficient heat pump systems to maintain process temperatures in a controlled manner. Further, optimisation of cooling oil circulation time and coolant motor running cycles is proposed to ensure efficient utilisation of energy.

   ii. In the area of compressed air systems and utility optimisation, measures include modification of air cut-off valves in core shooting machines (18 nos.) and implementation of demand-side controllers for medium and low-pressure air lines to regulate consumption. Automation of air gauge systems for multi-gauge processes is also proposed to improve operational efficiency. Additionally, interlocking arrangements for panel air conditioning in PDC machines (15 nos.) and integration of air cut-off systems with machine idle and emergency conditions will be implemented to minimise avoidable energy losses. A coolant gun with dedicated pipeline connection integrated with the existing coolant motor system is also proposed to eliminate the use of compressed air for fixture cleaning.

   iii. The Company also proposes to strengthen automation and control mechanisms to reduce idle energy consumption. This includes installation of motion sensors for fan and lighting circuits at final tables, as well as integration of interlocks for exhaust blowers, vacuum systems, and thermoregulation units with machine controls (10 machines), ensuring that these systems operate only during active production cycles. Further, Variable Frequency Drives (VFDs) will be introduced for washing machine coolant motors to regulate power consumption in line with load requirements.

   iv. Further process optimisation initiatives include implementation of filtration systems to reduce chip conveyor motor energy consumption and improve overall system efficiency. These measures are aimed at streamlining operations and reducing unnecessary load on equipment.

   The above initiatives are expected to yield an estimated annual energy cost saving of approximately ₹ 530.27 Lakhs, thereby reinforcing the Company's focus on energy conservation, cost optimisation, and sustainable growth.

3. **Steps taken for utilizing alternate sources of energy - 2025-26:**

   During the year 2025-26, the Company utilized power generated through wind and solar energy (roof top and Captive) of 264.80 lakh units.

   The Company also plans to continue the utilization of wind and solar captive energy (345.2 lakh units) during the year 2026-27.

   100KW solar generation plant planned at TK Plant. With this we are using more than 90% of our energy requirement through renewable sources.

4. **Steps planned for renewable sources of energy - 2026-27:**

   During the year 2026-27, the company plans to obtain IREC (International renewable energy certificate) by achieving 100% green energy every month.

B. TECHNOLOGY ABSORPTION FOR 2025-26

Research & Development (R&D)

1. Specific areas in which R & D carried out by the Company - Completed activities:
   - (i) Demonstrated Process capability to Customer by achieving <2.1Ra on patented housing compressor by Abrasive flow machining (AFM) process
   - (ii) Established automation for pre and post Abrasive flow machining (AFM) operation - serial production readiness of Compressor housings
   - (iii) Developed Water cooled compressor housing
   - (iv) Conducted Design of Experiments (DOE) in process optimization of new product development through Taguchi DOE method
   - (v) Established outlet water monitoring system to ensure thermal stability in dies
   - (vi) Customization of alloy Material database for simulation correlation improvement
   - (vii) Productivity improvement in dies by thermal optimization
   - (viii) Radiography level prediction from actual process parameter
   - (ix) High effective air evacuation system developed in GDC dies

Ongoing activities:

- (i) Develop online monitoring of die development process
- (ii) Squeeze technology implementation in GDC process
- (iii) Testing and characterization of new alloy development
- (iv) Metal cold spray technology for die repair
- (v) Exploring Artificial intelligence – Machine learning (AI-ML) in design and process
- (vi) Developing and characterising powder developed from machined scraps for additive manufacturing application
- (vii) Structural parts validation using high Vacuum technology
- (viii) Co-development of castings with Customer on design, process, and material conversion for light weighting

2. **Benefits derived as a result of R&D:**
   - (i) Ability to gain new Business orders by demonstrating light weighting competencies, and material and process capabilities
   - (ii) Quality improvement in existing components leading to robust process
   - (iii) Predictive quality by live data monitoring through Industry 4.0
   - (iv) Develop collaboration with Customer by proposing value Engineering and value addition solutions
   - (v) Improving operational effectiveness of dies
   - (vi) Establishing robust casting production process

3. **Future plan of action:**
   - (i) Actual casting quality prediction in simulation phase of new product development
   - (ii) Development of new alloys for structural application
   - (iii) Development of additive manufacturing process and facility
   - (iv) AI-ML implementation in die design
   - (v) Inhouse prototype facility establishment
   - (vi) Enhance product design and development capabilities

Data relating to Imported Technology

Technology imported during the last three years reckoned from the beginning of the financial year – NIL

Expenditure on Research & Development for the FY 2025-26 – ₹ 20.67 Cr.

C. FOREIGN EXCHANGE ACTUAL EARNINGS AND OUTGO

1. Export activities:

   Export during the period ended 31st March 2026 amounted to ₹ 952.97 Cr.

2. Total foreign exchange earned and used: (₹ in Cr)

   a. Foreign exchange used : ₹ 113.24 Cr
   b. Foreign exchange earned : ₹ 931.19 Cr

For and on behalf of the Board of Directors

Venu Srinivasan
Chairman & Managing Director
DIN: 00051523

Chennai
14th May 2026

Annexure - IV to Directors' Report to the shareholders

Particulars of Corporate Social Responsibility activities carried out by the Company in terms of Section 135 of the Companies Act, 2013

Sl. No.	Particulars	Details
1.	Brief outline on CSR Policy of the Company	This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the transformation and sustainable development of the rural communities at large.
2.	Composition of CSR Committee	

Sl. No.	Name of the Director (M/s.)	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Venu Srinivasan	Chairman	1	1
2	Dr. Lakshmi Venu	Member	1	1
3	Sasikala Varadachari	Member	1	1

3.	Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.	www.sundaram-clayton.com Web-link is provided in page no. 83 of this Annual Report.
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable
5.	a) Average net profit of the company as per section 135(5) of the Companies Act, 2013	₹ 65.36 Cr
	b) Two percent of average net profit of the Company as per section 135(5) of the Companies Act, 2013.	₹ 1.31 Cr
	c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	d) Amount required to be set off for the financial year, if any	Nil*
	e) Total CSR obligation for the financial year(5b+5c+5d).	₹ 1.31 Cr
6.	a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	₹ 1.35 Cr
	b) Amount spent in Administrative Overheads	Nil
	c) Amount spent on Impact Assessment, if applicable	Not Applicable
	d) Total amount spent for the Financial Year [(a)+(b)+(c)]	₹ 1.35 Cr

*For FY 2024-25, the CSR obligation was ₹ 0.58 Crore and the Company spent ₹ 0.60 Crore. The excess amount spent by the Company has not been set-off.

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

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of the Act, 2013		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) of the Act, 2013		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1.35 Cr	Not Applicable				

(f) Excess amount for set off, if any

Sl. No	Particulars	(Amount in ₹)
1	Two percent of average net profit of the Company as per Section 135(5)	1.31 Cr
2	Total amount spent for the financial year	1.35 Cr
3	Excess amount spent for the financial year [(ii)-(i)]	0.04 Cr
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.04 Cr

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

Sl. No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub - section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)		Date of Transfer	
Not Applicable								

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

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

For and on behalf of the Board of Directors

VENU SRINIVASAN
Chairman & Managing Director
and Chairman of the CSR Committee
DIN: 00051523

Chennai
14th May 2026

Annexure - V to Directors' Report to the shareholders

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

S No	Particulars			Details
1	Ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for FY 2025-26, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Director(s) and Company Secretary during the FY 2025-26.			
	Name of the Director / KMP (M/s.)	**Category**	**Ratio to Median Remuneration**	**% increase / (Decrease) in remuneration**
	Venu Srinivasan	C & MD	0.13	12.99
	Dr. Lakshmi Venu	MD	47.06	15.38
	Vivek S Joshi	D & CEO	40.01	17.95
	R Gopalan	NE-ID	1.98	30.39
	C R Dua	NE-ID	1.91	23.91
	Sasikala Varadachari	NE-ID	2.09	31.58
	R Anandakrishnan	NE-NID	0.12	(22.22)[1]
	P Kaniappan[2]	NE-ID	N.A.*	N.A.*
	Rajesh Narasimhan[3]	NE-NID	N.A.*	N.A.*
	Ajay Kumar[4]	CFO	N.A.*	N.A.*
	V Hariharan[5]	CFO	N.A.*	N.A.*
	P D Dev Kishan[6]	CS	N.A.	N.A.
	C & MD - Chairman & Managing Director NE-NID - Non Executive Non Independent Director NE-ID - Non-Executive Independent Director CFO - Chief Financial Officer MD - Managing Director CS - Company Secretary D & CEO - Director & Chief Executive Officer **Since the remuneration of these Directors/KMPs pertains only to a part of the year (current/previous), the ratio of their remuneration to the median remuneration and the percentage increase are not comparable.* ***Notes:*** 1. *The decrease is attributable to lower sitting fee earnings* 2. *Appointed w.e.f. 3rd July 2024* 3. *Resigned w.e.f. 28th November 2025* 4. *Resigned w.e.f. 31st August 2025* 5. *Appointed w.e.f. 1st September 2025* 6. *Effective 30th March 2026, remuneration being paid by the Company*			
2	The percentage increase in the median remuneration of employees in the financial year.			5.20 %
3	The number of permanent employees on the rolls of Company			1,189
4	a. Average percentile increase already made in the salaries of employees other than the managerial personnel in the financial year 2025-26			10.20 %
	b. Average percentile increase in the managerial remuneration in the financial year 2025-26			16.54 %
5	Affirmation that the remuneration is as per the remuneration policy of the Company.			Remuneration paid during the year 2025-26 is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

VENU SRINIVASAN
Chairman and Managing Director
DIN: 00051523

Chennai
14th May 2026

Annexure - VI to Directors' Report to the shareholders

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L51100TN2017PLC118316
2.	Name of the Listed Entity	Sundaram-Clayton Limited
3.	Year of incorporation	2017
4.	Registered office address	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006, Tamil Nadu, India.
5.	Corporate address	"Chaitanya", No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600 006, Tamil Nadu, India.
6.	E-mail	corpsec@sundaramclayton.com
7.	Telephone	044-28332115
8.	Website	www.sundaram-clayton.com
9.	Financial year for which reporting is being done	2025-26
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital	₹ 11,02,30,810
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	P D Dev Kishan 044-28332115 dev.kishan@sundaramclayton.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of the assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Metal and metal products	100

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Aluminium alloy cast articles including parts and components.	24320	100

III. Operations

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

Location	Number of plants	Number of offices	Total
National	3	2	5
International	0	1	1

Annexure - VI to Directors' Report to the shareholders - *(continued)*

19. Markets served by the entity:
    a. Number of locations

Locations	Number
National (No. of States)	8
International (No. of Countries)	13

b. What is the contribution of exports as a percentage of the total turnover of the entity? 53%

c. A brief on types of customers

SCL manufactures cast, machined and sub-assembled aluminium die castings for heavy and medium commercial vehicles and passenger vehicles. The customers for SCL's products are the automotive OEMs and Tier 1 manufacturers both within India and Globally. Since commencing operation in 1962, the demerged undertaking vested with the Company, has achieved many milestones and emerged as one of the preferred solution provider in machined and sun-assembled aluminium castings.

IV. Employees

Details as at the end of Financial Year 2025-26:

d. Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	455	424	93.19	31	6.81
2.	Other than Permanent (E)	20	18	90.00	2	10.00
3.	Total employees (D + E)	475	442	93.05	33	6.95
WORKERS						
4.	Permanent (F)	734	732	99.73	2	0.27
5.	Other than Permanent (G)	1281	964	75.25	317	24.75
6.	Total workers (F + G)	2015	1696	84.17	319	15.83

e. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	-	-	-	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	2	2	100.00	-	-
5.	Other than permanent (G)	18	17	94.44	1	5.56
6.	Total differently abled workers (F + G)	20	19	95.00	1	5.00

Annexure - VI to Directors' Report to the shareholders - *(continued)*

20. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25
Key Management Personnel	2	-	-

21. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

Particulars	FY 2025-26 (Turnover rate in current FY) (%)			FY 2024-25 (Turnover rate in previous FY) (%)			FY 2023-24 (Turnover rate in the year prior to the previous FY) (%)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.43	0.2	11.6	13.31	1.16	14.47	8.61	1.20	9.81
Permanent Workers	12.23	0.07	12.30	0.60	-	0.60	3.81	-	3.81

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

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

S.No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held in/ by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Sundaram Holding USA Inc., Delaware, USA	Subsidiary	100	No
2.	Sundaram-Clayton GmbH, Germany	Subsidiary	100	No
3.	SCL Properties Private Limited, India	Subsidiary	100	No
4.	Green Hills Land Holding LLC, USA	Subsidiary	-	No
5.	Component Equipment Leasing LLC, USA	Subsidiary	-	No
6.	Sundaram – Clayton (USA) LLC,USA	Subsidiary	-	No
7.	Premier Land Holding LLC,USA	Subsidiary	-	No
8.	Sundram Non Conventional Energy Systems Limited, India	Associate	23.53	No

VI. CSR Details

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

(ii) Turnover (in ₹) 1788,54,78,388

(iii) Net worth (in ₹) 1960,50,28,211

VII. Transparency and Disclosures Compliances

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

Annexure - VI to Directors' Report to the shareholders - *(continued)*

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	3	-	-	3	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	55	-	-	45	-	-
Value Chain Partners	Yes	-	-	-	-	-	-
Other (please specify)	Yes	-	-	-	-	-	-

The Company has established required framework for addressing specific grievances for all of its stakeholders. Code of Business Conduct and Ethics, Whistle Blower Mechanism provides sufficient guidance for reporting and resolving grievances. Web-link of such policies are available on the Company's website as provided in page no. 83 of this Annual Report.

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

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

Materiality analysis has been done to identify issues that concern our stakeholders and our business sustainability. Prioritization of the materiality issues in the current context constructed from the following sources;

- Issues based on sectoral guidelines.
- Issues flagged in peer reviews.
- Stakeholder engagement.
- Issues identified during discussions with management and internal workshops.

Very important issues both for company & stakeholders are considered Material issues that have significant Business, Environmental & Social impact. Examples of the identified material issues with approach for the risk mitigation and financial implication is described below –

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	GHG Emission reduction	Risk & Opportunity	Risk 1. Failure to meet 1.5 aligned GHG reduction emission targets 2. Reputational impacts and loss of trust from customers, investors and employees Opportunity 1. Increase energy efficient projects, more renewable energy into the system	1. Climate strategy for operations and supply chain 2. Net zero commitment for operations and supply chain	Positive

Annexure - VI to Directors' Report to the shareholders - *(continued)*

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Water Management	Risk	1. Poor water resource management will lead to depletion of water resources 2. Public backlash due to pollution of water bodies	1. Deploy a water conservation strategy and action plan for sites in water-stressed areas. 2. Site EHS assessment	Negative
3	Waste Management	Risk & Opportunity	Risk 1. Non-compliance leading to fines 2. Health impacts on personnel and local communities Opportunity 1. Increased recyclability leading to revenue creation 2. Enhancing circularity in value chain	1. Deploy a waste recycle framework. 2. Site EHS assessment	Positive
4	Cyber security	Risk	1. Risk of a malicious exploitation or intrusion into the infrastructures of SCL premises 2. Impacts on productivity, data privacy, operations 3. Financial cost and loss of confidence from stakeholders	1. Dedicated cybersecurity management with policies focusing on data privacy, Asset management, IT security and Business continuity 2. Employees trained on cyber security	Negative
5	CSR	Opportunity	1. Opportunity to give back to community 2. Upliftment of local community	CSR policy and framework	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

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

Annexure - VI to Directors' Report to the shareholders - *(continued)*

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
c. Web Link of the Policies, if available	https://www.sundaram-clayton.com/Disclosures.htm								
	Refer to the Whistle-blower Policy, Code of Business Ethics which includes Anti-Bribery practices	Refer to the Code of Business Conduct and Ethics which includes Fair dealing with customers, suppliers, competitors, officers and employees.	-	Refer to policy on Prevention of Sexual Harassment.	-	-	-*	Refer to CSR Policy	-
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Code of conduct, suppliers code of conduct and Human Rights policy extended to our value chain partners.								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 14001, ISO 45001, ISO 27001, IATF 16949 (TKP, Oragadam), IS 617								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company is in the process of defining the ESG strategy with goals and targets on material issues								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (*listed entity has flexibility regarding the placement of this disclosure)*	The Company is committed to being a profitable, socially responsible and a leading provider of sustainable light alloy solutions, globally. Towards this the company is in the process of defining an overall ESG strategy and identifying the material issues with goals and targets. The Company proactively engages with stakeholders formally and informally to share information, discuss the Company's sustainability priorities, programs and performance, and determines opportunities to collaborate towards common goals. The Audit committee and Board oversees the implementation of various policies / codes as required under the legal framework in force from time to time. These are also reviewed at regular intervals by the board. The Board on a continuous basis reviews the business' alignment with the principles and core elements.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	At the highest level, the Board of Directors of your Company, led by the Chairman and Managing Director, has the primary role to protect and assess the Business Responsibility (BR) performance of your Company.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Chairman & Managing Director and Managing Director.								

* The Company through the various industrial forums endeavors to promote growth and technological process, economic reforms, inclusive development policies and sustainable business principles. Therefore, there is no need for such policy.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	The policies of the Company are reviewed periodically / on a need basis by department heads / director / board Committees / board members, wherever applicable									on a need basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Audit Committee and Board oversees the implementation of various policies / codes as required under the legal framework in force from time to time. These are also reviewed at regular intervals by the board.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
No The policies of the Company are subject to audit by the internal auditors of the Company. The working of the policy is also ensured by the various department heads / director / board committees / board members, wherever applicable								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	-								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	-								
It is planned to be done in the next financial year (Yes/ No)	-								
Any other reason (please specify)	P7 – The Company through the various industrial forums endeavors to promote growth and technological process, economic reforms, inclusive development policies and sustainable business principles. Therefore, there is no need for such policy								

Annexure - VI to Directors' Report to the shareholders - *(continued)*

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1

BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

ESSENTIAL INDICATORS

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	8	P1, P2 & P6	100
Key Managerial Personnel	8	P1, P2 & P6	100
Employees other than BoD and KMPs	1	The employees / workers are imparted various trainings / awareness sessions such as induction / functional / behavioural training at the time of joining and leadership, technical, policy training during the course of employment	100
Workers	1		100

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Particulars	NGRBC principle	Name of the regulatory / enforcement Agencies / judicial institutions	Amount (in INR)	Brief of the case	Has appeal been preferred? (Yes/No)
Penalty/Fine	All	NA	NIL	NA	No
Settlement	All	NA	NIL	NA	No
Compounding fee	All	NA	NIL	NA	No

Non-Monetary				
Particulars	NGRBC principle	Name of the regulatory / enforcement Agencies / judicial institutions	Brief of the case	Has appeal been preferred? (Yes/No)
Imprisonment	All	NA	NA	No
Punishment	All	NA	NA	No

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

Case details	Name of the regulatory /enforcement Agencies /judicial institutions
NA	NA

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

Yes. As part of Code of Conduct for all employees, on discipline and misconduct, accepting bribe or illegal gratification, in any form, from anyone, in connection with the Company's business is considered as violation.

The Company has zero tolerance approach towards such violation, corruption and bribery. The Company has appropriate internal controls to ensure that the Company or its employees do not engage in unethical practices.

All employees are educated on the "Code of Conduct" with an objective to establish and specify standards of behaviour. Web-link of such policies covered under the code of conduct are available on the Company's website as provided in page no. 83 of this Annual Report.

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

Particulars	FY 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

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

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

Not Applicable

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

Particulars	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	100 days	83 days

*No. of days considered effective from 11th August 2023.

9. Open-ness of business

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

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

Annexure - VI to Directors' Report to the shareholders - *(continued)*

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchase (Purchases with related parties / Total Purchases)	1.99%	2.04%
	b. Sales (Sales to related parties / Total Sales)	3.36%	24.24%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	98.11%	97.96%

LEADERSHIP INDICATORS

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

Total number of awarness programmes held	Topics/ principles covered under the training	% age of value chain programmes partners covered (by value of business done with such partners) under the awareness programmes
4	1.Sustainability & its importance 2.GHG emission and reduction 3.Circularity & Landfill reduction strategies 4.Safety Management	30

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

Yes. The Company has in place a 'Policy on Related Party Transactions', conformance with the Company's Code of Conduct for Business and Ethics which provides that all Directors and Senior Management Personnel are required to disclose all potential or actual conflict of interest, which may be against the interest of the Company and take actions to eliminate such conflict, if so required.

PRINCIPLE 2

BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

ESSENTIAL INDICATORS

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

Particulars	Current FY 2025-26	Previous FY 2024-25	Details of improvements in environmental and social impacts
R & D	1%	20%	Infrastructure development related to green building requirements
Capex	25%	42%	

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

Yes

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

83% of input is sourced locally. Initiatives taken to ensure sustainable sourcing and encouraged suppliers to get certified under ISO 14001, ISO 45001 & IATF. Systems and process audits are conducted at supplier end periodically for better control through sourcing team.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

   The Company does not have a process to collect, reuse, recycle and dispose the aluminium castings after supply to customers. However, this process is being done by various OEMs and third parties to recover and reuse aluminium.

   The material processed by the Company, i.e., aluminium based alloys is 100% recyclable. Presently rejected aluminium castings (8% of production) are re-melted inside the factory. The aluminium swarf is remelted and reused for production. Sand (5427 tonnes/year) used for making cores is recycled.

   Hazardous waste materials generated by the Company during aluminium castings production are given to authorized vendors either for disposal or recycling.

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

   If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Yes. Demonstrating our commitment to environmental responsibility, the Company fulfilled the EPR requirements. The target of 89.87 metric tonnes for Brand owner and 0.153 metric tonnes for Importer is achieved through collaboration with government authorized recyclers during the FY 25-26.

LEADERSHIP INDICATORS

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

   Yes. Life Cycle Assessments (LCAs) have been conducted for Oil Pan Assembly part supplied to Hyundai Motor India Limited.

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web- link
2930	Oil Pan Assembly - HMIL	Revenue yet to be realized	Cradle to Gate	Yes	No

Life Cycle Assessments (LCAs) are conducted by an independent external agency. The resulting data undergoes periodic evaluation to identify areas for improvement, and corresponding actions will be implemented across the product to minimize environmental impact.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Oil Pan Assembly	Higher emission due to usage of Non renewable energy	Increase the RE share

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Aluminium	100%	100%
Sand core	90%	90%

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

Particulars	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Materials received in bins	-

PRINCIPLE 3

BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

ESSENTIAL INDICATORS

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

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	424	424	100	424	100	-	-	424	100	424	100
Female	31	31	100	31	100	31	100	-	-	31	100
Total	455	455	100	455	100	31	100	424	100	455	100
Other than Permanent employees											
Male	18	18	100	18	100	-	-	-	-	18	100
Female	2	2	100	2	100	2	100	-	-	2	100
Total	20	20	100	20	100	2	100	-	-	20	100

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	732	732	100	732	100	-	-	732	100	732	100
Female	2	2	100	2	100	2	100	-	-	2	100
Total	734	734	100	734	100	2	0.28	732	99.72	734	100
Other than Permanent workers											
Male	964	964	100	964	100	-	-	-	-	-	-
Female	317	317	100	317	100	-	-	-	-	-	-
Total	1281	1281	100	1281	100	-	-	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) –

Particulars	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the company	1.82%	2.09%

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

Benefits	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Yes	100	100	Yes
Gratuity	100	100	Yes	100	100	Yes
ESI	100	100	Yes	100	100	Yes
Others – please specify	-	-	-	-	-	-

3. Accessibility of workplaces

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

Yes, to identified areas. Steps are being taken to improve on the same.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes (Fair and Ethical practices policy). - https://www.sundaram-clayton.com/Disclosures.htm

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	100	100
Female	100	100	100	100
Total	100	100	100	100

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

Particulars	Yes/No *(If Yes, then give details of the mechanism in brief)*	Remark
Permanent Workers	Yes	The Company POSH committee members are from diverged group. Whistle blower, CoC (Code of Conduct) for all categories of permanent employees and workers are available. Dedicated channel for raising such grievances have been put in place and communicated to all the concerned stakeholders.
Other than Permanent Workers	Yes	
Permanent Employees	Yes	
Other than Permanent Employees	Yes	

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

100% of permanent employees working in workers grade are members of internal Employees Union that is affiliated to INTUC.

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total employee / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	455	-	-	579	-	-
- Male	424	-	-	545	-	-
- Female	31	-	-	34	-	-
Total Permanent Workers	734	734	100	837	837	100
- Male	732	732	100	834	834	100
- Female	2	2	100	3	3	100

Annexure - VI to Directors' Report to the shareholders - *(continued)*

8. Details of training given to employees and workers:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	442	400	90.50	350	79.19	545	450	82.57	450	82.57
Female	33	30	90.91	28	84.85	34	30	88.24	-	-
Total	475	430	90.53	378	79.58	579	480	82.90	450	77.72
Workers										
Male	732	732	100	732	100	834	800	95.92	800	95.92
Female	2	2	100	2	100	3	3	100	3	100
Total	734	734	100	734	100	837	803	95.94	803	95.94

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

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (A)	No. (B)	% (B / A)
Employees						
Male	442	424	95.93	545	452	82.94
Female	33	31	93.94	34	32	94.12
Total	475	455	95.79	579	484	83.59
Workers						
Male	732	-	-	834	-	-
Female	2	-	-	3	-	-
Total	734	-	-	837	-	-

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. Covering Chennai location.

Scope : Manufacture of Aluminium Gravity die casting and pressure die casting components and machined components

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

Hazard Identification and Risk Assessment(HIRA), Safety Audit by EHS professionals, Safety Interaction by line management, Safety inspection by Government authorities, External Auditors, ISO 45001 (Occupational Health & Safety Management system).

Hazard Identification Risk Assessment (HIRA) is a process of defining and describing hazards by characterising their probability, frequency, and severity and evaluating adverse consequences, including potential losses and injuries. A risk assessment that provides the factual basis for activities is included in the corporate safety strategy to reduce losses from identified hazards at workplace. While carrying out Hazard Assessment, all the activities including routine and non-routine in each section are selected, Hazard Assessment conducted to identify the significant risks. For all the significant risks, control measures are defined to mitigate the risks. The HIRA

Annexure - VI to Directors' Report to the shareholders - *(continued)*

process is a dynamic document which is reviewed every year or if there is change in process, layout, materials etc. of there is an accident or incident in that particular activity.

Periodic medical check-ups are done in-house with specific tests identified as per risk assessment of employees working in different departments having exposure to different occupational health hazards. Health assessment on return-to-work is done prior to rejoining. Medical fitness certificate is verified and validated and maintained as record..

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

Yes. Work related hazards are identified through reporting mechanisms viz., Unsafe Condition Reporting, Near Miss Reporting, Reports from Safety committee meeting, Total Employee Involvement (TEI) – Suggestions and TEI – QCC.

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

Yes, the Company has tied-up with nearby multispecialty hospitals for non-occupational health services to all our employees.

11. Details of safety related incidents:

Safety Incident/Number	Category*	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	-	-
	Workers	0.10	0.10
Total recordable work-related injuries	Employees	-	-
	Workers	1	2
No. of fatalities	Employees	-	-
	Workers	-	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

*Including in the contract workforce

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

The Company engages employees to improve safety and health such as safety audits through internal and external experts, safety training for its employees on topics like Four Stage Safety Clearance, 100% Induction Training, Contractor Safety Management System, Plant Safety Rating System, Work Permit System, Visual Control System Related to Safety, Work Environment Monitoring, Internal & External Safety Audits, Fire Extinguishers, Fire Hydrants and Automatic suppression systems.

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

Particulars	FY 2025-26			FY 2024-25		
	(Current Financial Year)			(Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

The observations/ suggestions made by safety committee members and Union committee members during monthly safety committee meeting & monthly union meeting respectively are addressed appropriately.

14. Assessments for the year:

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

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

Planning to engage with Dupont for implementation of safety systems for cultural transformation.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

a. **Employees (Y/N)**

Yes, Employee death benefit scheme, group personal accident coverage and all other benefits in line with Statutory benefits provided for employee benefit.

b. **Workers (Y/N)**

Yes, Family Relief Fund is extended to the family members of the deceased employees by making contribution from all permanent employees and matching contribution by the Company.

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

The Company has adequate mechanisms to monitor and ensure that any statutory dues have the deducted and deposited by the value chain partners, in accordance applicable regulations and reviewed as per the regular audit processes. The Company also collects necessary certificates and proofs from its contractors with respect to payment of statutory dues like PF, ESIC, etc. relating to contractual employees and workers.

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

Particulars	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	1	Nil	Nil

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

No

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed)
Health and safety practices	30
Working Conditions	30

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

There were no significant risks / concerns arising from the assessments of health and safety practices and working conditions of value chain partners.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

PRINCIPLE 4

BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

ESSENTIAL INDICATORS

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

   The Company continuously expands its proactive engagement with all the stakeholder groups. The Company prioritizes engagement as an integral part of partnership building and aims to institutionalize a structured approach through a formal process in the future.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customer	No	E mail , Website, Meetings	Monthly / Daily / Weekly / Quarterly / Half yearly / Annually	Through frequent Customer interaction, Customer satisfaction surveys. Key Concerns include Product / Service quality, Timely Delivery, Fair Pricing
Employees	No	Notice board, Email	Monthly / Daily / Weekly / Quarterly / Half yearly / Annually	Performance appraisal, employee engagement survey, grievance handling process, training workshops. Key Concerns: Career planning, communication on employee related policies.
Policy makers	No	Email, Meetings	As & When required	Policy advocacy participation, industry associations. Key Concerns: No specific concerns.
Supplier	No	Email, Meetings	As & When required	Supplier meets/supplier visits/supplier survey. Key Concerns: Supply chain communication on long range plan/ financial transactions/ rejections update/ scheduling, fluctuating order volumes, early involvement from suppliers to meet new product development targets, performance, rewards
Regulatory body	No	Email, Meetings	As & When required	Submission of reports, inspection visits, need-based meetings on directives. Key Concerns: Regulatory compliance and transparency in disclosure.
Shareholders/ Investors	No	E mail , Website, Meetings	Quarterly / Half yearly / Annually	Investor forums, corporate communication, annual general meetings, annual reports. Key Concerns: Company strategy and performance, future plans, returns to shareholders.
Trade union	No	Meetings	Monthly / Quarterly / Half yearly / Annually As & When required	Monthly meeting. Key concerns : Occupational health and safety concerns, other benefits.
Local community	No	Community meetings	As & When required	Panchayat board meeting.Key concerns: Welfare related requests.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

LEADERSHIP INDICATORS

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

   Respective business / functional heads engage with the stakeholders on various ESG topics and the relevant feedback from such consultation is provided to the Board, wherever applicable.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/ No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes.

   Employees & Workers: Based on demand & towards facilitating Health & wellness, special camps were conducted tying up with local hospitals.

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

   Towards enhancing engagement of Persons with Disability (PwD) and based on requests from Service providers/NGOs, job fairs and recruitment camps were conducted, and employment provided.

PRINCIPLE 5

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

ESSENTIAL INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:**

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	455	455	100	579	579	100
Other than permanent	20	-	-	36	36	100
Total Employees	475	455	95	615	615	100
Workers						
Permanent	734	734	100	837	837	100
Other than permanent	1281	1281	100	1390	1390	100
Total Workers	2015	2015	100	2227	2227	100

- Annual coverage of training through an e-module is mandatory for all employees.
- All existing employees have been imparted training on Company's policies on human rights issues. All new joinees are taken through these polices as part of induction program. The Company is in the process of developing self e-modules to ensure tracking going forward.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

2. Details of minimum wages paid to employees and workers:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	455	-	-	-	-	579	-	-	-	-
Male	424	-	-	-	-	545	-	-	-	-
Female	31	-	-	-	-	34	-	-	-	-
Other than Permanent	20	-	-	-	-	36	-	-	-	-
Male	18	-	-	-	-	36	-	-	-	-
Female	2	-	-	-	-	-	-	-	-	-
Workers										
Permanent	734	-	-	734	100	837	-	-	837	100
Male	732	-	-	732	100	834	-	-	834	100
Female	2	-	-	2	100	3	-	-	3	100
Other than Permanent	1281	-	-	1281	100	1390	-	-	1390	100
Male	964	-	-	964	100	1172	-	-	1172	100
Female	317	-	-	317	100	218	-	-	218	100

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

Particulars	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in Cr)	Number	Median remuneration/ salary/ wages of respective category (₹ in Cr)
Board of Directors (BoD)	7	0.21	2	2.93
Key Managerial Personnel	3	0.50	-	-
Employees other than BoD and KMP	440	0.12	33	0.08
Workers	732	0.07	2	0.07

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

Particulars	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to females as % of total wages	4.7%	5.4%

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

Heads of IR and HR are the persons responsible for addressing any human rights impacts or issues for the employees in the business. For POSH complaints there is an internal committee comprising of senior team across locations which addresses any issues raised.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

Employees can reach out to Head HR / Head IR with reference to grievances related to human rights issues. As email ID is made available for this purpose. There is also an automated voice recording facility to register any specific grievances. Confidentiality of the complaints raising such issues is assured.

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

Particulars	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human Rights related issues	-	-	-	-	-	-

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

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

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

Company assures confidentiality and protection to the complainant in furtherance, any attempts to intimidate the complainant would be treated as a violation of code of conduct. The following steps are followed:

- All complaints are handled in time bound manner.
- At the request of the aggrieved employee, steps are taken to settle the matter through mutual agreement, before initiating enquiry, provided that no monetary settlement shall be made as a basis of conciliation.
- If a settlement is arrived through conciliation, the committee shall prepare a written settlement with its recommendations duly signed by both parties and witnessed by the committee and provide the same to Management.
- The Committee shall provide Unclassified / Restricted / Protected / Confidential copies of the settlement to the aggrieved employee and the respondent, and no enquiry shall be conducted further.

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

Yes. Business agreements and contracts contain a standard provision of compliance with all the applicable laws, conventions, and policies etc., which encompasses the human rights requirements.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

10. Assessments for the year:

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

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

Infra development for person with disability.

Leadership Indicators

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

The Company has introduced flexible working hours for the welfare of the employees. The Company has also introduced an independent helpline for employee to call anonymously and register their grievance.

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

Nil

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, All production facilities are accessible.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	30
Discrimination at workplace	30
Child Labour	30
Forced Labour/Involuntary Labour	30
Wages	30
Others – please specify	-

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

There were no significant risks / concerns arising from the above said assessments.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

PRINCIPLE 6

BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

ESSENTIAL INDICATORS

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

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A) - tera Joules	211.79	103.53
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C) - tera Joules	211.79	103.53
From non-renewable sources		
Total electricity consumption (D) - tera Joules	64.04	207.05
Total fuel consumption (E) - tera Joules	159.47	98.63
Energy consumption through other sources (F)	-	-
Total energy consumed from non- renewable sources (D+E+F) - tera Joules	**223.51**	**305.68**
Total energy consumed (A+B+C+D+E+F)	**435.30**	**409.21**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.00000000243	0.0000000194
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.000000053	0.000000072
Energy intensity in terms of physical Output	0.01530	0.009768214
Energy intensity *(optional)* – the relevant metric may be selected by the entity	NA	NA

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

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

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

Parameter	FY 2025-26 *(Current Financial Year)*	FY 2024-25 *(Previous Financial Year)*
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	12,867	76,988
(iii) Third party water	2,04,982	6,28,532
(iv) Seawater / desalinated water	-	-
(v) Others	22,318	29,216

Annexure - VI to Directors' Report to the shareholders - *(continued)*

Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,40,167	7,34,736
Total volume of water consumption (in kilolitres)	2,40,167	7,34,736
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.000013428	0.0000348358
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00029172	0.000130111
Water intensity in terms of physical Output	4.8 KL/Ton	5.5 KL/Ton
Water intensity *(optional)* – the relevant metric may be selected by the Entity	NA	NA

- Wastewater from industrial process is treated, recycled and used in industrial application.
- Direct rainwater harvesting is also adopted.

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

No

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 *(Current Financial Year)*	FY 2024-25 *(Previous Financial Year)*
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	1,79,915	1,43,002
Total water discharged (in kilolitres)	1,79,915	1,43,002

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

The Company has implemented Zero Liquid Discharge System in all its locations. We have dedicated Effluent Treatment Plants and Sewage Treatment Plants in all locations and effluent / sewage generated from the operations. Effluent / Sewage treated are reused for the processes, toilet flushing and gardening purpose.

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

Parameter	Please specify unit	FY 2025-26 *(Current Financial Year)*	FY 2024-25 *(Previous Financial Year)*
NOx	Micrograms / M3	19.81	24.83
SOx	Micrograms / M3	15.96	20.5
Particulate matter (PM)	Micrograms / M3	41.62	58.05
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	PPM	BDL (DL:01)	BDL (DL:01)
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	Micrograms / M3	0.05	0.05

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 2025-26 *(Current Financial Year)*	FY 2024-25 *(Previous Financial Year)*
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	9208.4	17822
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	12924.2	41024
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent/Rs.	0.0000012375	0.00000279
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent/Rs.	-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO2 equivalent	-	-
Total Scope 1 and Scope 2 emission intensity *(optional)* – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

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

1) Increase in share of renewable energy. e.g., Augmentation of solar energy & procurement of green power through Indian Energy Exchange. 2) Implementation of energy efficient projects. 3) Eliminating fossil fuels from the process. e.g., Diesel forklifts to be converted in electrical forklifts.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

9. Provide details related to waste management by the entity:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste ***(A)***	54.46	65.59
E-waste ***(B)***	0.79	1.55
Bio-medical waste ***(C)***	0.19	0.25
Construction and demolition waste ***(D)***	0	52.08
Battery waste ***(E)***	0.83	2.06
Radioactive waste ***(F)***	Nil	Nil
Other Hazardous waste. Please specify, if any. (Waste oil, Waste residue containing oil, discarded oil barrel, chemical sludge from waste water treatment plant) ***(G)***	115.62	293.54
Other Non-hazardous waste generated ***(H).*** *Please specify, if any.* (Break-up by composition i.e. by materials relevant to the sector)	783.07	1212.31
Total (A+B + C + D + E + F + G + H)	954.96	1627.39
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00000005234	0.0000000772
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.000000288	0.000000288
Waste intensity in terms of physical output	0.033541023	0.038847417
Waste intensity *(optional)* – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled (Aluminium Swarf)	5401.48	5635.05
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	5401.48	5635.05
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	7149.11	3856.01
Total	7149.11	3856.01

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

Annexure - VI to Directors' Report to the shareholders - *(continued)*

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company restricts the use of "hazardous chemicals" in the parts of our products/processes. Company has an internal standard is which controls the usage of hazardous substances considering various national and international laws on hazardous substance. Aluminium swarfs are melted and converted into aluminium alloys. All other categories of wastes are disposed through authorized agencies.

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

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	Not applicable		

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

Necessity for environment impact assessment did not arise during reporting period

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances: Yes

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

Leadership Indicators

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

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

(i) Name of the area: Thervoy Kandigai, Mahindra World City and Oragadam

(ii) Nature of operations: Manufacturer of Die-casting

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

Parameter	FY 2025-26 *(Current Financial Year)*	FY 2024-25 *(Previous Financial Year)*
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	12,867	76,988
(iii) Third party water	2,04,982	6,28,532
(iv) Seawater / desalinated water	-	-
(v) Others	22,318	29,216
Total volume of water withdrawal (in kilolitres)	2,40,167	7,34,736

Annexure - VI to Directors' Report to the shareholders - *(continued)*

Total volume of water consumption (in kilolitres)	2,39,687	7,34,736
Water intensity per rupee of turnover *(Water consumed / turnover)*	0.00001326	0.00003483
Water intensity *(optional)* – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	1,79,915	1,43,002
Total water discharged (in kilolitres)	1,79,915	1,43,002

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Please provide details of total Scope 3 emissions & its intensity:

Parameter	Unit	FY 2025-26 *(Current Financial Year)*	FY 2024-25 *(Previous Financial Year)*
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Scope 3 emissions assessment is under progress for FY 2025-26. It is due to be completed by Jul'26	541274.7
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent / Rs.		0.00002566
Total Scope 3 emission intensity *(optional)* – the relevant metric may be selected by the entity	Metric tonnes of CO2 equivalent		12.92072

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

No, Scope 3 emissions assessment is under progress for FY 2025-26. It is due to be completed by Jul'26.

Annexure - VI to Directors' Report to the shareholders - *(continued)*

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable

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

Sr. No	Initiative undertaken	Details of the initiative *(Web-link, if any, may be provided along-with summary)*	Outcome of the initiative
1	Direct harvesting of rainwater	Rainwater is collected and used for industrial operations	Savings of ground water / fresh water from third party
2	Water conservation	Special projects undertaken to reduce use of process water in production	Saving of ground water and fresh water from third party
3	Energy savings	Special projects undertaken to reduce the consumption of energy in premises across the plant	Reduction in energy consumed

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

Flooding due to heavy rains are mitigated by initiating various controls like providing pumping facilities, deployment of sand bags at low areas to avoid water entry into the process zones. Plant buildings are constructed with seismic load into consideration. Fire and explosion effects are reduced through underground storage for hazardous chemical. Secondary storage facility is provided for keeping IT related back-ups.

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

Company has started to conduct environment audit among the value chain and has started insisting all its value chains to obtain ISO14001 standards.

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

30%

PRINCIPLE 7

BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

ESSENTIAL INDICATORS

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

7

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Employers Federation of India (EFI)	National
3	Employers Federation of South India (EFSI)	State
4	Madras Chamber of Commerce and Industry (MCCI)	State
5	Automative Component Manufacture Association (ACMA)	National
6	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
7	Indo German Chamber of Commerce	International

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

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

LEADERSHIP INDICATORS

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

S.No.	Public advocacy	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
NIL					

PRINCIPLE 8

BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

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

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

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

Village Development Officers (VDOs) play a crucial role in bridging the gap between government programs and rural communities. Their physical presence within villages allows for:

Firsthand understanding of community needs: VDOs can directly observe and interact with residents, gaining a clear picture of local challenges and priorities.

Immediate feedback mechanisms: VDOs can gather community feedback on existing programs and identify areas for improvement.

VDOs facilitate effective program implementation through ongoing interaction:

- SHG meetings: Regular engagement with Self-Help Groups (SHGs) fosters community participation and ensures program alignment with local needs.
- Collaboration with community organizations: VDOs work alongside local organizations, leveraging their expertise and connections.
- Feedback from government officials: VDOs actively seek input from officials at various levels (panchayat, block, district) to assess program implementation and identify potential gaps..

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

Particulars	FY 2025-26 *(Current Financial Year)*	FY 2024-25 *(Previous Financial Year)*
Directly sourced from MSMEs/ small producers	54.0%	43.5%
Directly from within India	92.6%	90.2%

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

Location	FY 2025-26 *(Current Financial Year)*	FY 2024-25 *(Previous Financial Year)*
Rural	-	-
Semi-urban	100%	100%
Urban	-	-
Metropolitan	-	-

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

LEADERSHIP INDICATORS

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

Company adheres to the practice of conducting Social Impact Assessments (SIAs) for all greenfield projects. However, during the fiscal year 2025-26, no SIAs were conducted.

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

The Company does not operate in any aspirational districts

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No) No

(b) From which marginalized /vulnerable groups do you procure? Nil

(c) What percentage of total procurement (by value) does it constitute? Nil

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

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

6. Details of beneficiaries of CSR Projects: Nil

PRINCIPLE 9

BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

ESSENTIAL INDICATORS

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

Customers will receive the complaints from the consumers and based on the complaints the Company will respond.

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

Annexure - VI to Directors' Report to the shareholders - *(continued)*

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	100
Safe and responsible usage	-
Recycling and/or safe disposal	-

The Company produces parts to the prints and specifications provided by the customers. The Company displays product information as required by the customers. This is approved by them during the development process.

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

Particulars	FY 2025-26 (Current Financial Year)		Remarks	FY 2024-25 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

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

Particulars	Number	Reasons for recall
Voluntary recalls	Nil	Not applicable
Forced recalls	Nil	Not applicable

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

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches

Nil

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

Nil

c. Impact, if any, of the data breaches

Nil

LEADERSHIP INDICATORS

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

Official website, Social media, labels

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

Not applicable

Annexure - VI to Directors' Report to the shareholders - *(continued)*

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

   Risks – business and operational are identified and appropriate counter measures deployed. These are reviewed by the management and Board periodically. As appropriate, the risk of disruption / discontinuation of services are also communicated to customers as well as external agencies.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.**

   The Company displays product information as required by the customers. This is approved by them during the development process.

5. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Yes

For and on behalf of the Board of Directors

Chennai
14th May 2026

Venu Srinivasan
Chairman & Managing Director
DIN: 00051523

Annexure - VII to Directors' Report to the shareholders

Report on Corporate Governance

1. Company's philosophy on code of governance

The Company has a strong legacy of fair, transparent and ethical governance practices. Company's businesses seek enhancement of shareholder value within this framework. The Company's philosophy on corporate governance is founded on the fundamental ideologies viz., Trust, Value, Exactness and Passion for Customers.

The Company believes in ensuring corporate fairness, transparency, professionalism, accountability and propriety in total functioning of the Company, which are pre-requisites for attaining sustainable growth in this competitive corporate world. Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built. The Company would constantly endeavor to improve on these aspects.

Good corporate governance, acting in accordance with the principles of responsible management which are aimed at increasing enterprise value on a sustainable basis, is an essential requirement for the Group.

The Company's corporate governance philosophy has been further strengthened by adopting a Code of Business Conduct and Ethics, Whistle Blower Mechanism and Code of Conduct to Regulate, Monitor and Report trading by Insiders for Prevention of Insider Trading by the Directors and Designated Persons and Code of practices for fair disclosure of unpublished price sensitive information.

2. Board of Directors

The Board of Directors (the Board) which consists of eminent persons with considerable professional expertise and experience, provides leadership and guidance to the management, thereby enhancing stakeholders' value.

2.1. Composition and category of Directors

The Board has sought to balance its composition and tenure and that of its committees and to refresh them gradually from time to time so that they can benefit from the experience of longer serving Directors, and the fresh external perspectives and insights from newer appointees.

During the year under review, Mr Rajesh Narasimhan ceased to be a Director of the Company with effect from 28th November 2025, and Mr Vivek S. Joshi ceased to be Director & Chief Executive Officer with effect from 31st March 2026. Further, based on the approval of the Board of Directors at its meeting held on 26th February 2026 and the approval of the shareholders obtained on 4th April 2026, Mr R Venkatesh was appointed as Director & Chief Executive Officer of the Company for a period of five years with effect from 1st April 2026. As on 31st March 2026, the total strength of the Board was eight (8). Mr Venu Srinivasan, who is the Chairman and Managing Director of the Company. The Company was in compliance with the prescribed composition requirements of the Board, including having at least one-half of the Board comprising Independent Directors and at least one Woman Independent Director, in terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on the date of this report, the Board comprises of:

(i) Three (3) Executive Directors, namely, Mr Venu Srinivasan, Chairman and Managing Director, Dr. Lakshmi Venu, Managing Director and Mr R Venkatesh, Director & Chief Executive Officer;

(ii) Four (4) Non-Executive Independent Directors, namely, Mr C R Dua, Mr R Gopalan, Mr P Kaniappan and Ms Sasikala Varadachari; and

(iii) One (1) Non-Executive Director, Mr R Anandakrishnan.

Thus, the composition of the Company's Board is in conformity with the Listing Regulations.

Non-Executive Directors have a wide range of experience from various fields including financial, administrative and legal services and have a wealth of experience in different organizations. Many of the Company's Board members have experience of long-cycle industries, which is of great assistance in understanding the industry in which the Company operates. The Company is committed to the diversity of the Boardroom.

As required under Regulation 16 of the Listing Regulations, it is also ensured that IDs of the Company do not hold Non-Independent Director position in any other company, where any of the Non-Independent Director of the Company is an Independent Director.

In accordance with the provisions of the Act, 2013 and the Articles of Association of the Company, Mr R Anandakrishnan, Director, who has been the longest in office, is liable to retire by rotation at the ensuing AGM and being eligible, offers himself for reappointment and has been recommended for their re-appointment by the Nomination and Remuneration Committee and the Board.

The resolution seeking approval of the Members for his re-appointment has been included in the Notice of AGM along with brief details about him.

2.2. Board meetings:

The Company, in consultation with the Directors, prepares and circulates a tentative annual calendar for meetings of the Committees / Board in order to assist the Directors in planning their schedules well in advance to participate in the meetings.

For all the Board and Committee meetings the facility for participation through video conferencing were made available to the Directors.

The Company regularly places before the Board for its review, all the information as required under Part A of Schedule II to Listing Regulations such as annual operating plans, Capex budget and its quarterly updates, quarterly financial results, minutes of meetings of Audit Committee and other Committees of the Board, information on recruitment and remuneration of senior management personnel one level below the Board, any significant development in Human Resources / Industrial Relations, show-cause, demand and prosecution notices and penalty notices which are materially important, quarterly details of foreign exchange exposures, risk

management and mitigation measures, report on compliance of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances, if any, etc.

Comprehensively drafted notes for each agenda item along with preagenda materials, wherever necessary, are circulated well in advance to the Committee / Board to enable them to make value additions as well as for exercising their business judgment in the Committee / Board Meetings.

Presentations are also being made by the business heads on the Company's Operations, Marketing Strategy, Risk Management, Internal Financial Control, etc., in Board / Audit Committee Meetings, and by external experts wherever required. The performance of subsidiaries is also presented on quarterly basis to the Audit Committee / Board Meetings.

The agenda for the meetings were circulated through a Digital application installed on i-Pads as an eco-friendly measure. All notes to agenda items for convening meetings of the Board / Committees are being uploaded in digital mode well in advance.

During the year 2025-26, the Board met eight (8) times on 6th May 2025, 6th August 2025, 6th November 2025, 2nd January 2026, 29th January 2026, 26th February 2026, 27th March 2026 and 30th March 2026. The gap between two meetings did not exceed 120 days. Besides, the IDs held a separate meeting on 3rd March 2026 as per the applicable provisions of the Act, 2013 and Regulation 25(3) of the Listing Regulations.

2.3. Attendance and other Directorships:

The details of attendance of the Directors at the Board meetings during the year and at the last AGM held on 6th August 2025 and other directorships and Committee Memberships / Chairmanships as on 31st March 2026 are as follows:

Name of the Director (M/s.)	DIN	Category	Attendance particulars		Number of other Directorships, Committee Memberships / Chairmanships		
			Board meeting	Last Annual General Meeting	Other directorships*	Committee memberships**	Committee chairmanships
Venu Srinivasan	00051523	P, ED	6	Yes	21	1	-
Dr. Lakshmi Venu	02702020	PG, ED	8	Yes	11	2	-
Vivek S Joshi#	09522758	ED	6	Yes	3	-	-
R Gopalan	01624555	ID	7	Yes	11	9	2
R Anandakrishnan	07806173	NED	6	Yes	3	-	-
C R Dua	00036080	ID	6	No	11	2	-
Rajesh Narasimhan@	07824276	NED	3	Yes	-	-	-
Sasikala Varadachari	07132398	ID	8	Yes	3	4	1
P Kaniappan	02696192	ID	8	Yes	-	1	1

ED : Executive Director
NED : Non-Executive Director
ID : Independent Director
P : Promoter
PG : Promoter Group

* Includes private companies, Section 8 Companies and companies incorporated outside India.
** includes committees where the director holds the position of Chairman.
\# Ceased as Director & CEO w.e.f. 31st March 2026
@ Ceased as a Director w.e.f. 28th November 2025

For the membership and chairpersonship in Committees, only Audit Committee and Stakeholder Relationship Committee have been considered as per Regulation 26 of the Listing Regulations.

None of the Directors on the Board is a member of more than ten committees or chairman of more than five committees across all the companies in which they are Directors. Mr Venu Srinivasan and Dr. Lakshmi Venu are related to each other. None of the other Directors on the Board is related to any other Director on the Board. The number of Directorships, Committee Memberships / Chairmanships of all Directors are within the respective limits prescribed under the Act, 2013 and the Listing Regulations.

2.4. Listed entities in which the directors hold position as director other than Sundaram-Clayton Limited and category of Directorship

Name of the Director (M/s.)	Name of the Company	Category of Directorship
R Gopalan	Zee Entertainment Enterprises Limited	Non-Executive Director, Chairman
	TVS Holdings Limited	Non-Executive Director
	Vedanta Limited	Independent Director
Venu Srinivasan	TVS Motor Company Limited	Chairman Emeritus & Managing Director
	TVS Holdings Limited	Non-Executive, Chairman
C R Dua	TVS Holdings Limited	Independent Director
	Procter & Gamble Hygiene and Health Care Limited	Independent Director, Chairman
Sasikala Varadachari	TVS Holdings Limited	Independent Director

None of the non-executive directors holds directorships including independent directorships in more than seven listed entities. As far as, Managing Director / Whole-Time Director in the Company are concerned, they do not serve as an Independent Director in more than three listed entities.

2.5. Access to information and updation to Directors:

The Board reviews all the information provided periodically for discussion and consideration at its meetings in terms of the Listing Regulations. Functional heads are present whenever necessary and apprise all the Directors about the developments. They also make presentations to the Board and Audit Committee of Directors.

Apart from this, the observations on the audit carried out by the internal auditors and the compliance report on payment of statutory liabilities submitted by the Statutory Auditors of the Company are placed and discussed with functional heads, by the Committee / Board. The Board also reviews the declarations made by the Chief Financial Officer regarding compliance with all applicable laws on quarterly basis. Decisions taken at the meetings of the Board / Committee are communicated to the functional heads. Action taken report on decisions of previous meetings was placed at every succeeding meeting of the Board / Committee for reporting the compliance.

2.6. Familiarization program

Familiarization program is made available to Directors covering such topics as the Board's role, Board's composition and conduct, Board's risks and responsibilities to ensure that they are fully informed on current governance issues.

The program also includes briefings on the culture, values and business model of the Company, the roles and responsibilities of senior executives and the Company's financial, strategic, operational and risk management position. An induction program for new Non-Executive Directors features a series of core topics, including an overview of the Group, its key businesses and the control environment at Plant level and also includes plant visit for detailed understanding of manufacturing process / activities of the Company. The details of familiarization program are available on the Company's website in the link as provided in page no 83 of this Annual Report.

2.7. Chart setting out the core skills / expertise / competence of the Board of Directors:

While evaluating the Board as a whole, it was ensured that the existing Board members have relevant core skills / expertise / competencies as required in the context of its business(es) and sector(s) to function effectively.

Skill / Expertise/ Competency	Description
Leadership / Strategy	Experience of playing leadership roles in large businesses, with competencies around strategy development & implementation, sales & marketing, business administration/operations and Organizations and people management.
Automotive / Engineering Experience	Strong knowledge and experience in automotive industry and foundry and in managing business operations of a sizeable organization in the business of manufacture and sale of automobiles.
Financial	Practical knowledge and experience in Corporate Finance, accounting and reporting and internal financial controls, including strong ability to assess financial impact of decision making and ensure profitable and sustainable growth.
Governance	Board level experience in reputed Organizations, with strong understanding of and experience in directing the management in the best interests of the Company and its stakeholders and in upholding high standards of governance.
Regulatory	Strong expertise and experience in corporate law and regulatory compliance in India and overseas.

The Company's Board of Directors is well structured to ensure a high degree of diversity by age, gender, educational qualifications, professional background, present activity, sector expertise and special skills (classification). This is reflected in the Company's skills and diversity grid disclosed here.

Board comprises a range and balance of skills, experience, knowledge, gender, social-economic backgrounds and independence. This needs to be backed by a diversity of personal attributes, including sound judgement, honesty and courage.

Professional Background & Skills / expertise / competency of Directors:

Name of the Directors (M/s)	Brief description about the Directors
Venu Srinivasan	• Mr. Venu Srinivasan is the Chairman & Managing Director of the Company. He has made major contribution to the automotive industry and nation building at large for over four decades and has facilitated the Company to emerge as third largest two-wheeler manufacturer in India. His experience and innovative excellence have helped the Company in broadenings its product portfolio from time to time and establishing the Company's presence across the globe. • His dedication to the transformation of rural India by empowering women in the rural areas that can be seen through his passion towards setting up the Srinivasan Services Trust (SST), which has touched the lives of 1.6 million people in 2500 villages across the country in the last 30 years. • He was conferred the Padma Bhushan Award, the third Highest civilian award in India, in January 2020. He is the recipient of Deming Distinguished Service Award, granted to individuals who have made outstanding contributions in the dissemination and promotion (overseas award 2019), the Ishikawa-Kano Award (2012) by the Asian Network of Quality, the apex body for quality in Asia. • Under his leadership, his companies were awarded the Deming Prize and the Japanese Quality Medal in 2002; He was conferred with "Order of Diplomatic Merit" (Heung- In Medal) by the President of Korea. He was presented with an "Outstanding Institution Builder" Award at the 13th Managing India Awards by AIMA (All India Management Association) for displaying exceptional vision and leadership in building an institution in 2023. • Conferred with lifetime achievement award by CNBC - TV18's India Business Leadership Awards (IBLA) in 2023 and in 2024 Ernst & Young recognized him with the Life time Achievement award for his decades of entrepreneurial excellence in revolutionizing the two wheeler industry in India. • He was honoured with the Lifetime Achievement Award by the prestigious ET Awards for Corporate Excellence. The award honours his unparalleled contributions to Indian manufacturing, leadership and corporate social responsibility. He was also conferred with CII President's Award for Lifetime Achievement at the CII Annual Summit 2026. • He is also Chairman of TVS Holdings Limited and Chairman Emeritus and Managing Director of TVS Motor Company Limited. He also serves on the board of T V Sundram Iyengar & Sons Private Limited, Tata Sons Private Limited. • He is the Chairman of InKo Centre (The Indo- Korean Cultural and Information Centre) which is a non-profit society set up in 2006 with support from TVS Motor Company and Hyundai Motor India Limited to promote a sustainable, meaningful intercultural dialogue between India and South Korea. • He has held various important positions in the Indian Industry, such as the President, Confederation of Indian Industry and the President, Society of Indian Automobile Manufacturers. • He is also a Director on the Central Board of Reserve Bank of India; and he is also the vice chairman of various Tata Trusts, India's most respected and largest philanthropic foundation and the majority shareholder of the Tata group.
Dr. Lakshmi Venu	• Dr. Lakshmi Venu has an undergraduate degree in Economics from Yale University and holds a doctorate in Engineering Management from the University of Warwick, UK. • She is a Managing Director of Sundaram-Clayton Limited ("SCL" or the "Company") and is the Vice Chairman of Tractors and Farm Equipment Limited. • She underwent an extensive in-depth induction in SCL, wherein she had worked in the areas of business strategy, corporate affairs, product design and sales & marketing. • She has been the lead architect in establishing SCL's global footprint. Her decision to set up a foundry in U.S. in 2019 in Dorchester, South Carolina was almost prescient, as most U.S. based customers were looking for on-shore foundry units to reduce supply chain risks and curtail carbon footprint. • She is also the Managing Director of TAFE Motors and Tractors Limited and is a director on the boards of several other prominent companies. • She has been recently awarded the "Fortune 100 Most Powerful Women Award 2025" and "The New Indian Express – Devi Award 2025".

Name of the Directors (M/s)	Brief description about the Directors
Vivek S Joshi	• Mr Vivek S Joshi has over 28 years of rich experience in automotive manufacturing industry in areas like plant operations, quality, engineering, systems, and metallurgy. • Mr Vivek S Joshi was instrumental in development of customer specific requirements for leading auto-OEMs in India and overseas. • Since last 27 years, Mr. Vivek S Joshi is practicing lean manufacturing and advanced-problem-solving tools including design of experiments and was fortunate to learn from leading professors at the Ohio State University, Columbus, USA and Juran Institute of Quality at NC State University.
R Gopalan	• Mr R Gopalan is a retired IAS officer, was a Member of Public Enterprises Selection Board ("PESB"). This Body selects CMDs, MDs and Directors of Central Public Sector Enterprises. • Mr Gopalan as Secretary, Department of Economic Affairs was handling matters relating to Capital Markets, Infrastructure Finance, G-20, World Bank (WB), International Monetary Fund (IMF), Asian Development Bank (ADB), Budget preparation, Public Private Partnership (PPP), Directorate of Currency and other related matters pertaining to the economy. Mr Gopalan brought about a number of changes in the functioning of the Capital Markets and initiated new policy measures in infrastructure development. Mr Gopalan served as Secretary in the department of Financial Services, administratively responsible for banking, insurance and pension funds sectors. • Mr Gopalan has vast experience in Corporate Laws, Business Administration, Corporate Finance and Regulatory matters and he had represented India in the trade negotiations at World Trade Organization. • Mr Gopalan holds a Master's Degree in economics from Boston University and a Master's Degree in Public Administration and Management from the John F. Kennedy School of Government, Harvard University. • He is currently the Chairman of Zee Entertainment Enterprises Limited and Director of TVS Holdings Limited, TVS Credit Services Limited, Vedanta Limited, ANA ARC Private Limited, MB Power (Madhya Pradesh) Limited, New Delhi Centre for Sight Limited, Play Games 24 x 7 Private Limited, Wiseowl Securities Private Limited and U Games Private Limited.
C R Dua	• Having founded Dua Associates nearly forty years ago, Mr. Dua is currently the Chairman of the Firm, which has offices across eight metropolitan cities of India. His responsibilities include providing guidance to the 250 professionals of the firm for its further growth and development, including providing long-term vision. He ensures that the management of the firm vests in the executive committee and sub-committees which are empowered to take decisions in their respective domains, so the Firm continues to retain its recognized leadership position. • The Firm led by Mr Dua has been representing overseas businesses and negotiating and structuring their inbound investments. He has advised major US corporations' foray into India like General Electric, General Motors, AT&T, McDonald's, and 3M Corporation, The Boeing Company, Rolls Royce Plc., Rio Tinto, Estee Lauder, Gilead, Whirlpool, Becton Dickinson, Gillette, Dow Chemical Corporation and DuPont amongst others. • He continues to shape strategic direction, empower the Firm's professionals, and strengthen domestic and international alliances. Drawing on his broad experience across corporate and commercial law, governance and compliance, foreign investment, and M&A, he remains dedicated to sustaining the Firm's growth momentum and institutional excellence. • Mr. Dua has been recognized as "The Most Influential & Significant Lawyer" by The Legal 500. Similarly, Chambers & Partners, a global ranking body, has ranked Mr. Dua in their APAC Guide for his individual noteworthy contributions in the General Corporate & M&A practice area. He has been recognized as a Legal Icon and included in India Business Law Journal's A-List of top Indian lawyers every year for the last five years. He has also been recognized by Forbes India in its Legal Powerlist of Top Managing Partners for the last four years consecutively. • Early 2020, Mr Dua received the prestigious Lifetime Achievement Award for Outstanding Contribution and Excellence in the field of Law and subsequently he was conferred the Lifetime Achievement Award – Law Firms 2021, by an eminent panel of jury members, led by Tushar Mehta, Solicitor General of India, for his hard work, sincerity and dedication towards the profession. • Mr Dua was awarded the Samman Patra by the Govt. of India, Ministry of Finance and The National Council of Jurists Award in recognition of his contribution to the development of Corporate Laws in India. In 2018, Mr Dua was conferred the Award "Knight of the Order of the Star of Italy" for his contribution to the promotion of bilateral business ties between Italy and India.

Name of the Directors (M/s)	Brief description about the Directors
	• He is the Chairman of the Board of Procter & Gamble Hygiene and Health Care Limited and an Independent Director on the same board. A founding member of the American Chamber of Commerce in India, he is an invitee to its National Executive Board. Mr Dua is also a member of the National Committee on Legal Services of the Confederation of Indian Industry (CII) and one of the Senior Vice Presidents of the Society of Indian Law Firms (SILF). He also joined the Board of Governors of IILM Law School, IILM University Gurugram. • Mr Dua actively championed diversity, inclusion and equality, which are now integral to all aspects of the Firm's practice. The Chairman has been the moving spirit behind the Firm's continued support to Him Jyoti Vocational Institute for education of under-privileged girl children, an initiative which is now institutionalized and sustained by the Firm's professionals. • An avid tennis player Mr Dua's sporting interests are pursued as a member of the Executive Committee of the International Lawn Tennis Club of India and a Senior Vice President of the Delhi Lawn Tennis Association. • An Honours graduate of St Stephen's College, Mr Dua also holds a master's degree in economics from the Delhi School of Economics..
Sasikala Varadachari	• Ms. Sasikala Varadachari is an Independent Director on the Board of our Company. She holds a master's degree in economics from Madras University. She is also a certified associate of Indian Institute of Bankers. • She is a retired banker with over 37 years of experience in the fields of banking operations both in India and overseas. • She retired as chief general manager of State Bank of India ("SBI"), spearheading the strategic training unit, SBI, corporate centre, Mumbai, having profound knowledge in credit and merchant banking. • She was the first chief executive officer of SBI in Israel and was responsible for setting up SBI's commercial operations there. • She is presently on the board of TVS Holdings Limited, TVS Motor Services Limited and Galaxy Health Insurance Company Limited.
R Anandakrishnan	• R Anandakrishnan (Anand) has been associated with TVS Motor group since 1988, where he joined as a Graduate Engineer Trainee in Sundaram Clayton Limited - Automotive Products Division. He moved to TVS Motor Company in June 2005, and was till recently the President & Group Head of HR for TVS Motor Group which included TVS Credit Services, TVS Emerald and the other subsidiaries in India and overseas. In this role, he oversaw the implementation of HR strategy, to drive innovation, diversity and enhance employee experience. He was also responsible for reshaping the strategy and execution of TVS Institute of Quality & Management aligning to the Vision 2030 of TVS Motor and the group companies. He also was responsible for driving and adopting the Digital Practice across TVS Motor. He superannuated from his role on 01st May 2026 and has been retained in a full-time advisory capacity by TVS Motor and seconded to Indian Foundation for Quality Management (IFQM). • In his new role, he Heads the IFQM Academy which is responsible for building learning solutions for Large as well as Small and Medium Enterprises to enhance their competitiveness. IFQM is a Section 8, Not-for -Profit, Industry led movement with a Nation FIRST approach to Catalyze Indian Industries to be Globally Competitive and Export capable through Quality, Innovation & Excellence • Prior to this, Anand was the President-Director of PT TVS Motor Company, Indonesia from 2012 to 2016 and led the turnaround of the company into a profitable business transforming Product, Positioning, Marketing and People strategies. • As an integral part of various companies within the TVS Group, Anand brings with him over 38 years of industry experience in Manufacturing, Sales, Marketing, Business Planning & Strategy, International Business, TQM, Human Resources and Information Technology in varied business environments in India and Overseas. His areas of specialization and interest include Business strategy, TQM, change management, leadership development, organization design and compensation & benefits. • He has held the position of Chairman of the Economic Research Group from 2009 to 2011 and Co-Chairman of Human Capital Group from 2021 to 2023 in Society of Indian Automobile Manufacturers (SIAM) • He continues to represent TVS Motor company on the Boards of Ultraviolette Automotive and PT TVS Motor Company, Indonesia and is a Director on the Board of SCL Properties Private Limited. • After completing his bachelor's in mechanical engineering from Annamalai University in 1987, Anand pursued his post graduate executive MBA from Milton Keynes, UK in 1999 and then from Ross School of Business Michigan, (Global Program for Managers Development) in 2005.

Name of the Directors (M/s)	Brief description about the Directors
P Kaniappan	• Mr. P. Kaniappan is the Head of Assessment and Counselling at the Indian Foundation for Quality Management (IFQM), where he leads initiatives to strengthen quality-focused leadership and capability development in Indian industry. He also serves as an Independent Director on the Board of Sundaram Clayton Limited. • With over 40 years of experience in the automotive sector, Mr. Kaniappan has held senior leadership positions at leading organizations such as TVS Motors, Sundaram Clayton, WABCO India, and the ZF Group (Commercial Vehicle Solutions Division). He served as Managing Director of ZF Commercial Vehicle Control Systems India Limited (formerly WABCO India) from July 2014 to June 2025. • Previously, he served as Whole-time Director at WABCO India from 2009 and was promoted to Managing Director in 2014. He joined Brakes Division of Sundaram Clayton in 1992, subsequently leading its Foundry Division and later becoming President (Operations) of the Brakes business. Mr. Kaniappan began his career as a graduate engineer trainee in the Moped Division of Sundaram Clayton, which later became part of TVS Motor Company. • Mr. Kaniappan holds a bachelor's degree in mechanical engineering from the National Institute of Technology, Suratkal; a master's degree in manufacturing systems engineering from the University of Warwick, UK; and an Executive MBA from the Great Lakes Institute of Management, Chennai. He is also an alumnus of the Advanced Management Program at the Wharton School, University of Pennsylvania. • His contributions to the manufacturing and automotive sectors have been recognized through several prestigious awards, including Top 100 and Best CEOs by Business Today (2016); Lifetime Achievement Award by Frost & Sullivan IMEA (2018); Ashoka Award by ISQ (2022) for championing quality management; Outstanding Quality Man by NIQR (2023).

2.8. Code of Business Conduct and Ethics for Members of the Board and Senior Management Personnel (SMP):

The Company has in place the Code of Business Conduct and Ethics for Members of the Board and SMP (the Code) approved by the Board.

The Company's Code of Conduct embodies its values and expectations with which its corporate standards and employee policies are aligned.

The Code has been communicated to Directors and SMP. An updated version of Code of Conduct, which is available on Company's website, is always under review and amended by the Board from time to time.

The Code has also been displayed on the Company's website in the link provided in page no. 83 of the Annual Report.

All the Members of the Board and SMP have confirmed compliance with the Code for the year ended 31st March 2026. The Annual Report contains a declaration to this effect signed by Mr R Venkatesh, Director & CEO.

2.9. Appointment / Re-appointment of Directors:

In terms of Regulation 36(3) of the Listing Regulations, a brief resume of the Director proposed to be re-appointed, nature of his expertise in specific functional areas, other directorships and committee memberships, shareholdings and relationships, if any, with other Directors along with listed entities from which the Director has resigned in the past three years are provided in the Notice convening AGM of the Company.

2.10. Committees of the Board:

The Board has to make a focused attention on business and for better governance and accountability, constituted the following mandatory committees viz., Audit Committee, Risk Management Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and non- mandatory Committee, viz., Administrative Committee, Scheme Implementation Committee and QIP Committee. The terms of reference of these Committees are determined by the Board and their performance being reviewed. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The minutes of the Committee Meetings are placed before the subsequent Board meetings.

3. Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosure and transparency, integrity and quality of financial reporting. It also helps the Board in meeting its responsibilities for the effectiveness of risk management system.

3.1. Brief description of terms of reference:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and inter-alia performs the following functions:

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

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

c. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement in terms of clause (c) of sub-section 3 of Section 134 of the Act;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;

- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions; and
- Modified opinion, if any, in the draft audit report.

d. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;

e. 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;

f. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

g. Approving or subsequently modifying any transactions of the Company with related parties;

h. Scrutinizing the inter-corporate loans and investments;

i. Reviewing the valuation of undertakings or assets of the Company, wherever it is necessary;

j. Evaluating internal financial controls and risk management systems;

k. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

l. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;

m. Discussing with internal auditors of any significant findings and follow up thereon;

n. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or any failure of internal control systems of a material nature and reporting the matter to the Board;

o. Discussing 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;

p. Looking into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

q. Reviewing the functioning of the Whistle Blower mechanism;

r. Approving the appointment of CFO after assessing the qualifications, experience and background of the candidate;

s. Reviewing the utilisation of loans and / or advances from / investments / by the holding company in the subsidiary exceeding ₹ 100 Cr or 10% of the asset size of the subsidiary, whichever is lower; and

t. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

In addition, reviewing of such other functions as envisaged under Section 177 of the Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended and Regulation 18 of Listing Regulations.

The subjects reviewed and recommended in the meetings of the Audit Committee were apprised to the Board by the Chairman of the Committee, for its approval. All the recommendations made by the Committee during the year under review were accepted by the Board.

3.2. Composition, name of members and the Chairman:

As at 31st March 2026, the Audit Committee consists of the four Director's viz., M/s R Gopalan, Dr Lakshmi Venu, C R Dua and Sasikala Varadachari.

The composition of the Committee is in accordance with the requirements of Regulation 18 of Listing Regulations read with Section 177 of the Act. Mr R Gopalan is the Chairman of the Committee.

Mr P D Dev Kishan, Company Secretary acts as the secretary of the Committee.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meetings	Members' Present (M/s.)			
	RG	Dr LV#	CRD	SKV
06.05.2025	✓	NA	✓	✓
06.08.2025	✓	NA	LOA	✓
15.09.2025	✓	NA	✓	✓
06.11.2025	✓	NA	✓	✓
29.01.2026	✓	NA	✓	✓
27.03.2026	LOA	NA	✓	✓

✓- Attended the meeting LOA - Leave of absence NA - Not Applicable
Dr. Lakshmi Venu was appointed as a Member w.e.f 27th March 2026
[RG - Mr R Gopalan, Dr LV – Dr Lakshmi Venu, CRD – Mr C R Dua, SKV – Ms Sasikala Varadachari]

4. Subsidiary Companies

As of 31st March 2026, the Company has the following subsidiaries:

Sr No	Name of the Companies
Subsidiaries	
1	Sundaram Holding USA Inc., USA ("SHUI") and its Limited Liability Corporations: - Green hills Land Holding LLC - Component Equipment Leasing LLC - Sundaram – Clayton (USA) LLC - Premier Land Holding LLC
2	Sundaram-Clayton (USA) Limited, USA (Merged with SHUI effective 16th December 2025)
3	Sundaram-Clayton GmbH, Germany
4	SCL Properties Private Limited, India

The Minutes of the Board Meetings of the aforesaid subsidiaries, wherever applicable are periodically placed before the Board. In addition to that, the Audit committee reviews the financial statements and in particular the investments made by the said unlisted subsidiaries. The Board is periodically informed about all significant transactions and arrangements entered into by the direct subsidiary.

Material Subsidiaries Policy:

The Board at its Meeting held on 11th August 2023 approved the policy for determining 'material subsidiaries'. As per the amended Listing Regulations material subsidiary means a subsidiary whose turnover or net worth exceeds 10% of the consolidated turnover or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

As on 31st March 2026, the Company's overseas subsidiary namely Sundaram Holding USA Inc., USA is covered under the definition of Unlisted Material subsidiary in terms of Regulation 16 (1) (c) of the Listing Regulations.

For the purpose of complying with the requirement of Regulation 24 of the Listing Regulations, the Company nominated one of the IDs of the Company on the Board of Sundaram Holding USA Inc., USA whose turnover / net worth exceeds of 20% of the consolidated turnover or net worth as the case maybe.

Copy of the said policy is available on the Company's website in the link provided in page no. 83 in this Annual Report.

5. Disclosures

5.1. Materially significant related party transactions:

All transactions entered into with related parties (RPTs), as defined under the Act, 2013 and the Listing Regulations during the financial year 2025-26 were in the ordinary course of business and at arm's length and do not attract the provisions of Section 188 of the Act and the rules made thereunder.

There were no materially significant transactions with the related parties during the year, which were in conflict with the interests, and hence no approval of the Company was required in terms of the Listing Regulations.

The transactions with the related parties, namely its subsidiary and associate companies, etc., of routine nature have been reported in the Annual Report, as per Indian Accounting Standard 24 (IND AS 24) notified vide the Companies (Indian Accounting Standard) Rules, 2015. Details of related party transactions are enclosed as part of accounts for the year ended 31st March 2026.

5.2. Related Party Transaction Policy:

The Board has formulated a policy on related party transactions. The Audit Committee reviews and approves transactions (RPTs) between the Company and related parties, as defined under the Listing Regulations, to ensure that the terms of such RPTs would reasonably be expected of transactions negotiated at arm's length and in the ordinary course of business. The Audit Committee meets prior to each scheduled Board meeting to review all RPTs of the Company on a quarterly basis.

In terms of Regulation 23 of the Listing Regulations, all RPTs for the succeeding financial year, with clear threshold limit, will be placed before the Audit Committee meeting convened during last quarter of the financial year for its recommendation to the Board for its approval, wherever required. RPTs entered during the financial year are reviewed at the same meeting for any upward revision in the threshold limit.

It was also ensured that none of the RPTs involving payments with respect to brand usage or royalty during the financial year, exceeded five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

As per the Companies Act, 2013, any unforeseen RPT involving amount not exceeding ₹ 1 Cr per transaction entered into by a director or officer of the Company without obtaining prior approval of the Audit Committee and such transactions being RPTs can be ratified by the Audit Committee within three months from the date of such transaction. The Company has engaged an Independent audit firm for ensuring correctness of the approach in complying with both the criteria on arm's length price and ordinary course of business for all RPTs entered into by the Company, during the year under review.

Copy of the said Policy is available on the Company's website in the link as provided in page no. 83 of this Annual Report.

5.3. Disclosure of accounting treatment:

Pursuant to the notification, issued by the Ministry of Corporate Affairs dated 16th February 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, as amended from time-to-time, the financial statements for the year 2025-26 have been prepared in compliance with the said Rules.

5.4. Risk Management:

The Committee assists with the oversight of the Company's risk appetite, tolerance and strategy. The Company has established Risk Management Policy which formalizes its approach to the oversight and management of material business risks. The policy is implemented through a top down and bottom up approach for identifying, assessing, monitoring and managing key risks across the Company's business units.

Risks and effectiveness of management are internally reviewed and reported regularly to the Board. As a process, the risks associated with the business are identified and prioritized based on severity, likelihood and effectiveness of current detection.

It also monitors current and potential risk exposures, the effectiveness of the risk management framework and adherence to the various risk policies approved by the Board. Such risks are reviewed by the Senior Management on regular basis. Process owners are identified for each risk and metrics are developed for monitoring and reviewing the risk mitigation.

The Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks. The Risk Management Committee reviews the reports given by members of the management team and recommends suitable action.

Risk Management Committee

As on 31st March 2026, the Risk Management Committee consists of three Directors viz., M/s Sasikala Varadachari, C R Dua, Independent Directors and Dr. Lakshmi Venu, Managing Director.

Mr Vivek S Joshi ceased to be a member w.e.f. 31st March 2026 and Mr R Venkatesh was appointed as Member w.e.f. 1st April 2026.

The composition of the Committee is in accordance with the requirements of Regulation 21 of the Listing Regulations. Ms Sasikala Varadachari is the Chairperson of the Committee. Mr P D Dev Kishan, Company Secretary acts as the Secretary of the Committee.

The committee during the year, inter-alia, reviewed the mitigation plans for the following critical risks viz., Cyber security Risks and Business risks.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of Meetings	Members' Present (M/s.)			
	SKV	CRD	Dr LV	VSJ
06.08.2025	✓	LOA	✓	✓
15.09.2025	✓	✓	✓	✓
29.01.2026	✓	✓	✓	✓

✓- Attended the meeting LOA - Leave of absence

[SKV – Ms Sasikala Varadachari, CRD – Mr C R Dua, Dr LV – Dr Lakshmi Venu, VSJ – Mr Vivek S Joshi]

Cyber Threats:

The Committee received regular updates on the key risks associated with technology, including notable incidents, regulatory developments, governance and strategy, as well as developments in the global cybersecurity threat landscape such as the rise in prominence of ransomware, and the progress of cyber-attack simulation exercises with senior executives and readiness training across all the Companies in the Group.

Scope:

a) Overseeing and approving the Company's enterprise-wide risk management framework;

b) Overseeing / identifying / assessing of all risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational;

c) Evaluating that adequate risk management infrastructure is in place and capable of addressing those risks.

d) Monitoring / overseeing the implementation of the risk management policy and reviewing the policy periodically.

Role:

a) To identify, evaluate and mitigate the existing as well as potential risks to the Company and to recommend the strategies to the Board to overcome them;

b) To develop and implement action plans to mitigate the risks;

c) To oversee at such intervals as may be necessary, the adequacy of Company's resources to perform its risk management responsibilities and achieve its objectives;

d) To review the risk management framework for the operations of the Company that are deemed necessary and Company's performance against the identified risks of the Company;

e) To formulate the strategies towards identifying any areas that may materially affect the Company's overall risk exposure and to review the Risk Management Plan;

f) To adequately transmit necessary information with respect to material risks to Senior Executives / Board / relevant Committees;

g) To check if Cyber security cover has been adopted by Information systems department; and

h) Such other items as may be prescribed by the regulatory or by the Board, from time to time.

5.5. Instances of non-compliances, if any:

There were no instances of non-compliance by the Company or penalty and stricture imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital markets.

5.6. Disclosure by Senior Management Personnel (SMP):

The Senior Management Personnel have made disclosures to the Board relating to all material, financial and other transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.

5.7. CEO and CFO Certification:

The Director & CEO and Chief Financial Officer of the Company have certified to the Board on financial and other matters in accordance with Regulation 33 of the Listing Regulations for the financial year ended 31st March 2026.

5.8. Compliance with mandatory / non-mandatory requirements:

The Company has complied with all applicable mandatory requirements in terms of the Listing Regulations. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate heading detailed elsewhere in this Report.

5.9. Code of Conduct for Prevention of Insider Trading:

In compliance with the amended SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended, the Company has a comprehensive Code of conduct for prevention of insider trading and the same is being strictly adhered by the Designated persons (DPs) while dealing in Company's securities in excess of the threshold limit as defined under this Code.

The Company also has in place Code of Practices and Procedures for fair disclosure of "Unpublished Price Sensitive Information" (UPSI) and a Code of Conduct to regulate, monitor and report trading by insiders.

The Company follows closure of trading window from the end of every quarter till 48 hours after the UPSI is made public. The Company has been advising the DPs covered by the Code not to trade in Company's securities during the closure of trading window period. The Company has set up a mechanism for weekly tracking of the dealings of equity shares of the Company by the Designated persons and their immediate relatives having access to unpublished price sensitive information.

The Audit Committee also reviewed the Institutional Mechanism for Prevention of Insider trading and the systems for internal control as per Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and declarations from Designated Persons affirming their compliance with the Code for the year 2025-26.

The Company has installed necessary software for maintaining a Structured Digital Database as per the circulars issued by SEBI. The Company regularly shares the importance of recording the UPSI to the DPs concerned. All DPs have been requested to share emails or any communication containing UPSI with others only for legitimate purposes. Wherever it is required, DPs are requested to record sharing of UPSI details with other employees, Auditors, Consultants within or outside the Company, marking a copy to a dedicated email ID. Emails marked to the specific mail ID can be accessed only by the intended users, till it is made public.

5.10. Management Discussion and Analysis Report and Familiarization Programme:

All the above Report / Policies form part of the Directors' Report.

5.11. Whistle Blower Policy:

The Company has established a reputation for doing business with integrity and displays zero tolerance for any form of unethical behaviour. Vigil mechanism instituted by the Company to report concerns about unethical behaviour in compliance with the requirements of the Act and the Listing Regulations. The Board's Audit Committee oversees the functioning of this policy. Protected disclosures can be made by a

whistle-blower through several channels to report actual or suspected frauds and violation of the Company's Code of Conduct. It is affirmed that during the year, no person has been denied access to the Audit Committee. Copy of the said Policy is available on the Company's website in the link as provided in page no. 83 of this Annual Report.

6. Nomination and Remuneration Committee (NRC)

The NRC assists the Board in its oversight of Board composition and the maintenance of an effective framework for succession planning. It also assists with the implementation of the Remuneration Policy, including the fixing of remuneration of the Executive and Non-Executive Directors, Key Managerial Personnel (KMPs) (other than Directors) and Senior Managerial Personnel (SMPs).

6.1. Composition of the Committee:

As on 31st March 2026, the Nomination and Remuneration Committee consists of five Directors viz., M/s. R Gopalan, Independent Director, Venu Srinivasan, Executive Director, C R Dua, Sasikala Varadachari, P Kaniappan, Independent Directors.

With effect from 30th March 2026, Mr R Gopalan was re-designated as Chairman, Mr Venu Srinivasan was appointed as Member, Mr C R Dua was re-designated as Member, Mr P Kaniappan was appointed as Member and Mr R Anandakrishnan ceased to be a Member.

The composition of the Committee is in accordance with the requirements of Regulation 19 of the Listing Regulations.

Mr C R Dua, the former Chairman of the Committee was not present at the AGM held on 6th August 2025 due to prior commitments. However, he had authorized a member of the Committee to represent him at AGM, for replying to the queries of the Shareholders. Mr P D Dev Kishan, Company Secretary acts as the Secretary of the Committee.

6.2. Details of Meetings and attendance:

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meetings	Members' Present (M/s.)					
	RG	VS	CRD	SKV	RAK	PK
06.05.2025	✓	NA	✓	✓	LOA	NA
06.08.2025	✓	NA	LOA	✓	✓	NA
26.02.2026	✓	NA	✓	✓	✓	NA
27.03.2026	LOA	NA	✓	✓	✓	NA

✓ - Attended the meeting LOA - Leave of absence NA - Not Applicable
[RG - Mr R Gopalan, VS – Mr Venu Srinivasan, CRD - Mr C R Dua, SKV - Ms. Sasikala Varadachari, RAK – Mr R Anandakrishnan, PK – Mr P Kaniappan]

6.3. The broad terms of reference of the NRC are as under:

- Guiding the Board for laying down the terms and conditions in relation to the appointment and removal of Director(s), Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) of the Company.
- Evaluating the performance of the Director(s) and providing necessary report to the Board for its further evaluation and consideration.
- Recommending to the Board on remuneration payable to the Director(s), KMP and SMP of the Company based on:
  - i. the Company's structure and financial performance and
  - ii. remuneration trends and practices that prevail in peer companies across the automobile industry.
- Retaining, motivating and promoting talent amongst the employees and ensuring long term sustainability of talented SMP by creation of competitive advantage through a structured talent review.

6.4. The role / scope of NRC is as follows:

- To make recommendations to the Board with respect to incentive compensation plans for Executive Director(s) and remuneration of NED(s) of the Company.
- To identify persons who are qualified to become Director(s)/ KMP and SMP of the Company.
- To recommend to the board for appointment / removal of Director(s), KMP / SMP of the Company.
- To formulate criteria for determining qualification, positive attributes and independence of a Director of the Company.
- To recommend to the Board a Policy for remuneration of Director(s), KMP and SMP of the Company.

6.5. Evaluation Criteria

The NRC lays down the criteria for evaluating the performance of every Director, Committees of the Board and the Board as a whole and the performance of KMP and SMP.

The performance evaluation of the Board as a whole was assessed based on the criteria, like its composition, size, mix of skills and experience, its meeting sequence, effectiveness of discussion, decision making, follow up action, quality of information, governance, oversight of different areas, risk management and internal controls, succession planning, and the performance and reporting by various Committees set up by the Board.

NRC prescribed a peer evaluation methodology by way of set of questionnaire to evaluate the performance of individual Directors, Committee(s) of the Board, Chairman and the Board as a whole, and the Board carried out the performance evaluation as per the methodology.

The performance evaluation of individual Director was carried out based on his / her commitment to the role and fiduciary responsibilities as a board member, attendance and active participation, strategic and lateral thinking, contribution and recommendations given professionally, heading / acting as Member of various Committees etc.

The performance of SMP is measured against their achievement of the business plans approved by the Board during and at the completion of the financial year and their annual performance incentive which reflects their business plan achievements. An evaluation of performance has been undertaken based on the criteria for all SMP and this has been in accordance with the above process.

NRC has the overall responsibility for evaluating and approving the compensation plans, policies and programmes applicable

to the SMP. NRC also delegates its authority to the Executive Directors, wherever appropriate, for this purpose.

6.6. Remuneration Policy:

The Nomination and Remuneration Policy has been placed on the website of the Company. The details of the website link is available on the Company's website as provided in page no. 83 of this Annual Report.

The salient features of the policy are as follows: NRC formulates policies to ensure that –

- the level and composition of remuneration are reasonable and sufficient to attract, retain and motivate Director(s) of the quality required to run the Company successfully;
- the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- the remuneration to Director(s), KMP and SMP of the Company involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

6.7. Remuneration to Directors:

Executive Director(s)

The remuneration payable to C & MD, MD and D & CEO is fixed by the Board and are within the limits approved by the shareholders in terms of the relevant provisions of the Act, 2013 read with Regulation 17 of the Listing Regulations.

Particulars of remuneration paid to Executive Directors are as follows:

(₹ in Cr)

Executive Director	Salary and Perquisites	Commission	Total
C & MD	0.01	-	0.01
MD	1.82	3.80	5.62
D & CEO	4.77	-	4.77

The above remuneration to Mr Venu Srinivasan, C & MD is notwithstanding his holding similar position in TVS Motor Company Limited (TVSM) and drawing remuneration, as approved by its shareholders, from time to time, provided that the total remuneration drawn by him as C & MD from the Company and TVSM does not exceed the higher maximum limit admissible, from any one of these two companies.

Similarly, the above remuneration to MD is notwithstanding her holding position of Managing Director in TAFE Motors and Tractors Limited (TMTL), as approved by its shareholders, from time to time, provided that the total remuneration drawn by her as MD from the Company and TMTL does not exceed the higher maximum limit admissible, from any one of these two companies.

There is no separate provision for payment of severance fees. The notice period is mutually agreed between the Executive Directors and the Board. The tenure of office of Executive Directors is disclosed elsewhere in the Report.

Commission paid to the Directors are within the permissible limits approved by the Members and determined by the Board every year depending upon the performance of the Company.

Non-Executive / Independent Director(s)

Sitting fees

Effective 10th May 2024, ₹ 20,000/- each is paid to the Non-Executive Directors for every meeting of the Board and / or Committee thereof attended by them, which is within the limits, prescribed under the Act, 2013.

Commission

The Company benefits from the expertise, advice and inputs provided by NE-IDs. NE-IDs devote their valuable time in deliberating on strategic and critical issues in the course of Board and Committee meetings of the Company and give their valuable advice, suggestions and guidance to the management of the Company, from time to time and hence, NE-IDs are being paid by way of sitting fees and commission.

At the Extra-Ordinary General Meeting held on 27th July 2023, the Shareholders have approved payment of commission to Independent Directors, based on performance of the Company, not exceeding 1% of the net profits of the Company, in aggregate, subject to a maximum, as determined by the Board, for each such Director for every financial year effective 1st April 2023.

The amount of commission for every financial year will be decided by the Board, as approved by the shareholders at EGM held on 27th July 2023 subject to the limit of 1% of net profits of the Company, in aggregate, as calculated pursuant to Section 198 of the Act, 2013. A commission of ₹ 20 lakhs was approved at the Board Meeting held on 14th May 2026 to each NE-IDs, for the year 2025-26. The above compensation structure is commensurate with the best practices in terms of remunerating NE-IDs and it adequately compensates for the time and contribution made by NE-IDs.

The remuneration was determined by NRC considering the varying demands of the business, time commitment and other requirements of the role of Non-Executive Directors.

In terms of the amended Listing Regulations, it has also been ensured that the remuneration payable to one NE-ID does not exceed 50% of the total annual remuneration payable to all NE-IDs of the Company.

Presently, the Company does not have a scheme for grant of stock options either to the Directors or employees of the Company.

In the opinion of the Board, the Independent Directors appointed are persons of high repute, integrity and possesses the relevant expertise, experience and proficiency.

6.8. Particulars of sitting fees / commission paid to the Non-Executive and Independent / Non-Independent Directors during the financial year 2025-26 are as follows:

(₹ in Lakhs)

Name of the Directors (M/s.)	Sitting fees	Commission	Total
R Gopalan	3.60	20.00	23.60
Sasikala Varadachari	5.00	20.00	25.00
C R Dua	2.80	20.00	22.80
Rajesh Narasimhan*	0.80	-	0.80
R Anandakrishnan	1.40	-	1.40
P Kaniappan	1.40	20.00	21.40
Total	**15.00**	**80.00**	**95.00**

* Remuneration paid for the period from 1st April 2025 to 28th November 2025

There are no other pecuniary relationships or transactions of the Non-Executive Directors' vis-a-vis of the Company.

6.9. Details of shareholdings of Non-Executive Directors in the Company as on 31st March 2026:

Mr. R Anandakrishnan holds 5 equity shares of the Company. Except Mr R Anandakrishnan, none of the Non-Executive Directors in the Company holds shares as on 31st March 2026.

7. Stakeholders' Relationship Committee (SRC)

7.1. As on 31st March 2026, the Stakeholders Relationship Committee consists of three Directors viz., M/s. P Kaniappan, Dr. Lakshmi Venu and R Gopalan. Mr P Kaniappan is the Chairman of the Committee.

Mr Rajesh Narasimhan ceased to be Chairman of the Committee effective 28th November 2025. Mr P Kaniappan was appointed as the Chairman of the Committee with effect from 31st December 2025.

Mr Rajesh Narasimhan, former Chairman of the Committee was present at the AGM held on 6th August 2025.

7.2. During the year, the SRC Committee met on 6th November 2025. All members attended the meeting.

7.3. As required by the Listing Regulations, Mr P D Dev Kishan, Company Secretary is the Compliance Officer of the Company, who oversees the redressal of investor grievances. For any clarification / complaint, the shareholders may contact the Company Secretary.

7.4. SRC oversees and reviews all the matters connected with issue of duplicate share certificates and other issues pertaining to shares. SRC also looks into various aspects of interests:

- Resolving the grievances of the security holders relating to transfer / transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends, issue of new / duplicate certificates and related activities.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Share Transfer Agent.
- 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.

7.5. Number of Complaints received and redressed during the period ended 31st March 2026: 3 (transfer / transmission of shares).

7.6. All the queries and complaints received during the period ended 31st March 2026, were duly redressed and no queries are pending at the year end.

7.7. Reconciliation of Share Capital Audit:

A firm of Practising Company Secretary carries out Reconciliation of Share Capital (RSC) Audit on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The report is being regularly placed before the Board for its perusal on a quarterly basis.

The RSC audit reports confirmed that the total issued and listed capital was in agreement with the total number of dematerialized shares held with NSDL and CDSL.

8. Corporate Social Responsibility Committee (CSR)

As on 31st March 2026, the Corporate Social Responsibility Committee consists of three Director's viz., M/s. Venu Srinivasan, Dr. Lakshmi Venu and Sasikala Varadachari.

During the year, the Committee met on 6th May 2025. All members attended the meeting.

The details of CSR Policy, initiatives and spending are disclosed in the Annexure - IV to the Directors Report.

9. Non-Mandatory Committees

9.1. Administrative Committee

The Administrative Committee is constituted to handle administrative matters as delegated by the Board and consists of three Directors viz., M/s R Gopalan, Dr. Lakshmi Venu and Sasikala Varadachari. Mr R Gopalan is the Chairman of the Committee.

The particulars of meetings and attendance by the members of the Committee, during the year under review, are given in the table below:

Date of the Meeting	Members' Present (M/s)		
	RG	Dr LV	SKV
06.05.2025	✓	✓	✓
06.08.2025	✓	✓	✓
06.11.2025	✓	✓	✓
29.01.2026	✓	✓	✓
27.03.2026	LOA	✓	✓

✓ - Attended the meeting LOA – Leave of Absence
[RG - Mr R Gopalan, LV - Dr. Lakshmi Venu, SKV – Ms Sasikala Varadachari]

9.2. Scheme Implementation Committee

The Board of Directors at their meeting held on 11th August 2023, constituted the Scheme Implementation Committee for administrative convenience to enable the Company to carry out the various actions required for implementation of the Scheme.

The members of the Committee are Dr. Lakshmi Venu and Ms Sasikala Varadachari. Dr. Lakshmi Venu is the Chairperson of the Committee. During the year, no Committee meetings were held.

9.3. Qualified Institutions Placement Committee

The Board of Directors at their meeting held on 3rd July 2024, constituted the Qualified Institutions Placement Committee (QIP Committee) for administrative convenience for implementing the fundraising activities.

The members of the Committee are Mr R Gopalan, Dr. Lakshmi Venu and Ms Sasikala Varadachari. Mr R Gopalan is the Chairman of the Committee. During the year, no Committee meetings were held.

10. General body meeting

10.1. Location and time where the AGMs were held during the last three years:

Year	Location / Mode	Date	Time (IST)
2022-23	'Chaitanya', No.12, Khader Nawaz Khan Road, Nungambakkam, Chennai - 600006	24th July 2023	02.00 PM
2023-24	Through VC/OAVM	9th August 2024	02.30 PM
2025-25	Through VC/OAVM	6th August 2025	02.30 PM

10.2. Special resolutions passed in the previous three AGMs / Extra Ordinary General Meeting (EGMs)

AGM details:

During the year 2022-23, no approvals of the shareholders were obtained by passing special resolutions. At the AGM held on 9th August 2024, approval of the Shareholders was obtained by passing special resolution for appointment of Mr P Kaniappan (DIN 02696192), as a Non-Executive Independent Director ("NE-ID") of the Company for a term of five consecutive years.

No approvals of the shareholders was obtained by passing special resolution at the previous AGM held on 6th August 2025.

EGM details:

During the last three years, the following approvals were obtained by passing special resolutions.

Year	Subject Matter of Special Resolution	Date of EGM
2023-24	Alteration of Articles of Association	24th July 2023
	Payment of remuneration to Mr Vivek S Joshi, Director and Chief Executive Officer of the Company.	27th July 2023
	Payment of Commission to Non-Executive Independent Directors of the Company	
	Appointment of Mr Venu Srinivasan as Chairman Emeritus and Managing Director of the Company.	10th August 2023
2024-25	-	-
2025-26	-	-

10.3. Postal Ballot:

None of the subjects placed before the shareholders in the last / ensuing AGM required / requires approval through Postal Ballot.

During the year under review, the approval of the shareholders was sought by way of an Ordinary Resolution through Postal Ballot for the item as below. The Postal Ballot Notice was dispatched to the Members on 5th March 2026, and the cut-off date for reckoning the voting rights was 27th February 2026. The remote e-Voting period commenced on 6th March 2026 at 9.00 a.m. (IST) and concluded on 4th April 2026 at 5.00 p.m. (IST):

Sl. No.	Date of Notice of Postal ballot	Item	Votes Polled	Votes cast				Effective date of passing the resolution
				Favour		Against		
				No. of votes	%	No. of votes	%	
1.	26th February 2026	Appointment of Mr. R Venkatesh (holding DIN: 11569393) as Director of the Company	1,88,78,379	1,88,76,400	99.99	1,979	0.01	4th April 2026
		Appointment of Mr. R Venkatesh (holding DIN: 11569393) as Director & Chief Executive Officer of the Company for a period of 5 (five) years with effect from 1st April 2026	1,88,78,379	1,88,76,400	99.99	1,979	0.01	

In accordance with General Circular Nos.14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 10/2021 dated 23rd June, 2021, 03/2022 dated 5th May, 2022, 11/2022 dated 28th December, 2022, 09/2023 dated 25th September 2023, 09/2024 dated 19th September 2024 and 03/2025 dated 22nd September 2025 issued by the Ministry of Corporate Affairs ("MCA Circulars") and Regulation 44 of Listing Regulations, the above resolution was passed by means of Postal Ballot through e-Voting.

The said Ordinary Resolutions were passed with requisite majority of the shareholders. The voting results of Postal Ballot is available on the website of the Stock Exchanges and website of the Company.

10.4. Person who conducted the Postal Ballot exercise:

M/s. B Chandra & Associates, Practising Company Secretaries were appointed to act as the scrutinizers for conducting the Postal Ballots through e-Voting.

10.5. Procedure for Postal Ballot:

The Postal Ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, 2013, read with the rules framed thereunder and MCA Circulars. M/s B Chandra & Associates, Practising Company Secretaries (Firm Registration No.: P2017TN065700), acted as Scrutiniser for conducting the Postal Ballot in a fair and transparent manner. Voting results are available on the website of the Stock Exchanges and the Company. There is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall be passed in compliance with the provisions of the Companies Act, 2013, the Listing Regulations or any other applicable laws.

11. Means of communication to shareholders

The Board believes that effective communication of information is an essential component of corporate governance. The Company regularly interacts with Shareholders through multiple channels of communication such as results announcement, annual report, media releases, the Company's website and specific communications to Stock Exchanges, where the Company's shares are listed.

11.1. Quarterly results:

The Company's quarterly / half-yearly / annual financial results were sent to the Stock Exchanges and were published in English and Regional newspapers. They are also available on the website of the Company.

11.2. Newspapers wherein results are normally published:

The results are normally published in English Newspaper viz., Economic Times and Regional Newspaper viz., Dinamani.

11.3. Website:

The Company has in place a website addressed as www.sundaram-clayton.com. This website contains the basic information about the Company, viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company, who are responsible for assisting and handling investor grievances, such other details as may be required under Regulation 46 of the Listing Regulations. The Company ensures that the contents of this website are periodically updated.

11.4. Press Release & Investor / Analysts meet:

In addition, the Company makes use of this website for publishing official news release and presentations, if any, made to institutional investors / analysts.

12. General shareholder information

12.1 Annual General Meeting:

Day, Date and time: Tuesday, 28th July 2026, at 02.30 p.m. (IST) through VC / OAVM

12.2 Financial year : 1st April to 31st March

Financial calendar : 2026-27

Financial reporting for the quarter ending

30th June, 2026	:	Before 14th August, 2026
30th September, 2026	:	Before 14th November, 2026
31st December, 2026	:	Before 14th February 2027
31st March, 2027	:	Before 30th May, 2027

12.3 Particulars of dividend payment:

Particulars of dividend declaration / payment are disclosed in the Directors' Report. Dividends were declared in compliance with the Dividend Distribution Policy of the Company.

Dividend distribution policy

SEBI mandated the top 1000 listed companies based on market capitalization to formulate Dividend Distribution Policy which shall be disclosed in their annual reports and on their websites.

The Dividend Distribution Policy is disclosed on the Company's website in the link as provided in page no. 83 of this Annual Report.

12.4 Listing on Stock Exchanges:

Type of Securities	Name and Address of the Stock Exchange
Equity (ISIN: INE0Q3R01026)	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001, India Tel.: 91 22 2272 1233 Fax : 91 22 2272 1919
	National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India Tel.: 91 22 2659 8100 Fax : 91 22 2659 8120

Note:

1. For the year 2025-26, payments were duly made towards Annual listing fees to the above Stock Exchanges and custodial charges for the depositories viz., NSDL and CDSL; and
2. During the year, the Company had redeemed and extinguished the Non-Convertible Debentures effective 18th August 2025.

12.5. Share Transfer Agents and share transfer system:

a. The Company has appointed Integrated Registry Management Services Private Limited, which has been registered with SEBI as Category-I Registrar & Transfer Agent (RTA) with Regn. No. INR000000544, as the Share Transfer Agent of the Company (STA) with a view to rendering prompt and efficient service to the investors and in compliance with Regulation 7 of the Listing Regulations. The Shareholders have also been advised about this appointment of STA to handle share registry work pertaining to both physical and electronic segments of the Company.

b. All matters connected with the share transfer, dividends and other matters are being handled by STA located at the address mentioned in this Report.

c. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within prescribed time. Grievances received from investors and other miscellaneous correspondence relating to change of addresses, mandates etc., is processed by STA within the prescribed time.

d. Certificates have also been received from a firm of company secretaries-in-practice and submitted to the Stock Exchanges, on a quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 1996.

e. The Company, as required under Regulation 6(2) (d) of the Listing Regulations, has designated the e-mail ID, namely corpsec@sundaramclayton.com for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.

f. Shareholders are, therefore, requested to correspond with STA for transfer / transmission of shares, change of address and queries pertaining to their shareholding, dividend, etc., at their address given in this Report.

12.6. Shareholding pattern of the Company as on 31st March 2026:

Category of Shareholder	No. of shares held	%
Promoter and Promoter Group		
Individuals	11,89,386	5.39
Body Corporate	15,14,378	6.87
Trusts	1,03,23,122	46.83
Total (A)	**1,30,26,886**	**59.09**
Mutual Funds	44,50,397	20.19
Banks/ Financial Institutions/ NBFC	27	-
Foreign Institutional Investors	94,078	0.43
Alternate Investment Fund	1,96,833	0.89
Total Institutions (B)	**47,41,335**	**21.51**
Bodies Corporate	3,13,068	1.42
Individuals holding nominal capital in excess of ₹ 2 Lakhs	13,12,878	5.96
Individuals holding nominal capital upto ₹ 2 lakhs	22,72,719	10.31
Non Resident Indians (NRI)	1,09,243	0.50
Directors & their relatives	393	-
IEPF	42,857	0.19
Others	2,26,783	1.02
Total Non-Institutions (C)	**42,77,941**	**19.40**
Total Public Shareholding [D=(B+C)]	**90,19,276**	**40.91**
Grand Total (A+D)	**2,20,46,162**	**100.00**

12.7 Distribution of Shareholding as on 31st March 2026:

Sl. No.	Shareholding	No of Holders	% of Holders	No of Shares	% of Shares
1	Upto 500	22,962	97.03	13,71,296	6.22
2	501 - 1000	368	1.56	2,69,389	1.22
3	1001 - 2000	142	0.60	2,05,573	0.93
4	2001 - 3000	54	0.23	1,36,334	0.62
5	3001 - 4000	35	0.15	1,22,078	0.55
6	4001 - 5000	24	0.10	1,11,348	0.51
7	5001 - 10000	28	0.12	2,01,677	0.91
8	10001 and above	51	0.22	1,96,28,467	89.03
Total		**23,664**	**100.00**	**2,20,46,162**	**100.00**

12.8 Dematerialization of shares and liquidity:

As on March 31, 2026, the Company's paid-up shares is 2,20,46,162, of which 2,20,46,161 equity shares are held in dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). One equity share continues to be held in physical form.

12.9 The Company has not issued any Global Depository Receipt / American Depository Receipt/ Warrant or any convertible instrument, which is likely to have impact on the Company's Equity.

12.10 Other Disclosures

a. Pecuniary relationships or transactions with NE-IDs vis-a- vis the Company during the year under review, do not exceed the threshold limit as laid down under the Listing Regulations and same have been reported in the notes to the accounts.

b. During the year, there were no materially significant transactions with related parties that may have potential conflict with the interests of the Company at large.

c. Company is a net exporter. Company has a forex hedging policy and covers are appropriately taken to cover the currency risk. The exposure and cover taken are reviewed by the Audit Committee on regular basis.

d. Company is not a dealer in Commodities. Prices payable to vendors for raw materials and components are negotiated based on internationally available data. Cost of manufacture of all products are reviewed at regular intervals.

e. Loans and advances in the nature of loans to firms / companies in which Directors are interested by name and amount – Nil

f. The Company has not entered into any commodity derivatives with any of the bankers and hence the disclosure of exposure in commodity risks faced by the Company is not required, as directed in the SEBI Circular dated 15th November 2018.

g. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations are not required.

h. The Nomination and Remuneration Committee had recommended the appointment of Ms. M Muthulakshmi as Company Secretary and Compliance Officer in place of Mr P D Dev Kishan, which was approved by the Board at its meeting held on 27th March 2026; however, consequent to the withdrawal of resignation by Mr. P. D. Dev Kishan, the Board, at its meeting held on 30th March 2026, rescinded its earlier decision.

i. The requirements of Regulation 17 to Regulation 27 of the SEBI Listing Regulations and clauses (b) to (i) of Regulation 46(2) to the extent applicable to the Company have been complied with as disclosed in this Report.

12.11 Plant locations

Thiruvallur	:	Plot No. A-6/3A, SIPCOT Industrial Park, Thervoy Kandigai, Gummidipoondi Taluk, Thiruvallur District – 601202 Phone: 91-44-26258212 Email: scl@sundaramclayton.com
Kanchipuram	:	No. B14, SIPCOT Industrial Growth Center, Oragadam, Sriperumbudur Taluk, Kanchipuram District, Kanchipuram - 602 105 Phone: 91-44-67103300 Email: scl@sundaramclayton.com
Chennai	:	Mahindra World City, Chengalpattu - 603 004, Tamil Nadu, India. Tel.: 044-4749 0049 / 91-44-27460500 Email: scl@sundaramclayton.com

12.12 Address for investors correspondence:

I. For transfer / dematerialisation of shares, payment of dividend on shares and any other query relating to the shares of the Company	:	Integrated Registry Management Services Limited Share Transfer Agent (STA) Unit : Sundaram-Clayton Limited Chennai - 600 006
II. for any query on non-receipt of annual report	:	Email : einward@integratedindia.in
III. for Investors grievance & general correspondence	:	Email : corpsec@sundaramclayton.com einward@integratedindia.in

12.13. List of Credit Ratings:

CRISIL Rating Limited has reaffirmed/ withdrawn ratings in respect of the Company's instruments viz., Reaffirmed Long term rating 'CRISIL AA- /Negative and Short term rating 'CRISIL A1+ for Total Bank Loan Facilities and withdrawn CRISIL AA-/Negative for Non-Convertible Debentures.

12.14. Certificate from Practicing Company Secretary:

The Company has received a certificate from the Secretarial Auditor of the Company stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such statutory authority.

12.15. Fees paid to Statutory Auditor on a consolidated basis:

During the year, the Company has paid ₹ 71.00 lakhs to the Statutory Auditors for all services received by the listed entity and its subsidiaries, if any on a consolidated basis excluding the out of pocket expenses and reimbursement costs.

12.16. Sexual Harassment at workplace:

During the year under review, the Company has not received any complaints in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has a robust mechanism in place to redress complaints reported under it.

An Internal Committee (IC) is constituted by the Company in all its Plants and Corporate Office to consider and resolve the sexual harassment complaints reported by women. The constitution of the IC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the committee includes external members from NGOs or with relevant experience.

12.17. Disclosure on compliance with the issue of Debt securities for incremental borrowings by Large Corporates:

The Company does not fall under the definition of Large Corporate and hence was not required to raise a minimum of 25% of its incremental borrowings during the Financial Year by way of issuance of debt securities.

12.18. Details of Material subsidiaries of the Listed Entity

Particulars	Sundaram Holding USA. Inc. (SHUI)
Date of Incorporation	09.09.2015
Place of Incorporation	USA
Name of the Auditor	KNAV P.A.
Date of Appointment	April 2016

12.19 Particulars of Senior Management Personnel

Name	Designation
Mr R Venkatesh	Chief Operating Officer (Up to 31st March 2026)
Mr V Hariharan	Chief Financial Officer (From 1st September 2025)
Mr P D Dev Kishan	Company Secretary

Note : Mr Ajay Kumar, Chief Financial Officer resigned w.e.f. 31st August 2025

13. Non-mandatory disclosures

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

13.1. The Board:

As on 31st March 2026, Mr Venu Srinivasan, Managing Director is the Chairman of the Company.

13.2. Shareholder rights:

The quarterly and half-yearly results of the Company are published in newspapers as soon as they are approved by the Board and are also uploaded on the Company's website namely www.sundaram-clayton.com. The results are not sent to the shareholders individually.

13.3. Audit qualifications:

The Audit Report on the financial statements of the Company are unmodified.

13.4. Reporting of internal auditor:

The internal auditor regularly reports his observations directly to the audit committee.

14. Promoter Reclassification

The Company received a letter from T.V. Sundram Iyengar & Sons Private Limited, member of the Promoter and Promoter Group of the Company seeking reclassification from the 'Promoter' category to 'Public' category shareholders under Regulation 31A of the Listing Regulations. Accordingly, the shareholders of the Company approved the proposal through Postal Ballot on 25th April 2024 and the necessary application was submitted to the Stock Exchanges. The Company has received the approval from the Stock Exchanges for the re-classification on 30th September 2025.

15. Request to shareholders

Shareholders are requested to follow the general safeguards / procedures as detailed hereunder for the Company to serve them efficiently and avoid risks while dealing in securities of the Company.

15.1. Registration of Electronic Clearing Service (ECS) mandate:

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories for payment of dividend through ECS to investors wherever ECS and bank details are available. The Company will not entertain any direct request from members holding shares in electronic mode for deletion of / change in such bank details. Members who wish to change such bank account details are therefore requested to advise their DPs about such change, with complete details of bank account.

ECS helps in quick remittance of dividend without possible loss / delay in postal transit. Shareholders, who have not earlier availed this facility, are requested to register their ECS details with the Share Transfer Department or their respective DPs.

15.2. Registration of Nominations / opt out facility:

Under the provisions of Section 72 of the Companies Act, 2013 and SEBI Circular No. SEBI/HO/MIRSD/ MIRSD_RTAMB/P/ CIR/2021/655 dated 3rd November, 2021 shareholder(s) is / are entitled to nominate in the prescribed manner, a person to whom his / her / their shares in the Company, shall vest after his / her / their lifetime. In respect of shares held in dematerialized form, members may submit their nomination forms with their respective Depository Participants.

15.3. Updation of KYC details:

Shareholders, holding Shares in electronic form, are requested to deal only with their DPs in respect of change of address and furnishing bank account number, etc.

15.4. Timely encashment of dividends:

Shareholders are requested to note that the dividends, not claimed for a period of seven years from the date they first became due for payment, shall be transferred to IEPF in terms of Section 124(6) of the Act read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

In terms of the provisions of Section 124 of the Act, 2013, TVS Holdings Limited, Demerged Company ("TVSH") as per the Composite Scheme of Arrangement, had transferred the unclaimed dividend to Investor Education and Protection Fund ("IEPF") which remained unclaimed for a continuous period of 7 (seven) years along with the corresponding equity shares.

15.5. Transfer of Unpaid/Unclaimed Dividend and Corresponding Shares to the Investor Education and Protection Fund (IEPF)

Pursuant to the Composite Scheme of Arrangement, the Company issued and allotted equity shares to the shareholders of TVSH, including 43,205 equity shares and 4,469 preference shares, which were transferred to the IEPF on 31st August 2023.

Subsequently, the corresponding dividend declared on such equity shares was also transferred to the IEPF Authority. The preference shares referred to above were redeemed during the financial year 2024–25.

During the year, the Company transferred an amount of ₹2.04 lakhs to the IEPF. Shareholders are requested to claim the unclaimed dividend amounts and the corresponding shares from the IEPF Authority.

The Company has uploaded details of unpaid/unclaimed amounts and shares liable for transfer to the IEPF Authority (arising from unpaid dividends for seven consecutive years, if any) on its website.

Shareholders may note that both the unclaimed dividend and the corresponding shares transferred to the IEPF Authority, along with all benefits accruing on such shares, if any, can be claimed from the IEPF Authority by following the prescribed procedure (i.e., filing an application in e-Form IEPF-5) under the IEPF Rules. Shareholders are advised to refer to Rule 7 of the IEPF Rules for claiming a refund of shares/dividends.

Procedure for Claiming Unclaimed Dividend and Underlying Shares from the IEPF Authority

1. **Register and Log In:**

Register on the MCA website and log in.

2. **Access Investor Services:**

Navigate to the 'Investor Services' tab under the 'MCA Services' section and access the web-based Form IEPF-5. Upload scanned copies of the required documents.

3. **Submit Documents:**

Submit self-attested copies of the documents listed in the IEPF-5 help kit (available at www.iepf.gov.in) to the Company or its Registrar and Transfer Agent (RTA).

4. **Verification by the Company:**

Upon verification, the Company will issue an entitlement letter.

5. **File Form IEPF-5:**

Complete and submit Form IEPF-5. Thereafter, send self-attested copies of the form, along with the acknowledgement (SRN), indemnity bond, and entitlement letter, to the Company.

6. **Processing:**

Upon receipt of the documents, the Company will submit an e-verification report to the IEPF Authority for further processing.

INFORMATION IN RESPECT OF UNCLAIMED DIVIDENDS DUE FOR REMITTANCE INTO IEPF IS GIVEN BELOW

Financial Year	Date of declaration	Date of transfer to special account	Due date for transfer to IEPF
2023-24 (interim)	26-03-2024	24-04-2024	24-04-2031
2024-25 (interim)	21-03-2025	19-04-2025	19-04-2032
2025-26 (Interim)	27-03-2026	25-04-2026	25-04-2033

16. Unclaimed suspense account

Pursuant to the requirement of Regulation 34(3) and Schedule V Part F of Listing Regulations, the following table provides details in respect of the equity shares and preference shares lying in the suspense account. The Company has sent reminders to the shareholders for claiming those shares at their latest available address(es) with the Company or Depository, as the case may be.

All the corporate benefits in terms of securities accruing on those shares like bonus shares, split etc would also be credited to Unclaimed Suspense Account of the Company. The voting rights on shares lying in unclaimed suspense account shall remain frozen till the rightful owner claims the shares.

Equity Shares

Statement of Unclaimed Shares in Suspense Account as on 31.03.2026

Details	No. of shareholders	No. of shares
No of shares in the unclaimed suspense account as on 1st April 2025	36	2340
Add: No. of shares credited pursuant to Regulation 39(4) of Listing Regulations	NIL	NIL
Less: No. of shares transferred to the shareholders on request from 1st April 2025 to 31st March 2026	NIL	NIL
Less: Shares transferred to IEPF A/c during the year	NIL	NIL
No of shares in the unclaimed suspense account as on 31st March 2026	36	2340

For and on behalf of the Board of Directors

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Chennai
14th May 2026

Compliance with Code of Business Conduct and Ethics

To
The Shareholders of Sundaram-Clayton Limited
(formerly known as Sundaram-Clayton DCD Limited),
Chennai.

On the basis of the written declarations received from Members of the Board and Senior Management Personnel in terms of the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, it is hereby certified that both the Members of the Board and the Senior Management Personnel of the Company have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the Board for the year ended 31st March 2026.

R VENKATESH
Director and CEO
DIN : 11569393

Chennai
14th May 2026

Auditors' certificate on compliance of the provisions of the Code of Corporate Governance

To

The Shareholders of Sundaram-Clayton Limited

(formerly known as Sundaram-Clayton DCD Limited),

Chennai.

We have examined the compliance of conditions of Corporate Governance by Sundaram-Clayton Limited ('the Company') for the financial year ended 31st March 2026 as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations].

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

We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with corporate governance requirements by the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

For RAGHAVAN, CHAUDHURI & NARAYANAN
Chartered Accountants
Firm Regn. No. 007761S

V. SATHYANARAYANAN
Partner
Membership No. 027716
UDIN: 26027716NQPODF8687

Bengaluru
14th May 2026

WEBSITE

Appropriate information on the Company's website, regarding key Policies, Codes and Returns:

1. **TERMS OF APPOINTMENT OF IDS**
   https://www.sundaram-clayton.com/Investor/Disclosures/Terms_of_Appointment_of_IndependentDirector.pdf
2. **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**
   https://www.sundaram-clayton.com/Investor/2026/Reports/BusinessResponsibility_Sustainability_Report_2025-26.pdf
3. **POLICY ON VIGIL MECHANISM / WHISTLE BLOWER POLICY**
   https://www.sundaram-clayton.com/Investor/Disclosures/Whistle_Blower_Policy.pdf
4. **ANNUAL RETURN**
   https://www.sundaram-clayton.com/Investor/Reports/Draft_Annual_Return_2025-26.pdf
5. **CSR POLICY**
   https://www.sundaram-clayton.com/Investor/2026/SEBIDisclosures/Corporate_Social_Responsibility_Policy.pdf
6. **DIRECTORS FAMILIARIZATION PROGRAM**
   https://www.sundaram-clayton.com/Investor/Disclosures/Familiarisation_Program.pdf
7. **CODE OF BUSINESS CONDUCT AND ETHICS**
   https://www.sundaram-clayton.com/Investor/Disclosures/Code_of_Business_Conduct_and_Ethics.pdf
8. **MATERIAL SUBSIDIARIES POLICY**
   https://www.sundaram-clayton.com/Investor/Disclosures/Material_Subsidiary_Policy.pdf
9. **RELATED PARTY TRANSACTION POLICY**
   https://www.sundaram-clayton.com/Investor/Disclosures/PolicyonRelatedPartyTransactions.pdf
10. **NOMINATION AND REMUNERATION POLICY**
    https://www.sundaram-clayton.com/Investor/Disclosures/Nomination_and_Remuneration_Policy.pdf
11. **DIVIDEND DISTRIBUTION POLICY**
    https://www.sundaram-clayton.com/Investor/Disclosures/Dividend_Distribution_Policy.pdf

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To

The Board of Directors
Sundaram-Clayton Limited
(formerly known as Sundaram-Clayton DCD Limited),
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam,
Chennai-600 006, Tamil Nadu, India.

We certify that we have reviewed the financial statements prepared based on the Indian Accounting Standards for the year ended 31st March 2026 and to the best of our knowledge and belief:

(1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

(2) These statements together present a true and fair view of the Company's affairs and are in compliance with applicable Indian Accounting Standards, Laws and Regulations.

(3) No transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's code of conduct.

(4) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

(5) We have indicated to the Auditors and the Audit Committee:

   (i) significant changes, if any, in internal control over financial reporting during the year;

   (ii) significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the financial statements; and

   (iii) that there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

	R VENKATESH	V HARIHARAN
Chennai	Director & CEO	Chief Financial Officer
14th May 2026	DIN: 11569393	

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
Sundaram-Clayton Limited
(formerly known as Sundaram-Clayton DCD Limited),
"Chaitanya", No. 12, Khader Nawaz Khan Road,
Nungambakkam, Chennai - 600 006, Tamil Nadu, India

Dear Sir,

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sundaram-Clayton Limited bearing CIN L51100TN2017PLC118316 (hereinafter called the company) and having registered office at "Chaitanya" No.12, Khader Nawaz Khan Road, Nungambakkam Chennai TN 600006 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company 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.

Ensuring the eligibility of 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.

Place : Chennai
Date : 14th May 2026

B Chandra
Partner
B Chandra & Associates
Practising Company Secretaries
ACS No.: 20879
CP No.: 7859
UDIN: A020879H000358700
Firm Regn No.: P2017TN065700
Peer Review No.: 1711/2022

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 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,
Sundaram-Clayton Limited
(formerly known as Sundaram-Clayton DCD Limited),
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam Chennai 600006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by SUNDARAM-CLAYTON LIMITED, bearing CIN L51100TN2017PLC118316 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2026, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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'):-

1. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
2. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
3. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
4. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018
5. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
6. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible securities) Regulations 2021 and circulars/ guidelines issued thereunder;

I am informed that the company, during the year, was not required to comply with the following regulations and consequently not required to maintain any books, papers, minute books or other records or file any forms/ returns under:

a. Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021
b. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;

In addition to the compliance with Factory and Labour Laws as is applicable to a factory, based on the study of the systems and processes in place and a review of the reports of (1) the heads of the Departments (2) Occupier/Manager of the factories located in Thervoy Kandigai, Oragadam and Hosur Units which manufacture aluminium pressure die castings for heavy commercial vehicles., passenger cars and two wheelers (3) the compliance reports made by the functional heads of various departments which are submitted to the Board of Directors of the Company (4) the Internal Audit Reports submitted to the Company, I report that the Company has complied with the provisions of the following industry specific statutes and the rules made there under as well as other laws to the extent it is applicable to them:

1. Motor Vehicles Act, 1988
2. The Motor Transport Workers Act, 1961
3. The Explosive Act, 1884
4. The Petroleum Act, 1934
5. The Environment (Protection) Act, 1986
6. The Water (Prevention and Control of Pollution) Act, 1974
7. The Air (Prevention and Control of Pollution) Act, 1981

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

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

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
- Adequate notice is given to all directors to schedule the Board/ committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or in compliance with the applicable standards, 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 ;
- Based on the minutes made available to us, I report that majority decision is carried through and that the dissenting votes from any Board member(s) were captured and recorded as part of the minutes.
- There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that

- During the year, there were changes in the positions of Chief Financial officer and Chief Executive Officer on resignation of the previous incumbents.
- The Board approved the shifting of the plant located in Mahindra World City to the Company's other plants in Thervoy Kandigai & Oragadam.
- Sundaram-Clayton (USA) Limited ("SCL USA"), a wholly owned subsidiary was merged with Sundaram Holding USA Inc., USA ("SHUI") with effect from the appointed date i.e 16-12-2025, vide certificate of merger received on 04-02-2026.
- The Company had received approval, from the Stock Exchanges, for re classification of the outgoing promoter i.e T.V. Sundram Iyengar & Sons Private Limited under Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations.
- The resolution passed by the Nomination and Remuneration Committee/ Board of Directors in the meeting held on 27-03-2026 pertaining to change of Company Secretary of the Company with effect from 05-04-2026, was rescinded in the Board Meeting held on 30-03-2026, and the incumbent Company Secretary was brought into the employment roll of the Company There were queries raised by the Stock Exchange pertaining to the same and the Company responded that to the queries.

Place : Chennai
Date : 14th May 2026

B Chandra
Partner
B Chandra & Associates
Practising Company Secretaries
ACS No.: 20879
CP No.: 7859
UDIN: A020879H000358766
Firm Regn No.: P2017TN065700
Peer Review No.: 1711/2022

Annexure - A to Secretarial Audit Report of even date

To
The Members,
Sundaram-Clayton Limited
(formerly known as Sundaram-Clayton DCD Limited
"Chaitanya", No.12, Khader Nawaz Khan Road,
Nungambakkam Chennai 600006

My 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. I have followed the audit practices and processes as were appropriate, to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards

Place : Chennai
Date : 14th May 2026

B Chandra
Partner
B Chandra & Associates
Practising Company Secretaries
ACS No.: 20879
CP No.: 7859
UDIN: A020879H000358766
Firm Regn No P2017TN065700
Peer Review No 1711/2022

Standalone Financial Statements
of
Sundaram-Clayton Limited

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Independent Auditor's Report

To the Members of Sundaram-Clayton Limited
(formerly known as Sundaram-Clayton DCD Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) (the "Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (Including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statement, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, its 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 standalone financial statements in accordance with the Standards on Auditing("SAs") specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Overseas Equity Investments Equity Investments in overseas subsidiaries, account for a significant percentage of the Company's total equity investments. To assess annually, whether there are indications of impairment requires significant management judgment in determining the recoverable amount of these equity investments.	**Our audit procedures included, among others:** Management has obtained a valuation of the equity investment in the overseas subsidiary from a valuer, that is based on Discounted Cash Flow Method of the Overseas subsidiary. We gained an understanding of the key assumptions used to forecast the cash flows and the discount rates applied (Weighted Average Cost of Capital) in arriving at the fair value. We consider that the management conclusions concerning the absence of impairment in the equity investment are adequately supported and consistent with the information currently available..

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, Standalone Financial Statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and

maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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 and Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors (i) in 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 standalone 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 financial controls that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current 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 the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, based on our audit we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 total Comprehensive income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;

(e) On the basis of the written representations received from the directors as on March 31, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

(g) 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 us, 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 the financial position in its standalone financial statements. **Refer Note 36(i)** to the standalone financial statements;

(ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at March 31, 2026;

(iii) There were no amounts which were 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) As stated in **Note No. 35(b)** to the standalone financial statements interim dividend declared and paid by the company during the year and until the date of this report is in compliance with section 123 of the Act.

(vi) Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm's Registration No.: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716
UDIN: 26027716ZBMWFC2063

Place : Bengaluru
Date : May 14, 2026

Annexure 'A' to Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment, right-of-use assets and Intangible Assets:

(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) The Property, Plant and Equipment and right-of-use assets have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, Plant and Equipment and right-of-use assets is reasonable having regard to the size of the Company and the nature of its assets;

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date;

(d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year;

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies noticed on such physical verification, were less than 10% in aggregate for each class of inventory and have been properly dealt with in the books of account;

In respect of inventories with third parties, which have not been physically verified, there is a process of obtaining confirmation from such parties;

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore during the year, from banks on the basis of security of current assets and in our opinion, the quarterly returns or statements filed by the company are in agreement with the books of accounts;

iii. The Company has made investments in, companies and stood guarantee for loans given by bank to one of its wholly owned subsidiary company during the year in respect of which:

(a) The Company has provided guarantee during the year, details of which are given below:

	Amt. in Crores
Particulars	**Guarantee**
A. Aggregate amount granted / provided during the year:	
Wholly owned subsidiary company	74.45*
B. Balance outstanding as at balance sheet date in respect of above cases:	
Wholly owned subsidiary company	448.10#

* (USD 7.85 million * Closing rate of 94.835/- per USD)
\# (USD 47.25 million * Closing rate of 94.835/- per USD)

(b) In our opinion, the investments made and guarantee given during the year are, prima facie, not prejudicial to the Company's interest;

(c) The Company has not granted any loans or advances in the nature of loans hence reporting under clause 3(iii)(c) of the Order is not applicable;

(d) The Company has not granted any loan or advances in the nature of loans hence reporting under clause 3(iii)(d) of the Order is not applicable;

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties;

(f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable;

The Company has not made investments in Firms and Limited Liability Partnerships during the year. Further the Company has not provided any security, or granted any advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties;

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of investments made and guarantees provided, as applicable. The company has not granted loans or given security;

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable;

vi. The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the products manufactured by the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of manufacture of products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

vii. In respect of statutory dues:

(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and service tax, duty of customs, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable;

(b) There are no dues in respect of income-tax, sales-tax, Goods and service tax, duty of customs, cess that have not been deposited with the appropriate authorities on account of any dispute except the following:

Name of the Statute	Nature of the dues	Period to which the amount relates	Forum where dispute is pending	Amount Involved (Rs. In Crore)
Goods and Service Tax Act, 2017	Goods and Service Tax	FY 2017-18	Commissioner (Appeals)	7.08
Goods and Service Tax Act, 2017	Goods and Service Tax	FY 2018-19	Commissioner (Appeals)	0.27
Goods and Service Tax Act, 2017	Goods and Service Tax	FY 2020-21	Commissioner (Appeals)	0.09
Goods and Service Tax Act, 2017	Goods and Service Tax	FY 2021-22	Commissioner (Appeals)	2.89

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (Section 43 of 1961);

ix. (a) The Company has not defaulted in repayment of loans or borrowings to any lender during the year;

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) In our opinion and according to the information and explanations given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained;

(d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company;

(e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting on clause 3(ix)(e) of the order is not applicable;

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable;

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable;

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to 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. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;

xiii. In our opinion, the company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable 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, in determining the nature, timing and extent of our audit procedures;

xv. In our opinion during the year the Company has not entered into any non-cash transactions withits Directors or persons connected with its directors and hence provisions of section 192 of theCompanies Act, 2013 are not applicable to the Company;

xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable;

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group has 1 Core Investment 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 of the Company during the year;

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 Standalone 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) According to the information and explanations given to us in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of Section 135 of the Act.

(b) According to the information and explanations given to us and based on the records, there are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of Companies Act.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm's Registration No.: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716
UDIN: 26027716ZBMWFC2063

Place : Bengaluru
Date : May 14, 2026

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) (the "Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Responsibilities of Management's and Board of Directors' for Internal Financial Controls

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

Auditor's Responsibility

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

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

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

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm's Registration No.: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716
UDIN: 26027716ZBMWFC2063

Place : Bengaluru
Date : May 14, 2026

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

(Rupees In crores)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non-current Assets			
(a) Property, plant and equipment	2	993.84	1,011.84
(b) Capital work-in-progress	2	23.41	45.34
(c) Other intangible assets	3	0.80	0.78
(d) Financial assets			
i. Investments	4	1,590.14	1,223.99
ii. Other financial assets	5	-	10.18
(e) Other non-current assets	6	15.80	18.25
Total Non-Current Assets		**2,623.99**	**2,310.38**
(2) Current Assets			
(a) Inventories	7	342.37	296.85
(b) Financial assets			
i. Trade receivables	8	343.42	303.15
ii. Cash and cash equivalents	9	29.75	0.42
iii. Bank balances other than (ii) above	10	9.99	6.10
iv. Other financial assets	5	18.27	42.58
(c) Other current assets	11	63.10	69.89
(d) Current Tax Assets (net)		3.39	-
Total Current Assets		**810.29**	**718.99**
Total Assets		**3,434.28**	**3,029.37**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	11.02	11.02
(b) Other Equity	13	1,949.49	1,413.06
Total Equity		**1,960.51**	**1,424.08**
Liabilities			
(1) Non-Current Liabilities			
(a) Financial liabilities			
i. Borrowings	14	630.27	649.66
ii. Lease liabilities		0.90	2.68
(b) Provisions	15	47.90	42.69
(c) Deferred tax liabilities (Net)	16	11.89	10.66
(d) Other Non-current liabilities	17	4.08	3.06
Total Non-Current Liabilities		**695.04**	**708.75**
(2) Current liabilities			
(a) Financial liabilities			
i. Borrowings	18	225.90	411.86
ii. Lease liabilities		0.37	0.76
iii. Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises ; and	19	27.96	38.76
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		357.83	260.58
iv. Other financial liabilities	20	100.79	80.44
(b) Other current liabilities	17	45.44	49.77
(c) Provisions	15	20.44	53.03
(d) Current Tax Liabilities (Net)		-	1.34
Total Current Liabilities		**778.73**	**896.54**
Total Liabilities		**1,473.77**	**1,605.29**
Total Equity and Liabilities		**3,434.28**	**3,029.37**
Material Accounting Policies	1		

The accompanying notes are an integral part of these financial statements

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Dr. LAKSHMI VENU
Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

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

(Rupees In crores)

	Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
I	Revenue from operations	21	1,788.55	2,109.14
II	Other Income	22	20.35	13.66
III	**Total Income (I + II)**		**1,808.90**	**2,122.80**
IV	**EXPENSES**			
	Cost of materials consumed	23	867.92	1,078.71
	Changes in inventories of finished goods, work-in-progress and stock-in-Trade	24	(16.25)	21.16
	Employee benefits expense	25	228.20	246.96
	Finance costs	26	83.27	72.22
	Depreciation and amortization expenses	27	133.68	115.55
	Other expenses	28	398.74	478.81
	Total Expenses (IV)		**1,695.56**	**2,013.41**
V	**Profit before exceptional items and tax (III-IV)**		**113.34**	**109.39**
VI	Exceptional items - income / (expense)	28A	513.49	196.69
VII	**Profit before tax (V+VI)**		**626.83**	**306.08**
VIII	Tax expense			
	i) Current tax	29	71.39	53.10
	ii) Deferred tax charge/(credit)	30	3.21	(4.94)
IX	**Profit for the year (VII-VIII)**		**552.23**	**257.92**
X	**Other comprehensive income**			
	A. Items that will not be reclassified to profit and loss:			
	Remeasurement of post employment benefit obligations		(7.09)	(5.32)
	Income tax relating to these items		1.78	1.34
	B. Items that will be reclassified to profit and loss			
	Transactions relating to Derivative instruments		(0.24)	-
	Change in fair value of FVOCI equity instruments		(0.52)	-
	Income tax relating to these items		0.19	-
	Other comprehensive income for the year, net of tax		**(5.88)**	**(3.98)**
XI	**Total comprehensive income for the year (IX+X)**		**546.35**	**253.94**
XII	Earnings per equity share			
	Basic & Diluted earnings per share	31	250.48	122.23

The accompanying notes are an integral part of these financial statements

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Dr. LAKSHMI VENU
Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(Rupees In crores)

	Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net profit before tax		626.83		306.08
	Add: Depreciation and amortization for the period	133.68		115.55	
	Loss on sale/scrapping of property, plant and equipment	-		2.04	
	Profit on sale of property, plant and equipment	(527.80)		(91.86)	
	Profit on sale of business unit	-		(144.94)	
	Unrealised exchange (gain) / loss	4.03		1.94	
	Dividend income	(0.71)		(0.46)	
	Interest income	(2.54)		(1.99)	
	Interest expense	83.27		72.22	
			(310.07)		(47.50)
	Operating profit before working capital changes		**316.76**		**258.58**
	Adjustments for:				
	Inventories	(45.52)		24.11	
	Trade Receivables	(45.06)		69.55	
	Other financial assets	34.49		(16.78)	
	Other bank balances	(3.89)		4.32	
	Other non-current assets	2.45		23.57	
	Other current assets	6.79		(15.94)	
	Trade Payables	87.21		(115.75)	
	Provisions	(35.23)		9.49	
	Other financial liabilities	(28.62)		4.36	
	Other non-current liabilities	1.02		3.06	
	Other current liabilities	(4.33)		12.96	
			(30.69)		2.95
	Cash generated from operations		286.07		261.53
	Direct taxes paid*		(29.88)		(53.94)
	Net cash from operating activities (A)		**256.19**		**207.59**
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Additions to property, plant and equipment (including Capital work in progress)		(95.38)		(307.13)
	Sale of property, plant and equipment (net of tax)		528.13		106.81
	Sale of Business unit		-		163.00
	Investments in subsidiaries		(361.08)		(551.41)
	Other Investments		(5.07)		-
	Interest received		2.54		1.99
	Dividend received		0.71		0.46
	Net Cash from/(used in) investing activities (B)		**69.85**		**(586.28)**

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

(Rupees In crores)

	Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Borrowings:				
	Long term borrowings availed/(repaid)		(19.39)		128.91
	Short term borrowings availed/ (repaid)		(185.96)		(43.17)
	Net proceeds from QIP		-		382.99
	Interest paid		(84.73)		(75.94)
	Interim dividend paid		(5.20)		(15.62)
	Repayment of lease liabilities		(1.43)		(1.00)
	Net cash inflow/ (outflow) from financing activities (C)		**(296.71)**		**376.17**
D	**NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)**		29.33		(2.52)
	Cash and cash equivalents at the beginning of the year				
	Cash and Bank balances	0.42		2.94	
	Cash in Cash credit account	-	0.42	-	2.94
	Cash and cash equivalents at the end of the year				
	Cash and Bank balances	29.75		0.42	
	Cash in Cash credit account	-	29.75	-	0.42

* Includes taxes paid on investing activities

CHANGE IN LIABILITY ARISING FROM FINANCING ACTIVITIES

Particulars	Notes	April 1,2025	Cash flow	Non-cash changes		March 31, 2026
				Fair value change	Foreign exchange movement	
Long term borrowings	14	649.66	(19.39)	0.00	0.00	630.27
Short term borrowings	18	411.86	(185.96)	0.00	0.00	225.90

Notes
The above statement has been prepared in indirect method except in case of dividend, tax and purchase and sale of investments which have been considered on the basis of actual movement of cash.

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Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
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V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

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

(Rupees In crores)

A. Equity Share Capital (Refer Note 12)

Particulars	Amount
As at April 1, 2024	**10.12**
Changes in Equity share capital during the year	**0.90**
As at March 31, 2025	**11.02**
Changes in Equity share capital during the year	**-**
As at March 31, 2026	**11.02**

B. Other Equity (Refer Note 13)

Particulars	Reserves and surplus					Other reserves		
	General reserve	Retained earnings	Securities Premium	Capital Reserve	Total	Fair Value through Other Comprehensive Income	Hedging reserve	Total
Balance as at April 1, 2024	**224.84**	**421.12**	**-**	**145.50**	**791.46**	**(4.55)**	**0.58**	**(3.97)**
Add : Profit for the period		257.92			**257.92**			
Add : Other comprehensive income		(3.98)			**(3.98)**			
Securities premium on issue of paidup share capital			399.09		**399.09**			
Equity fund raising expenses			(17.00)		**(17.00)**			
Total Comprehensive Income for the year	**-**	**253.94**	**-**	**-**	**253.94**	**-**	**-**	**-**
Less: Interim Dividends declared during the period		(10.47)			**(10.47)**			
Balance as at March 31, 2025	**224.84**	**664.60**	**382.09**	**145.50**	**1,417.03**	**(4.55)**	**0.58**	**(3.97)**
Add : Profit for the period		552.23			**552.23**			
Add : Other comprehensive income (net of tax)		(5.31)			**(5.31)**	(0.39)	(0.18)	**(0.57)**
Total Comprehensive Income for the year	**-**	**546.92**	**-**	**-**	**546.92**	**(0.39)**	**(0.18)**	**(0.57)**
Less: Interim Dividends declared during the period		(9.92)			**(9.92)**			
Balance as at March 31, 2026	**224.84**	**1,201.60**	**382.09**	**145.50**	**1,954.03**	**(4.94)**	**0.40**	**(4.54)**

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V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

1. Material Accounting Policies

The accounting policies mentioned herein are relating to the standalone financial statements of the Company.

a) Brief description of the Company

Sundaram-Clayton Limited ('the Company') is a public limited company incorporated in India whose shares are publicly traded. The registered office is located at Chaitanya, No.12, Khader Nawaz Khan Road, Chennai– 600006, Tamil Nadu, India.

The company manufactures non-ferrous gravity and pressure die castings. The Company has three manufacturing plants located in Tamil Nadu.

b) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain assets and liabilities (as per the accounting policy below), which have been measured at fair value. These financial statements for the year ended 31st March 2026 have been approved and authorised for issue by the Board of Directors at its meeting held on 14th May 2026.

c) Going Concern

The Company's financial statements have been prepared on a going concern basis.

d) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period.

This note provides an overview of the areas that involve a higher degree of judgment or complexity. It also provides an overview of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

e) Cost Recognition

Costs and expenses are recognized when incurred and are classified according to their nature. Expenditure is capitalized where appropriate.

f) Significant estimates and judgments

The areas involving significant estimates or judgments are:

i) Estimation of defined benefit obligation - (Refer Note 32)

ii) Estimation of useful life of Property, Plant and Equipment (Refer Note 1(j) and 1(k))

iii) Estimation of Expected Credit Loss on Trade receivables (Refer Note 34A)

g) Revenue recognition

i) <u>Sale of products:</u>

Revenue is recognized when the performance obligations are satisfied and the control of the goods is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the goods, customer has possession and legal title to the goods, customer bears significant risk and rewards of ownership and the customer has accepted the goods or the Company has objective evidence that all criteria for acceptance have been satisfied.

ii) <u>Revenue from Services:</u>

Revenue from Services is recognised in the accounting period in which the services are rendered.

iii) <u>Dividend income:</u>

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

Material Accounting Policies - *(continued)*

h) Dividend:

Any dividend declared by Company is based on the profits available for distribution as reported in the statutory Standalone financial statements. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory Standalone financial statements after providing for depreciation as per the Companies Act, 2013.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014.

Interim dividends declared by the company during the reporting period are recognized as liability at the end of the reporting period.

i) Property, Plant and Equipment

Freehold Land is stated at historical cost.

All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation / amortization and impairment, if any. Cost includes:

(i) purchase price,

(ii) taxes and duties,

(iii) labour cost and

(iv) directly attributable overheads incurred upto the date the asset is ready for its intended use.

However, cost excludes GST to the extent credit of the input tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Government grants relating to the purchase of property, plant and equipment are capitalized and included as cost to property, plant & equipment.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within Other gains/(losses).

j) Depreciation

i) Depreciation on property, plant & equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated by a Chartered Engineer and in accordance with Ind AS 16, taking into consideration both usage, useful life and legal limitations on the use of assets, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

ii) The estimated useful life of the tangible property,plant & equipment as assessed by the Chartered Engineer and followed by the Company is furnished below:

Description	Years
Factory building and other buildings	30 to 64
Plant and Equipment	8 to 21
Electrical Equipment	15
Furniture and Fixtures	10
Computers	3
Mobile phones	1
Vehicles	6

iii) The residual value for all the above assets is retained at 5% of the cost except for Mobile phones for which nil residual value is considered. Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.

iv) On tangible property,plant & equipment added / disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.

Material Accounting Policies - *(continued)*

v) Depreciation in respect of tangible assets costing individually less than Rs.5,000/- is provided at 100%.

vi) Premium on Leasehold land is amortized over the period of lease.

k) Amortization of Intangible assets

Intangible assets acquired are accounted at their acquisition cost and are amortised over their useful lives, viz., 2 years in the case of software.

l) Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

m) Foreign currency transactions

i) Functional and presentation currency:

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). i.e in Indian rupees (INR) and all values are rounded off to nearest crores except where otherwise indicated.

ii) Transactions and balances:

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

(a) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

(b) Non-monetary items denominated in foreign currency such as investments, property,plant & equipment, etc., are valued at the exchange rate prevailing on the date of transaction.

(c) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the profit or loss in the year in which they arise.

n) Hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 33. Movements in the hedging reserve in shareholders' equity are shown in Note 34 (D). The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, within other gains/(losses).

When forward contracts are used to hedge forecast transactions, the company generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging

Material Accounting Policies - *(continued)*

instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects the Statement of Profit and Loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the Statement of Profit and Loss within other gains/(losses).

o) Inventories

Inventories are valued at the lower of cost and net realisable value.

i) Cost of raw materials, components, stores, spares are determined on a moving average basis.

ii) Finished Goods and Work in Progress are valued at Standard cost.

iii) Cost of finished goods and work-in-process comprises of Direct materials, Direct labour and an applicable proportion of Variable and Fixed overhead expenditure, Fixed Overhead Expenditure absorbed on the basis of normal operating capacity.

iv) Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

v) Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving material, obsolescence, defective inventories are duly provided for.

p) Employee benefits

i) Short term obligations:

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognized upto the end of the reporting period at the amounts expected to be paid at the time of settlement.

ii) Other long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, recognized and provided for at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for atleast twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The Company operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees, pension plan for eligible senior managers; and

b) Defined contribution plan such as provident fund.

Pension and gratuity obligation:

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Material Accounting Policies - *(continued)*

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (net of deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Provident fund:

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company makes monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to an irrevocable trust set up by the Company. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year in which it is incurred.

iv) Bonus Plans:

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

q) Taxes on income

Tax expense comprises of (i) current tax and (ii) deferred tax. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

r) Provisions and contingent liabilities

i) Provision:

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. The estimated liability for product warranties is accounted based on technical evaluation, when the products are sold.

Provisions are evaluated at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii) Contingent liabilities:

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

s) Segment reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Material Accounting Policies - *(continued)*

t) Leases

Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

u) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Material Accounting Policies - *(continued)*

v) Trade receivables

Trade receivables are recognised initially at fair value after adjusting the transaction costs using the effective interest rate method, less provision for expected credit loss.

w) Investments and Other financial assets

i) Classification:

The Company classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement:

At initial recognition, the Company measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

iii) Equity instruments:

Subsequent to initial recognition, the Company measures all investments in equity (except of the subsidiaries / associates) at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately. Where the Company elects to measure fair value through profit or loss, changes in the fair value of such financial assets are recognised in the statement of profit and loss.

Investment in subsidiaries / associates:

Investment in subsidiaries / associates are measured at cost less provision for impairment.

iv) Impairment of financial assets:

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 34(A) details how the company determines whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

v) De-recognition of financial assets:

A financial asset is derecognised only when:

a) the Company has transferred the rights to receive cash flows from the financial asset or

b) the Company retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised, if the Company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Material Accounting Policies - *(continued)*

x) Borrowings

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Statement of Profit and Loss as other gain/ (loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for over or at least 12 months after the reporting period.

y) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

z) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit or loss of the period in which it becomes receivable.

Government grants relating to the purchase of property, plant and equipment are included in current / non-current liabilities as deferred income and are credited to profit or loss as and when the obligations are fulfilled.

aa) Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realised within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. In Company's considered view, twelve months is its operating cycle.

Notes to Standalone Balance Sheet

(Rupees In crores)

2. PROPERTY, PLANT & EQUIPMENT

Description	Property, Plant & Equipment								
	Freehold land	Leasehold Land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	Right to Use Asset	Total
Gross carrying value									
As at April 1, 2025	38.38	53.35	408.11	1,472.13	10.24	37.55	2.96	51.67	2,074.39
Additions	-	1.51	17.23	124.69	5.61	10.31	0.40	1.59	161.33
Sub-total	38.38	54.86	425.34	1,596.82	15.85	47.86	3.36	53.26	2,235.72
Sales / deletion	(11.53)	-	(37.65)	(127.27)	(1.31)	(1.44)	(0.15)	(51.67)	(231.02)
Gross carrying value as at March 31, 2026	**26.85**	**54.86**	**387.69**	**1,469.55**	**14.54**	**46.42**	**3.21**	**1.59**	**2,004.70**
Accumulated Depreciation									
As at April 1, 2025	-	(3.19)	(63.17)	(933.27)	(8.03)	(22.62)	(1.26)	(31.01)	(1,062.55)
For the year	-	(0.57)	(13.13)	(104.33)	(0.64)	(8.52)	(0.38)	(5.16)	(132.74)
Sub-total	-	(3.76)	(76.30)	(1,037.60)	(8.67)	(31.14)	(1.64)	(36.17)	(1,195.29)
Withdrawn on assets sold / deleted	-	-	21.43	124.31	1.31	1.41	0.15	35.81	184.43
Accumulated Depreciation as at March 31, 2026	**-**	**(3.76)**	**(54.87)**	**(913.29)**	**(7.36)**	**(29.73)**	**(1.50)**	**(0.36)**	**(1,010.86)**
Net Carrying value as at March 31, 2026	**26.85**	**51.10**	**332.82**	**556.26**	**7.18**	**16.69**	**1.71**	**1.23**	**993.84**

CAPITAL WORK-IN-PROGRESS (AT COST)	
(a) Building	1.44
(b) Plant & equipment	20.52
(c) Others	1.45
Total	**23.41**

Ageing of Capital work-in- progress as on March 31, 2026:

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	22.79	0.62	-	-	23.41

i) There were no material projects which have exceeded their original plan cost and timeline as at March 31, 2026.

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

2. PROPERTY, PLANT & EQUIPMENT

Description	Property, Plant & Equipment								
	Freehold land	Leasehold Land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	Right to Use Asset	Total
Gross carrying value									
As at April 1, 2024	14.30	45.94	175.58	1,332.91	8.90	27.72	2.24	51.67	1,659.26
Additions	31.24	7.41	252.56	277.62	1.53	12.65	0.81	-	583.82
Sub-total	45.54	53.35	428.14	1,610.53	10.43	40.37	3.05	51.67	2,243.08
Sales / deletion	(7.16)		(20.03)	(138.40)	(0.19)	(2.82)	(0.09)		(168.69)
Gross carrying value as at March 31, 2025	**38.38**	**53.35**	**408.11**	**1,472.13**	**10.24**	**37.55**	**2.96**	**51.67**	**2,074.39**
Accumulated Depreciation									
As at April 1, 2024	-	(2.62)	(64.08)	(961.86)	(6.87)	(19.01)	(1.09)	(25.84)	(1,081.37)
For the year*	-	(0.57)	(9.78)	(91.55)	(1.34)	(6.15)	(0.25)	(5.17)	(114.81)
Sub-total	-	(3.19)	(73.86)	(1,053.41)	(8.21)	(25.16)	(1.34)	(31.01)	(1,196.18)
Withdrawn on assets sold / deleted	-	-	10.69	120.14	0.18	2.54	0.08	-	133.63
Accumulated Depreciation as at March 31, 2025	**-**	**(3.19)**	**(63.17)**	**(933.27)**	**(8.03)**	**(22.62)**	**(1.26)**	**(31.01)**	**(1,062.55)**
Net Carrying value as at March 31, 2025	**38.38**	**50.16**	**344.94**	**538.86**	**2.21**	**14.93**	**1.70**	**20.66**	**1,011.84**

* Includes accelerated depreciation in Plant & Equipment, Office Equipment and Furniture

CAPITAL WORK-IN-PROGRESS (AT COST)

(a) Building	7.14
(b) Plant & equipment	36.53
(c) Others	1.67
Total	**45.34**

Ageing of Capital work-in- progress as on March 31, 2025:

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	41.58	3.76	-	-	45.34

i) There were no material projects which have exceeded their original plan cost as at March 31, 2025

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

3 INTANGIBLE ASSETS:

Description	Software
Gross carrying value	
As at April 1, 2025	14.69
Additions	0.97
Sub-total	15.66
Sales / deletion	-
Gross carrying value as at March 31, 2026	**15.66**
Accumulated amortization	
As at April 1, 2025	(13.91)
For the year	(0.95)
Sub-total	(14.86)
Withdrawn on assets sold / deleted	
Accumulated amortization as at March 31, 2026	**(14.86)**
Net Carrying value as at March 31, 2026	**0.80**

Description	Software
Gross carrying value	
As at April 1, 2024	13.70
Additions	1.02
Sub-total	14.72
Sales / deletion	(0.03)
Gross carrying value as at March 31, 2025	**14.69**
Accumulated amortization	
As at April 1, 2024	(13.21)
For the year	(0.74)
Sub-total	(13.95)
Withdrawn on assets sold / deleted	0.04
Accumulated amortization as at March 31, 2025	**(13.91)**
Net Carrying value as at March 31, 2025	**0.78**

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

4 NON CURRENT INVESTMENTS

Sl. No.	Name of the body corporate	Subsidiary / associate	No. of shares / units		Face Value	Currency	Partly paid / fully paid	Rupees in Crores	
			As at March 31, 2026	As at March 31, 2025				As at March 31, 2026	As at March 31, 2025
(a)	**Investment in Equity Instruments measured at FVOCI**								
	Unquoted :								
(i)	Green Infra BTV Limited, New Delhi *	Others	45,00,000	45,00,000	10.00	INR	Fully paid	4.50	4.50
(ii)	Sai Regency Power Corporation Private Limited, Chennai *	Others	3,75,000	3,75,000	10.00	INR	Fully paid	0.38	0.38
(iii)	Nagai Power Private Limited, Hyderabad *	Others	1,33,010	1,33,010	10.00	INR	Fully paid	0.13	0.13
(iv)	Clean Max Genesis Pvt Ltd	Others	47,691	58,224	10.00	INR	Fully paid	8.95	11.22
(v)	Navia Two Power Pvt Ltd *	Others	50,675	-	10.00	INR	Fully paid	7.46	-
	Quoted :								
(i)	Tulsyan NEC Limited, Chennai *	Others	1,63,125	1,63,125	10.00	INR	Fully paid	0.50	0.50
(b)	**Investments in Subsidiaries and Associates measured at Cost**								
	Unquoted:								
(i)	Sundaram-Clayton (USA) Limited, Illinois, USA (Cost Rs.5,572)	Subsidiary	-	100	1.00	USD	Fully paid	-	-
(ii)	Sundaram Holding USA Inc., Delaware, USA	Subsidiary	22,87,00,000	18,77,00,000	1.00	USD	Fully paid	1,555.19	1,194.11
(iii)	Sundram Non Conventional Energy Systems Limited, Chennai	Associate	1,17,650	117,650	10.00	INR	Fully paid	0.12	0.12
(iv)	SCL Properties Private Limited	Subsidiary	10,00,000	10,00,000	1.00	INR	Fully paid	0.10	0.10
(v)	Sundaram-Clayton Gmbh	Subsidiary	5,25,000	5,25,000	1.00	EURO	Fully paid	4.66	4.66
	Total value of Equity Instruments (A)							**1,581.98**	**1,215.72**
(c)	**Other non-current Investments measured at FVTPL**								
(i)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai	Others				INR	Fully paid	1.31	1.27
(ii)	Life Insurance Corporation Pension Policy, Chennai	Others				INR	Fully paid	7.36	7.51
	Total value of Other non-current Investments (B)							**8.67**	**8.78**
	Total (A) + (B)							**1,590.65**	**1,224.50**
	Less: Aggregate amount of impairment in value of investments							(0.51)	(0.51)
	Total							**1,590.14**	**1,223.99**
	Aggregate amount of quoted investments and market value thereof							0.49	0.68
	Aggregate amount of unquoted investments							1,590.15	1,224.00
	Aggregate amount of impairment in value of investments							(0.51)	(0.51)
	Total							**1,590.13**	**1,224.17**

* Cost treated as fair value

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

	As at March 31, 2026	As at March 31, 2025
5 OTHER FINANCIAL ASSETS		
Non-current		
Security Deposits	-	10.18
Total non-current other financial assets	**-**	**10.18**
Current		
Unsecured, Considered Good :		
Other Business Receivables	-	25.21
Refundable deposits	13.40	-
Employee Advances	2.67	2.34
Claims receivable	0.28	9.22
Income tax refund receivable	0.01	1.51
Derivatives (Forwards)	0.24	1.83
Duty Drawback receivable	1.67	2.47
Total current other financial assets	**18.27**	**42.58**
6 OTHER NON-CURRENT ASSETS		
Capital Advances	2.95	7.56
Advances - other than capital advances:		
Statutory and other deposits	11.68	7.97
Prepaid expenses	0.37	2.12
Accrued lease rental asset	0.80	0.60
Total other non-current assets	**15.80**	**18.25**
7 INVENTORIES (AT WEIGHTED AVERAGE COST OR NET REALISABLE VALUE WHICHEVER IS LESS)		
Raw materials and components	38.84	22.29
Goods-in-transit - Raw materials and components	0.79	-
Work-in-progress	29.71	39.64
Finished goods	187.97	161.79
Stores and spares	85.06	73.13
Total Inventories	**342.37**	**296.85**

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

8 TRADE RECEIVABLES (REFER NOTE 36(VII))	As at March 31, 2026	As at March 31, 2025
Secured, considered good	-	-
Unsecured, considered good	343.42	303.15
Doubtful	1.89	6.44
Sub total	345.31	309.59
Less: Loss Allowance	1.89	6.44
Total Trade Receivables*	**343.42**	**303.15**

* Refer note 37 for receivables from related parties

Ageing for trade receivables as on March 31, 2026						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	340.84	2.58	-	-	-	343.42
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	1.42	0.25	0.15	0.07	1.89
(iii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for Expected Credit loss	-	(1.42)	(0.25)	(0.15)	(0.07)	(1.89)
Trade Receivable as on March 31, 2026	**340.84**	**2.58**	**-**	**-**	**-**	**343.42**

Ageing for trade receivables as on March 31, 2025						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed trade receivables - Considered good	293.61	9.54	-	-	-	303.15
(ii) Undisputed trade receivables - Which have significant increase in credit risk	-	3.09	2.10	0.95	0.30	6.44
(iii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for Expected Credit loss	-	(3.09)	(2.10)	(0.95)	(0.30)	(6.44)
Trade Receivable as on March 31, 2025	**293.61**	**9.54**	**-**	**-**	**-**	**303.15**

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

	As at March 31, 2026	As at March 31, 2025
9 CASH AND CASH EQUIVALENTS		
Balances with banks	4.47	0.24
Bank Deposits with maturity of more than three months and less than twelve months	25.27	0.17
Cash on hand	0.01	0.01
Total Cash and Cash equivalents	**29.75**	**0.42**
10 OTHER BANK BALANCES		
Earmarked accounts - Unpaid dividend	9.99	6.10
Total Other Bank balances	**9.99**	**6.10**
11 OTHER CURRENT ASSETS		
Indirect taxes receivable	29.23	22.66
Prepaid expenses	8.94	6.17
Vendor advances	11.50	17.14
Export incentives receivable	1.78	2.34
Employee benefit assets*	-	2.05
Statutory and other deposits	11.65	19.53
Total Other Current assets	**63.10**	**69.89**

* Refer Note 32 for employee benefit obligations

12 SHARE CAPITAL

(a) **Details of authorised, issued and subscribed share capital**

(i) **Equity Share Capital**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Rs in Crores	Number	Rs in Crores
Authorised Capital				
Equity Shares of Rs.5/- each	2,50,00,000	12.50	2,50,00,000	12.50
Issued, Subscribed & Paid up Capital				
Equity Shares of Rs.5/- each fully paid	2,20,46,162	11.02	2,20,46,162	11.02
	2,20,46,162	**11.02**	**2,20,46,162**	**11.02**

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

(ii) **Preference Share Capital**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Rs in Crores	Number	Rs in Crores
Authorised Preference share Capital				
Preference Shares of Rs.10/- each	25,00,000	2.50	25,00,000	2.50
Issued, Subscribed & Paid up Capital				
0.1% Cumulative Non-convertible Redeemable Preference Shares Rs.10/- each fully paid (NCRPS)	-	-	-	-

(b) **Reconciliation of shares outstanding at the beginning and at the end of the period**

(i) **Equity Share Capital**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Rs in Crores	Number	Rs in Crores
Shares outstanding at the beginning of the period	2,20,46,162	11.02	2,02,32,104	10.12
Shares Issued during the year	-	-	18,14,058	0.90
Shares outstanding at the end of the year	**2,20,46,162**	**11.02**	**2,20,46,162**	**11.02**

(ii) **Preference Share Capital**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Rs in Crores	Number	Rs in Crores
Shares outstanding at the beginning of the period	-	-	8,73,032	0.87
Shares Issued during the year	-	-	-	-
Shares reedemed during the year	-	-	(8,73,032)	(0.87)
Shares outstanding at the end of the year	-	-	-	-

(c) **i) Rights and preferences attached to equity share:**

Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.

There are no restrictions attached to equity shares.

ii) Rights attached to NCRPS share:

The NCRPS do not have voting rights other than in respect of matters directly affecting it. The NCRPS was redeemed along with interest on August 30, 2024

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

(d) **Details of shares held by holding/ultimate holding/subsidiaries/associates of holding company at the end of March 31, 2026 for both Equity and Preference Share Capital**

Name of Shareholder	Relationship	Class of Share	As at March 31, 2026		As at March 31, 2025	
			No. of Shares held	% of Holding	No. of Shares held	% of Holding
Nil	Nil	Equity	Nil		Nil	
Name of Shareholder	**Relationship**	**Class of Share**	**As at March 31, 2026**		**As at March 31, 2025**	
			No. of Shares held	**% of Holding**	**No. of Shares held**	**% of Holding**
Nil	Nil	Preference	Nil		Nil	

(e) **Details of shareholders holding more than five percent at the end of March 31, 2026 (other than 12 (d) above)**

Name of Shareholder	Class of Share	As at March 31, 2026		As at March 31, 2025	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
VS Trust (Mr Venu Srinivasan, Trustee)	Equity	1,03,23,122	46.83	1,03,23,122	46.83
SBI Mutual Fund		21,25,616	9.64	21,25,616	9.64
TATA Mutual Fund		15,34,160	6.96	5,27,911	2.39
TSF Investments Limited (Formerly Sundaram Finance Holdings Limited)		15,14,378	6.87	15,14,378	6.87

(f) **Details of shares held by promoters**

Name of the Promoters	Class of Share	As at March 31, 2026		As at March 31, 2025	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
VS Trust (Mr Venu Srinivasan, Trustee)	Equity	1,03,23,122	46.83	1,03,23,122	46.83
Mr Venu Srinivasan		9,66,600	4.38	9,66,600	4.38

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

13 OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
General reserve	224.84	224.84
Retained earnings	1,201.60	664.60
Capital Reserve	145.50	145.50
Securities Premium	382.09	382.09
Other reserves	(4.54)	(3.97)
Total reserves and surplus	**1,949.49**	**1,413.06**

Nature and Purpose of reserves

i) General reserve:- General reserve is part of retained earnings. This is available for distribution to shareholders as dividend and capitalisation.

ii) Retained earnings:- Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend and other distributions made to the shareholders.

iii) Capital reserves:- This represents reserves created in pursuant to Composite Scheme of arrangement.

iv) Securities Premium:- This represents premium on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

v) Other reserves:- Other reserves represents Other Comprehensive Income and Hedging reserve created as per INDAS 109.

14 LONG TERM BORROWINGS

Description	Security	No. of instalments due	Frequency	Maturity	As at March 31, 2026	As at March 31, 2025
Secured:						
State owned corporation	First and exclusive charges on specific plant and equipments of the company	1	Bullet payment	Apr-31	10.27	9.49
Rupee Term Loan I	First pari passu charge on Movable Assets	15	Quarterly	Dec-29	138.96	148.45
Rupee Term Loan II	First pari passu charge on Movable Assets	21	Quarterly	Dec-31	45.42	-
Rupee Term Loan III	First pari passu charge on Movable Assets	12	Quarterly	Mar-29	112.38	135.83
Unsecured :						
Non Convertible Debentures		-	Yearly	Aug-25	-	50.00
Rupee Term loan IV		7	Quarterly	Sep-27	92.14	105.76
Rupee Term loan V		10	Quarterly	Sep-29	10.00	-
Rupee Term loan VI		4	Quarterly	Jan-27	74.90	149.79
Rupee Term loan VII*		-	Quarterly	Jan-30	-	110.00
Rupee Term loan VIII		12	Quarterly	Aug-30	250.00	-
Rupee Term loan IX		13	Quarterly	May-29	121.85	150.00
Total Borrowings :					**855.92**	**859.32**
Less : Current Maturities of long-term borrowings (Refer Note No. 18)					(225.65)	(209.66)
Total Long-term Borrowings					**630.27**	**649.66**

* Repaid the loan before maturity from the proceeds of land sale.

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

14 - Long Term Borrowings (Continued)

Amount payable in each instalment other than bullet repayments:

Description	Currency	Type of Repayments	Interest
Rupee Term Loan I	INR	Structured instalments	Repo plus Margin
Rupee Term Loan II	INR	Structured instalments	3M Tbill + Margin
Rupee Term Loan III	INR	Structured instalments	1M MCLR plus Margin
Rupee Term loan IV	INR	Structured instalments	MCLR plus Margin
Rupee Term Loan V	INR	Structured instalments	Repo plus Margin
Rupee Term Loan VI	INR	Structured instalments	3M Tbill + Margin
Rupee Term Loan VIII	INR	Structured instalments	3M Tbill + Margin
Rupee Term Loan IX	INR	Structured instalments	Repo plus Margin

15 PROVISIONS

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Employee benefits (Refer Note 32)				
(a) Pension	4.34	5.62	4.03	7.38
(b) Leave salary	0.85	7.78	0.66	6.00
(c) Gratuity	-	13.41	-	-
	5.19	**26.81**	**4.69**	**13.38**
Others				
(a) Warranty	3.52	-	4.06	-
(b) Disputed tax provided for	10.34	-	6.65	-
(c) Customer provisions	1.39	17.02	24.63	19.09
(d) Employee provisions	-	-	13.00	-
(e) Other provisions	-	4.07	-	10.22
Total	**20.44**	**47.90**	**53.03**	**42.69**

Movement in provisions during the year

Particulars	Warranty	Disputed tax provided for	Employee Provisions	Customer Provisions	Other Provisions
Opening balance as on April 1, 2025	4.06	6.65	13.00	43.72	10.22
Additional provisions made during the year	-	3.69	-	-	-
Amounts utilised/reversed	(0.54)	-	(13.00)	(25.31)	(6.15)
Closing balance as on March 31, 2026	**3.52**	**10.34**	**-**	**18.41**	**4.07**

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

16 DEFERRED TAX LIABILITIES

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation	31.06	27.59
Employee benefits	(8.05)	(4.68)
Financial assets & Financial liabilities	(5.83)	(6.90)
Others	(5.29)	(5.35)
Total deferred tax liabilities	**11.89**	**10.66**

Movement in deferred tax liabilities / (assets)

Particulars	Depreciation	Employee benefits	Financial assets & Financial liabilities	Others	Total
As at April 01, 2024	**29.68**	**(4.44)**	**(3.77)**	**(4.53)**	**16.94**
Charged/(credited):					
- to statement of profit and loss	(2.09)	1.10	(3.13)	(0.82)	(4.94)
- to tax relating to earlier years					
- to other comprehensive income	-	(1.34)			(1.34)
At March 31, 2025	**27.59**	**(4.68)**	**(6.90)**	**(5.35)**	**10.66**
Charged/(credited):					
- to statement of profit and loss	3.47	(1.59)	1.26	0.06	3.20
- to tax relating to earlier years					
- to other comprehensive income		(1.78)	(0.19)		(1.97)
At March 31, 2026	**31.06**	**(8.05)**	**(5.83)**	**(5.29)**	**11.89**

17 OTHER LIABILITIES

	As at March 31, 2026	As at March 31, 2025
Non-current		
Government Grant - Deferred income	4.08	3.06
Total other Non-current liabilities	**4.08**	**3.06**
Current		
Statutory dues	5.97	7.44
Advance received from customers	39.47	42.33
Total other current liabilities	**45.44**	**49.77**

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

18 FINANCIAL LIABILITIES - BORROWINGS (CURRENT)

Particulars	As at March 31, 2026	As at March 31, 2025
Repayable on demand from banks		
Secured	0.25	199.94
Unsecured	-	2.26
Current maturities of Long term borrowings	225.65	209.66
Total Borrowings under Current Liabilities	**225.90**	**411.86**

Details of securities created for secured loans repayable on demand:

First charge by way of hypothecation and / or pledge of all current assets viz., inventories of raw materials, semi finished and finished goods, stores and spares, bills receivable, book debts and all other current assets

19 TRADE PAYABLES

	As at March 31, 2026	As at March 31, 2025
Current		
Outstanding dues to Micro and Small Enterprises **	27.96	38.76
Outstanding dues to enterprises other than Micro and Small Enterprises	357.83	260.58
Total Trade payables*	**385.79**	**299.34**

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no undisputed overdues on Principal and no interest due or outstanding. Refer Note - 36(vi)

* Refer note 37 for Payables to Related Parties

Note on Supplier Financing Arrangements

Carrying amount of financial liabilities		
Presented in trade payables	212.26	146.01
- of which suppliers have received payment from finance provider	187.83	133.21

Range of payment due dates

Liabilities that are part of the arrangements	90 days after invoice date	90 days after invoice date
Comparable trade payables that are not part of arrangements	30 days after invoice date	30 days after invoice date

Notes to Standalone Balance Sheet – *(continued)*

(Rupees In crores)

Ageing for Trade Payables as on March 31, 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Micro and small enterprises*	27.42	0.44	0.05	0.05	27.96
Others	353.70	3.19	-	0.94	357.83
Disputed Dues - Micro and small enterprises					
Disputed Dues - Others					
Total	**381.12**	**3.63**	**0.05**	**0.99**	**385.79**

* Outstanding dues to Micro and small enterprises beyond 45 days is retention amount withheld as per the contract

Ageing for Trade Payables as on March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Micro and small enterprises*	36.35	1.50	0.89	0.02	38.76
Others	254.51	2.02	1.97	2.08	260.58
Disputed Dues - Micro and small enterprises	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**290.86**	**3.52**	**2.86**	**2.10**	**299.34**

* Outstanding dues to Micro and small enterprises beyond 45 days is retention amount withheld as per the contract

20 OTHER CURRENT FINANCIAL LIABILITIES

	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on loans	3.39	5.19
Unpaid Dividends	9.99	5.27
Employee related liabilities	37.44	41.77
Capital Expenditure Payables	46.05	27.74
Derivatives	3.92	0.47
Total other current financial liabilities	**100.79**	**80.44**

Notes to Standalone Statement of Profit and Loss

(Rupees In crores)

		For the year ended March 31, 2026	For the year ended March 31, 2025
21	**REVENUE FROM OPERATIONS**		
	Sale of products	1,764.07	2,088.80
	Other operating revenue	24.48	20.34
	Total revenue from operations*#	**1,788.55**	**2,109.14**
	* Refer Note 39(A) for Disaggregated revenue from operations		
	# Refer Note 37 for revenue from related parties		
22	**OTHER INCOME**		
	Dividend income		
	(i) From subsidiary	-	-
	(ii) From others*	0.71	0.46
	Interest income	2.54	1.99
	Exchange gain on foreign currency transactions and translation	4.45	2.87
	Lease Income	3.94	4.06
	Profit on sale of Property, Plant & Equipment	6.64	0.12
	Profit on sale of investment	0.26	-
	Miscellaneous Income	1.81	4.16
	Total other income	**20.35**	**13.66**
	* Refer note 37 for dividend income from related party		
23	**COST OF MATERIALS CONSUMED**		
	Opening stock of raw materials and components	22.29	23.57
	Add: Purchases*	884.47	1,077.43
		906.76	1,101.00
	Less:Closing stock of raw materials and components	38.84	22.29
	Consumption of raw materials and components	**867.92**	**1,078.71**
	* Refer note 37 for purchases from related parties		
24	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN- PROGRESS AND STOCK-IN-TRADE:**		
	Opening stock:		
	Work-in-progress	39.64	28.43
	Finished goods	161.79	194.16
	Total - (A)	**201.43**	**222.59**
	Closing stock:		
	Work-in-progress	29.71	39.64
	Finished goods	187.97	161.79
	Total - (B)	**217.68**	**201.43**
	Total (A)-(B)	**(16.25)**	**21.16**

Notes to Standalone Statement of Profit and Loss – *(continued)*

(Rupees In crores)

		For the year ended March 31, 2026	For the year ended March 31, 2025
25	**EMPLOYEE BENEFITS EXPENSE (REFER NOTE 32)**		
	Salaries, wages and bonus	185.86	194.93
	Contribution to provident and other funds	9.70	10.81
	Staff welfare expenses	32.64	41.22
	Total employee benefits expense*	**228.20**	**246.96**
	* Refer Note 37 for remuneration and contribution paid to related parties		
26	**FINANCE COSTS**		
	Interest	82.76	71.70
	Interest on lease liabilities	0.34	0.30
	Other borrowing costs	0.17	0.22
	Total finance costs	**83.27**	**72.22**
27	**DEPRECIATION AND AMORTIZATION EXPENSE**		
	Depreciation on Property, Plant and Equipment	127.00	109.07
	Depreciation on Right-to-use asset	5.16	5.17
	Amortization on Intangible assets	0.95	0.74
	Amortization on leasehold land	0.57	0.57
	Total depreciation and amortization expense	**133.68**	**115.55**
28	**OTHER EXPENSES ***		
	(a) Consumption of stores, spares and tools	57.84	71.77
	(b) Power and fuel	100.64	132.12
	(c) Repairs - buildings	14.53	18.15
	(d) Repairs - plant and equipment	33.72	45.02
	(e) Repairs - others	0.66	0.70
	(f) Insurance	6.87	8.84
	(g) Rates and taxes (excluding taxes on income)	6.14	4.26
	(h) Audit fees (Refer note 36(iii))	0.71	0.61
	(i) Packing, freight & Overseas duty charges	103.85	89.25
	(j) Warehousing charges	27.94	30.26
	(k) Loss on sale of Property, plant & equipment	-	2.04
	(l) Corporate social responsibility expenditure	1.35	0.60
	(m) Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or Rs.10 lakh, whichever is higher)	44.49	75.19
	Total other expenses#	**398.74**	**478.81**
	* Net of recoveries and claims made		
	# Refer Note 37 for related party transactions		

Notes to Standalone Statement of Profit and Loss – *(continued)*

(Rupees In crores)

		For the year ended March 31, 2026	For the year ended March 31, 2025
28A	**EXCEPTIONAL ITEMS**		
	Profit on sale of assets	521.16*	91.74
	Impact of Labour codes on employee benefits	(7.67)	-
	Gain on transfer of business unit	-	144.94
	One time voluntary separation costs	-	(25.71)
	Plant Shifting expenses	-	(14.28)
	Total exceptional items	**513.49**	**196.69**

* Represents the gain on sale of approximately 16 acres of freehold land situated at Padi, Korattur, Kakapallam and Villivakkam villages, Chennai district, to Canopy Living LLP, a joint venture between Arihant Foundations & Housing Limited and Prestige Estates Projects Limited for a total consideration of Rs. 558.62 Crores.

29	**CURRENT TAX**		
	Current tax	71.39	53.10
	Total current tax	**71.39**	**53.10**
30	**DEFERRED TAX**		
	Decrease/(increase) in deferred tax assets	6.39	(1.29)
	(Decrease)/increase in deferred tax liabilities	(3.18)	(3.65)
	Total deferred tax expense / (benefit)	**3.21**	**(4.94)**

Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars		
Profit before tax expense	626.83	306.08
Tax at the Indian tax rate of 25.17%	**157.77**	**77.04**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Dividend Income	(0.18)	(0.12)
Expenses wholly/partially not allowed for deductions	0.61	0.17
Profit on sale of business unit and land resulting in lower tax outflow	(84.94)	(25.82)
Other items	1.34	(3.11)
Tax expense / (benefit)	**74.60**	**48.16**

31	**EARNINGS PER SHARE**		
	Particulars		
	(a) Basic and diluted earnings per share (Rs.)	250.48	122.23
	(b) Earnings of company used as numerator in calculating basic and diluted earnings per share	552.23	257.92
	(c) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,20,46,162	2,11,01,858

Earnings Per Share (EPS) of Rs.250.48 (previous year - Rs. 122.23)as given above is after considering the exceptional income of Rs.513.49 Crores(previous year - exceptional income 196.69 Crores) . Excluding the exceptional items, EPS is Rs 17.57 (previous year - Rs. 29.02).

(Rupees In crores)

32 EMPLOYEE BENEFIT OBLIGATIONS

Particulars	March 31, 2026			March 31, 2025		
	Current	Non-current	Total	Current	Non-current	Total
Pension	4.34	5.62	9.96	4.03	7.38	11.41
Leave Salary	0.85	7.78	8.63	0.66	6.00	6.66
Gratuity	-	13.41	13.41	-	-	-
Total employee benefit obligations	**5.19**	**26.81**	**32.00**	**4.69**	**13.38**	**18.07**

Amount recognised in the Balance sheet and the movements in the net defined benefit obligation / other employee benefits over the period are as follows:

Particulars	Gratuity			Pension			Leave Salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
April 1,2025	**28.30**	**30.35**	**(2.05)**	**11.41**	**-**	**11.41**	**6.66**	**-**	**6.66**
Current service cost	1.21		1.21			-			-
Past service cost	6.47		6.47				1.21		1.21
Interest expense/income	2.05	1.89	0.16	0.84		0.84	0.54		0.54
Experience (gains)/losses			-			-	1.26		1.26
(Gain)/loss from change in financial assumptions			-			-	(0.47)		(0.47)
Total amount recognised in statement of profit and loss	**9.73**	**1.89**	**7.84**	**0.84**	**-**	**0.84**	**2.54**	**-**	**2.54**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/income		(0.76)	0.76			-			-
(Gain)/loss from change in demographic assumptions			-			-			-
(Gain)/loss from change in financial assumptions	(3.71)		(3.71)	0.47		0.47			-
Experience (gains)/losses	12.13		12.13	(2.56)		(2.56)			-
Total amount recognised in other comprehensive income	**8.42**	**(0.76)**	**9.18**	**(2.09)**	**-**	**(2.09)**	**-**	**-**	**-**
Employer contribution		1.56	(1.56)			-			-
Benefit payments	(6.97)	(6.97)	-	(0.20)		(0.20)	(0.58)		(0.58)
March 31, 2026	**39.48**	**26.07**	**13.41**	**9.96**	**-**	**9.96**	**8.62**	**-**	**8.62**

(Rupees In crores)

32 - EMPLOYEE BENEFIT OBLIGATIONS

Particulars	Gratuity			Pension			Leave Salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024	**25.40**	**26.51**	**(1.11)**	**9.39**	**-**	**9.39**	**8.71**	**-**	**8.71**
Current service cost	0.50	-	0.50	-	-	-	-	-	-
Interest expense/income	1.87	1.86	0.01	0.48	-	0.48	0.56	-	0.56
Experience (gains)/losses	-	-	-	-	-	-	0.54	-	0.54
(Gain)/loss from change in financial assumptions	-	-	-	-	-	-	0.21	-	0.21
Total amount recognised in statement of profit and loss	**2.37**	**1.86**	**0.51**	**0.48**	**-**	**0.48**	**1.31**	**-**	**1.31**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/income	-	1.14	(1.14)	-	-	-	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	1.56	-	1.56	0.91	-	0.91	-	-	-
Experience (gains)/losses	3.17	-	3.17	0.82	-	0.82	-	-	-
Total amount recognised in other comprehensive income	**4.73**	**1.14**	**3.59**	**1.73**	**-**	**1.73**	**-**	**-**	**-**
Employer contribution	(2.62)	2.42	(5.04)	-	-	-	-	-	-
Benefit payments	(1.58)	(1.58)	-	(0.19)	-	(0.19)	(3.36)	-	(3.36)
March 31, 2025	**28.30**	**30.35**	**(2.05)**	**11.41**	**-**	**11.41**	**6.66**	**-**	**6.66**

(i) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Details	Gratuity		Pension		Leave Salary	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Discount rate	7.48%	6.72%	5.97%	6.41%	7.31%	6.63%
Salary growth rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Mortality rate	IALM (2006-08) Ultimate					

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at 58 years.

(Rupees In crores)

(ii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Gratuity	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Discount rate	0.50%	0.50%	40.14	25.96	44.21	28.91
Salary growth rate	0.50%	0.50%	44.24	28.92	40.10	25.94
Mortality rate	5.00%	5.00%	42.11	27.38	42.09	27.37

Pension	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Discount rate	1.00%	1.00%	9.05	10.09	11.03	13.00
Salary growth rate	1.00%	1.00%	11.08	13.07	8.99	10.02
Mortality rate	5.00%	5.00%	9.86	11.31	10.06	11.51

Leave Salary	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Discount rate	0.50%	0.50%	8.30	6.40	8.96	6.94
Salary growth rate	0.50%	0.50%	8.97	6.94	8.30	6.40
Mortality rate	5.00%	5.00%	8.62	6.66	8.62	6.66

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit liability recognised in the balance sheet.

(iii) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the

(Rupees In crores)

funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the above investment mix in the continuing years.

Changes in bond yield: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

Inflation risks: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined contribution plans:

The Company's contribution to defined contribution plan i.e., provident fund of Rs. 7.23 Crores (previous year Rs. 8.65 crores) has been recognised in the Statement of Profit and Loss.

33 FAIR VALUE MEASUREMENTS

Financial instruments by category	March 31, 2026			March 31, 2025		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	21.40	1,560.07	-	16.22	1,198.99
- Others	8.67	-	-	8.78	-	-
Trade receivables	-	-	343.42	-	-	303.15
Cash & Cash Equivalents	-	-	39.74	-	-	6.52
Derivative financial assets	0.24	-	-	1.83	-	-
Security deposits	-	-	-	-	-	10.18
Other financial assets	-	-	18.03	-	-	40.75
Total financial assets	**8.91**	**21.40**	**1,961.26**	**10.61**	**16.22**	**1,559.59**
Financial liabilities						
Trade payables	-	-	385.79	-	-	299.34
Borrowings - Current	-	-	0.25	-	-	202.20
Borrowings - Non Current	-	-	630.27	-	-	649.66
Current Maturities of long term borrowings	-	-	225.65	-	-	209.66
Derivative financial liabilities	3.92	-	-	0.47	-	-
Lease Liabilities	-	-	1.27	-	-	3.44
Other financial liabilities	-	-	96.87	-	-	79.97
Total financial liabilities	**3.92**	**-**	**1,340.10**	**0.47**	**-**	**1,444.27**

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at FVTPL:					
Derivative financial asset	5	-	0.24	-	0.24
Others	4		8.67		8.67
Financial assets at FVOCI:					
Investments					
- Equity instruments	4	0.50	-	20.90	21.40
- Others		-	-		-
Total financial assets		**0.50**	**8.91**	**20.90**	**30.31**
Financial liabilities					
Financial liabilities at FVTPL:					
Derivative financial liability	20	-	3.92	-	3.92
Financial liabilities at FVOCI:					
- Others		-	-	-	-
Total financial liabilities		**-**	**3.92**	**-**	**3.92**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed					
At March 31, 2026	**Notes**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets					
Investments - Equity instruments	4	-	-	1,560.07	**1,560.07**
Trade receivables	8			343.42	**343.42**
Cash & Cash Equivalents	9,10			39.74	**39.74**
Security deposits	5			-	**-**
Other financial assets	5			18.03	**18.03**
Total financial assets		**-**	**-**	**1,961.26**	**1,961.26**
Financial Liabilities					
Borrowings	14,18	-	-	856.17	**856.17**
Trade payables	19			385.79	**385.79**
Lease Liabilities				1.27	**1.27**
Other financial liabilities	20			96.87	**96.87**
Total financial liabilities		**-**	**-**	**1,340.10**	**1,340.10**

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at FVTPL:					
Derivative financial asset	5	-	1.83	-	1.83
Others	4	-	8.78	-	8.78
Financial assets at FVOCI:					
Investments					
- Equity instruments	4	0.50	-	15.72	16.22
- Others		-	-	-	-
Total financial assets		**0.50**	**10.61**	**15.72**	**26.83**
Financial liabilities					
Financial liabilities at FVTPL:					
Derivative financial liability	20	-	0.47	-	0.47
Financial liabilities at FVOCI:					
- Others		-	-	-	-
Total financial liabilities		**-**	**0.47**	**-**	**0.47**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments - Equity instruments	4			1,198.99	**1,198.99**
Trade receivables	8			303.15	**303.15**
Cash & Cash Equivalents	9,10			6.52	**6.52**
Security deposits	5			10.18	**10.18**
Other financial assets	5			40.75	**40.75**
Total financial assets		**-**	**-**	**1,559.59**	**1,559.59**
Financial Liabilities					
Borrowings	14,18			1,061.52	**1,061.52**
Trade payables	19			299.34	**299.34**
Lease Liabilities				3.44	**3.44**
Other financial liabilities	20			79.97	**79.97**
Total financial liabilities		**-**	**-**	**1,444.27**	**1,444.27**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

(Rupees In crores)

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principal only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

FVTPL - Fair value through statement of Profit and Loss; FVOCI - Fair value through Other Comprehensive Income.

34 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Foreign exchange		i) The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. ii) Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR). iii) The risk is measured through a forecast of highly probable foreign currency cash flows. The Company has a forex management policy which is duly approved by the Board. iv) The objective of the hedges when taken is to minimise the volatility of the INR cash flows of highly probable forecast transactions.
Liquidity risk	Borrowings (Other than soft loans given by Govt. Authorities)	i) The company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. ii) The Company prepares a detailed annual operating plans to assess the fund requirements - both short term and long term. iii) Detailed month wise cash flow forecast is also carried out along with required sensitivities. Based on these factors adequate working capital credit limits are organised in advance. iv) Company has pre-approved credit lines with various banks and these are constantly reviewed and approved by the Board. v) For long term fund requirements, Company targets various options such as rupee term loan, external commercial borrowing, debentures etc. vi) The Company obtains a credit rating for the various borrowing facilities on annual basis. Company constantly monitors the free cashflow from operations to ensure that the borrowings are minimized.

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

Credit Risk		i) Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost. ii) The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. iii) To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. iv) It considers available reasonable and supportive forward-looking information (more specifically described below). v) A default on a financial asset is when the counterparty fails to make contractual payments within 180 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.
a.	Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
b.	Domestic Trade Receivables	i) The Company extends credit to the customers and such extension of credit is based on customers' credit worthiness, ability to repay and past track record. ii) The Company has extensive reporting systems and review to constantly monitor the receivables.
c.	Export Trade Receivables	The Company's export customers are Original Equipment Manufacturers with high credit rating. Export receivables are also covered through Insurance with Export Credit Guarantee Corporation of India Limited.
Export trade receivables and Import Payables		i) The company has a forex management policy duly approved by the Board. The Company's policy is to hedge most of its net currency exposure. ii) Company reviews the forex exposure on a regular basis and also reports its adherence to the Board on a quarterly basis. The recording and reporting requirements are strictly adhered.

(A) Credit risk

Basis of recognition of expected credit loss & providing for such loss

Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.	Asset is written off		

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

March 31, 2026

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	1	Investments at amortised cost	-	-	-	-
	1	Other financial assets	18.03	-	-	18.03

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	340.84	4.47	345.31
Expected loss rate	0%	42%	-
Expected credit losses	-	1.89	1.89
Carrying amount of trade receivables	340.84	2.58	343.42

March 31, 2025

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	1	Investments at amortised cost	-	-	-	-
	1	Other financial assets	50.93	-	-	50.93

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	293.61	15.98	309.59
Expected loss rate	0%	40%	-
Expected credit losses	-	6.44	6.44
Carrying amount of trade receivables	293.61	9.54	303.15

Reconciliation of loss allowance provision - Trade receivables

Loss allowance as at the April 01, 2024	**9.84**
Changes in loss allowance	(3.40)
Loss allowance as at March 31, 2025	**6.44**
Changes in loss allowance	(4.55)
Loss allowance as at March 31, 2026	**1.89**

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

(B) Liquidity risk

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	March 31, 2026	March 31, 2025
- Expiring within one year (bank overdraft and other facilities)	639.75	517.80

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity ranging from 30 to 180 days.

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

March 31, 2026

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	57.25	53.59	115.04	623.75	6.54	**856.17**
Trade payables	385.79					**385.79**
Lease liabilities	0.09	0.09	0.19	0.90		**1.27**
Other financial liabilities	100.79					**100.79**

March 31, 2025

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	182.26	144.64	84.56	640.57	9.49	**1,061.52**
Trade payables	299.34					**299.34**
Lease liabilities	0.18	0.19	0.39	2.68		**3.44**
Other financial liabilities	80.44					**80.44**

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

(C) Market risk

(i) Foreign exchange risk

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

Particulars	March 31, 2026		March 31, 2025	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	146.15	96.21	154.05	54.29
Derivatives	-	0.24	1.81	0.02
Foreign exchange forward contracts Sell Foreign currency	(136.75)	(96.63)	(155.86)	(54.10)
Exposure to foreign currency risk (assets)	**9.40**	**(0.18)**	**-**	**0.21**
Financial liabilities				
Foreign currency loan	-	-	-	11.93
Trade payables	6.92	6.69	3.25	5.64
Derivatives	3.40	0.52	0.04	0.43
Foreign exchang forward contracts Buy Foreign currency	-	-	-	-
Exposure to foreign currency risk (liabilities)	**10.32**	**7.21**	**3.29**	**18.00**
Net Exposure to foreign currency risk assets / (liabilities)	**(0.92)**	**(7.39)**	**(3.29)**	**(17.79)**

Note: Company has insignificant exposure to other foreign currencies and therefore the foreign currency risk of the same is immaterial

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Impact on profit after tax*		Impact on other components of equity*	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
USD sensitivity				
INR/USD Increases by 10%	(0.07)	(0.25)	-	-
INR/USD Decreases by 10%	0.07	0.25	-	-
EURO sensitivity				
INR/EURO Increases by 10%	(0.55)	(1.33)	-	-
INR/EURO Decreases by 10%	0.55	1.33	-	-

* Holding all other variables constant

(Rupees In crores)

(ii) Interest Rate risk

For short term borrowings the marginal cost of lending rate of the bank is followed. In respect of foreign currency borrowings for longer period, the interest rates are covered through interest rate swaps (IRS).

Particulars	March 31, 2026	March 31, 2025
Variable rate borrowings	856.17	892.03
Fixed rate borrowings	-	169.49

Sensitivity	Impact on profit after tax	
	March 31, 2026	March 31, 2025
Increase in interest rates by 100 bps	(6.41)	(6.68)
Decrease in interest rates by 100 bps	6.41	6.68

(iii) Price risk

The company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through other comprehensive income or at fair value through statement of profit and loss. To manage its price risk from investments in equity securities, the Company diversifies its portfolio. The impact of the changes in price risk is not material.

(D) Impact of hedging activities

i) Disclosure of effects of hedge accounting on financial position

a) Disclosure of effects of hedge accounting on financial position as at March 31, 2026

Type of hedge and risks	Nominal value		Carrying amount hedging instrument		Maturity date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Foreign exchange forward contracts	51.78	181.62	0.24	3.92	Apr'26 to Jul'26	(5.04)	5.04

b) Disclosure of effects of hedge accounting on financial position as at March 31, 2025

Type of hedge and risks	Nominal value		Carrying amount hedging instrument		Maturity date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Foreign exchange forward contracts	131.05	87.77	1.83	0.47	Apr'25 to Jul'25	1.36	(1.36)

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

ii) Disclosure of effects of hedge accounting on financial performance :

for the period ended March 31, 2026 :

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge :				
Foreign exchange forward contracts & IRS	(0.24)	(4.80)	-	-

for the period ended March 31, 2025 :

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge :		1.36		
Foreign exchange forward contracts & IRS				

Movements in Cash flow hedging reserve

Particulars	Forward Contracts
Balance as at Apri 01, 2024	**0.58**
Change in fair value of hedging instruments net of tax	-
Reclassification to statement of profit and loss	-
Deferred tax on the above	-
Closing balance as at March 31, 2025	**0.58**
Change in fair value of hedging instruments net of tax	(0.24)
Reclassification to statement of profit and loss	-
Deferred tax on the above	0.06
Closing balance as at March 31, 2026	**0.40**

35 CAPITAL MANAGEMENT

(a) Risk management

The Company's objectives in regard to managing capital are

- safeguard its status as a going concern
- to ensure returns to shareholders
- to ensure benefits to stakeholders

In order to maintain optimum capital structure, the board may

- increase the capital by fresh issue of shares or
- reduce the same by return to equity holders
- vary the equity by increasing or reducing the quantum of dividend

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

Net debt divided by total equity

Gearing ratio refers to the level of a company's debt compared to its total equity.

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

The Company's strategy is to maintain an optimum gearing ratio. The gearing ratios were as follows:

Particulars	March 31, 2026	March 31, 2025
Net Debt	851.69	1,061.27
Total equity	1,960.51	1,424.08
Net Debt to equity ratio	**0.43**	**0.75**

(b) Dividends

Particulars	March 31, 2026	March 31, 2025
Equity shares :		
Interim Dividend declared for the year ended March 31, 2026 (Rs.4.5/- per share)	9.92	-
Interim Dividend declared for the year ended March 31, 2025 (Rs.4.75/- per share)	-	10.47

36 OTHER DISCLOSURES

(i) Contingent liabilities

Details	March 31, 2026	March 31, 2025
(i) Claims against the Company not acknowledged as debt		
- Goods and Service Tax#	-	0.88
(ii) Guarantees	448.10	403.87
Total	**448.10**	**404.75**

#The company has recognized a provision for the disputes against it. Accordingly the matter is no longer disclosed as a contingent liability, and the contingent liability in respect of these matters is nil.

(ii) Capital commitments

Details	March 31, 2026	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for	52.99	60.38
Total	**52.99**	**60.38**

(iii) Audit Fees

Details	March 31, 2026	March 31, 2025
As statutory auditors	0.50	0.40
Taxation matters	0.10	0.10
Certification matters	0.11	0.11
Total	**0.71**	**0.61**

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

(iv) Expenditure incurred on Corporate Social Responsibility activities:

Details	March 31, 2026	March 31, 2025
(a) Gross amount required to be spent by the company during the year	1.31	0.58
(b) Amount spent during the year in cash:		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	1.35	0.60
Total	**1.35**	**0.60**
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities	Economic Development, Education, Environment, Health, Infrastructure & Water conversation	Economic Development, Education, Environment, Health, Infrastructure & Water conversation
(g) Details of related party transactions	1.35	0.60
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

(v) Segment Reporting:

The company operates in only one segment - Die Casting.

(vi)

Trade payables	**March 31, 2026**	**March 31, 2025**
Trade payables include amount due to micro and small scale industrial units	27.96	38.76
Disclosure under Micro, Small and Medium Enterprises Development Act, 2006	**March 31, 2026**	**March 31, 2025**
(i) The principal amount and interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
a) Principal (all are within agreed credit period and not due for payment)	27.96	38.76
b) Interest (as no amount is overdue)	Nil	Nil
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

(vii)

Trade Receivables	March 31, 2026	March 31, 2025
Considered good - Unsecured	343.42	303.15
Having significant increase in credit risk	1.89	6.44
Credit impaired	-	-
Total	**345.31**	**309.59**
Loss allowance	1.89	6.44
Total trade receivables	**343.42**	**303.15**

(viii) Leases :

Lease obligations

Details	March 31, 2026	March 31, 2025
Net Debt as at beginning of the period	3.44	4.14
Additions	1.60	-
Cash flows	(1.43)	(1.00)
Deletions(preclosures)	(2.68)	-
Interest expenses	0.34	0.30
Net debt	**1.27**	**3.44**
Current lease obligation	0.37	0.76
Non current lease obligation	0.90	2.68

Details	March 31, 2026	March 31, 2025
Payment towards short term leases	1.11	3.65
Payment towards low value asset leases	-	-

(ix) Borrowing costs capitalised :

Borrowing cost capitalised during the year Rs. 1.20 Crores (Previous Year - Rs. 10.33 Crores)

The capitalisation rate used to determine borrowing costs to be capitalised is weighted average interest rate of 7.05%.

37 RELATED PARTY DISCLOSURE

LIST OF RELATED PARTIES

a)	**Reporting entity:**		Sundaram-Clayton Limited, Chennai (SCL)
b)	**Promoter entity:**	(i)	VS Trust (Mr Venu Srinivasan, Trustee)
c)	**Subsidiaries:**	(i)	Sundaram-Clayton (USA) Limited, USA (Upto December 16, 2025)
		(ii)	Sundaram Holding USA Inc, Delaware, USA
		(iii)	Sundaram-Clayton Gmbh, Germany
		(iv)	SCL Properties Private Limited, Chennai
			Subsidiary companies of Sundaram Holding USA Inc, Delaware, USA
		(i)	Green Hills Land Holding LLC, South Carolina, USA
		(ii)	Components Equipment Leasing LLC, South Carolina, USA
		(iii)	Sundaram - Clayton (USA) LLC, South Carolina, USA
		(iv)	Premier Land Holding LLC, South Carolina, USA
			Associate companies:
		(i)	Sundram Non-Conventional Energy Systems Limited, Chennai
d)	**Enterprises under Common control**	(i)	TVS Holdings Limited, Chennai
		(ii)	TVS Motor Company Limited, Chennai
		(iii)	Sundaram Auto Components Limited, Chennai
		(iv)	TVS Credit Services Limited, Chennai
		(v)	TVS Emerald Limited (Formerly known as Emerald Haven Realty Ltd)
		(vi)	TVS Training & Services Limited, Chennai
		(vii)	TVS Digital Limited, Chennai
		(viii)	Altizon Systems Private Limited, Pune
e)	**Key management personnel (KMP)**		**Executive Directors:**
		(i)	Mr. Venu Srinivasan, Chairman Emeritus & Managing Director
		(ii)	Dr. Lakshmi Venu, Managing Director
		(iii)	Mr. Vivek S Joshi, Director & CEO (Upto March 31, 2026)
			Non Executive Directors:
			Independent Directors:
		(i)	Ms. Sasikala Varadachari
		(ii)	Mr. C R Dua
		(iii)	Mr. R Gopalan
		(iv)	Mr. P Kaniappan
			Non Independent Directors:
		(i)	Mr. Rajesh Narasimhan (Upto November 28, 2025)
		(ii)	Mr. R Anandakrishnan
			Chief Financial Officer :
		(i)	Mr Ajay Kumar (upto August 31, 2025)
		(ii)	Mr V Hariharan (From September 01, 2025)
f)	**Post employment benefit plans**	(i)	Sundaram- Clayton Limited Employees Provident Fund, Chennai
g)	**Others**	(i)	Srinivasan Services Trust

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

37 RELATED PARTY TRANSACTIONS

Sl No	Nature of transactions	Name of the company	Controlling Entity	Subsidiaries	Associates	KMP	Relative of KMP	Other related party	Total
1	Purchase of goods	TVS Motor Company Limited, Chennai						17.30	17.30
		Altizon Systems Private Limited, Pune						0.28	0.28
		Sundaram-Clayton USA LLC, South Carolina, USA		0.01					0.03
			-	0.01	-	-	-	17.58	17.61
				(1.44)				(20.55)	(21.99)
2	Sale of goods (including sub contract charges)	TVS Motor Company Limited, Chennai						20.09	20.09
		Sundaram-Clayton USA LLC, South Carolina, USA		39.11					39.11
			-	39.11	-	-	-	20.09	59.20
				(78.44)				(427.87)	(506.31)
3	Sale of assets	TVS Motor Company Limited, Chennai							-
			-	-	-	-	-	-	-
								(108.00)	(108.00)
4	Purchase of power	Sundram Non Conventional Energy Systems Limited, Chennai			0.80				0.80
			-	-	0.80	-	-	-	0.80
					(0.81)				(0.81)
5	Rendering of services	TVS Motor Company Limited, Chennai						4.42	4.42
		Sundaram Auto Components Limited, Chennai						0.11	0.11
		TVS Training and Services Limited, Chennai						0.04	0.04
		TVS Credit Services Limited, Chennai						1.65	1.65
		Sundaram-Clayton USA LLC, South Carolina, USA		4.97					4.97
		TVS Holdings Limited, Chennai						0.42	0.42
		TVS Emerald Limited, Chennai						1.05	1.05
			-	4.97	-	-	-	7.69	12.66
				(4.71)				(8.70)	(13.41)
6	Receiving of services	TVS Training and Services Limited, Chennai						1.59	1.59
		TVS Motor Company Limited, Chennai						2.07	2.07
		TVS Digital Limited, Chennai						0.31	0.31
		TVS Holdings Limited, Chennai						0.54	0.54
		Dua Associates, New Delhi						0.10	0.10
		Sundaram-Clayton Gmbh, Germany		10.92					10.91
			-	10.92	-	-	-	4.60	15.51
				(9.98)				(12.61)	(22.59)

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

37 Related party transactions (continued)

Sl No	Nature of transactions	Name of the company	Controlling Entity	Subsidiaries	Associates	KMP	Relative of KMP	Other related party	Total
7	Remuneration paid	Key Management Personnel				13.00			13.00
			-	-	-	13.00	-	-	13.00
						(11.51)			(11.51)
8	Investments	Sundaram Holding USA Inc, Delaware, USA		361.09					361.09
			-	361.09	-	-	-	-	361.09
				(551.00)					(551.00)
9	Contribution to post employment benefit plan	Sundaram- Clayton Limited Employees Provident Fund, Chennai						13.91	13.91
			-	-	-	-	-	13.91	13.91
								(14.48)	(14.48)
10	Dividend received	Sundram Non-Conventional Energy Systems Limited, Chennai			0.71				0.71
			-	-	0.71	-	-	-	0.71
					(0.46)				(0.46)
11	Guarantees issued (Business purpose)	Sundaram Holding USA Inc, Delaware, USA		448.10					448.10
			-	448.10	-	-	-	-	448.10
				(403.87)					(403.87)
12	Others	CSR Contribution to Srinivasan Services Trust						1.35	1.35
			-	-	-	-	-	1.35	1.35
								(0.60)	(0.60)
13	Outstanding as on March 31, 2026 Receivables	TVS Motor Company Limited, Chennai						1.57	1.57
		TVS Credit Services Ltd, Chennai						0.24	0.24
		Sundaram-Clayton USA LLC, South Carolina, USA		18.43					18.43
		TVS Emerald Limited, Chennai						0.08	0.08
		TVS Holdings Limited, Chennai						0.22	0.22
			-	18.43	-	-	-	2.11	20.54
				(35.85)				(2.67)	(38.52)
14	Outstanding as on March 31, 2026 Payables	TVS Motor Company Limited, Chennai						2.39	2.39
		Sundaram Auto Components Limited, Chennai						0.12	0.12
		Sundram Non-Conventional Energy Systems Limited, Chennai						0.01	0.01
		TVS Training and Services Limited, Chennai						0.19	0.19
		TVS Holdings Limited, Chennai						0.39	0.39
		TVS Digital Limited, Chennai						0.03	0.03
		Sundaram-Clayton USA LLC, South Carolina, USA		0.79				-	0.79
			-	0.79	-	-	-	3.13	3.92
				(0.51)	(0.03)			(3.13)	(3.67)

Previous year's figures are furnished in brackets

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

38 DISCLOSURE MADE IN TERMS OF REGULATION 34(3) OF SEBI (LODR) REGULATIONS, 2015

	Particulars	Name of the company		Amount outstanding as on March 31, 2026	Amount outstanding as on March 31, 2025
a)	Loans and advances				
(i)	Loans and advances in the nature of loans made to subsidiary company	NIL		-	-
(ii)	Loans and advances in the nature of loans made to associate company	NIL		-	-
(iii)	Loans and advances in the nature of loans where there is				
1)	no repayment schedule or repayment beyond seven years (or)	NIL		-	-
2)	no interest or interest below section 186 of the Companies Act, 2013	NIL		-	-
(iv)	Loans and advances in the nature of loans made to firms/companies in which directors of the company are interested	NIL		-	-
b)	Investments by the company				
(i)	In subsidiary companies				
		Sundaram Holding USA Inc., Delaware USA (22,87,00,000 (last year - 18,77,00,000) Equity Shares of USD-1 each fully paid-up)		1,555.19	1,194.11
		Maximum amount held at any time			
		During the year	1,555.19		
		During the previous year	1,194.11		
		Sundaram-Clayton Gmbh (Cost Euro 5,25,000) (5,25,000 equity shares of EURO-1 Each fully paid up)		4.66	4.66
		Maximum amount held at any time			
		During the year	4.66		
		During the previous year	4.66		
		SCL Properties Private Limited (10,00,000 equity shares of Rs 1/- Each fully paid up)		0.10	0.10
		Maximum amount held at any time			
		During the year	0.10		
		During the previous year	0.10		
(ii)	In associate companies	Sundram Non-conventional Energy Systems Limited, Chennai (1,17,650 Equity shares of Rs 10/- each fully paid-up)		0.12	0.12
		Maximum amount held at any time			
		During the year	0.12		
		During the previous year	0.12		

Notes to Standalone Financial Statements – *(continued)*

(Rupees In crores)

39 REVENUE FROM CONTRACT WITH CUSTOMERS

A **Disaggregated revenue**

Revenue from contracts with customers are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Company identifies the product lines, amongst others to indicate the factors as mentioned above. The details of revenue from contracts with customers on the basis of various product lines are as under :

Sl.No	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A.	Type of goods or service		
1.	Automotive components	1,788.55	2,109.14
		1,788.55	**2,109.14**
B.	Geographical markets		
1.	Domestic	835.58	1,153.42
2.	Exports	952.97	955.72
		1,788.55	**2,109.14**

B **Reconciliation of contracts with customers**

Movement of contract liabilities for the reporting period given below:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract Liabilities at the beginning of the period	42.33	30.82
Add / (Less) :		
Consideration received during the year as advance	24.20	27.93
Revenue recognized from contract liability	(27.06)	(16.42)
Contract Liabilities at the end of the period	**39.47**	**42.33**

Payment is received in advance towards contracts entered with customers, and is recognised as a contract liability. As and when the performance obligation is met the same is recognized as revenue.

C **Transaction price allocated to the remaining performance obligations**

The Company's contracts with customers are short term(i.e.,the performance obligations are expected to be met within one year or less). Therefore, taking the practical expedient, the details on transaction price allocated to the remaining performance obligations are not disclosed.

D **Reconciliation of amount of revenue recognised in statement of profit and loss with the contracted price**

Particulars	March 31, 2026	March 31, 2025
Sale of Products		
Contract Price	1,788.55	2109.14
Revenue recognised	**1,788.55**	**2109.14**
Contract balances:		
a. Contract assets - Trade receivables (refer note 8)	343.42	286.57
b. Contract liabilities - Advance from Customers (refer note 17)	39.47	42.33

40 KEY FINANCIAL RATIOS :

S.No	Details	March 31, 2026	March 31, 2025	Variance (%)
1	Current Ratio (Times) (Current Assets/ Current liabilities) (Note - 1)	1.04	0.80	30.07%
2	Net Debt / Equity Ratio (Times) [Total borrowings (Excluding NCRPS) - Cash and cash equivalents excluding term deposits) / Equity] (Note - 2)	0.43	0.75	42.08%
3	Debt Service Coverage Ratio (Times) (Earnings before Tax , Exceptional item, Depreciation and Interest on non current borrowings) / (Interest on non current borrowings + Principal repayment of Long term borrowings made during the period)	0.81	0.69	17.83%
4	Return on Equity (%) (Net Profit after Tax excluding exceptional items / Average equity) (Note - 3)	5.14	8.11	-36.67%
5	Inventory Turnover Ratio (Times) (Annualised Cost of Goods Sold / Average Inventory) (Note-4)	2.66	3.56	-25.15%
6	Trade Receivables Turnover Ratio (Times) (Annualised turnover/ Average Trade Receivables)	5.53	6.38	-13.28%
7	Trade Payables Turnover Ratio (Times) [(Purchases & Other Expenses) / Average Trade Payables]	3.65	4.42	-17.42%
8	Net Capital Turnover Ratio (Times) [Net Sales/ (Current Assets (-) Current Liabilities excluding current maturities of long term debt)] (Note - 5)	6.95	65.68	-89.41%
9	Net Profit Ratio (%) (Profit after tax before exceptional items / Turnover)	4.86	4.27	13.80%
10	Return on Capital Employed (%) [Earnings before interest , tax , depreciation , other income and exceptional items / (Average Capital employed)]	11.69	13.31	-12.17%
11	Return on Investment (%) [Income generated from invested funds / Average invested funds][#]	NA	NA	

Note - 1 : Due to repayment of short term borrowings, the current ratio has been improved.

Note - 2 : Due to sale of land and repayment of borrowings out of Padi land sale proceeds.

Note - 3 : Due to sale of land

Note - 4 : Due to sale of the ascast, low-pressure and low tonnage aluminium die-casting businesses at Hosur plant on March 31, 2025.

Note - 5 : Due to repayment of borrowings out of Padi land sale proceeds

[#]Significant investments held by the Company is for strategic purposes. Benchmarking the return on annual basis will not reflect yield from such investments.

Notes to Standalone Financial Statements – *(continued)*

41 Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.

42 **ADDITIONAL REGULATORY DISCLOSURES AS PER SCHEDULE III OF COMPANIES ACT, 2013**

i) The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

ii) The Company does not have any investment property.

iii) As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

iv) The Company has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

v) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

vi) The Company has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Company with such banks are in agreement with the books of accounts of the Company.

vii) The Company has adhered to debt repayment and interest service obligations on time. "Wilful defaulter" related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

ix) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

x) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"

xi) The Company has not operated in any crypto currency or Virtual Currency transactions

xii) During the period the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

xiii) There are no transactions with the Companies whose name were struck off under section 248 of The Companies Act, 2013 during the year ended March 31, 2026.

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Dr. LAKSHMI VENU
Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

Consolidated Financial Statements
of
Sundaram-Clayton Limited

Independent Auditor's Report

To the members of Sundaram-Clayton Limited
(formerly known as Sundaram-Clayton DCD Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) (hereinafter referred to as the 'Holding Company') and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), and its associate, which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act 2013, (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act, (Ind "AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2026, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of the most significant in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have no reportable Key Audit Matters.

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

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report. Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and and our auditors' report thereon.

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

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

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

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that gives a true and fair view of the consolidated financial position, consolidated financial performance including total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate, in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its associate are responsible for assessing the ability of the each of the companies in the Group and its associate, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and those charged with governance either intends to liquidate the Group and its associate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its associate are also responsible for overseeing the financial reporting process of each of the companies in the Group and its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal 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, its subsidiary companies and its associate which are companies incorporated in India, has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors;
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the companies in the Group and its associate, to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate, to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion;

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

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

Other Matters

1. We did not audit the financial statements / consolidated financial statements of 5 subsidiaries, whose financial statements reflect of total assets (before consolidation adjustments) of Rs. 1,422.70 crores as at March 31, 2026, total revenue (before consolidation adjustments) of Rs. 276.19 crores, total net loss after tax (before consolidation adjustments) of Rs. 300.34 crores, and the total comprehensive loss (before consolidation adjustments) of Rs. 300.34 crores for year ended 31 March 2026, and total net cash outflow (before consolidation adjustments) of Rs. 12.86 crores for the year ended on that date, as considered in the consolidated annual financial statements. The consolidated annual financial statements also include the net profit (before consolidation adjustments) of Rs. 0.86 crores, and total comprehensive income (before consolidation adjustments) of Rs. 0.86 crores for the year ended March 31, 2026, as considered in the consolidated annual financial statements, in respect of 1 associate. These financial statements / consolidated financial statements have been audited by other auditors whose independent auditors'

reports on financial statements have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

2. The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary, whose financial statements and other financial information reflect total assets of Rs. 7.34 crore as at March 31, 2026, and total revenues of Rs. 10.56 crores and total net loss after tax (before consolidation adjustments) of Rs. 0.36 crores for the year ended March 31, 2026. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of the subsidiary, and our report in terms of subsections (3) of Section 143 of the Act in so far as it relates to the said subsidiary, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

3. The subsidiaries located outside India whose financial information and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's Management has converted this financial information from accounting principles generally accepted in their respective countries, to Indian accounting standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's Management. Our conclusion in so far as it relates to such subsidiaries located outside India, is based on the conversion adjustments prepared by the Holding Company's Management and reviewed by us.

Our opinion on the consolidated annual financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group, including relevant records so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including total Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act;

(e) On the basis of the written representations received from the directors of the Company as on March 31, 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies, its associate company incorporated in India, is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

(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 us, 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 Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. **Refer Note 36(i)** to the consolidated financial statements;

(ii) The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses as at March 31, 2026;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, its subsidiary company and associate company incorporated in India;

(iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

(v) As stated in **Note No. 35(b)** to the consolidated financial statements interim dividend declared and paid by the company during the year and until the date of this report is in compliance with section 123 of the Act.

vi) Based on our examination which included test checks, performed by us on the Company and its subsidiaries incorporated in India, except for the instances mentioned below, have used accounting software systems for maintaining their respective books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Parent Company and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention.

The financial statements of One subsidiary that are not material to the consolidated financial statements of the Group, have not been audited under the provisions of the Act as of the date of this report. Therefore, we are unable to comment on the reporting requirement under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 in respect of one subsidiary.

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, the subsidiaries included in the consolidated financial statements are located outside India and do not require to obtain the CARO report as required by the Act. Further, based on the CARO report issued by us for the company and one subsidiary company located in India we report that there are no qualification or adverse remarks given..

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm's Registration No.: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716
UDIN: 26027716DKSXTS7424

Place : Bengaluru
Date : May 14, 2026

Annexure 'A' to Independent Auditors' Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31 2026, we have audited the internal financial controls with reference to consolidated financial statements of Sundaram-Clayton Limited (formerly known as Sundaram-Clayton DCD Limited) (hereinafter referred to as the "Company") and its subsidiaries and its associate company, which are incorporated in India, as of that date.

Responsibilities of Management and Board of Directors for Internal Financial Controls

The respective Company's management and Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with references to consolidated financial statements of the company, its subsidiary and its associate company, which are companies incorporated in India.

Meaning of Internal Financial Controls with references to Consolidated Financial Statements

A company's internal financial control with references to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that;

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with references to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with references to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with references to consolidated financial statements to

future periods are subject to the risk that the internal financial control with references to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company its subsidiary companies and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial control with references to consolidated financial statements and such internal financial controls with references to consolidated financial statements were operating effectively as at **March 31, 2026,** based on the criteria for internal financial control with references to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with references to consolidated financial statements issued by Institute of Chartered Accountants of India.

Other matters

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to its associate company, which is company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

for **Raghavan, Chaudhuri & Narayanan**
Chartered Accountants
Firm's Registration No.: 007761S

V. Sathyanarayanan
Partner
Membership No. 027716
UDIN: 26027716DKSXTS7424

Place : Bengaluru
Date : May 14, 2026

Consolidated Balance Sheet as at March 31, 2026

(Rupees In crores)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non-current Assets			
(a) Property, plant and equipment	2	2,210.59	2,152.85
(b) Capital work-in-progress	2	49.38	48.00
(c) Other intangible assets	3	0.80	0.78
(d) Financial assets			
i. Investments	4A	30.06	25.01
ii. Investments accounted using Equity method	4B	1.36	1.21
iii. Other financial assets	5	-	10.18
(e) Other non-current assets	6	40.81	25.39
Total Non-Current Assets		**2,333.00**	**2,263.42**
(2) Current Assets			
(a) Inventories	7	439.61	373.00
(b) Financial assets			
i. Trade receivables	8	365.98	318.34
ii. Cash and cash equivalents	9	44.13	26.58
iii. Bank balances other than (ii) above	10	9.99	6.10
iv. Other financial assets	5	18.27	42.58
(c) Other current assets	11	67.40	85.71
(d) Current Tax Assets (net)		3.39	-
Total current assets		**948.77**	**852.31**
Total Assets		**3,281.77**	**3,115.73**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	11.02	11.02
(b) Other Equity	13	1,284.38	960.03
Equity attributable to owners		**1,295.40**	**971.05**
(c) Non-controlling interest	13	-	-
Total equity		**1,295.40**	**971.05**
Liabilities			
(1) Non-Current liabilities			
(a) Financial liabilities			
i. Borrowings	14	844.15	952.07
ii. Lease liabilities		0.99	2.92
(b) Provisions	15	47.92	42.69
(c) Deferred tax liabilities (Net)	16	11.89	10.66
(d) Other Non-current Liabilities	17	4.08	4.77
Total non-current liabilities		**909.03**	**1,013.11**
(2) Current liabilities			
(a) Financial liabilities			
i. Borrowings	18	451.86	536.82
ii. Lease liabilities		0.56	1.31
iii. Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises ; and	19	27.96	38.76
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		409.39	292.97
iv. Other financial liabilities.	20	109.04	87.52
(b) Other current liabilities	17	56.07	117.51
(c) Provisions	15	22.46	55.34
(d) Current Tax Liabilities (Net)		-	1.34
Total Current Liabilities		**1,077.34**	**1,131.57**
Total Liabilities		**1,986.37**	**2,144.68**
Total Equity and Liabilities		**3,281.77**	**3,115.73**
Material Accounting Policies	1		

The accompanying notes are an integral part of these financial statements

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Dr. LAKSHMI VENU
Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Consolidated Statement of Profit and Loss for the year ended March 31, 2026

(Rupees In crores)

	Particulars	Note No.	Year ended March 31, 2026	Year ended March 31, 2025
I	Revenue from operations	21	2,025.61	2,259.30
II	Other Income	22	21.45	23.93
III	**Total Income (I + II)**		**2,047.06**	**2,283.23**
IV	**EXPENSES**			
	Cost of materials consumed	23	993.65	1,159.28
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(12.82)	23.62
	Employee benefits expense	25	406.09	390.67
	Finance costs	26	107.85	103.64
	Depreciation and amortization expenses	27	205.79	173.11
	Other expenses	28	532.82	591.09
	Total Expenses (IV)		**2,233.38**	**2,441.41**
V	**Profit/(Loss) before exceptional items, share of net profit of investment and tax (III-IV)**		**(186.32)**	**(158.18)**
VI	**Share of net profit from associates using equity method**		0.86	0.36
VII	**Profit before exceptional items and tax (V+VI)**		**(185.46)**	**(157.82)**
VIII	Exceptional items - income / (expense)	28A	513.49	196.69
IX	**Profit/(Loss) before tax (VII+VIII)**		**328.03**	**38.87**
X	Tax expense			
	i) Current tax	29	72.44	54.46
	ii)Deferred tax charge/(credit)	30	3.21	(4.94)
XI	**Profit for the year (IX-X)**		**252.38**	**(10.65)**
	Profit / (Loss) attributable to Non-controlling Interest		-	-
	Profit / (Loss) attributable to Owners		**252.38**	**(10.65)**
XII	**Other comprehensive income**			
	A. Items that will not be reclassified to profit and loss:			
	Remeasurement of post employment benefit obligations		(7.09)	(5.32)
	Change in fair value of equity instruments		-	-
	Income tax relating to these items		1.78	1.34
	B. Items that will be reclassified to profit and loss			
	Transactions relating to Derivative instruments		(0.24)	-
	Foreign currency translation adjustments		87.77	13.00
	Change in fair value of FVOCI equity instruments		(0.52)	-
	Income tax relating to these items		0.19	-
	Other comprehensive income for the year, net of tax		**81.89**	**9.02**
XIII	**Total comprehensive income for the year (XI+XII)**		**334.27**	**(1.63)**
XIV	Earnings per equity share			
	Basic & Diluted earnings per share	31	114.48	(5.05)

The accompanying notes are an integral part of these financial statements

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Dr. LAKSHMI VENU
Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Consolidated Cash Flow Statement for the year ended March 31, 2026

(Rupees In crores)

	Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net profit before tax		**328.03**		**38.87**
	Add: Depreciation and amortization for the period	205.79		173.11	
	Loss on sale/scrapping of property, plant and equipment	-		2.04	
	Profit on sale of property, plant and equipment	(527.80)		(93.29)	
	Profit on sale of business unit	-		(144.94)	
	Unrealised exchange (gain) / loss	4.03		1.94	
	Interest income	(2.54)		(1.99)	
	Interest expense	107.85		103.64	
	Net (profit)/ loss from Associate using equity method	(0.86)		(0.36)	
	Foreign currency translation adjustments	9.44		(7.56)	
			(204.09)		32.59
	Operating profit before working capital changes		**123.94**		**71.46**
	Adjustments for:				
	Inventories	(66.61)		(2.33)	
	Trade Receivables	(52.43)		(10.82)	
	Other financial assets	34.49		(41.99)	
	Other bank balances	(3.89)		4.32	
	Other non-current assets	(15.42)		27.56	
	Other current assets	18.31		(18.99)	
	Trade Payables	106.38		(112.68)	
	Provisions	(35.50)		11.80	
	Other financial liabilities	(20.62)		9.40	
	Other non-current liabilities	(0.69)		(6.07)	
	Other current liabilities	(61.44)		78.65	
			(97.42)		(61.15)
	Cash generated from operations		26.52		10.31
	Direct taxes paid*		(30.93)		(55.31)
	Net cash from operating activities		**(4.41)**		**(45.00)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Additions to property, plant and equipment (including Capital work in progress)		(275.17)		(551.71)
	Sale of property, plant and equipment		528.13		106.81
	Investments		(5.20)		-
	Sale of business unit		-		163.00
	Net Profit/(Loss) from Associate using Equity method		0.86		0.36
	Interest received		2.54		1.99
	Foreign currency translation adjustments		125.13		18.56
	Net Cash from/(used in) investing activities		**376.29**		**(260.99)**

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Consolidated Cash Flow Statement for the year ended March 31, 2026

(Rupees In crores)

	Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Net Borrowings:				
	Long term borrowings availed/(repaid)		(107.92)		196.60
	Short term borrowings availed/ (repaid)		(84.96)		(125.08)
	Net proceeds from QIP		-		382.99
	Interest paid		(107.85)		(105.32)
	Interim Dividend paid		(5.20)		(15.62)
	Repayment of lease liabilities		(1.60)		(4.42)
	Foreign currency translation adjustments		(46.80)		(11.00)
	Net cash inflow/ (outflow) from financing activities		**(354.33)**		**318.15**
D	**NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)**		17.55		12.16
	Cash and cash equivalents at the beginning of the year				
	Cash and Bank balances	26.58		14.42	
	Cash in Cash credit account	-	26.58	-	14.42
	Cash and cash equivalents at the end of the year				
	Cash and Bank balances	44.13		26.58	
	Cash in Cash credit account	-	44.13	-	26.58

* Includes taxes paid on investing activities

Change in liability arising from financing activities

Particulars	Notes	April 1, 2025	Cash flow	Non-cash changes		March 31, 2026
				Fair value change	Foreign exchange movement	
Long term borrowings	14	952.07	(107.92)	-	-	**844.15**
Short term borrowings	18	536.82	(84.96)	-	-	**451.86**

Notes:

The above statement has been prepared in indirect method except in case of dividend, tax and purchase and sale of investments which have been considered on the basis of actual movement of cash.

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Dr. LAKSHMI VENU
Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Statement of Changes in Equity for the year ended March 31, 2026

(Rupees In crores)

A. Equity Share Capital (Refer Note 12)

As at March 31, 2024	**10.12**
Changes in Equity share capital during the period	0.90
As at March 31, 2025	**11.02**
Changes in Equity share capital during the period	-
As at March 31, 2026	**11.02**

B. Other Equity (Refer Note 13)

Particulars	Reserves and surplus					Other reserves			Non Controlling Interest	Total
	General reserve	Retained earnings	Securities Premium	Capital Reserve	Total	Fair Value through Other Comprehensive Income	Hedging reserve	Foreign currency translation reserve		
Balance as at April 01, 2024	**224.84**	**116.47**	**-**	**145.50**	**486.81**	**(4.55)**	**0.58**	**107.20**	**-**	**103.23**
Add : Profit for the period		(11.01)			**(11.01)**				-	-
Add : Other comprehensive income		(3.98)			**(3.98)**	-	-	-	-	-
Add: Associate profit adjustment		0.36			**0.36**				-	-
Add/(less) : Movements in reserve								13.00	-	**13.00**
Add: Securities premium on issue of paidup share capital			399.09		**399.09**				-	-
Less : Equity fund raising expenses			(17.00)		**(17.00)**				-	
Total Comprehensive Income for the year	**-**	**(14.63)**	**-**	**-**	**(14.63)**	**-**	**-**	**13.00**	**-**	**13.00**
Less: Interim Dividends declared during the period	-	(10.47)	-	-	**(10.47)**	-	-	-	-	-
Balance as at March 31, 2025	**224.84**	**91.37**	**382.09**	**145.50**	**843.80**	**(4.55)**	**0.58**	**120.20**	**-**	**116.23**
Add : Profit for the period		251.52			**251.52**				-	-
Add : Other comprehensive income (net of tax)		(5.31)			**(5.31)**	(0.39)	(0.18)	-	-	**(0.57)**
Add: Associate profit adjustment		0.86			**0.86**				-	-
Add/(less) : Movements in reserve								87.77	-	**87.77**
Total Comprehensive Income for the year	**-**	**247.07**	**-**	**-**	**247.07**	**(0.39)**	**(0.18)**	**87.77**	**-**	**87.20**
Less: Interim Dividends declared during the period		(9.92)			**(9.92)**	-	-	-	-	-
Balance as at March 31, 2026	**224.84**	**328.52**	**382.09**	**145.50**	**1,080.95**	**(4.94)**	**0.40**	**207.97**	**-**	**203.43**

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Dr. LAKSHMI VENU
Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
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V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

Consolidated Financial Statements of *Sundaram-Clayton Limited*

1. Material Accounting Policies

The accounting policies mentioned herein are relating to the Consolidated financial statements of Sundaram-Clayton Limited and its subsidiaries and associates.

a) Brief description of the Company

Sundaram-Clayton Limited ('the Company') is a public limited company incorporated in India whose shares are publicly traded. The registered office is located at "Chaitanya", 12, Khader Nawaz Khan Road, Nungambakkam Chennai – 600006, Tamil Nadu, India. The Company together with its subsidiaries and associates (collectively referred to as the "Group") operate in the activities of manufacturing automotive components.

b) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Group's financial statements have been prepared on a going concern basis.

The financial statement has been prepared on the historical cost convention under accrual basis of accounting except for certain assets and liabilities (as per the accounting policy below), which have been measured at fair value. These financial statements for the year ended 31st March 2026 have been approved and authorised for issue by the Board of Directors at its meeting held on 14th May 2026.

Principles of Consolidation

Business Combination:

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. Acquisition related costs are recognised in profit or loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except certain assets and liabilities that are required to be measured as per the applicable standard.

Purchase consideration in excess of the Company's interest in the acquiree's net fair value of identifiable assets, liabilities and contingent liabilities is recognized as goodwill. Excess of the Company's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the purchase consideration is recognised, after reassessment of fair value of net assets acquired, in the Capital Reserve.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together, items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests (if any) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet, respectively.

Associates

Associates are all entities over which the Group has significant influence but not control or joint control. (This is generally the case where the Group holds between 20% and 50% of the voting rights). Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Material Accounting Policies - *(continued)*

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future period. The estimates and underlying assumptions are reviewed on an ongoing basis.

This note provides an overview of the areas that involved a higher degree of judgment or complexity. It also provides an overview of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with the information about the basis of calculation for each affected line item in the financial statements

d) Significant estimates and judgments

The areas involving significant estimates or judgments are:

i) Estimation of fair value of unlisted securities - (Refer Note 33 (iii))

ii) Estimation of defined benefit obligation - (Refer Note 32)

iii) Estimation of useful life of Property, Plant and Equipment - (Refer Note 1(i) and 1(j))

iv) Estimation of Expected Credit Loss on Trade receivables (Refer Note 34A)

e) Cost Recognition

Costs and expenses are recognised when incurred and are classified according to their nature. Expenditure are capitalized where appropriate, in accordance with the policy for internally generated intangible assets and represents employee costs, stores and other manufacturing supplies, and other expenses incurred for construction and product development undertaken by the Group.

f) Revenue recognition

i) Sale of automotive components:

Revenue is recognized when the performance obligations are satisfied and the control of the goods is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Group has a right to payment for the goods, customer has possession and legal title to the goods, customer bears significant risk and rewards of ownership and the customer has accepted the goods or the Group has objective evidence that all criteria for acceptance have been satisfied.

ii) Sale of Services:

Revenue from Services is recognised in the accounting period in which the services are rendered.

iii) Significant judgements

There are no significant judgements made by the Group in determining the timing of satisfaction of performance obligation. It is determined as per the terms of the contract. In case of multiple performance obligations, the Group uses the adjusted market assessment approach to allocate the transaction price between multiple performance obligations. If a discount is granted, the same is adjusted against the transaction price of the contract.

g) Dividend:

Any dividend declared by Company is based on the profits available for distribution as reported in the statutory Standalone financial statements. Indian law permits the declaration and payment of dividend out of profits for the year or previous financial year(s) as stated in the statutory Standalone financial statements after providing for depreciation as per the Companies Act, 2013.

However, in the absence or inadequacy of the said profits, it may declare dividend out of free reserves, subject to certain conditions as prescribed under the Companies (Declaration and Payment of Dividend) Rules, 2014.

Material Accounting Policies - *(continued)*

h) Property, Plant and Equipment

Freehold Land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/ construction less accumulated depreciation / amortization and impairment, if any.

Cost includes:

i) purchase price,

ii) taxes and duties,

iii) labour cost, and

iv) Directly attributable overheads incurred up to the date the asset is ready for its intended use.

However, cost excludes GST, to the extent credit of the duty or tax is availed of.

Subsequent costs 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 Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Government grants relating to the purchase of property, plant and equipment are capitalized and included as cost to property,plant & equipment.

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within Other gains/ (losses).

i) Depreciation

i) Depreciation on tangible property,plant & equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated by a Chartered Engineer, on straight line method and in accordance with Ind AS 16, taking into consideration both usage, useful life and legal limitations on the use of assets, on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

ii) The estimated useful life of the tangible property,plant & equipment as assessed by the Chartered Engineer and followed by the Group is furnished below:

Description	Years
Factory building and other buildings	30 to 64
Plant and Equipment	8 to 21
Electrical Equipment	15
Furniture and Fixtures	10
Computers	3
Mobile phones	1
Vehicles	6

iii) The residual value for all the above assets are retained at 5% of the cost except for Mobile phones for which nil residual value is considered. Residual values and useful lives are reviewed, and adjusted, if appropriate, for each reporting period.

iv) On tangible property,plant & equipment added / disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.

v) Depreciation in respect of tangible assets costing individually less than Rs.5,000/- is provided at 100%.

vi) Premium on Leasehold land is amortized over the period of lease.

j) Intangible assets

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately and the estimated useful life is more than one year, is capitalised and carried at cost less accumulated amortisation and accumulated impairment losses.

Material Accounting Policies - *(continued)*

Internally-generated intangible assets - research and development expenditure:

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development phase of internal project is recognised, if and only if, the conditions under the Ind AS 34 - Intangible Asset, are fulfilled. If the conditions are not fulfilled the same is recognised in profit and loss in the period in which it is incurred.

The intangible assets are amortised on straight line basis over its useful life, viz., 2 years in the case of software.

k) Impairment

At each balance sheet date, the Group assesses whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

When necessary, the entire carrying amount of the Equity accounted investments is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's/CGU's fair value less costs of disposal 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 the risks specific to the asset (or cash generating unit) for which the estimates of future cash flows have not been adjusted.

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

l) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). i.e. in Indian rupees (INR) and all values are rounded off to nearest crores except where otherwise indicated.

(ii) Transactions and balances

Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

(a) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

(b) Non-monetary items denominated in foreign currency such as investments, property,plant & equipment, etc., are valued at the exchange rate prevailing on the date of transaction.

(c) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a) assets and liabilities are translated at the closing rate at the date of that balance sheet

b) income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

c) all resulting exchange differences are recognised in other comprehensive income.

m) Hedge accounting

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

Material Accounting Policies - *(continued)*

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 33. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in the Statement of Profit and Loss, within other gains/ (losses).

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognized in other comprehensive income in cash flow hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognized in the cash flow hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects the Statement of Profit and Loss (for example, when the forecast sale that is hedged takes place).

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the Statement of Profit and Loss within other gains/ (losses).

n) Inventories

Inventories are valued at the lower of cost and net realizable value.

i. Cost of raw materials, components, stores, spares are determined on a moving average basis.

ii. Finished Goods and Work in Progress are valued at Standard cost.

iii. Cost of finished goods and work-in-process comprises of direct materials, direct labour and an applicable proportion of variable and fixed overhead expenditure, fixed overhead expenditure absorbed on the basis of normal operating capacity.

iv. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

v. Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost. Slow and non-moving material, obsolescence, defective inventories are duly provided for.

o) Employee benefits

i) Short term obligations:

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognized upto the end of the reporting period at the amounts expected to be paid at the time of settlement.

ii) Other long term employee benefit obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are, therefore, recognized and provided for at the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit

Material Accounting Policies - *(continued)*

method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for atleast twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The Group operates the following post-employment schemes:

a) Defined benefit plans such as gratuity for its eligible employees, pension plan for eligible senior managers; and

b) Defined contribution plan such as provident fund.

a) Pension and gratuity obligation:

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (net of deferred tax). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

b) Provident fund:

The eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The provident fund contributions are made to an irrevocable trust set up by the Group. The Group is generally liable for annual contributions and any shortfall in the fund assets based on the Government specified minimum rates of return and recognizes such contributions and shortfall, if any, as an expense in the year in which it is incurred.

iv) Bonus plans:

The Group recognizes a liability and an expense for bonus. The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

p) Taxes on income

Tax expense comprises of (i) current tax and (ii) deferred tax.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the

Material Accounting Policies - *(continued)*

entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

q) Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants receivable as compensation for expenses or financial support are recognized in profit or loss of the period in which it becomes receivable.

Government grants relating to the purchase of property, plant and equipment are included in current / non-current liabilities as deferred income and are credited to profit or loss as and when the obligations are fulfilled and presented within other income.

In case of waiver of duty under EPCG license, such grant is considered as revenue grant and recognized in “Other Income” on completion of export obligation as approved by Regulatory Authorities.

r) Provisions and contingent liabilities

i) Provision:

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. The estimated liability for product warranties is accounted based on technical evaluation, when the products are sold.

Provisions are evaluated at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

ii) Contingent liabilities:

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The group operates in only one segment – Die casting of Automotive components

t) Leases

Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

Material Accounting Policies - *(continued)*

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognized in profit and loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

u) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

v) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method, less provision for impairment.

w) Contract Liabilities

A contract liability is the obligation to transfer goods to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the consideration is received. Contract liabilities are recognized as revenue when the Group performs under the contract.

x) Investments and Other financial assets

i) Classification

The Group classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through statement of profit and loss), and
- Those measured at amortized cost.

Material Accounting Policies - *(continued)*

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Equity instruments:

The Group subsequently measures all investments in equity (except of the subsidiaries / associates) at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there will be no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Group's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately. Where the Group elects to measure fair value through profit and loss, changes in the fair value of such financial assets are recognized in the statement of profit and loss.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 34(A) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognized from initial recognition of the receivables.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

a) the Group has transferred the rights to receive cash flows from the financial asset or

b) The Group retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised, if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(v) Income recognition

Dividend income:

Dividends are recognized in statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be reliably measured.

y) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings, using the effective interest rate method. Fees paid on the established loan facilities are recognized as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in the Statement of Profit and Loss as other gain/(loss).

Material Accounting Policies - *(continued)*

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for over or atleast 12 months after the reporting period.

z) Current and Non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period.

  All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. In Group's considered view, twelve months is its operating cycle for all entities within the Group.

aa) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

ab) Earnings Per Share (EPS)

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year/period.

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Balance Sheet

(Rupees In crores)

2. PROPERTY, PLANT & EQUIPMENT

Description	Property, Plant & Equipment								
	Freehold land	Leasehold Land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	Right to Use Asset	Total
Gross carrying value									
As at April 1, 2025	63.47	53.35	765.92	2,438.58	14.27	55.66	4.51	60.09	3,455.85
Additions	-	1.51	17.23	148.29	8.15	10.86	0.40	1.59	188.03
Foreign currency translation reserve	3.36		45.88	98.89	0.54	2.09	0.13	0.85	151.74
Sub-total	66.83	54.86	829.03	2,685.76	22.96	68.61	5.04	62.53	3,795.62
Sales / deletion	(11.53)		(37.65)	(127.27)	(1.31)	(1.43)	(0.15)	(51.67)	(231.01)
Gross carrying value as at March 31, 2026	**55.30**	**54.86**	**791.38**	**2,558.49**	**21.65**	**67.18**	**4.89**	**10.86**	**3,564.61**
Accumulated depreciation									
As at April 1, 2025	-	(3.19)	(114.91)	(1,097.86)	(10.39)	(37.32)	(2.12)	(37.21)	(1,303.00)
For the year	-	(0.57)	(22.11)	(165.52)	(1.19)	(9.21)	(0.50)	(5.87)	(204.97)
Foreign currency translation reserve			(6.12)	(18.81)	(0.31)	(1.83)	(0.09)	(3.32)	(30.48)
Sub-total	-	(3.76)	(143.14)	(1,282.19)	(11.89)	(48.36)	(2.71)	(46.40)	(1,538.45)
Withdrawn on assets sold / deleted			21.43	124.32	1.31	1.41	0.15	35.81	184.43
Accumulated depreciation as at March 31, 2026	**-**	**(3.76)**	**(121.71)**	**(1,157.87)**	**(10.58)**	**(46.95)**	**(2.56)**	**(10.59)**	**(1,354.02)**
Net Carrying value as at March 31, 2026	**55.30**	**51.10**	**669.67**	**1,400.62**	**11.07**	**20.23**	**2.33**	**0.27**	**2,210.59**

CAPITAL WORK-IN-PROGRESS (AT COST)	
(a) Building	1.44
(b) Plant & equipment	46.49
(c) Others	1.45
Total	**49.38**

Ageing of Capital work-in- progress as on March 31, 2026:

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	48.11	1.27	-	-	49.38

i) There were no material projects which have exceeded their original plan cost & timeline as at March 31, 2026

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

2. PROPERTY, PLANT & EQUIPMENT

Description	Property, Plant & Equipment								
	Freehold land	Leasehold Land	Buildings	Plant & equipment	Furniture & fixtures	Office equipment	Vehicles	Right to Use Asset	Total
	1	2	3	4	5	6	7	8	9
Gross carrying value									
As at April 1, 2024	38.78	45.94	524.72	1,999.97	12.83	44.99	3.75	59.39	2,730.37
Additions	31.24	7.41	252.56	557.47	1.53	13.07	0.81	0.46	864.55
Foreign currency translation reserve	0.61		8.67	19.54	0.10	0.42	0.04	0.24	29.62
Sub-total	70.63	53.35	785.95	2,576.98	14.46	58.48	4.60	60.09	3,624.54
Sales / deletion	(7.16)		(20.03)	(138.40)	(0.19)	(2.82)	(0.09)		(168.69)
Gross carrying value as at March 31, 2025	**63.47**	**53.35**	**765.92**	**2,438.58**	**14.27**	**55.66**	**4.51**	**60.09**	**3,455.85**
Accumulated depreciation									
As at April 1, 2024	-	(2.62)	(106.10)	(1,076.71)	(8.82)	(32.80)	(1.81)	(28.08)	(1,256.94)
For the year	-	(0.57)	(18.37)	(138.30)	(1.70)	(6.72)	(0.37)	(6.34)	(172.37)
Foreign currency translation reserve			(1.13)	(2.99)	(0.05)	(0.34)	(0.02)	(2.79)	(7.32)
Sub-total	-	(3.19)	(125.60)	(1,218.00)	(10.57)	(39.86)	(2.20)	(37.21)	(1,436.63)
Withdrawn on assets sold / deleted			10.69	120.14	0.18	2.54	0.08		133.63
Accumulated depreciation as at March 31, 2025	**-**	**(3.19)**	**(114.91)**	**(1,097.86)**	**(10.39)**	**(37.32)**	**(2.12)**	**(37.21)**	**(1,303.00)**
Net Carrying value as at March 31, 2025	**63.47**	**50.16**	**651.01**	**1,340.72**	**3.88**	**18.34**	**2.39**	**22.88**	**2,152.85**

CAPITAL WORK-IN-PROGRESS (AT COST)	
(a) Building	7.14
(b) Plant & equipment	39.19
(c) Others	1.67
Total	**48.00**

Ageing of Capital work-in- progress as on March 31, 2025:

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	43.81	4.19	-	-	48.00

i) There were no material projects which have exceeded their original plan cost as at March 31, 2025

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

3 INTANGIBLE ASSETS:

Description	Software
Gross carrying value	
As at April 1, 2025	14.69
Additions	0.97
Foreign currency translation reserve	-
Sub-total	15.66
Sales / deletion	-
Gross carrying value as at March 31, 2026	**15.66**
Accumulated Amortization	
As at April 1, 2025	(13.91)
For the year	(0.95)
Foreign currency translation reserve	-
Sub-total	(14.86)
Withdrawn on assets sold / deleted	-
Accumulated Amortization as at March 31, 2026	**(14.86)**
Net Carrying value as at March 31, 2026	**0.80**

Description	Software
Gross carrying value	
As at April 1, 2024	13.70
Additions	1.02
Foreign currency translation reserve	-
Sub-total	14.72
Sales / deletion	(0.03)
Gross carrying value as at March 31, 2025	**14.69**
Accumulated Amortization	
As at April 1, 2024	(13.21)
For the year	(0.74)
Foreign currency translation reserve	-
Sub-total	(13.95)
Withdrawn on assets sold / deleted	0.04
Accumulated Amortization as at March 31, 2025	**(13.91)**
Net Carrying value as at March 31, 2025	**0.78**

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

4A NON CURRENT INVESTMENTS

Sl. No.	Name of the body corporate	Subsidiary / associate	No. of shares / units As at March 31, 2026	No. of shares / units As at March 31, 2025	Face Value	Currency	Partly paid / fully paid	As at March 31, 2026	As at March 31, 2025
(a)	**Investment in Equity Instruments measured at FVOCI**								
	Unquoted :								
(i)	Green Infra BTV Limited, New Delhi*	Others	45,00,000	45,00,000	10.00	INR	Fully paid	4.50	4.50
(ii)	Sai Regency Power Corporation Private Limited, Chennai*	Others	3,75,000	3,75,000	10.00	INR	Fully paid	0.38	0.38
(iii)	Nagai Power Private Limited, Hyderabad.*	Others	1,33,010	1,33,010	10.00	INR	Fully paid	0.13	0.13
(iv)	Clean Max Genesis Pvt Ltd	Others	47,691	58,224	10.00	INR	Fully paid	8.94	11.22
(v)	Navia Two Power Pvt Ltd*	Others	50,675	-	10.00	INR	Fully paid	7.46	-
	Quoted :								
(i)	Tulsyan NEC Limited, Chennai*	Others	1,63,125	1,63,125	10.00	INR	Fully paid	0.50	0.50
	Total value of Equity Instruments (A)							**21.91**	**16.73**
(b)	**Other non-current Investments measured at FVTPL**								
(i)	ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai	Others				INR	Fully paid	1.30	1.27
(ii)	Life Insurance Corporation Pension Policy, Chennai	Others				INR	Fully paid	7.36	7.51
	Total value of Other non-current Investments (B)							**8.66**	**8.78**
	Total (A) + (B)							**30.57**	**25.51**
	Less: Aggregate amount of impairment in value of investments							(0.51)	(0.51)
	Total							**30.06**	**25.01**
	Aggregate amount of quoted investments and market value thereof							0.49	0.68
	Aggregate amount of unquoted investments							30.07	25.01
	Aggregate amount of impairment in value of investments							(0.51)	(0.51)
	Total							**30.05**	**25.18**

* Cost treated as fair value

4B Investments in Associates accounted using Equity method

Sl. No.	Name of the body corporate	Subsidiary / associate	No. of shares / units As at March 31, 2026	No. of shares / units As at March 31, 2025	Face Value	Currency	Partly paid / fully paid	Rupees in Crores As at March 31, 2026	Rupees in Crores As at March 31, 2025
(i)	Sundram Non Conventional Energy Systems Limited, Chennai	Associate	1,17,650	1,17,650	10.00	INR	Fully paid	1.36	1.21
	Total							**1.36**	**1.21**

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

	As at March 31, 2026	As at March 31, 2025
5 OTHER FINANCIAL ASSETS		
Non-current		
Security Deposits	-	10.18
Total non-current other financial assets	**-**	**10.18**
Current		
Unsecured, Considered Good :		
Other Business Receivables	-	25.21
Security Deposits	13.40	-
Employee Advances	2.67	2.34
Claims receivable	0.28	9.22
Income tax refund receivable	0.01	1.51
Derivatives (Forwards)	0.24	1.83
Duty Drawback receivable	1.67	2.47
Total current other financial assets	**18.27**	**42.58**
6 OTHER NON-CURRENT ASSETS		
Capital Advances	27.41	14.69
Advances - other than capital advances:		
Statutory and other deposits	11.95	7.97
Prepaid expenses	0.39	2.13
Accrued lease rental asset	1.06	0.60
Total other non-current assets	**40.81**	**25.39**
7 INVENTORIES (AT WEIGHTED AVERAGE COST OR NET REALISABLE VALUE WHICHEVER IS LESS)		
Raw materials and components	49.06	40.81
Goods-in-transit - Raw materials and components	0.79	-
Work-in-progress	35.47	44.51
Finished goods	211.07	189.21
Stores and spares	143.22	98.47
Total Inventories	**439.61**	**373.00**
8 TRADE RECEIVABLES		
Secured, considered good	-	-
Unsecured, considered good	365.98	318.34
Doubtful	1.89	6.44
Sub total	367.87	324.78
Less: Loss Allowance	1.89	6.44
Total Trade Receivables*	**365.98**	**318.34**

* Refer note 37 for receivables from related parties

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

8. TRADE RECEIVABLES *(continued)*

Ageing for trade receivables as on March 31, 2026						
Particulars	**Outstanding for following periods from due date of payment**					
	Less than 6 months	**6 months - 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
(i) Undisputed trade receivables - Considered good	362.90	1.00	2.08			365.98
(ii) Undisputed trade receivables - Which have significant increase in credit risk		1.42	0.25	0.15	0.07	1.89
(iii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for Expected Credit loss	-	(1.42)	(0.25)	(0.15)	(0.07)	(1.89)
Total Trade Receivables as on March 31, 2026	**362.90**	**1.00**	**2.08**	**-**	**-**	**365.98**

Ageing for trade receivables as on March 31, 2025						
Particulars						
	Less than 6 months	**6 months - 1 year**	**1 - 2 years**	**2 - 3 years**	**More than 3 years**	**Total**
(i) Undisputed trade receivables - Considered good	317.35	0.64	0.20	0.08	0.07	318.34
(ii) Undisputed trade receivables - Which have significant increase in credit risk		3.09	2.10	0.95	0.30	6.44
(iii) Undisputed trade receivables - Credit impaired	-	-	-	-	-	-
(iv) Disputed trade receivables - Considered good	-	-	-	-	-	-
(v) Disputed trade receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed trade receivables - Credit impaired	-	-	-	-	-	-
Less: Allowance for Expected Credit loss	-	(3.09)	(2.10)	(0.95)	(0.30)	(6.44)
Total Trade Receivables as on March 31, 2025	**317.35**	**0.64**	**0.20**	**0.08**	**0.07**	**318.34**

9 CASH AND CASH EQUIVALENTS

	As at March 31, 2026	**As at March 31, 2025**
Balances with banks	18.85	26.40
Bank Deposits with maturity of more than three months and less than twelve months	25.27	0.17
Cash on hand	0.01	0.01
Total Cash and cash equivalents	**44.13**	**26.58**

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

10 OTHER BANK BALANCES

Earmarked accounts - Unpaid dividend	9.99	6.10
Total Other Bank balances	**9.99**	**6.10**

11 OTHER CURRENT ASSETS

Indirect taxes receivable	29.23	22.66
Prepaid expenses	9.19	6.55
Vendor advances	15.24	32.30
Export incentives receivable	1.78	2.34
Employee benefit assets*	-	2.05
Statutory deposits	11.96	19.81
Total other current assets	**67.40**	**85.71**

* Refer Note 32 for employee benefit obligations

12 - SHARE CAPITAL

(a) **Details of authorised, issued and subscribed share capital**

(i) **Equity Share Capital**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Rs in Crores	Number	Rs in Crores
Authorised Capital				
Equity Shares of Rs.5/- each	2,50,00,000	12.50	2,50,00,000	12.50
Issued, Subscribed & Paid up Capital				
Equity Shares of Rs.5/- each fully paid	2,20,46,162	11.02	2,20,46,162	11.02
	2,20,46,162	**11.02**	**2,20,46,162**	**11.02**

(ii) **Preference Share Capital**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Rs in Crores	Number	Rs in Crores
Authorised Preference share Capital				
Preference Shares of Rs.10/- each	25,00,000	2.50	25,00,000	2.50
Issued, Subscribed & Paid up Capital				
0.1% Cumulative Non-convertible Redeemable Preference Shares Rs.10/- each fully paid (NCRPS)	-	-	-	-

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

(b) **Reconciliation of shares outstanding at the beginning and at the end of the period**

(i) **Equity Share Capital**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Rs in Crores	Number	Rs in Crores
Shares outstanding at the beginning of the period	2,20,46,162	11.02	2,02,32,104	10.12
Shares Issued during the year	-	-	18,14,058	0.90
Shares outstanding at the end of the year	**2,20,46,162**	**11.02**	**2,20,46,162**	**11.02**

(ii) **Preference Share Capital**

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Rs in Crores	Number	Rs in Crores
Shares outstanding at the beginning of the period	-	-	8,73,032	0.87
Shares Issued during the year	-	-	-	-
Shares reedemed during the year	-	-	(8,73,032)	(0.87)
Shares outstanding at the end of the year	**-**	**-**	**-**	**-**

(c) **i) Rights and preferences attached to equity share:**

Every shareholder is entitled to such rights as to attend the meeting of the shareholders, to receive dividends distributed and also has a right in the residual interest of the assets of the company. Every shareholder is also entitled to right of inspection of documents as provided in the Companies Act 2013.

There are no restrictions attached to equity shares.

ii) Rights attached to NCRPS share:

The NCRPS do not have voting rights other than in respect of matters directly affecting it. The NCRPS was redeemed along with interest on August 30, 2024

(d) **Details of shares held by holding/ultimate holding/subsidiaries/associates of holding company at the end of March 31, 2025 for both Equity and Preference Share Capital**

Name of Shareholder	Relationship	Class of Share	As at March 31, 2026		As at March 31, 2025	
			No. of Shares held	% of Holding	No. of Shares held	% of Holding
Nil	Nil	Equity	Nil		Nil	

Name of Shareholder	Relationship	Class of Share	As at March 31, 2026		As at March 31, 2025	
			No. of Shares held	% of Holding	No. of Shares held	% of Holding
Nil	Nil	Preference	Nil		Nil	

(e) **Details of shareholders holding more than five percent at the end of March 31, 2026 (other than 12 (d) above)**

Name of Shareholder	Class of Share	As at March 31, 2026		As at March 31, 2025	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
VS Trust (Mr Venu Srinivasan, Trustee)	Equity	1,03,23,122	46.83	1,03,23,122	46.83
SBI Mutual Fund		21,25,616	9.64	21,25,616	9.64
TATA Mutual Fund		15,34,160	6.96	5,27,911	2.39
TSF Investments Limited (Formerly Sundaram Finance Holdings Limited)		15,14,378	6.87	15,14,378	6.87

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

(f) **Details of shares held by promoters**

Name of the Promoters	Class of Share	As at March 31, 2026		As at March 31, 2025	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
VS Trust (Mr Venu Srinivasan, Trustee)	Equity	1,03,23,122	46.83	1,03,23,122	46.83
Mr Venu Srinivasan		9,66,600	4.38	9,66,600	4.38

13 - OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
General reserve	224.84	224.84
Retained earnings	328.52	91.37
Capital Reserve	145.50	145.50
Foreign currency translation reserve	207.97	120.20
Securities Premium	382.09	382.09
Other reserves	(4.54)	(3.97)
Total reserves and surplus	**1,284.38**	**960.03**

Nature and Purpose of reserves

i) **General reserve:-** General reserve is part of retained earnings. This is available for distribution to shareholders as dividend and capitalisation.

ii) **Retained earnings:-** Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend and other distributions made to the shareholders.

iii) **Capital reserves:-** This represents reserves created in pursuant to Composite Scheme of arrangement.

iv) **Securities Premium:-** This represents premium on issue of shares. It will be utilised in accordance with the provisions of the Companies Act, 2013.

v) **Other reserves:-** Other reserves represents Other Comprehensive Income and Hedging reserve created as per INDAS 109.

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

14 - LONG TERM BORROWINGS

Description	Security	No. of instalments due	Frequency	Maturity	As at March 31, 2026	As at March 31, 2025
Secured:						
State owned corporation	First and exclusive charges on specific plant and equipments	1	Bullet payment	Apr-31	10.27	9.49
Rupee Term loan I	First pari passu charge on Movable Assets	15	Quarterly	Dec-29	138.96	148.45
Rupee Term loan II	First pari passu charge on Movable Assets	21	Quarterly	Dec-31	45.42	-
Rupee Term loan III	First pari passu charge on Movable Assets	12	Quarterly	Mar-29	112.38	135.83
USD Term Loan I	Pari passu charge on Fixed Assets	12	Quarterly	Apr-29	111.90	128.21
USD Term Loan II	Exclusive charge on Fixed Assets	12	Quarterly	May-29	223.62	256.43
Unsecured :						
Non Convertible Debentures			Yearly	Aug-25	-	50.00
Rupee Term loan IV		7	Quarterly	Sep-27	92.14	105.76
Rupee Term loan V		10	Quarterly	Sep-29	10.00	-
Rupee Term loan VI		4	Quarterly	Jan-27	74.90	149.79
Rupee Term loan VII*			Quarterly	Jan-30	-	110.00
Rupee Term loan VIII		12	Quarterly	Aug-30	250.00	-
Rupee Term loan IX		13	Quarterly	May-29	121.85	150.00
Total Borrowings :					**1,191.44**	**1,243.96**
Less : Current Maturities of long-term borrowings (Refer Note No. 18)					(347.29)	(291.89)
Total Long-term Borrowings					**844.15**	**952.07**
* Repaid the loans before maturity from the proceeds of land sale.						

Amount payable in each instalment other than bullet repayments:

Description	Currency	Type of Repayments	Interest
Rupee Term loan I	INR	Structured instalments	Repo plus Margin
Rupee Term loan II	INR	Structured instalments	3M Tbill + Margin
Rupee Term loan III	INR	Structured instalments	1M MCLR plus Margin
Rupee Term loan IV	INR	Structured instalments	MCLR plus Margin
Rupee Term loan V	INR	Structured instalments	Repo plus Margin
Rupee Term loan VI	INR	Structured instalments	3M Tbill + Margin
Rupee Term loan VIII	INR	Structured instalments	3M Tbill + Margin
Rupee Term loan IX	INR	Structured instalments	Repo plus Margin
USD Term Loan I	USD	Structured instalments	3 Months SOFR plus margin
USD Term Loan IV	USD	Structured instalments	3 Months SOFR plus margin

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

15 PROVISIONS

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Employee benefits (Refer Note 32)				
(a) Pension	4.34	5.62	4.03	7.38
(b) Leave salary	0.85	7.78	0.66	6.00
(c) Gratuity	-	13.41		-
	5.19	**26.81**	**4.69**	**13.38**
Others				
(a) Warranty	3.52	-	4.06	-
(b) Disputed tax provided for	10.34	-	6.65	-
(c) Customer provisions	1.38	17.04	24.63	19.09
(d) Employee provisions	-	-	13.00	
(e) Other provisions	2.03	4.07	2.31	10.22
Total	**22.46**	**47.92**	**55.34**	**42.69**

Movement in provisions during the period

Particulars	Warranty	Disputed tax provided for	Employee Provisions	Customer Provisions	Other Provisions
Opening balance as on April 1, 2025	4.06	6.65	13.00	43.72	12.53
Additional provisions made during the year	-	3.69	-	-	-
Amounts utilised/reversed	(0.54)	-	(13.00)	(25.30)	(6.43)
Closing balance as on March 31, 2026	3.52	10.34	-	18.42	6.10

16 DEFERRED TAX LIABILITIES

	As at March 31, 2026	As at March 31, 2025
The balance comprises temporary differences attributable to:		
Depreciation	31.06	27.59
Employee benefits	(8.05)	(4.68)
Financial assets & Financial liabilities	(5.83)	(6.90)
Others	(5.29)	(5.35)
Total deferred tax liabilities	**11.89**	**10.66**

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

Movement in deferred tax liabilities / (assets)

Particulars	Depreciation	Employee benefits	Financial assets & Financial liabilities	Others	Total
As at April 01, 2024	**29.68**	**(4.44)**	**(3.77)**	**(4.53)**	16.94
Charged/(credited):					
- to statement of profit and loss	(2.09)	1.10	(3.13)	(0.82)	(4.94)
- to other comprehensive income	-	(1.34)		-	(1.34)
At March 31, 2025	**27.59**	**(4.68)**	**(6.90)**	**(5.35)**	**10.66**
Charged/(credited):					
- to statement of profit and loss	3.47	(1.59)	1.26	0.06	3.20
- to other comprehensive income	-	(1.78)	(0.19)		(1.97)
At March 31, 2026	**31.06**	**(8.05)**	**(5.83)**	**(5.29)**	**11.89**

	As at March 31, 2026	As at March 31, 2025
17 OTHER LIABILITIES		
Non Current		
Government Grant - Deferred income	4.08	4.77
Total other non current liabilities	**4.08**	**4.77**
Current		
Statutory dues	7.36	8.96
Advance received from customers	46.33	65.04
Other payables	2.38	43.51
Total other current liabilities	**56.07**	**117.51**

18 FINANCIAL LIABILITIES - BORROWINGS (CURRENT)		
Repayable on demand from banks		
Secured	104.57	242.67
Unsecured	-	2.26
Current maturities of Long term borrowings	347.29	291.89
Total Borrowings under Current Liabilities	**451.86**	**536.82**

Details of securities created for secured loans repayable on demand:
First charge by way of hypothecation and / or pledge of all current assets viz., inventories of raw materials, semi finished and finished goods, stores and spares, bills receivable, book debts and all other current assets.

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

19 TRADE PAYABLES

	As at March 31, 2026	As at March 31, 2025
Current		
Outstanding dues to Micro and Small Enterprises **	27.96	38.76
Outstanding dues to enterprises other than Micro and Small Enterprises	409.39	292.97
Total Trade payables*	**437.35**	**331.73**

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. The entire closing balance represents the principal amount payable to these enterprises. There are no undisputed overdues on Principal and no interest due or outstanding.
* Refer note 37 for Payables to Related Parties

Ageing for Trade Payables as on March 31, 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Micro and Small enterprises*	27.42	0.44	0.05	0.05	27.96
Others	405.26	3.19	-	0.94	409.39
Disputed Dues - Micro and Small enterprises	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**432.68**	**3.63**	**0.05**	**0.99**	**437.35**

* Outstanding dues to Micro and Small enterprises beyond 45 days is retention amount withheld as per the contract.

Ageing for Trade Payables as on March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Micro and Small enterprises*	36.35	1.50	0.89	0.02	38.76
Others	284.62	3.64	2.16	2.55	292.97
Disputed Dues - Micro and Small enterprises	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
Total	**320.97**	**5.14**	**3.05**	**2.57**	**331.73**

* Outstanding dues to Micro and Small enterprises beyond 45 days is retention amount withheld as per the contract.

20 OTHER CURRENT FINANCIAL LIABILITIES

	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on loans	4.70	7.23
Unpaid Dividends	9.99	5.27
Employee related liabilities	37.44	41.77
Liabilities for expenses	6.94	5.04
Capital Expenditure Payables	46.05	27.74
Derivatives	3.92	0.47
Total other current financial liabilities	**109.04**	**87.52**

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

		For the year ended March 31, 2026	For the year ended March 31, 2025
21	**REVENUE FROM OPERATIONS**		
	Sale of products	2,011.69	2,239.23
	Other operating revenue	13.92	20.07
	Total revenue from operations*#	**2,025.61**	**2,259.30**
	* Refer Note 38 for Disaggregated revenue from operations		
	# Refer Note 37 for revenue from related parties		
22	**OTHER INCOME**		
	Interest income	2.54	1.99
	Exchange gain on foreign currency transactions and translation	4.45	2.87
	Lease Income	3.94	4.06
	Profit on sale of Property, Plant & Equipment	6.64	1.55
	Profit on sale of investment	0.26	-
	Miscellaneous Income	3.62	13.46
	Total other income	**21.45**	**23.93**
23	**COST OF MATERIALS CONSUMED**		
	Opening stock of raw materials and components	40.81	36.33
	Add: Purchases*	1,001.90	1,163.76
		1,042.71	1,200.09
	Less:Closing stock of raw materials and components	49.06	40.81
	Consumption of raw materials and components	**993.65**	**1,159.28**
	* Refer Note 37 for purchases from related parties		
24	**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE:**		
	Opening stock:		
	Work-in-progress	44.51	35.89
	Finished goods	189.21	221.45
	Total - (A)	**233.72**	**257.34**
	Closing stock:		
	Work-in-progress	35.47	44.51
	Finished goods	211.07	189.21
	Total - (B)	**246.54**	**233.72**
	Total (A)-(B)	**(12.82)**	**23.62**

Notes to Consolidated Balance Sheet – *(continued)*

(Rupees In crores)

	For the year ended March 31, 2026	For the year ended March 31, 2025
25 EMPLOYEE BENEFITS EXPENSE (REFER NOTE 32)		
Salaries, wages and bonus	335.50	315.07
Contribution to provident and other funds	19.46	19.02
Staff welfare expenses	51.13	56.58
Total employee benefits expense*	**406.09**	**390.67**
* Refer Note 37 for remuneration and contribution paid to related parties		
26 FINANCE COSTS		
Interest	107.34	103.12
Interest on lease liabilities	0.34	0.30
Other borrowing costs	0.17	0.22
Total finance costs	**107.85**	**103.64**
27 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on Property, Plant and Equipment	199.11	165.46
Depreciation on Right-to-use asset	5.16	6.34
Amortization on Intangible assets	0.95	0.74
Amortization on leasehold land	0.57	0.57
Total depreciation and amortization expense	**205.79**	**173.11**
28 OTHER EXPENSES *		
(a) Consumption of stores, spares and tools	86.46	95.71
(b) Power and fuel	124.71	150.17
(c) Repairs - buildings	22.46	23.59
(d) Repairs - plant and equipment	57.84	65.31
(e) Repairs - others	2.32	4.39
(f) Insurance	13.86	14.26
(g) Rates and taxes (excluding taxes on income)	17.52	14.41
(h) Audit fees	1.46	1.26
(i) Packing, freight & Overseas duty charges	116.87	93.02
(j) Warehousing charges	27.94	30.04
(k) Loss on sale of Property, plant & equipment	-	2.04
(l) Corporate social responsibility expenditure	1.35	0.60
(m) Miscellaneous expenses (under this head there is no expenditure which is in excess of 1% of revenue from operations or Rs.10 lakh, whichever is higher)	60.03	96.29
Total other expenses#	**532.82**	**591.09**

* Net of recoveries and claims made

Refer Note 37 for related party transactions

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Statement of Profit and Loss

(Rupees In crores)

		For the year ended March 31, 2026	For the year ended March 31, 2025
28A	**EXCEPTIONAL ITEMS**		
	Profit on sale of assets	521.16*	91.74
	Impact of Labour codes on employee benefits	(7.67)	-
	Gain on transfer of business	-	144.94
	One time voluntary separation costs		(25.71)
	Plant Shifting expenses	-	(14.28)
	Total exceptional items	**513.49**	**196.69**

* Represents the gain on sale of approximately 16 acres of freehold land situated at Padi, Korattur, Kakapallam and Villivakkam villages, Chennai district, to Canopy Living LLP, a joint venture between Arihant Foundations & Housing Limited and Prestige Estates Projects Limited for a total consideration of Rs. 558.62 Crores.

29	**CURRENT TAX**		
	Current tax	72.44	54.46
	Total current tax	**72.44**	**54.46**
30	**DEFERRED TAX**		
	Decrease (increase) in deferred tax assets	6.39	(1.29)
	(Decrease) increase in deferred tax liabilities	(3.18)	(3.65)
	Total deferred tax expense / (benefit)	**3.21**	**(4.94)**
	Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
	Profit before tax expense	328.03	38.87
	Tax at the Indian tax rate of 25.17%	**82.57**	**9.78**
	`Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
	Dividend Income	-	(0.12)
	Expenses wholly/partially not allowed for deductions	0.61	0.17
	Tax payable on standalone basis	71.39	53.10
	Profit on sale of business unit and land resulting in lower tax outflow	(84.94)	(25.82)
	Other items	6.02	12.41
	Tax expense / (benefit)	**75.65**	**49.52**
31	**EARNINGS PER SHARE**		
	(a) Basic and diluted earnings per share (Rs.)	114.48	(5.05)
	(b) Earnings of company used as numerator in calculating basic and diluted earnings per share	252.38	(10.65)
	(c) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	22,046,162	21,101,858

Earnings Per Share (EPS) of Rs.114.48 (previous year - Rs. (5.05))as given above is after considering the exceptional income of Rs.513.49 Crores(previous year - exceptional income 196.69 Crores). Excluding the exceptional items, EPS is Rs (118.44) (previous year - Rs. (98.26)).

(Rupees In crores)

32 - EMPLOYEE BENEFIT OBLIGATIONS

Particulars	March 31, 2026			March 31, 2025		
	Current	Non-current	Total	Current	Non-current	Total
Pension	4.34	5.62	9.96	4.03	7.38	11.41
Leave Salary	0.85	7.78	8.63	0.66	6.00	6.66
Gratuity	-	13.41	13.41	-	-	-
Total employee benefit obligations	**5.19**	**26.81**	**32.00**	**4.69**	**13.38**	**18.07**

Amount recognised in the Balance sheet and the movements in the net defined benefit obligation / other employee benefits over the period are as follows:

Particulars	Gratuity			Pension			Leave Salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
April 1,2025	**28.30**	**30.35**	**(2.05)**	**11.41**	**-**	**11.41**	**6.66**	**-**	**6.66**
Current service cost	1.21		1.21			-			-
Past service cost	6.47		6.47				1.21		1.21
Interest expense/income	2.05	1.89	0.16	0.84		0.84	0.54		0.54
Experience (gains)/losses			-			-	1.26		1.26
(Gain)/loss from change in financial assumptions			-			-	(0.47)		(0.47)
Total amount recognised in statement of profit and loss	**9.73**	**1.89**	**7.84**	**0.84**	**-**	**0.84**	**2.54**	**-**	**2.54**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/income		(0.76)	0.76			-			-
(Gain)/loss from change in demographic assumptions			-			-			-
(Gain)/loss from change in financial assumptions	(3.71)		(3.71)	0.47		0.47			-
Experience (gains)/losses	12.13		12.13	(2.56)		(2.56)			-
Total amount recognised in other comprehensive income	**8.42**	**(0.76)**	**9.18**	**(2.09)**	**-**	**(2.09)**	**-**	**-**	**-**
Employer contribution		1.56	(1.56)			-			-
Benefit payments	(6.97)	(6.97)	-	(0.20)		(0.20)	(0.58)		(0.58)
March 31, 2026	**39.48**	**26.07**	**13.41**	**9.96**	**-**	**9.96**	**8.62**	**-**	**8.62**

(Rupees In crores)

32 - EMPLOYEE BENEFIT OBLIGATIONS – *(continued)*

Particulars	Gratuity			Pension			Leave Salary		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024	**25.40**	**26.51**	**(1.11)**	**9.39**	**-**	**9.39**	**8.71**	**-**	**8.71**
Current service cost	0.50	-	0.50	-	-	-	-	-	-
Interest expense/income	1.87	1.86	0.01	0.48	-	0.48	0.56	-	0.56
Experience (gains)/losses	-	-	-	-	-	-	0.54	-	0.54
(Gain)/loss from change in financial assumptions	-	-	-	-	-	-	0.21	-	0.21
Total amount recognised in statement of profit and loss	**2.37**	**1.86**	**0.51**	**0.48**	**-**	**0.48**	**1.31**	**-**	**1.31**
Remeasurements									
Return on plan assets, excluding amounts included in interest expense/income	-	1.14	(1.14)	-	-	-	-	-	-
(Gain)/loss from change in demographic assumptions	-	-	-	-	-	-	-	-	-
(Gain)/loss from change in financial assumptions	1.56	-	1.56	0.91	-	0.91	-	-	-
Experience (gains)/losses	3.17	-	3.17	0.82	-	0.82	-	-	-
Total amount recognised in other comprehensive income	**4.73**	**1.14**	**3.59**	**1.73**	**-**	**1.73**	**-**	**-**	**-**
Employer contribution	(2.62)	2.42	(5.04)	-	-	-	-	-	-
Benefit payments	(1.58)	(1.58)	-	(0.19)	-	(0.19)	(3.36)	-	(3.36)
March 31, 2025	**28.30**	**30.35**	**(2.05)**	**11.41**	**-**	**11.41**	**6.66**	**-**	**6.66**

(i) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Details	Gratuity		Pension		Leave Salary	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Discount rate	7.48%	6.72%	5.97%	6.41%	7.31%	6.63%
Salary growth rate	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Mortality rate	IALM (2006-08) Ultimate					

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at 58 years.

(Rupees In crores)

32 - EMPLOYEE BENEFIT OBLIGATIONS – *(continued)*

(ii) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Gratuity	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	**March 31, 2026**	**March 31, 2025**	**March 31, 2026**	**March 31, 2025**	**March 31, 2026**	**March 31, 2025**
Discount rate	0.50%	0.50%	40.14	25.96	44.21	28.91
Salary growth rate	0.50%	0.50%	44.24	28.92	40.10	25.94
Mortality rate	5.00%	5.00%	42.11	27.38	42.09	27.37

Pension	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	**March 31, 2026**	**March 31, 2025**	**March 31, 2026**	**March 31, 2025**	**March 31, 2026**	**March 31, 2025**
Discount rate	1.00%	1.00%	9.05	10.09	11.03	13.00
Salary growth rate	1.00%	1.00%	11.08	13.07	8.99	10.02
Mortality rate	5.00%	5.00%	9.86	11.31	10.06	11.51

Leave Salary	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
Details	**March 31, 2026**	**March 31, 2025**	**March 31, 2026**	**March 31, 2025**	**March 31, 2026**	**March 31, 2025**
Discount rate	0.50%	0.50%	8.30	6.40	8.96	6.94
Salary growth rate	0.50%	0.50%	8.97	6.94	8.30	6.40
Mortality rate	5.00%	5.00%	8.62	6.66	8.62	6.66

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied when calculating the defined benefit liability recognised in the balance sheet.

(iii) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk with derivatives to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the above investment mix in the continuing years.

(Rupees In crores)

32 - EMPLOYEE BENEFIT OBLIGATIONS – *(continued)*

Changes in bond yield: A decrease in bond yields will increase plan liabilities, although this will be partially offset by an yields increase in the value of the plans' bond holdings.

Inflation risks: In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.

Life expectancy: The pension plan obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined contribution plans:

The Company's contribution to defined contribution plan i.e., provident fund of Rs. 7.23 Crores (previous year Rs. 8.65 crores) has been recognised in the Statement of Profit and Loss.

33 - FAIR VALUE MEASUREMENTS

Financial instruments by category	March 31, 2026			March 31, 2025		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments	-	21.40	1.36	-	16.22	1.21
- Others	8.67	-	-	8.78	-	-
Trade receivables	-	-	365.98	-	-	318.34
Cash & Cash Equivalents	-	-	54.12	-	-	32.68
Derivative financial assets	0.24	-	-	1.83	-	-
Security deposits	-	-	-	-	-	10.18
Other financial assets	-	-	18.03	-	-	40.75
Total financial assets	**8.91**	**21.40**	**439.49**	**10.61**	**16.22**	**403.16**
Financial liabilities						
Trade payables	-	-	437.35	-	-	331.73
Borrowings - Current	-	-	104.57	-	-	244.93
Borrowings - Non Current	-	-	844.15	-	-	952.07
Current Maturities of long term borrowings	-	-	347.29	-	-	291.89
Derivative financial liabilities	3.92	-	-	0.47	-	-
Lease Liabilities	-	-	1.55	-	-	4.23
Other financial liabilities	-	-	105.13	-	-	87.05
Total financial liabilities	**3.92**	**-**	**1,840.03**	**0.47**	**-**	**1,911.90**

(Rupees In crores)

33 - FAIR VALUE MEASUREMENTS – *(continued)*

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at FVTPL:					
Derivative financial asset	5	-	0.24	-	0.24
Equity Instruments		-	-	-	-
Others	4A	-	8.67	-	8.67
Financial assets at FVOCI:					
Investments					
- Equity instruments	4A	0.50	-	20.90	21.40
- Others		-	-	-	-
Total financial assets		**0.50**	**8.91**	**20.90**	**30.31**
Financial liabilities					
Financial liabilities at FVTPL:					
Derivative financial liability	20	-	3.92	-	3.92
Financial liabilities at FVOCI:					
- Others		-	-	-	-
Total financial liabilities		**-**	**3.92**	**-**	**3.92**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2026	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments - Equity instruments	4B	-	-	1.36	**1.36**
Trade receivables	8			365.98	**365.98**
Cash & Cash Equivalents	9,10			54.12	**54.12**
Security deposits	5			-	**-**
Other financial assets	5			18.03	**18.03**
Total financial assets		**-**	**-**	**439.49**	**439.49**
Financial Liabilities					
Borrowings	14,18	-	-	1,296.01	**1,296.01**
Trade payables	19			437.35	**437.35**
Lease Liabilities				1.55	**1.55**
Other financial liabilities	20			105.12	**105.12**
Total financial liabilities		**-**	**-**	**1,840.03**	**1,840.03**

Notes to Consolidated Financial Statements – *(continued)*

(Rupees In crores)

33 - FAIR VALUE MEASUREMENTS – *(continued)*

Financial assets and liabilities measured at fair value - recurring fair value measurements

At March 31, 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at FVTPL:					
Derivative financial asset	5	-	1.83	-	1.83
Equity Instruments					-
Others	4A	-	8.78	-	8.78
Financial assets at FVOCI:					
Investments					
- Equity instruments	4A	0.50	-	15.72	16.22
- Others		-	-		-
Total financial assets		**0.50**	**10.61**	**15.72**	**26.83**
Financial liabilities					
Financial liabilities at FVTPL:					
Derivative financial liability	20	-	0.47	-	0.47
Financial liabilities at FVOCI:					
- Others		-	-	-	-
Total financial liabilities		**-**	**0.47**	**-**	**0.47**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

At March 31, 2025	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Investments - Equity instruments	4B	-	-	1.21	**1.21**
Trade receivables	0			318.34	**318.34**
Cash & Cash Equivalents	9,10			32.68	**32.68**
Security deposits	5			10.18	**10.18**
Other financial assets	5			40.75	**40.75**
Total financial assets		**-**	**-**	**403.16**	**403.16**
Financial Liabilities					
Borrowings	14,18	-	-	1,488.89	**1,488.89**
Trade payables	19			331.73	**331.73**
Lease Liabilities				4.23	**4.23**
Other financial liabilities	20			87.05	**87.05**
Total financial liabilities		**-**	**-**	**1,911.90**	**1,911.90**

(Rupees In crores)

33 - FAIR VALUE MEASUREMENTS – *(continued)*

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of estimated cash flows based on observable yield curves.
- the fair value of forward exchange contract and principal only swap is determined using forward exchange rate at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

FVTPL - Fair value through statement of Profit and Loss; FVOCI - Fair value through Other Comprehensive Income.

(iii) Fair value measurement using significant unobservable inputs (Level 3)		
Particulars	**Unlisted Equity Shares**	**Total**
As at April 1, 2024	**17.17**	**17.17**
Additions / (deletions)		**-**
Gains/(losses) recognised in profit or loss	(0.24)	**(0.24)**
Gains/(losses) recognised in other comprehensive income	-	**-**
As at March 31, 2025	**16.93**	**16.93**
Additions / (deletions)	5.44	**5.44**
Gains/(losses) recognised in profit or loss	0.41	**0.41**
Gains/(losses) recognised in other comprehensive income	(0.52)	**(0.52)**
As at March 31, 2026	**22.26**	**22.26**

(Rupees In crores)

33 - FAIR VALUE MEASUREMENTS – *(continued)*

(iv) Fair value of financial assets and liabilities measured at amortised cost

Particulars	March 31, 2026		March 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Equity Instruments	1.36	1.36	1.21	1.21
Trade receivables	365.98	365.98	318.34	318.34
Cash & Cash Equivalents	54.12	54.12	32.68	32.68
Security deposits	-	-	10.18	10.18
Other financial assets	18.03	18.03	40.75	40.75
Total financial assets	**439.49**	**439.49**	**403.16**	**403.16**
Financial Liabilities				
Borrowings	1,296.01	1,296.01	1,488.89	1,488.89
Trade payables	437.35	437.35	331.73	331.73
Lease Liabilities	1.55	1.55	4.23	4.23
Other financial liabilities	105.12	105.12	87.05	87.05
Total financial liabilities	**1,840.03**	**1,840.03**	**1,911.90**	**1,911.90**

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate, which approximates the carrying value. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

34 - FINANCIAL RISK MANAGEMENT

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Group is exposed to and how the Group manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Foreign exchange		i) The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions. ii) Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). iii) The risk is measured through a forecast of highly probable foreign currency cash flows. The Group has a forex management policy which is duly approved by the Board. iv) The objective of the hedges when taken is to minimise the volatility of the INR cash flows of highly probable forecast transactions.

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Financial Statements – *(continued)*

(Rupees In crores)

34 - FINANCIAL RISK MANAGEMENT – *(continued)*

Risk	Exposure arising from	Risk Parameters and Mitigation
Market Risk - Interest rate	Foreign currency denominated borrowings	i) The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow risk. ii) Group's policy is to maintain most of its borrowings at fixed rate using interest rate swaps. The Group's fixed rate borrowings are carried at amortised cost. iii) Foreign currency borrowings are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.
Market Risk - Foreign Currency	Export trade receivables and Import Payables	i) The Group has a forex management policy duly approved by the Board. The Group's policy is to hedge most of its net currency exposure. ii) Group reviews the forex exposure on a regular basis and also reports its adherence to the Board on a quarterly basis. The recording and reporting requirements are strictly adhered.
Market Risk - Foreign Currency	Foreign currency denominated borrowings	The Group has hedged its borrowings by covering the principal repayments using Principal Only Swaps and cost reduction structure viz., Call Spread under the approved Forex management policy.
Liquidity risk	Borrowings (Other than soft loans given by Govt. Authorities)	i) The Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. ii) The Group prepares a detailed annual operating plans to assess the fund requirements - both short term and long term. iii) Detailed month wise cash flow forecast is also carried out along with required sensitivities. Based on these factors adequate working capital credit limits are organised in advance. iv) Group has pre-approved credit lines with various banks and these are constantly reviewed and approved by the Board. v) For long term fund requirements, Group targets various options such as rupee term loan, external commercial borrowing, debentures etc. vi) The Group obtains a credit rating for the various borrowing facilities on annual basis. Group constantly monitors the free cashflow from operations to ensure that the borrowings are minimized.
Credit Risk		i) Credit risk primarily arises from cash and cash equivalents, trade receivables and investments carried at amortised cost. ii) The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. iii) To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. iv) It considers available reasonable and supportive forward-looking information (more specifically described below). v) A default on a financial asset is when the counterparty fails to make contractual payments within 180 days of when they fall due. This definition of default is determined by considering the business environment in which Group operates and other macro-economic factors.
a.	Cash and Cash Equivalents	Surplus cash is deposited only with banks / financial institutions with a high external credit rating.
b.	Domestic Trade Receivables	i) The Group extends credit to the customers and such extension of credit is based on customers' credit worthiness, ability to repay and past track record. ii) The Group has extensive reporting systems and review to constantly monitor the receivables.
c.	Export Trade Receivables	The Group's export customers are Original Equipment Manufacturers with high credit rating. Export receivables are also covered through Insurance with Export Credit Guarantee Corporation of India Limited.

(Rupees In crores)

34 - FINANCIAL RISK MANAGEMENT – *(continued)*

(A) Credit risk

Basis of recognition of expected credit loss & providing for such loss

Rating	Category	Description of category	Investments	Loans and deposits	Trade receivables
1	High Quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past.			
3	Standard Assets, moderate credit risk	Assets where the probability of default is considered moderate and where the counter-party's capacity to meet the obligations is not strong.			
4	Substandard Assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition.	Life time expected credit losses		
5	Low quality assets, very high credit risk	Assets where there is a high probability of default. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due.			
6	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.	Asset is written off		

March 31, 2026

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	1	Investments at amortised cost	-	-	-	-
	1	Other financial assets	18.03	-	-	18.03

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	362.90	4.97	367.87
Expected loss rate	0%	38%	-
Expected credit losses	-	1.89	1.89
Carrying amount of trade receivables	362.90	3.08	365.98

(Rupees In crores)

34 - FINANCIAL RISK MANAGEMENT – *(continued)*

March 31, 2025

a). Expected credit loss for investments, loans and other financial assets

Particulars	Internal rating	Assets/Asset group	Gross carrying amount	Expected probability of default	Expected credit loss	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit loss	1	Investments at amortised cost	-	-	-	-
	1	Other financial assets	50.93	-	-	50.93

b). Expected credit loss for trade receivables under simplified approach

Particulars	0 to 180 days past due	More than 180 days past due	Total
Gross carrying amount	317.35	7.43	324.78
Expected loss rate	0%	87%	-
Expected credit losses	-	6.44	6.44
Carrying amount of trade receivables	317.35	0.99	318.34

Reconciliation of loss allowance provision - Trade receivables

Loss allowance as at April 1, 2024	**9.84**
Changes in loss allowance	(3.40)
Loss allowance as at March 31, 2025	**6.44**
Changes in loss allowance	(4.55)
Loss allowance as at March 31, 2026	**1.89**

(B) Liquidity risk

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	March 31, 2026	March 31, 2025
- Expiring within one year (bank overdraft and other facilities)	772.52	517.80

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in INR and have an average maturity ranging from 30 to 180 days.

(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

a) all non-derivative financial liabilities, and

b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

(Rupees In crores)

34 - FINANCIAL RISK MANAGEMENT – *(continued)*

March 31, 2026

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	191.98	84.00	175.86	837.63	6.54	**1,296.01**
Trade payables	437.35					**437.35**
Lease liabilities	0.28	0.09	0.19	0.99	-	**1.55**
Other financial liabilities	109.04					**109.04**

March 31, 2025

Contractual Maturities of Financial Liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	224.99	172.05	139.38	924.49	27.98	**1,488.89**
Trade payables	331.73	-	-	-		**331.73**
Lease liabilities	0.97	0.19	0.39	2.68	-	**4.23**
Other financial liabilities	87.52	-	-	-	-	**87.52**

(C) Market risk

(i) Foreign exchange risk

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows

Particulars	March 31, 2026		March 31, 2025	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	146.15	96.21	154.05	54.29
Derivatives	-	0.24	1.81	0.02
Foreign exchange forward contracts				
Sell Foreign currency	(136.75)	(96.63)	(155.86)	(54.10)
Exposure to foreign currency risk (assets)	**9.40**	**(0.18)**	**-**	**0.21**
Financial liabilities				
Foreign currency loan	-	-	-	11.93
Trade payables	6.92	6.69	3.25	5.64
Derivatives	3.40	0.52	0.04	0.43
Exposure to foreign currency risk (liabilities)	**10.32**	**7.21**	**3.29**	**18.00**
Net Exposure to foreign currency risk assets / (liabilities)	**(0.92)**	**(7.39)**	**(3.29)**	**(17.79)**

Note: Group has insignificant exposure to other foreign currencies and therefore the foreign currency risk of the same is immaterial

(Rupees In crores)

34 - FINANCIAL RISK MANAGEMENT – *(continued)*

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

Particulars	Impact on profit after tax*		Impact on other components of equity*	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
USD sensitivity				
INR/USD Increases by 10%	(0.25)	(0.25)	-	-
INR/USD Decreases by 10%	0.25	0.25	-	-
EURO sensitivity				
INR/EURO Increases by 10%	(1.33)	(1.33)	-	-
INR/EURO Decreases by 10%	1.33	1.33	-	-

* Holding all other variables constant

(ii) Interest Rate risk

For short term borrowings the marginal cost of lending rate of the bank is followed. In respect of foreign currency borrowings for longer period, the interest rates are covered through interest rate swaps (IRS).

Particulars	March 31, 2026	March 31, 2025
Variable rate borrowings	1,296.01	1,319.40
Fixed rate borrowings	-	169.49

Sensitivity	Impact on profit after tax	Impact on profit after tax
	March 31, 2026	March 31, 2025
Increase in interest rates by 100 bps	(9.70)	(9.87)
Decrease in interest rates by 100 bps	9.70	9.87

(iii) Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet either as fair value through other comprehensive income or at fair value through statement of profit and loss. To manage its price risk from investments in equity securities, the Group diversifies its portfolio. The impact of the changes in price risk is not material.

(Rupees In crores)

34 - FINANCIAL RISK MANAGEMENT – *(continued)*

(D) Impact of hedging activities

i) Disclosure of effects of hedge accounting on financial position as at March 31, 2026

Type of hedge and risks	Nominal value		Carrying amount hedging instrument		Maturity date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Foreign exchange forward contracts	51.78	181.62	0.24	3.92	Apr'26 to July'26	(5.04)	5.04

i) Disclosure of effects of hedge accounting on financial position as at March 31, 2025

Type of hedge and risks	Nominal value		Carrying amount hedging instrument		Maturity date	Changes in fair value of hedging instrument	Changes in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities			
Foreign exchange forward contracts	131.05	87.77	1.83	0.47	Apr'25 to July'25	1.36	(1.36)

ii) Disclosure of effects of hedge accounting on financial performance

for the year ended March 31, 2026 :

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge :				
Foreign exchange forward contracts & IRS	(0.24)	(4.80)		

for the period ended March 31, 2025 :

Type of hedge	Change in the value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in statement of profit and loss because of the reclassification
Cash flow hedge :				
Foreign exchange forward contracts & IRS		1.36	-	-

Movements in Cash flow hedging reserve

Particulars	Forward Contracts
Balance as at April 1, 2024	**0.58**
Change in fair value of hedging instruments net of tax	-
Reclassification to statement of profit and loss	-
Deferred tax on the above	-
Closing balance as at March 31, 2025	**0.58**
Change in fair value of hedging instruments net of tax	(0.24)
Reclassification to statement of profit and loss	-
Deferred tax on the above	0.06
Closing balance as at March 31, 2026	**0.40**

(Rupees In crores)

35 - CAPITAL MANAGEMENT

(a) Risk management

The Group's objectives in regard to managing capital are

- safeguard its status as a going concern
- to ensure returns to shareholders
- to ensure benefits to stakeholders
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain optimum capital structure, the board may

- increase the capital by fresh issue of shares or
- reduce the same by return to equity holders
- vary the equity by increasing or reducing the quantum of dividend

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:
Net debt divided by total equity

Gearing ratio refers to the level of a Group's debt compared to its total equity.
The Group's strategy is to maintain an optimum gearing ratio. The gearing ratios were as follows:

Particulars	March 31, 2026	March 31, 2025
Net Debt	1,277.15	1,462.48
Total equity	1,295.40	971.05
Net Debt to equity ratio	**0.99**	**1.51**

The Group also monitors interest coverage ratio :
Group's Earnings Before Interest ,Taxes, Depreciation & Amortization (EBITDA) divided by interest .
The Group's strategy is to maintain a optimum interest coverage ratio. The interest coverage ratio were as follows:

Particulars	March 31, 2026	March 31, 2025
EBITDA	641.67	315.62
Interest	107.51	103.34
Interest coverage ratio	**5.97**	**3.05**

(b) Dividends

Particulars	March 31, 2026	March 31, 2025
Equity shares :		
Interim Dividend declared for the year ended March 31, 2026 (Rs.4.5/- per share)	9.92	-
Interim Dividend declared for the year ended March 31, 2025 (Rs.4.75/- per share)	-	10.47

36 - OTHER DISCLOSURES

(i) Contingent liabilities

Details	March 31, 2026	March 31, 2025
(i) Claims against the Group not acknowledged as debt		
- Goods and Service Tax#	-	0.88
(ii) Guarantees excluding Financial Guarantees	-	-
(iii) Other money for which the Group is contingently liable	-	-
Total	**-**	**0.88**

#The Group has recognized a provision for the disputes against it. Accordingly the matter is no longer disclosed as a contingent liability, and the contingent liability in respect of these matters is nil.

Notes to Consolidated Financial Statements – *(continued)*

(Rupees In crores)

36 - OTHER DISCLOSURES – *(continued)*

(ii) Capital commitments

Details	March 31, 2026	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for	63.98	69.01
Total	**63.98**	**69.01**

(iii) Borrowing costs capitalised :

Borrowing cost capitalised during the year Rs 2.39 Crores (Previous year - Rs. 19.39 Crores)

The capitalisation rate used to determine borrowing costs to be capitalised is weighted average interest rate of 7.05%

(iv) Leases :

Group as a Lessee

The Group has taken plant & equipment on lease for lease period ranging 3-10 years

Wherever the lease includes extension option and it is reasonably certain to exercise that option, the same is considered for computing the lease term. In other cases, the term is limited to initial lease period. Lease term includes non-cancellable period and expected lease period.

Payment made towards short term leases during the year is Rs. 2.15 Crores

No payment made towards low value asset leases during the year

Payment relating to leases are disclosed in Cash flow statement.

Income from sub-leasing of Right of use asset: Nil

(v) Expenditure incurred on Corporate Social Responsibility activities:

Details	March 31, 2026	March 31, 2025
(a) Gross amount required to be spent by the company during the year	1.31	0.58
(b) Amount spent during the year in cash:		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	1.35	0.60
Total	**1.35**	**0.60**
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities	Economic Development, Education, Environment, Health, Infrastructure & Water conversation	Economic Development, Education, Environment, Health, Infrastructure & Water conversation
(g) Details of related party transactions	1.35	0.60
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

37 - RELATED PARTY DISCLOSURE

LIST OF RELATED PARTIES

a) Reporting entity:		Sundaram-Clayton Limited, Chennai (SCL)
b) Promoter entity:	(i)	VS Trust (Mr Venu Srinivasan, Trustee)
c) Subsidiaries:	(i)	Sundaram-Clayton (USA) Limited, USA (Upto December 16, 2025)
	(ii)	Sundaram Holding USA Inc, Delaware, USA
	(iii)	Sundaram-Clayton Gmbh, Germany
	(iv)	SCL Properties Private Limited, Chennai
		Subsidiary companies of Sundaram Holding USA Inc, Delaware, USA
	(i)	Green Hills Land Holding LLC, South Carolina, USA
	(ii)	Components Equipment Leasing LLC, South Carolina, USA
	(iii)	Sundaram - Clayton (USA) LLC, South Carolina, USA
	(iv)	Premier Land Holding LLC, South Carolina, USA
		Associate companies :
	(i)	Sundram Non-Conventional Energy Systems Limited, Chennai
d) Enterprises under Common control	(i)	TVS Holdings Limited, Chennai
	(ii)	TVS Motor Company Limited, Chennai
	(iii)	Sundaram Auto Components Limited, Chennai
	(iv)	TVS Credit Services Limited, Chennai
	(v)	TVS Emerald Limited (Formerly known as Emerald Haven Realty Limited)
	(vi)	TVS Training and Services Limited, Chennai
	(vii)	TVS Digital Limited, Chennai
	(viii)	Altizon Systems Private Limited, Pune
e) Key management personnel (KMP)		
		Executive Directors:
	(i)	Mr. Venu Srinivasan, Chairman Emeritus & Managing Director
	(ii)	Dr . Lakshmi Venu, Managing Director
	(iii)	Mr. Vivek S Joshi, Director & CEO (Upto March 31, 2026)
		Non Executive Directors :
		Independent Directors:
	(i)	Ms.Sasikala Varadachari
	(ii)	Mr.C R Dua
	(iii)	Mr.R Gopalan
	(iv)	Mr. P Kaniappan
		Non Independent Directors :
	(i)	Mr. Rajesh Narasimhan (Upto November 28, 2025)
	(ii)	Mr. R Anandakrishnan
		Chief Financial Officer :
	(i)	Mr. Ajay Kumar (Upto August 31, 2025)
	(ii)	Mr. Hariharan (From September 01, 2025)
f) Post employment benefit plans	(i)	Sundaram- Clayton Limited Employees Provident Fund, Chennai
g) Others	(i)	Srinivasan Services Trust

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Financial Statements – *(continued)*

(Rupees In crores)

37 - RELATED PARTY TRANSACTIONS

Sl No	Nature of transactions	Name of the company	Controlling Entity	Associates	KMP	Relative of KMP	Other related party	Total
1	Purchase of goods	TVS Motor Company Limited, Chennai					17.30	17.30
		Altizon Systems Private Limited					0.28	0.28
			-	-	-	-	17.58	17.58
							(20.55)	(20.55)
2	Sale of goods (including sub contract charges)	TVS Motor Company Limited, Chennai					20.09	20.09
			-	-	-	-	20.09	20.09
							(427.87)	(427.87)
3	Sale of assets	TVS Motor Company Limited, Chennai					-	-
			-	-	-	-	-	-
							(108.00)	(108.00)
4	Purchase of power	Sundram Non Conventional Energy Systems Limited, Chennai		0.80				0.80
			-	0.80	-	-	-	0.80
				(0.81)				(0.81)
5	Rendering of services	TVS Motor Company Limited, Chennai					4.42	4.42
		Sundaram Auto Components Limited, Chennai					0.11	0.11
		TVS Training and Services Limited, Chennai					0.04	0.04
		TVS Credit Services Limited, Chennai					1.65	1.65
		TVS Holdings Limited					0.42	0.42
		TVS Emerald Limited					1.05	1.05
			-	-	-	-	7.69	7.69
							(8.70)	(8.70)
6	Receiving of services	Sundaram Auto Components Limited, Chennai						-
		TVS Training and Services Limited, Chennai					1.59	1.59
		TVS Motor Company Limited, Chennai					2.07	2.07
		TVS Digital Limited, Chennai					0.31	0.31
		TVS Holdings Limited, Chennai					0.54	0.54
		Dua Associates, New Delhi					0.10	0.10
			-	-	-	-	4.60	4.60
							(12.61)	(12.61)

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Notes to Consolidated Financial Statements – *(continued)*

(Rupees In crores)

37 - Related party transactions (continued)

Sl No	Nature of transactions	Name of the company	Controlling Entity	Associates	KMP	Relative of KMP	Other related party	Total
7	Remuneration paid	Key Management Personnel			13.00			13.00
			-	-	13.00	-	-	13.00
					(11.51)			(11.51)
8	Contribution to post employment benefit plan	Sundaram- Clayton Limited Employees Provident Fund, Chennai					13.91	13.91
			-	-	-	-	13.91	13.91
							(14.48)	(14.48)
9	Dividend received	Sundram Non-Conventional Energy Systems Limited, Chennai		0.71				0.71
			-	0.71	-	-	-	0.71
				(0.46)				(0.46)
10	Others	CSR Contribution to Srinivasan Services Trust					1.35	1.35
			-	-	-	-	1.35	1.35
							(0.60)	(0.60)
11	Outstanding as on	TVS Motor Company Limited, Chennai					1.57	1.57
	March 31, 2026	Sundaram Auto Components Limited, Chennai						-
	Receivables	TVS Credit Services Ltd, Chennai					0.24	0.24
		TVS Emerald Limited					0.08	0.08
		TVS Holdings Limited					0.22	0.22
			-	-	-	-	2.11	2.11
							(2.67)	(2.67)
12	Outstanding as on	TVS Motor Company Limited, Chennai					2.39	2.39
	March 31, 2026	Sundaram Auto Components Limited, Chennai					0.12	0.12
	Payables	Sundram Non-Conventional Energy Systems Limited, Chennai					0.01	0.01
		TVS Training and Services Limited, Chennai					0.19	0.19
		TVS Holdings Limited, Chennai					0.39	0.39
		TVS Digital Limited, Chennai					0.03	0.03
			-	-	-	-	3.13	3.13
				(0.03)			(3.13)	(3.16)

(Rupees In crores)

38 REVENUE FROM CONTRACT WITH CUSTOMERS

A **Disaggregated revenue**

Revenue from contracts with customers are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Group identifies the product lines, amongst others to indicate the factors as mentioned above. The details of revenue from contracts with customers on the basis of various product lines are as under :

Sl.No	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A.	Type of goods or service		
1.	Automotive components	2,025.61	2,259.30
		2,025.61	**2,259.30**
B.	Geographical markets		
1.	Domestic	1,122.33	1,386.73
2.	Exports	903.28	872.57
		2,025.61	**2,259.30**

B The Group operates in the segment of Automotive components.

C **Reconciliation of contracts with customers**

Movement of contract liabilities for the reporting period given below:

Particulars	For the year ended March 31, 2026	For the period ended March 31, 2025
Contract Liabilities at the beginning of the period	65.04	30.82
Add / (Less) :		
Consideration received during the year as advance	24.20	50.64
Revenue recognized from contract liability	(42.91)	(16.42)
Contract Liabilities at the end of the period	**46.33**	**65.04**

Payment is received in advance towards contracts entered with customers, and is recognised as a contract liability. As and when the performance obligation is met the same is recognized as revenue.

D **Transaction price allocated to the remaining performance obligations**

The Group's contracts with customers are short term(i.e.,the performance obligations are expected to be met within one year or less). Therefore, taking the practical expedient, the details on transaction price allocated to the remaining performance obligations are not disclosed.

E **Reconciliation of amount of revenue recognised in statement of profit and loss with the contracted price**

Particulars	March 31, 2026	March 31, 2025
Sale of Products		
Contract Price	2,025.61	2,259.30
Revenue recognised	**2,025.61**	**2,259.30**
Contract balances:		
a. Contract assets - Trade receivables (refer note 8)	365.98	301.76
b. Contract liabilities - Advance from Customers (refer note 17)	46.33	65.04

(Rupees In crores)

Note 39 : Interests in other entities

(a) Subsidiaries

The Group's subsidiaries at March 31, 2026 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	
Sundaram-Clayton (USA) Limited, USA	USA	0.00%	100.00%	0.00%	0.00%	Automotive components
Sundaram Holding USA Inc., Delaware,USA	USA	100.00%	100.00%	0.00%	0.00%	Automotive components
Green Hills Land Holding LLC, USA	USA	100.00%	100.00%	0.00%	0.00%	Others
Component Equipment Leasing LLC, USA	USA	100.00%	100.00%	0.00%	0.00%	Others
Sundaram-Clayton USA LLC, USA	USA	100.00%	100.00%	0.00%	0.00%	Automotive components
Premier Land Holding LLC, USA	USA	100.00%	100.00%	0.00%	0.00%	Others
Sundaram - Clayton GmbH, Germany	Germany	100.00%	100.00%	0.00%	0.00%	Others
SCL Properties Private Limited	India	100.00%	0.00%	0.00%	0.00%	Others

(b) Interests in associates and joint ventures

The Group has interests in 1 associate that is accounted using equity method.

Particulars	March 31, 2026	March 31, 2025
Aggregate carrying amount of associate	1.36	1.21

Particulars	March 31, 2026	March 31, 2025
Share of profits from associates	0.86	0.36
Other Comprehensive Income	-	-
Total Comprehensive Income	0.86	0.36

(Rupees In crores)

40 Additional Information on net assets and share of profits as at March 31, 2026

Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount Rs. in crores	As % of consolidated profit or loss	Amount Rs. in crores	As % of other comprehensive income	Amount Rs. in crores	As % of total comprehensive income	Amount Rs. in crores
1	2	3	4	5	6	7	8	9
Parent								
Sundaram-Clayton Limited, Chennai	201.90%	1,960.51	(5185.26%)	552.23	(65.19%)	(5.88)	(33518.40%)	546.35
Subsidiaries - Foreign								
Sundaram Holding USA Inc., Delaware, USA	(91.65%)	(889.96)	2820.19%	(300.35)	0.00%	-	18426.38%	(300.35)
Sundaram - Clayton GmbH, Germany	0.48%	4.67	3.38%	(0.36)	0.00%	-	22.09%	(0.36)
Subsidiaries - India								
SCL Properties Private Limited	0.01%	0.10	0.00%	-	0.00%	-	0.00%	-
Sub-total		1,075.32		251.52		(5.88)		245.64
Non Controlling Interest in all subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Sub-total		1,075.32		251.52		(5.88)		245.64
Add:								
Associates								
(Investment as per the equity method)								
Sundram Non-Conventional Energy Systems Limited , Chennai	0.14%	1.36	(8.08%)	0.86	0.00%	-	(52.76%)	0.86
Sub-total	110.88%	1,076.68	-2369.77%	252.38	-65.19%	(5.88)	-15122.45%	246.50
Less: Effect of intercompany eliminations	10.88%	105.63	(2469.77%)	263.03	(165.19%)	(14.90)	(15222.45%)	248.13
Total - Attributable to owners	**100%**	**971.05**	**100%**	**(10.65)**	**100%**	**9.02**	**100%**	**(1.63)**

Note :The above amounts / percentage of net assets and net profit or (loss) in respect of the parent company, its subsidiaries and associates are determined based on the standalone financial statements amounts of the respective entities included in consolidated financial statements before inter-company eliminations / consolidation adjustments

(Rupees In crores)

41 Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.

42 ADDITIONAL REGULATORY DISCLOSURES AS PER SCHEDULE III OF COMPANIES ACT, 2013

i) As per the Group's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

ii) The Group does not have any investment property.

iii) The Group has not granted Loans or Advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) , which are repayable on demand or without specifying any terms or period of repayments.

iv) No proceedings have been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

v) The Group has sanctioned facilities from banks on the basis of security of current assets. The periodic returns filed by the Group with such banks are in agreement with the books of accounts of the Group.

vi) The Group has adhered to debt repayment and interest service obligations on time. "Wilful defaulter" related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

vii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

viii) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary

ix) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries"

x) The Group has not operated in any crypto currency or Virtual Currency transactions

xi) During the period the Group has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

xii) There are no transactions with the Companies whose name were struck off under section 248 of The Companies Act, 2013 during the year ended March 31, 2026.

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Dr. LAKSHMI VENU
Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

Consolidated Financial Statements of *Sundaram-Clayton Limited*

Annexure

Form AOC-I

Statement containing salient features of the financial statement of subsidiaries / associate companies
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

Information in respect of each subsidiary

Rupees in Lakhs

S.No	Particulars	Indian Subsidiary
		SCL Properties Private Limited
1.	Date on which subsidiary was acquired	22-07-2024
2.	Reporting period	01-04-2025 to 31-03-2026
3.	Reporting currency	Indian Rupees
	Closing Exchange rate	Not Applicable
4.	Share capital	10.00
5.	Reserves & Surplus	(0.01)
6.	Total assets	9.99
7.	Total Liabilities	-
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	(0.01)
11.	Provision for taxation	-
12.	Profit after taxation	(0.01)
13.	Proposed Dividend	-
14.	% of shareholding	100

Rupees in crores

S.No	Particulars	Foreign Subsidiaries	
		Sundaram Holding USA Inc	Sundaram Clayton Gmbh
		(1)	(2)
1.	Date on which subsidiary was acquired	11-08-2023	11-08-2023
2.	Reporting period	01-04-2025 to 31-03-2026	
3.	Reporting currency	USD	EUR
	Closing Exchange rate	INR 94.835/USD	INR 108.995/EUR
4.	Share capital	1803.80	4.66
5.	Reserves & Surplus	(913.85)	0.01
6.	Total assets	1,422.70	7.34
7.	Total Liabilities	532.75	2.67
8.	Investments	-	-
9.	Turnover	276.19	10.56

Consolidated Financial Statements of *Sundaram-Clayton Limited*

S.No	Particulars	Foreign Subsidiaries	
		Sundaram Holding USA Inc	Sundaram Clayton Gmbh
10.	Profit before taxation	(300.34)	0.69
11.	Provision for taxation	-	1.05
12.	Profit after taxation	(300.34)	(0.36)
13.	Proposed Dividend	-	-
14.	% of shareholding	100	100

Notes:

1. Sundaram Holding USA Inc. include the consolidation of its subsidiaries viz, Green Hills Land Holding LLC, Component Equipment Leasing LLC, Sundaram-Clayton USA LLC (Formerly known as Workspace Project LLC) and Premier Land Holding LLC, all located at South Carolina, USA.
2. During the year under review, SCL USA was merged with Sundaram Holding USA Inc., USA, another wholly-owned subsidiary of the Company, with effect from the appointed date of 16th December, 2025. The merger was consummated upon receipt of the Certificate of Merger on 4th February, 2026.

Part "B": Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Rupees in crores

S No	Name of Associate	Sundram Non-Conventional Energy Systems Limited
1.	Latest Balance Sheet Date	31-03-2025
2.	Date on which the Associate was acquired	11-08-2023
3.	Shares of Associate held by the company on the year end	
	(i) No. of shares	1,17,650
	(ii) Amount of investment in Associate	0.12
	(iii) Extent of holding %	23.53
4.	Description of how there is significant influence	Holding more than 20% of share capital
5.	Reason why the associate/joint venture is not consolidated	Not Applicable
6.	Net worth attributable to Shareholding as per latest Balance Sheet	1.36
7.	Profit / (Loss) for the year:	
	(i) Considered in consolidation	0.86
	(ii) Not considered in consolidation	Not Applicable

Note : Associates which have been liquidated or sold during the year – Nil.

VENU SRINIVASAN
Chairman & Managing Director
DIN: 00051523

Dr. LAKSHMI VENU
Managing Director
DIN: 02702020

R VENKATESH
Director & CEO
DIN: 11569393

As per our report annexed
For Raghavan, Chaudhuri & Narayanan
Chartered Accountants
Firm Regn. No.007761S

V HARIHARAN
Chief Financial Officer

P D DEV KISHAN
Company Secretary

V SATHYANARAYANAN
Partner
Membership No.:027716

Date: 14th May 2026
Place: Chennai

Date: 14th May 2026
Place: Bengaluru

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